

MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD IN THE COUNCIL CHAMBER AT THE CITY HALL OF FORT
WORTH, TEXAS ON FEBRUARY 24, 1960 AT 11:00 A.M.

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

PRESENT

Joe B. Hogsett
Houston Hill
Lacy Boggess
W. L. Pier
Wayne E. Newton

Also present were Messrs. Ben Hickey General Manager of the Dis-
trict, Millard Parkhurst and J. D. McCall Bond Consultant and William
McGill Financial Consultant, in addition to interested parties and
bidders or representatives of bidders of the \$6,000,000.00 issue
now being offered, as per Official Statement issued.

1.

President Hogsett called the meeting to order at 11:05
A.M., by stating that if there were no additional bids to be sub-
mitted, as he had at that time accepted Nine (9) sealed bid proposals,
then he would now open each Bid and have read aloud the contents
therein; which were, to-wit:

<u>BIDDER</u>	<u>EFFECTIVE RATE OF INTEREST</u>
1. Blyth & Company, Inc. Smith Barney & Co.	3.94008
2. Northern Trust Company	3.945
3. Halsey, Stuart & Co., Inc.	3.95940
4. The First National City Bank of New York and Associates	3.9642
5. Rauscher, Pierce & Co. Phelps, Fenn & Co.	4.0088851
6. Lehman Brothers	4.0172
7. Harris Trust & Savings Bank The Chase Manhattan Bank The First Boston Corporation	4.038446
8. The First National Bank of Chicago	4.061158
9. Kidder Peabody & Co.	4.101

Following the opening of the Bids, there was some discussion regarding an alternate proposal, as submitted by Rauscher, Pierce & Co. along with their regular bid, as requested by the District in the advertising for Bid Proposals, and in the Form as submitted by the other eight (8) bidders; at this time President Hogsett stated that this meeting would now recess until 1:30 P. M., for further study of the submitted bids, and at which time the meeting would reconvene at the General Office of the District.

Promptly at 1:30 P. M., President Hogsett called the

meeting to order and asked Mr. William McGill to give his report on the tabulation of the nine (9) bids received, whereon Mr. McGill stated that upon his re-checking of the submitted bids, his findings were as follows:

<u>MANAGERS OF THE SYNDICATE</u>	<u>APPROX. NO. IN THE SYNDICATE</u>	<u>NET INTEREST COST</u>	<u>EFFECTIVE RATE OF INTEREST %</u>
1. Blyth & Company, Inc. Smith Barney & Co.	17	\$6,147,327.50	3.94008
2. Northern Trust Company	21	6,155,074.00	3.945
3. Halsey, Stuart & Co., Inc.	17	6,177,460.00	3.95940
4. The First National City Bank of New York and Associates	27	6,184,980.50	3.9642
5. Rauscher, Pierce & Co. Phelps, Fenn & Co.	29	6,254,620.00	4.008885
6. Lehman Brothers	24	6,267,575.00	4.0172
7. Harris Trust & Savings Bank The Chase Manhattan Bank The First Boston Corpora- tion	19	6,300,785.00	4.038446
8. The First National Bank of Chicago	15	6,336,220.00	4.061158
9. Kidder Peabody & Co.	21	6,398,386.00	4.101

Mr. McGill stated, that as had been requested by the District in the Official Statement and the Bid Form, he (Mr. McGill) now found that Blyth & Company had submitted the lowest net interest cost for the \$6,000,000.00 offered, being that of \$6,147,327.50, and

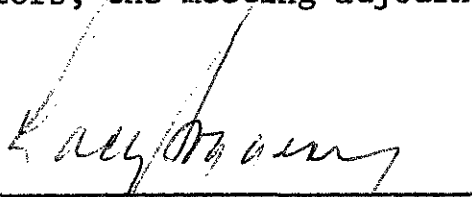
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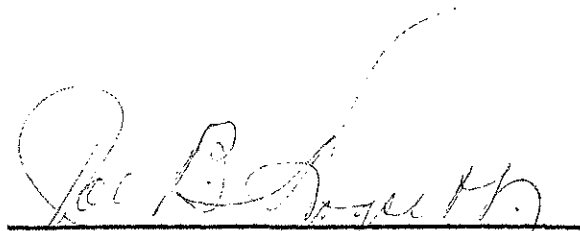
that the said Blyth bid did conform to all requirements as asked for by the District and was the lowest effective interest rate submitted, being that of 3.94008%; however, Mr. McGill stated that the alternate bid submitted by Rauscher, Pierce & Co., along with their regular bid, did reflect an interest rate lower than the 3.94008 of Blyth & Company, but it was his opinion that the alternate bid not be accepted because the true net interest rate of a discount bid such as the alternate bid now offered, for many reasons, was not the net lowest rate nor the best for the District, for the \$6,000,000.00 offered and needed by the District.

President Hogsett stated, after a thorough general discussion, that it would be his recommendation to the Directors, that Mr. McGill restudy the alternate bid of Rauscher, Pierce & Co., and make a full and complete report to the Directors of his findings and recommendations, and that the Directors meet on February 25th at 10:00 A. M. for further discussion. This meeting with the unanimous approval of all Directors it was so ordered.

2.

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


Secretary


President