

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 4TH DAY OF FEBRUARY, 1965 AT 1:30 P. M.

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

<u>PRESENT</u>	<u>ABSENT</u>
Joe B. Hogsett	Lacy Boggess
Houston Hill	
Wayne E. Newton	
Clyde A. Penry	

Also present were Messrs. John M. Scott General Counsel for the
District; Millard Parkhurst and Robert Lewis Bond Attorneys; William
McGill Financial Advisor and Ben Hickey General Manager of the
District.

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

1.

President Hogsett stated that Twelve (12) sealed bid
proposals had been received by the District for the sale of Five
(5,000,000)Million Water Control Bonds, Series 1965 as heretofore
advertised in the official Statement and Bid Form furnished bidders;
and that upon tabulation of the bids received the net interest costs
and effective interest rate for each were as follows:

<u>MANAGERS OF SYNDICATE</u>	<u>NET INTEREST COST</u>	<u>EFFECTIVE RATE OF INTEREST</u>
Blyth & Co., Inc. Smith, Barney Co., Inc. and Associates	\$ 2,862,418.50	3.1238%

Lehman Brothers Kuhn, Loeb & Co. Salomon Brothers & Hutzler Blair & Co., Granbery, Marache, Inc. Hornblower & Weeks - Hemphill, Noyes and Associates	\$ 2,863,935.00	3.1255%
Republic National Bank of Dallas The Fort Worth National Bank And Associates	2,859,120.00	3.1203%
The First National Bank of Chicago	2,858,633.00	3.1197%
Harris Trust and Savings Bank, Chicago The Chase Manhattan Bank The First Boston Corporation First National Bank of Fort Worth Eddleman, Pollok & Fosdick William N. Edwards & Company	2,847,278.23	3.1073%
Halsey, Stuart & Co., Inc.	2,855,420.00	3.1162%
First National City Bank And Associates	2,854,617.50	3.1153%
The Northern Trust Company & Associates	2,849,426.00	3.1097%
Phelps, Fenn & Co. Rauscher, Pierce & Co., Inc.	2,849,105.00	3.10936%
Chemical Bank New York Trust Company & Associates	2,845,745.00	3.1056%
Kidder, Peabody & Co. Incorporated and Associates	2,906,435.00	3.1719%
First National Bank in Dallas Merrill Lynch, Pierce, Fenner & Smith, Inc.	2,844,740.50	3.1045%

Following a general discussion, and upon the recommendation of Mr. William McGill Vice President of Wainwright & Ramsey Inc. Financial Advisors for the District, Director Penry, seconded by

Director Newton, made a motion that the bid proposal submitted by the First National Bank of Dallas, Texas and Merrill Lynch, Pierce, Fenner & Smith, Inc. at a net interest cost of \$2,844,740.50 Dollars, with a net interest of 3.1045% be accepted by the District; whereon all Directors voted aye thereon and it was so ordered.

2.

President Hogsett stated that it was now in order to adopt a Resolution directing the issuance of the \$5,000,000.00 Tarrant County Water Control and Improvement District Number One Bonds, Series 1965; prescribing the form and terms of said Bonds, and providing for the security and payment thereof.

Whereon Director Hill made the following motion, seconded by Director Penry and unanimously adopted; to-wit:

WHEREAS, on November 12, 1964, an election was held in Tarrant County Water Control and Improvement District No. 1 resulting favorably to the issuance of \$13,575,000 of General Flood Control Bonds, and the levy of an ad valorem tax for the payment thereof, unlimited as to rate or amount; and

WHEREAS, the bonds hereinafter authorized are to be issued and delivered pursuant to the Constitution and Laws of the State of Texas, including Acts 1957, 55th Legislature, Regular Session, Chapter 268;

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1:

1. For the purpose of further improving the flood control facilities of said District, there shall be issued the

negotiable bonds of the District to be designated as "Tarrant County Water Control and Improvement District No. 1 Water Control Bonds, Series 1965", in the amount of \$5,000,000.

2. That said bonds shall be numbered consecutively from 1 through 1,000, and shall be of the denomination of \$5,000 each, aggregating \$5,000,000.

3. That said bonds shall be dated January 1, 1965, and shall become due and payable serially on January 1 in the years and amounts as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
1969	\$ 60,000	1980	\$ 110,000
1970	70,000	1981	120,000
1971	80,000	1982	345,000
1972	90,000	1983	365,000
1973	90,000	1984	465,000
1974	90,000	1985	485,000
1975	100,000	1986	495,000
1976	100,000	1987	515,000
1977	100,000	1988	535,000
1978	110,000	1989	565,000
1979	110,000		

4. That said bonds shall bear interest at the following rates:

Bonds maturing 1969 through 1973, 5% per annum;
 Bonds maturing 1974 through 1985, 3% per annum;
 Bonds maturing 1986 through 1989, 3.10% per annum;

Interest shall be payable July 1, 1966, and semi-annually thereafter on January 1 and July 1 of each year, and shall be evidenced by coupons attached to the Bonds.

5. That both the principal of and interest on said Bonds shall be payable in lawful money of the United States of America at The Fort Worth National Bank, Fort Worth, Texas, or, at the option

of the holder thereof, at the principal office of The Chase Manhattan Bank, New York, New York, without exchange or collection charges to the owner or holder thereof. Payment of the interest on said bonds to the maturity thereof shall be made only upon presentation and surrender of the coupons.

6. That said bonds may be registered as to principal alone in the manner for which provision is made in Section 9 hereof. Notwithstanding the registration of the bonds as to principal alone, the coupons shall remain payable to bearer and shall continue to be transferable by delivery.

7. The bonds maturing January 1, 1969, through January 1, 1974, inclusive, are not subject to redemption prior to maturity. The bonds maturing after January 1, 1974, are subject to call and redemption, prior to maturity, at the option of the District, as a whole or in part on any interest payment date on and after January 1, 1974. The redemption price of such bonds shall be par and accrued interest to the date set for redemption plus a premium of

3-1/2% of the principal, if redeemed on or after January 1, 1974, but on or before January 1, 1978;

2-1/2% of the principal, if redeemed thereafter, but on or before January 1, 1981;

1% of the principal, if redeemed thereafter, but on or before January 1, 1984;

1/2% of the principal, if redeemed thereafter, but on or before January 1, 1987;

and thereafter without premium. If said bonds are called in part, they shall be called in inverse order of maturity and by lot within a maturity. At least thirty days before the date fixed for any such

redemption the District shall cause a written notice of such redemption to be published at least once in a financial publication published in the City of New York, New York. By the date fixed for any such redemption, due provision shall be made with the paying agents for the payment of the principal amount of the bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption and the premium, if any. If the written notice of redemption is published, and if due provision for such payment is made, all as provided above, the bonds, which are to be so redeemed, thereby automatically shall be redeemed prior to maturity, and they shall not bear interest after the date fixed for redemption, and shall not be regarded as being outstanding except for the purpose of receiving the funds so provided for such payment.

8. That each of said bonds and interest coupons shall be signed by the imprinted or lithographed facsimile signature of the President of the Board of Directors and attested by the imprinted or lithographed facsimile signature of the Secretary of said Board, and the official seal of the District shall be impressed, or printed, or lithographed in facsimile on each of said bonds.

9. The bond form and the endorsements to appear thereon and the form of the interest coupons to be attached thereto shall be substantially as follows:

NO. _____

\$5,000

STATE OF TEXAS
COUNTY OF TARRANT
TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NO. 1
WATER CONTROL BOND
SERIES 1965
(A MUNICIPAL BOND)

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT

NO. 1 (hereinafter sometimes called "District"), in the County of Tarrant, State of Texas, a governmental agency and body politic and corporate, organized and existing under the Constitution and laws of the State of Texas, for value received, hereby promises to pay to bearer, or, if this bond be registered, to the registered owner hereof, on the ____ day of _____, 19____, the principal sum of

FIVE THOUSAND DOLLARS

and to pay interest from the date hereof at the rate of ____% per annum, evidenced by interest coupons payable on July 1, 1965, and semi-annually thereafter on each January 1 and July 1 while this bond is outstanding. The principal of this bond, unless this bond be registered as to principal, and the interest coupons attached hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, or the registered owner if this bond be registered, upon presentation and surrender of this bond or proper interest coupon, at The Fort Worth National Bank, Fort Worth, Texas, or, at the option of the holder hereof, at the principal office of The Chase Manhattan Bank, New York, New York, which places shall be the paying agents for this Series of bonds.

This bond may be registered as to principal alone in accordance with the provisions endorsed hereon. This Bond, and the interest coupons attached hereto are and shall be negotiable instruments and subject to the provisions for registration as to

principal alone endorsed hereon. Nothing contained in this Bond shall affect or impair the negotiability of this Bond or interest coupons attached hereto. This Bond is issued with the intent that the laws of the State of Texas shall govern its construction.

This bond is one of a series of coupon bonds dated January 1, 1965, issued in the principal amount of \$5,000,000, for the purpose of further improving the flood control facilities of the District.

The bonds of this series scheduled to mature on and after January 1, 1975, may be redeemed prior to their scheduled maturities, at the option of the District, as a whole or in part on any interest payment date on and after January 1, 1974. The redemption price of such bonds shall be at par and accrued interest to the date set for redemption plus a premium of

3-1/2% of the principal if redeemed on or after January 1, 1974, but on or before January 1, 1978;

2-1/2% of the principal if redeemed thereafter but on or before January 1, 1981;

1% of the principal if redeemed thereafter but on or before January 1, 1984;

1/2% of the principal if redeemed thereafter but on or before January 1, 1987;

and thereafter without premium. If said bonds are called in part, they shall be called in inverse order of maturity and by lot within a maturity. At least thirty days before the date fixed for any such redemption the District shall cause a written notice of such redemption to be published at least once in a financial publication published in the City of New York, New York. By the date fixed for any such redemption, due provision shall be made with the paying agents for

the payment of the principal amount of the bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption and the premium, if any. If the written notice of redemption is published, and if due provision for such payment is made, all as provided above, the bonds, which are to be so redeemed, thereby automatically shall be redeemed prior to maturity, and they shall not bear interest after the date fixed for redemption, and shall not be regarded as being outstanding except for the purpose of receiving the funds so provided for such payment.

It is hereby certified, recited, and covenanted that this bond has been duly and validly issued and delivered, that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this bond have been performed, existed, and been done, all in accordance with law; that this bond is a general obligation of said District, issued on the full faith and credit thereof; and that the annual ad valorem taxes required to pay the interest and principal of this bond when due have been levied and ordered to be levied against all taxable property in said District, and have been pledged irrevocably for such purpose, without limit as to rate or amount.

IN WITNESS WHEREOF, this Bond and the interest coupons attached hereto have been signed by the imprinted or lithographed facsimile signature of the President of the Board of Directors of said District and attested by the imprinted or lithographed facsimile signature of the Secretary of said Board; and the official seal of said District has been duly impressed, or printed, or lithographed

in facsimile on this Bond.

TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NO. 1

By _____
President

ATTEST:

Secretary

(FORM OF REGISTRATION CERTIFICATE)

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. 36643

I hereby certify that this bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas; and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

Comptroller of Public Accounts of
the State of Texas

PROVISION FOR REGISTRATION

This Bond may be registered as to principal alone on books of the District kept by The Fort Worth National Bank, Fort Worth, Texas, as Bond Registrar, upon presentation hereof to the Bond Registrar, which shall make notation of such registration in the registration blank below, and this Bond may thereafter be transferred only upon a duly executed assignment of the registered owner or his attorney in such form as shall be satisfactory to the Bond Registrar, such transfer to be made on such books and endorsed hereon by the Bond Registrar. Such transfer may be to bearer and thereby transferability by delivery shall be restored, but this Bond

shall again be subject to successive registrations and transfers as before. The principal of this Bond, if registered, unless registered to bearer, shall be payable only to or upon the order of the registered owner or his legal representative.

Notwithstanding the registration of this Bond as to principal alone, the coupons shall remain payable to bearer and shall continue to be transferable by delivery.

DATE OF REGISTRATION	NAME OF REGISTERED OWNER	SIGNATURE OF REGISTRAR
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(FORM OF INTEREST COUPON)

NO. _____ \$ _____

On _____, 19____, Tarrant County Water Control and Improvement District No. 1, in the County of Tarrant, State of Texas, promises to pay to bearer, unless due provision has been made for the redemption prior to maturity of the bond to which this interest coupon is attached, the amount of _____ Dollars in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this interest coupon, at The Fort Worth National Bank, Fort Worth, Texas, or, at the option of the holder hereof, at the principal office of The Chase Manhattan Bank, New York, New York,

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said amount being interest due that day on the bond, bearing the number hereinafter designated, of that issue of Tarrant County Water Control and Improvement District No. 1 Water Control Bonds, Series 1965, dated January 1, 1965. Bond No. _____.

Secretary, Board of Directors

President, Board of Directors

Section 10. That a special fund or account, to be designated the "Tarrant County Water Control and Improvement District No. 1 Water Control Bonds, Series 1965, Interest and Sinking Fund" is hereby created and shall be established and maintained by said District at its official depository bank. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said District, and shall be used only for paying the interest on and principal of said bonds. All taxes levied and collected for and on account of said bonds shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said bonds or interest coupons appertaining thereto are outstanding and unpaid, the Board of Directors of said District shall compute and ascertain the rate and amount of ad valorem tax, based on the latest approved tax rolls of said District, which will be sufficient to raise and produce the money required to pay the interest on and principal of said bonds, as such interest comes due, and such principal matures, with full allowances being made for tax delinquencies and costs of tax collections. Said rate and amount of ad valorem tax is hereby ordered to be levied and is hereby levied against all taxable property in said District for

each year while any of said bonds or interest coupons appertaining thereto are outstanding and unpaid, and said ad valorem tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes necessary to pay the interest on and principal of said bonds, as such interest comes due, and such principal matures, are hereby pledged irrevocably for such purpose, without limit as to rate or amount.

Section 11. That the President of the Board of Directors of said District is hereby authorized to have control of said bonds and all necessary records and proceedings pertaining to said bonds pending their delivery and their investigation, examination, and approval by the Attorney General of The State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of said bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein to be printed and endorsed on each bond, and the seal of said Comptroller shall be impressed, or printed, or lithographed on each of said bonds.

Section 12. That said bonds are hereby sold and shall be delivered to First National Bank in Dallas, Dallas, Texas and Merrill Lynch, Pierce, Fenner and Smith, Inc., being the highest and best bidder, for the principal amount thereof and accrued interest to the date of delivery, plus a premium of \$149.50.

ADOPTED AND APPROVED this the 4th day of February, 1965.

/s/ Joe B. Hogsett
President, Board of Directors,
Tarrant County Water Control and
Improvement District No. 1.

ATTEST:

Secretary, Board of Directors,
Tarrant County Water Control and
Improvement District No. 1.

3.

President Hogsett stated that the District would deliver the \$5,000,000.00 Tarrant County Water Control and Improvement District Number One Water Control Bonds Series 1965, and accept payment therefor, on approximate February 24, 1965, and recommended that the following Resolution be adopted, to-wit:

WHEREAS, this District has offered for sale its water supply bonds, Series 1965, in the principal amount of \$5,000,000.00 and pursuant to due notice and bidding procedures, the offer of First National Bank in Dallas, Dallas, Texas and Merrill Lynch, Pierce, Fenner & Smith, Inc., was determined to be the best and highest bid therefor and said offer was accepted; and

WHEREAS, it is required that this District by action of this Board of Directors inform and authorize the various agencies, banks and bankers, and other persons with respect to this District's funds and the handling of the funds to be received pursuant to the sale of said bonds;

NOW, THEREFORE, BE IT RESOLVED: That the President and the Secretary of this District be authorized and directed to issue letters of instructions and authority to the Attorney General of the State of Texas, the Comptroller of the State of Texas, The Fort Worth National Bank, The Chase Manhattan Bank, and such other persons, bankers, agents and corporations as may be determined reasonably necessary for the handling, authentication, signature and delivery of the bonds aforesaid and the receipt, de-

posit, handling and management of the funds of this District involved in the said transaction, in the form of letters attached to and made a part of this resolution.

The President and Secretary of this Board of Directors are further authorized and directed to execute any and all necessary legal documents as may be approved by the Honorable Millard Parkhurst of the firm of McCall, Parkhurst and Horton, who are bond counsel for this District, as may be proper and required to complete the delivery of the bonds of this District aforesaid and the receipt of the proceeds of the sale of said bonds and the handling of said bonds and funds and proceeds in accordance with law and with the requirements of the proceedings, documents and obligations of this District as evidenced by the transcript of the bond proceedings relating to the sale of the said water supply bonds, Series 1965, in the principal amount of \$5,000,000.00.

Whereon, Director Newton made the motion, seconded by Director Penry that the above Resolution be adopted. This meeting with the unanimous approval of all Directors, it was so ordered.

4.

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

Wayne E. Newton
Acting Secretary

W. L. H. H. H. H. H.
President