

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD IN THE DISTRICT OFFICE AT FORT WORTH, TEXAS, ON
THE 23RD DAY OF MARCH, 1954, AT 9:30 A.M.

The call of the roll disclosed the presence or absence of the Directors as follows:

PRESENT

Joe B. Hogsett
Houston Hill
Dan H. Priest
A. T. Seymour, Jr.

ABSENT

W. L. Pier

Also present were Messrs. Sidney L. Samuels and Wm. M. Brown of the legal staff of the District; C. L. McNair, General Manager of the District; Ben F. Hickey, Land Agent of the District and Marvin C. Nichols of the firm of Freese and Nichols, Consulting Engineers for the District.

Director Hogsett acted in his capacity as President, and Director Priest acted in his capacity as Secretary, whereupon proceedings were had and done as follows:

1.

The following voucher-checks issued on this date, on motion of Director Seymour, seconded by Director Hill, were approved, all Directors present voting aye thereon; said voucher-checks with their respective numbers, the name of the payee and the amount of the voucher-check issued as of this date are as follows:

<u>VOUCHER NO.</u>	<u>PAYABLE TO</u>	<u>AMOUNT OF VOUCHER-CHECK</u>
5041	J. B. Clardy Construction Co. (Estimate No. 18 - Final)	\$ 61,552.68
5042	Mrs. Andrew Olsen	550.00
5043	Industrial Tests	72.00

(Continued)

<u>VOUCHER NO.</u>	<u>PAYABLE TO</u>	<u>AMOUNT OF VOUCHER-CHECK</u>
5044	Remington Rand	\$ 24.60
5045	Hi-Way Machinery Company	14,000.00
5046	Marian Herring Boat Works, Inc.	23.05
5047	Reed Stewart, Assessor-Collector	129.07
5048	Tri-County Electric Cooperative, Inc.	5.82
5049	Texas Power & Light Company	12.30
5050	Ottinger Construction Company (Estimate No. 9 - Final)	86,375.00
5051	Wm. J. Meggs	24,000.00
5052	Joe M. Breen and H. B. Harris, individually and as partners, d/b/a Trailer Home Sales Co., and Frank Crumley	5,000.00

2.

Mr. C. L. McNair, General Manager of the District, submitted to the Board a form of contract between the District and the City of River Oaks for the supply of water to the citizens of River Oaks. A copy of said contract is filed in the archives of the District and when the said governing body of the City of River Oaks will have signed and executed such contract, the Board of Directors have authorized the signatures of Mr. Hogsett, President of the District, and Mr. Priest, Secretary thereof. The contract to be in that event executed in duplicate so that each party to the contract will have the signatures of both contracting parties thereto. The contract in outline provides that said City of River Oaks is situated partly within and partly without the territorial boundaries of the District and that the maximum requirements of raw water for the needs of the inhabitants of River Oaks as set forth in its application to the District are reported to be 3,000,000 gallons (9.2 acre feet) per day. On the other hand the District agrees, from its available water resources, to supply to the said Town of River Oaks, subject to the obligation of the District

#8

with respect to supplying water to other municipalities and to industrial enterprises, a quantity of raw water not to exceed the maximum requirements hereinbefore set out in its application to the District.

It is further provided that no charge would be assessed against the City of River Oaks and no payment be required by the District for the consumption of water in that part of the area of River Oaks which lies wholly within the boundaries of the District, but that in determining the maximum quantity of water to be supplied to River Oaks there shall be computed the quantity of water consumed by River Oaks in the area that lies outside the boundaries of the District in forming such maximum requirements. It also provided that the City of River Oaks would pay the District for the consumption of said water at the rate of four cents (4¢) per one thousand (1,000) gallons or any fraction thereof for water consumed by River Oaks in the area which lies outside the boundaries of the District. There are very many other provisions of the contract and therefore the entire contract is attached in folio to these minutes and made a part hereof. The entire contract having been read in full text before the Board, all the members of the Board present voting aye thereon and the contract was accordingly ratified and approved.

3.

Mr. Wm. M. Brown of the legal staff of the District presented to the Board of Directors a contract between Joe M. Breen on the one hand and the District and the City of Fort Worth on the other in settlement of suit pending in the District Court, wherein Breen was Plaintiff and the District and the City of Fort Worth were Defendants, in which Breen sought to recover \$74,000.00 damages resulting out of his lease

of land abutting upon the bridge which had been shut off from travel and the business which he conducted practically destroyed. Breen had leased the premises in question from Mrs. Georgia Marie Langever, the fee simple owner of the property, and was in possession of the premises when the improvement and expansion of the West Seventh Street Bridge was undergoing reconstruction. A compromise was finally effected between the contending parties for the sum of \$10,000.00 of which total sum \$5,000.00 was to be paid by the District and \$5,000.00 by the City of Fort Worth. It was deemed advantageous by the District that this settlement should be approved and contract to that effect was drawn up and prepared by Mr. Wm. M. Brown of the legal staff of the District, which contract was submitted to the Board and by unanimous vote of all Directors present was ordered to be executed on behalf of the District by Mr. Hogsett, President of the District, and also by the governing authorities of the City of Fort Worth. Pursuant to such an arrangement the Board of Directors authorized and instructed that Voucher-Check No. 5052 in the amount of \$5,000.00 be issued as of this date payable to Joe M. Breen and H. B. Harris, individually and as co-partners doing business under the firm name and title of Trailer Home Sales Company and to the order of Mr. Frank Crumley, attorney for the Plaintiffs. The voucher-check was accordingly drawn and prepared and was executed on behalf of the District by the four (4) Directors who were present.

4.

Mr. Ed B. Cheatham again brought to the attention of the Board members present of the existence of a certain check issued by The Fort Worth National Bank of Fort Worth, Texas, April 1, 1948,

No. B 592301 payable to the order of the Tarrant County Water Control and Improvement District Number One in the amount of \$445.00 and described as a Cashier's Check on the face thereof and signed by J. A. Cozby, Vice-President and Cashier of The Fort Worth National Bank of Fort Worth, Texas.

Mr. Cheatham proceeded to explain how it came into the possession of the District and why it had lain without action over a period of years - since April 1, 1948. This check at the direction of the General Counsel, Mr. Sidney L. Samuels, was allowed to repose in the files of the District growing out of the resignation of John Bourland who had served as Tax Assessor and Collector of Tarrant County and as Tax Assessor and Collector for the District under a contract of employment with the District and a bond given to the District for the faithful performance of his duties as Tax Assessor and Collector for the District.

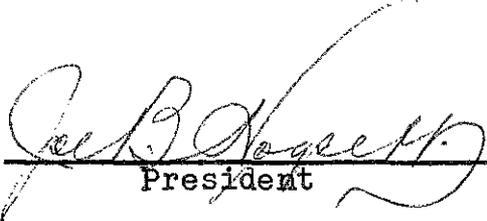
It appears from the records and the facts in the case that John Bourland, the aforesaid Tax Assessor and Collector, was required to execute a new bond and that the office of the said John Bourland as Tax Assessor and Collector was closed in December 1947, and thereupon under date of April 8, 1948, D. B. Lambdin, Manager of Maryland Casualty Company (the Company which had executed the other bond for the said John Bourland as Tax Assessor and Collector) addressed a letter to the District in which letter the said Company enclosed a draft for \$445.00 return premium, and as was stated in said letter, representing the unearned premium on the bond of John Bourland which the Maryland Casualty Company as surety in the penalty of \$50,000.00 for the performance of the duties of the said John Bourland as Tax

Assessor and Collector of Tarrant County and also the District, which Surety Bond was dated December 26, 1946. The letter further continued to say that the Maryland Casualty Company had petitioned the Commissioners Court of Tarrant County to be released on the liability of the above bond inasmuch as the Maryland Casualty Company was tendering to the District an unearned premium on the bond beginning December 17, 1947. The letter was signed D. B. Lambdin, Manager.

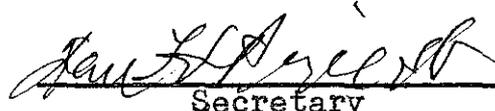
Because of the fact that there was a difference in opinion between the attorney representing the Maryland Casualty Company and the Counsel of the District respecting the matter, the draft or check for \$445.00 was returned to the Maryland Casualty Company and immediately following such return the Maryland Casualty Company sent the check back to the District with the announcement that the check was the property of the District as part of the return premium for part of the unexpired term. The check was returned and remained in the archives of the District until at the present meeting exhibited to the members of the Board of Directors with the history of its origin. Upon the advice of the Counsel to the members of the Board, it was resolved that the check should now be deposited in the depository of the District, the Continental National Bank of Fort Worth, Texas, to the credit of the District's Interest and Sinking Fund, and that no blame or criticism should attach to Mr. Ed B. Cheatham in the matter. It was accordingly so ordered, all the Directors present voting aye thereon. It was further ordered that photostatic copy of the said check be attached as an exhibit to these minutes and that the communications between the parties with reference to said check should also form a part of these minutes and be attached thereto in folio.

5.

There being no further business before the Board, the meeting then adjourned.



President



Secretary

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD IN THE DISTRICT OFFICE IN FORT WORTH, TEXAS, ON THE
14TH DAY OF JUNE, 1950, AT 2:00 P.M.

The call of the roll disclosed the presence or absence
of Directors, as follows:

PRESENT

Joe B. Hogsett
Houston Hill
Dan H. Priest
W. L. Pier

ABSENT

Gaylord J. Stone

Also present were Sidney L. Samuels, General Attorney for the Dis-
trict, and C. L. McNair, General Manager of the District.

Director Hogsett acted in his capacity as President, and
Director Priest acted in his capacity as Secretary, whereupon pro-
ceedings were had and done as follows:

EXCERPT. NO. 6

It was brought to the attention of the Board that a re-
quest had been made by John Bourland, former Tax Assessor and
Collector for Tarrant County, requesting that the bond he had
executed to the District for faithful performance of his duties as
Assessor and Collector of taxes for Tarrant County Water Control
and Improvement District Number One be released and discharged.
The bond of which he made mention was executed by the U. S. Trust
and Guaranty Company, a corporation with headquarters in Waco,
Texas, and is dated the 19th day of January, 1948. On motion of
Director Pier, seconded by Director Priest, the matter of the bond
and the release requested thereof by John Bourland, was referred
to the General Attorney of the District for report thereon.

See other side this sheet

*See minutes March 23, 1954
January 1954, Feb 1954*

*Mr. Samuels has not made a report through up to June 30, 1952
OCTOBER 5, 1953*

The Directors said not to deposit Cashiers Check No. Bt92001
of the Fort Worth National Bank until Mr. Samuel had a
clearance on John Dowland from the County Auditor.

I wanted to deposit the check in the Interest and Savings
Fund but Mr. Pier said not to deposit the check until Mr. Samuel
had a clearance from the County Auditor.

MARYLAND CASUALTY COMPANY

STEWART McDONALD, CHAIRMAN OF THE BOARD AND PRESIDENT

FORT WORTH CLAIM DIVISION

D. B. LAMB DIN, MANAGER

1603 FORT WORTH NATIONAL BANK BUILDING
FORT WORTH 2, TEXAS

APR - 9 1948

47-128 Bond
Tarrant County Water Control & Improvement
John Bourland

April 8, 1948

Tarrant County Water Control & Improvement Dist.#1
Capps Building
Fort Worth, Texas

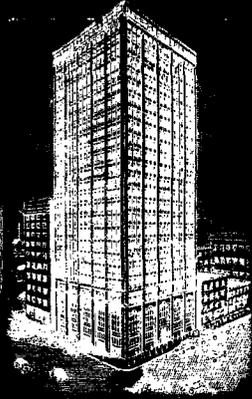
Gentlemen:

Attached hereto is a draft for \$445.00 representing the unearned premium on the bond of John Bourland which the Maryland Casualty Company executed as surety in the penalty of \$50,000.00 as Tax Assessor and Collector for the Tarrant County Water Control and Improvement District #1, said bond being dated December 26th, 1946. As you know, the Maryland Casualty Company petitioned the Commissioner's Court to be relieved of liability of the above bond as the Maryland Casualty Company has been released from all further liability under the attached bond, we are tendering you a return premium beginning December 17, 1947, as we have no liability on the bond after that date due to the fact that Mr. Bourland's office was closed between December 17th and December 31st.

Very truly yours,

D. B. Lambdin
D. B. Lambdin, Manager

DBL:jf
Enc.



THE FORT WORTH NATIONAL BANK

$\frac{37-5}{1113}$ No. B 592301

PAY TO THE ORDER OF

FORT WORTH, TEXAS

APR 1 - 1948

$\frac{37-5}{1113}$

TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT No. 1

\$445⁰⁰

FORT WORTH NATIONAL BANK \$445 and 00 cts

CASHIER'S CHECK



Garland

VICE PRESIDENT & CASHIER ASST CASHIER

MADE IN TEXAS

FOR DEPOSIT ONLY
PAY TO THE ORDER OF
CONTINENTAL NATIONAL BANK
MEMPHIS, TENN.
TARRANT COUNTY WATER CONTROL and
IMPROVEMENT DISTRICT NUMBER ONE

BY *J. A. Chestnut*

A.R. # 4332
MAR 23 1954

*Director
File*

April 22, 1948

Maryland Casualty Company,
1603 Fort Worth National Bank Bldg.,
Fort Worth 2, Texas.

Attention: Mr. D. B. Lambdin, Manager.

IN RE: 47-128 Bond of John Bourland, Tax
Collector for Tarrant County Water
Control and Improvement District
Number One.

Dear Sirs:

We are herewith returning to you cashier's check on Fort Worth National Bank, No. B 592301, dated April 1, 1948, in the sum of \$445.00, payable to order of Tarrant County Water Control and Improvement District Number One, executed by J. A. Cozby, vice-president and cashier of Fort Worth National Bank of Fort Worth, Texas.

We beg leave to advise you that this bond is still in effect and that no ground for cancellation exists thereon of which any official notification has been made or given to the Tarrant County Water Control and Improvement District Number One, nor to its Board of Directors.

John Bourland, in virtue of his selection by the board of Directors of such District, under the Statutes governing such matters, became and was the tax assessor and collector of Tarrant County Water Control and Improvement District Number One. We are not advised of any breach on that bond by Mr. Bourland, nor was any communication addressed to this Board under which it was claimed that such bond on which Maryland Casualty Company appears as surety, had been violated or breached by Mr. Bourland. We may add with propriety, that if any notice was served upon the County Commissioners of Tarrant County, such notice would relate to the official status of John Bourland as Collector and Assessor of County taxes and of taxes for the State of Texas.

Maryland Casualty Co.
1603 Ft. Worth Nat. Bank Bldg.
Fort Worth, Texas.

Page 2.
April 22, 1948

We, therefore, as hereinbefore stated, return to you the cashier's check which was enclosed in your letter of April 8, 1948, and expect to continue to hold the Maryland Casualty Company as a surety on the bond heretofore given to this District by John Bourland in his official capacity as assessor and collector of taxes for Tarrant County Water Control and Improvement District Number One.

This letter with the cashier's check is sent you in response to the instructions of the Board of Directors of this District.

Kindly acknowledge receipt of the enclosure and oblige.

Very truly yours,

TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NUMBER ONE.

By C. R. McParr
General Manager.

CLM: mh
Enc. Cashier's check.

CC: Dubose, Rutledge & Miller,
Fort Worth National Bank Bldg.,
Fort Worth 2, Texas.

CANTEY, HANGER, MCKNIGHT & JOHNSON

SAMUEL B. CANTEY (1882-1924)
WILLIAM A. HANGER (1856-1944)
W. D. SMITH
SAMUEL B. CANTEY, JR.
ALFRED MCKNIGHT
GILLIS A. JOHNSON
R. K. HANGER
WARREN SCARBOROUGH
J. A. GOOCH
CARLISLE CRAVENS
BYRON SCARBOROUGH
EMORY CANTEY
JACK C. WESSLER
W. B. THOMPSON
PEVERIL O. SETTLE, JR.
J. KIRBY SMITH

FORT WORTH 2, TEXAS

May 27, 1948

Tarrant County Water Control and Improvement
District Number One
Danciger Building, Corner 5th and Throckmorton Streets
Fort Worth 2, Texas

Re: 47-128 Bond of John Bourland, Tax Collector
for Tarrant County Water Control and Improve-
ment District Number One.

Gentlemen:

Your letter of April 22, 1948, addressed to the
Maryland Casualty Company, 1603 Fort Worth National Bank Building,
Fort Worth 2, Texas, returning check in the amount of \$445.00
payable to the Tarrant County Water Control and Improvement
District No. 1, has been turned over to us for reply.

We beg to differ with you that this bond is still in
effect. Regardless of any official notification ever given to
the Tarrant County Water Control and Improvement District Number
One, the writer happens to know that each and every one of these
men had knowledge of the closing of the office of John Bourland,
Tax Collector of Tarrant County, and furthermore, it is our
opinion that the office was closed in accordance with the
applicable statutes of the State of Texas. You are further
advised that it is not necessary under the laws of this State
for there to have been a breach of the bond of the Tax Collector
and Assessor for the cancellation of the bond.

We are also further advised that you had actual notice
of what was required for John Bourland to open his office of
Tax Assessor and Collector after it had been closed, and we have
knowledge to the effect that you accepted a bond of John Bourland
insofar as the Tarrant County Water Control and Improvement
District Number One was concerned, and accordingly we herewith
tender to you Cashier's Check No. B 592301 dated April 1, 1948,
in the amount of \$445.00 as refund on the unearned premium on
the bond had with you in Maryland Casualty Company, and further
advise you that in the event of default in any moneys owed to
Tarrant County Water Control and Improvement District Number
One on the part of John Bourland, Tax Assessor and Collector

LETTER READ TO MR. J. P. ...
HE SAID NO ANSWER NECESSARY.
CALL TO HIS ATTENTION AT
NEXT MEETING.
Mr. McNair, also R.F.R. Letter

RECEIVED
MAY 29 1948

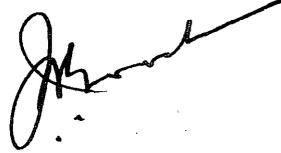
Page 2 - Tarrant County Water Control and
Improvement District Number One

May 27, 1948



after his office was closed in December of 1947, the Maryland
Casualty Company will not in any wise be responsible therefor.

Yours very truly,



JAG:ac
Enc.

2 c.c. Maryland Casualty Company
1603 Fort Worth National Bank Building
Fort Worth 2, Texas
Attention: Mr. D. B. Lambdin

June 22, 1948.

Maryland Casualty Company,
Honorable J. A. Gooch, Attorney therefor:
1603 Fort Worth National Bank Building,
Fort Worth 2, Texas.

Gentlemen:

We wish to make answer to letter dated May 27, 1948, written and signed on behalf of Maryland Casualty Company by Honorable J. A. Gooch.

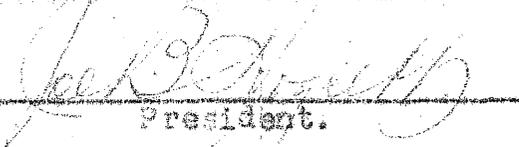
It is very evident that there is a wide gulf that divides the opinion of Mr. Gooch from that entertained by the law department of the District. If there had been a breach of the bond by the Principal, Mr. Bourland, and notice thereof addressed to some other Body, it would not bind the District. The fact that the members of the Board were unofficially aware of the occurrence of certain events would no more bind the District than if a Judge of a District Court were walking along the streets of the city and should personally observe a motor car collision. Certainly the fact that the Judge observed it would not dispense with proof of the collision in the trial of the case before his court.

We may further say that the statute concerning the opening of the tax collector's office had no relevancy to the Water District, but related solely to the State and County. A breach of the bond must occur before a surety could legally withdraw therefrom. Decisions of the courts are in concert on this question.

 We have heretofore tendered the check which you had sent and the tender still holds good.

Very truly yours,

TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NUMBER ONE.

By 

President.

CC: Honorable J. A. Gooch,
Sinclair Bldg.,
Fort Worth, Texas.