

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 30TH DAY OF APRIL, 1958 AT 10:30 A.M.

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

<u>PRESENT</u>	<u>ABSENT</u>
Joe B. Hogsett	W. L. Pier
Houston Hill	A. T. Seymour, Jr.
Lacy Boggess	

Also present was Mr. Ben Hickey, General Manager of the District.

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

1.

On motion duly made and seconded, the minutes of the
meeting held on April 17, 1958 were read and approved by the Di-
rectors and it was accordingly ordered that such minutes be placed
of record.

2.

On motion of Director Hill, seconded by Director Boggess,
voucher-checks #11670 to #11735 inclusive, were approved and ordered
paid, having theretofore received the approval and verification of
Mr. J. M. Williams, County Auditor, who by virtue of the Statutes
is the Auditor of this District as well. All the Directors voted
aye thereon.

3.

It was the consensus of opinion and the order of the Directors, that after studying the insurance premiums now in force for the District and the written proposal of Mr. W. H. A. Terry, representing the firm of Lawrence, Highfill and Terry, a well known, qualified firm specializing as insurance counselors, that it would be to the advantage of the District to use the services of Mr. Terry in an advisory capacity.

4.

There was presented to the Directors, a request from the Texas State Highway Department for an easement right-of-way over and across a tract of land owned by the District located in the W. H. Little Survey and said requested easement being more particularly described, to-wit:

Being a portion of that tract or parcel of land out of the W. H. Little Survey, Abstract No. 945, conveyed to Tarrant County Water Control and Improvement District No. One, by Warranty Deed from George H. Kiosseff, dated March 8, 1951, and recorded in the Tarrant County Deed Records in Vol. 2293, page 363, and being more particularly described by metes and bounds as follows:

BEGINNING at a point in the proposed East right of way line of U. S. Highway 81, said point being North $88^{\circ} 40' 15''$ West along the North line of the W. H. Little Survey, a distance of 719.14 feet and South $2^{\circ} 07' 24''$ East 200.56 feet and South $6^{\circ} 24' 45''$ East 529.75 feet from the Northeast corner of said W. H. Little Survey, said point also being in the South line of Angela Spartos, and North line of Tarrant County Water Control and Improvement District No. One property and 160 feet East of and at right angle to Sta. 87/24 on proposed centerline of U. S. Highway 81, and being in the middle of the Trinity River;

THENCE SOUTH $6^{\circ} 24' 45''$ East along the proposed East right of way line of U. S. 81, a distance of 1,011.48 feet to the point of intersection of said proposed east right of way line and the west line of Lot 13, Block 3, Greenway Place East Addition; a distance of 38-52/100 feet from its southwest corner;

THENCE NORTH $28^{\circ} 38' 46''$ West along said line, a distance of 311.48 feet to the northwest corner of Lot 13, Block 4, said Greenway Place East Addition;

THENCE SOUTH $61^{\circ} 21' 14''$ West along the South line of Lot 6, Block 4 of said Greenway Place East Addition a distance of 50 feet, to its southwest corner;

THENCE NORTH $28^{\circ} 38' 46''$ West along the West line of said Lot 6, Block 4 a distance of 100 feet to the south line of Portland Avenue in all a distance of 150 feet to a point in the North line of Portland Avenue, at the Southeast corner of Lot 11, Block 5, of said Greenway Place East Addition;

THENCE SOUTH $61^{\circ} 21' 14''$ West along the South line of said Lot 11, Block 5, a distance of 50 feet to its outhwest corner;

THENCE NORTH $28^{\circ} 38' 46''$ West along the West line of said Lot 11, Block 5, of said addition a distance of 100 feet to the Northeast corner of said lot;

THENCE SOUTH $61^{\circ} 21' 14''$ West along the South line of Lot 4, Block 5, a distance of 15.89 feet to a point in proposed West right of way line of U. S. Highway 81;

THENCE NORTH $6^{\circ} 24' 45''$ West along the proposed West right of way line of U. S. Highway 81, a distance of 739.29 feet to a point in the South Line of Angela Spartos property and the North property line of Tarrant County Water Control and Improvement District No. One, said point being 160 feet from and normal to Sta. 80+15.62 on proposed centerline of U. S. Highway 81, and being the middle of the Trinity River;

THENCE in a southeasterly direction down said River, along the joint property line of Angela Spartos and the Tarrant County Water Control and Improvement District No. One, a distance of approximately 340 feet to the point of beginning and containing 6.08 acres of land, more or less.

It was further explained that the purpose of the easement was for the construction of the North-South Freeway, a State Highway.

The easement right-of-way instrument had heretofore been prepared and approved by Mr. J. Scott, Attorney for the District, and with assurances from the General Manager of the District that all requirements of the District had been incorporated with the easement as now presented, it was the unanimous opinion of the Directors, and their order, that the easement be granted.

5.

Mr. William McGill of the firm of Wainwright and Ramsey, financial consultants for the District, reported to the Directors that several conferences had been held with representatives of the District and the firm of McCall, Parkhurst and Crowe, bond counsel for the District, toward the completion of a rough draft of a proposal for financing the proposed \$53,500,000.00 new water supply for this area. Mr. McGill stated that the draft would be completed and given to the Directors for their study and consideration this week and that during the week ending May 10, he (Mr. McGill) would return to Fort Worth for a conference with the Directors.

6.

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


Secretary


President

Lawrence, Highfill & Ferry

W. T. WAGGONER BUILDING • FORT WORTH, TEXAS •

INSURANCE
UNDERWRITING
AND ADVISORY

Established
1884

April 16, 1958

Mr. Lacy Boggess
914 Houston Street
Fort Worth 2, Texas

Dear Lacy:

Insurance - Tarrant County Water Control
and Improvement District No. 1

As promised in discussion with you, we have reviewed the District's list of insurance policies carried, and have obtained additional information to permit making up the enclosed tabulation headed "Annual Premiums from List". The figures represent yearly cost of the insurance, irrespective of policy terms, and thus form a sound basis of comparison. This has been carefully considered in the light of the surrounding circumstances.

These circumstances include the desire of the Directors and the full-time management for suitable kinds and amounts of insurance, for proper protection to the District, at proper premium cost; competitive solicitations of the entire account by taxpaying insurance companies and agents; and a recognition that best over-all results should be obtained by concentrating responsibility for the program in a single office, or at least in fewer hands than the present eight agencies.

We regret that the solution available in some localities, of using a Placement Board to service all municipal, county, school and other public insurance, is not available here. Efforts to form such an organization have not been successful. While such a Placement Board would relieve the District of selecting individual insurance offices, it would not necessarily be more or less effective than a competent individual agency in servicing your account.

It would be your privilege to designate one office, from this list or otherwise, to write all policies. In our own experience we have seen public officials favor this course and find that it created ill will out of proportion to the benefits. Some insurance agents tend to regard public patronage as their rightful property, and if dispossessed to talk to many people of their displeasure. For these reasons we suggest that rather than eliminate the entire list, it may be preferable to consider other possibilities.

Mr. Lucy Boggs
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Incidentally, in regard to solicitation of the account as a whole by insurance companies or on behalf of specific companies, we believe it is equitable and desirable that your premiums go to good local companies of this kind. We suggest, however, that you can get more service for the same money by selecting the agent or agents and conferring with them on the company selection. The business means much more to the agent than to the company, and if the agent needs company assistance he can get it readily. To the best of our knowledge, Commercial Standard does not write business direct, and the agent to whom they assigned your policies would not necessarily have any interest in working for you.

With further reference to the enclosed list of annual premiums by agencies, it will be seen that all but the top two or three are concerned with small percentages of the total and no great sums in dollars. Due to the number of persons and the smaller amounts involved, we believe that in dropping these smaller participants entirely there could be something to lose and little to gain, as such would not provide an influential amount of business to transfer to another office. Apart from the boats and the bonds, most of this coverage is carried by local companies.

The workmen's compensation and public liability policies are written by Turner-Young Company in a Hartford, Connecticut company, and the automobile policy by Ward Collier Agency in International Service. Neither the general public liability policy nor the automobile policy is written on the broadest form of policy, and while we first saw them about 24 hours ago, we find some evidence of gaps in the coverage.

For example, the liability coverage on an insured truck is suspended while it is towing any trailer owned by the policyholder and not covered by like insurance in the same company. There are no trailers listed in the automobile policy, and thus no coverage provided for such use of any trailer. However, the equipment floater policy (covering physical damage only) does show two commercial trailers which presumably are used at times, with no liability insurance on truck or trailer while on the road.

There are further possible questions in regard to other items of motorized equipment. The general public liability policy applies to them in actual operation, but excludes "automobiles" off the insured's premises. There should be a careful check of the actual equipment and its uses against the policy definition of "automobiles".

The general public liability policy is on the Manufacturers and Contractors form and indicates an intent to cover work defined as "Clearing and Grading of land" along with the premises hazard on work places, shops, office, etc. This may be exactly what you desire but it appears to make no provision for dwellings or other premises you own apart from maintenance operations. It specifically excludes the "Independent Contractor"

Mr. Lacy Ruggens
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hazard which means you have no liability coverage for a claim made against the District by reason of accident in the work of an independent contractor performing a job for you.

In general, it would always be desirable that an operator of earth-moving equipment have his compensation-liability insurance and his automobile liability insurance placed in the same company, and obtain a broad type of automobile coverage at least. This is for the reason that if there is an accident with some border-line type of vehicle, that one company will have the full responsibility for defense or settlement under one policy or the other. As the coverage now stands in two companies and under only basic policies, it could be possible that both would be in position to deny liability, or that much time and effort would be required to get them into agreement.

Considering all the foregoing, we believe your best results would be obtained by the Board selecting a single Agent of Record for purposes of insurance checking and supervision, and directing that the workmen's compensation, public liability and automobile insurance be placed with the same company; and that in the main at least, those existing policies which account for small fractions of the total be left undisturbed.

There is, of course, no way to arrive at this improvement without one or two changes, but they need not involve many people. From the company standpoint, perhaps the Board would desire to select for the casualty-automobile carrier either Commercial Standard or International Service. We offer our opinion that the best long-term results may be expected from a standard-rate company like Commercial Standard which knows it is facing competition, as against another company relying on dividends (Commercial Standard has offered a participating plan on the compensation risk).

We believe the post of Agent of Record will be gladly accepted by any licensed agent who is to get all your business, but further believe you will be better served to avoid that, and on a partial participation - full service arrangement do not know the attitudes of our competitors, but can tell you the following with assurance.

If the Board wishes to change the workmen's compensation, public liability and automobile risks to our office for placing in Commercial Standard, which we represent as an agent, whereby we can handle details with the company on a regular agency basis, we will proceed promptly with a thorough review of all the District's policies in respect to rates, coverage, values and other pertinent questions, and if agreeable will make a personal inspection of all houses, buildings, etc. in company with a staff member. We will render a written report of survey findings, and throughout the year cooperate toward consolidation of scattered small policies and in similar services.

Mr. Lacy Hoggess
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If the Board desires it we will for the current year pay brokerage commissions to Ward Collier Agency and/or Turner-Young Company as may be directed, up to a maximum of 50% of the commissions received on these policies to either or both combined. The expression "current year" is used whereby both the Board and our agency will in other years be free to repeat the same way, or agree on change as the facts dictate.

If the maximum of 50% of commission is assigned, this work will be done on a thin margin and we will hope to gain approval to the extent of additional patronage at such times as new risks arise or old connections happen to be ended. However, our work will stand on its own merits with no obligation by the District beyond necessary cooperation in our assembling information and in our dealing with other agents and companies on any changes you desire.

We hope some of this material will be helpful, and thank you for the opportunity to present our views.

Very truly yours,

For Lawrence, Highfill & Terry

W. H. A. Terry, C.P.C.U.
THT

Annual Premiums from List

Workmen's Compensation and Public Liability	Turner-Young Co.	3,516.28	42%
Automobiles	Ward Collier	2,118.46	25%
Equipment Floater	E. S. Williams	973.82	12%
Fire	Harrison-Aetna	335.92	4%
Fire	Mostly E.S. Williams	194.02	2%
Boats	E. S. Kuykendall & Sons	554.07	7%
Employees' Fidelity Bond	Head-Tees, W & H	149.51	2%
Directors' Bonds	Mitchell, Jertner & T	62.50	1%
County Tax Col. Bond	Lawrence, Highfill & T	<u>443.75</u>	5%
		8,348.33	