

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 12TH DAY OF JUNE, 1973 AT 4:00 P. 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>
Wayne E. Newton	Paul Mason
Clyde A. Penry	
J. Oliver Shannon	
C. Victor Thornton	

Also present were Messrs. Joe B. Hogsett, Honorary Chairman of the Board; John M. Scott, General Counsel for the District and Ben Hickey, General Manager of the District.

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

1.

On motion duly made and seconded, the minutes of the meeting held May 7, 1973 were read and approved by the Directors and it was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

On motion of Director Penry, seconded by Director Shannon, voucher-checks #3189 thru #3202 inclusive, Construction Fund; voucher-checks #12980 thru #13195 inclusive, Maintenance Fund; voucher-checks #422 thru #426 inclusive, Interest and Sinking Fund; voucher-checks #3237 thru #3276 inclusive; Revenue Fund and voucher-checks #3880 thru #3899 inclusive, Cedar Creek Construction Fund were approved

and ordered paid. All Directors voted aye thereon.

3.

President Newton presented the matter of issuance of checks to pay expenses and accounts of the District; and following a lengthy discussion Director Penry made a motion, seconded by Director Thornton and unanimously passed, that the following method of issuing checks drawn on the accounts of the District be now adopted and authorized, as follows:

I. REQUIRING ONLY SIGNATURES OF AUDITOR AND GENERAL MANAGER OR ASSISTANT MANAGER:

- (a) for payment of current expenses and accounts not to exceed FIVE THOUSAND (\$5,000.00) DOLLARS;
- (b) detailed list of such checks be presented at each meeting of Board of Directors.

II. REQUIRING SIGNATURE OF ONE (1) DIRECTOR, AUDITOR AND GENERAL MANAGER OR ASSISTANT MANAGER:

- (a) For payment of current expenses exceeding FIVE THOUSAND (\$5,000.00) DOLLARS;
- (b) for all land purchases;
- (c) for capital expenditures;
- (d) for bond and interest payments;
- (e) for all contracts (Four Directors).

4.

The following bid proposals were presented for the purchase by the District of (a) ONE (1) New 1973 Model CE66213 Chevrolet truck required in the operation of the District;

Bruce Lowrie Chevrolet Company	\$6,324.92
Bill McKay Chevrolet Company	\$6,484.56
Jack Williams Chevrolet Company	\$6,499.56

(b) ONE (1) New 30KW, 90 Amp., 240 Volt diesel general as per District's specifications to provide emergency power to the Supervisory Control Building, computer and radio tower necessary for the operation of the Cedar Creek Pipeline and Flood Control Systems. The following bid proposals were presented:

Waukeska-Pearce Industries, Inc.	\$4,527.00
Mercury Equipment Company	\$7,675.00
Moody-Day, Inc.	\$3,555.00

Following a general discussion Director Thornton made the following motion, that was seconded by Director Penry and unanimously passed, (a) that the low bid as presented by Bruce Lowrie Chevrolet Company in the amount of \$6,324.92 be accepted by the District; (b) that upon assurance from management of the District that the bid proposal of Moody-Day, Inc. was not the District's specifications and was not usable as a source of power for computer use, that the District accept the bid proposal of Waukeska-Pearce, Inc. in the amount of \$4,527.00.

5.

The following bid proposals, to purchase from the District, five (5) houses located in the flood plain of the West Fork of the Trinity River, to-wit:

BIDS RECEIVED FOR HOUSES ON RED CARDINAL LANE

	<u>5573</u>	<u>5569</u>	<u>5561</u>	<u>5557</u>	<u>5553</u>
Gorman E. Ware	\$	\$1,878.00	\$	\$1,221.00	\$2,553.00
John W. McCormick					3,150.00
Richard Roy			8,000.00		
Arthur J. Wanner		3,457.00			

BIDS RECEIVED FOR HOUSES ON RED CARDINAL LANE (continued)

	<u>5573</u>	<u>5569</u>	<u>5561</u>	<u>5557</u>	<u>5553</u>
H. D. Snow, Inc.	\$3,275.00	\$3,275.00	\$3,275.00	\$2,800.00	\$3,150.00
Carleton J. Ware	2,100.00	2,100.00	3,210.00	1,600.00	2,100.00

Following a tabulation of the bids it was found that the proposals of John W. McCormick and H. D. Snow, Inc. were both in the amount of \$3,150.00. It was the opinion of the Directors that the names of the two bidders - McCormick and Snow be placed on separate slips of paper, placed in a recepticle and one (1) paper be selected by President Newton; whereon President Newton did draw the name of H. D. Snow, Inc. and Mr. McCormick, who attended the drawing, was advised that H. D. Snow, Inc. was the successful bidder for improve-located at 5553 Red Cardinal Lane.

The following letter was presented, to-wit:

*Tarrant County Water Control
800 E. North Side Drive
Fort Worth, Texas*

Att'n. General Manager

June 7, 1973

Dear Sir:

I wish to withdraw my \$8,000.00 bid on the house at 5561 Red Cardinal Lane for the following reasons.

- 1. My bid was \$4,700.00 higher than the others, so I was overbidding too much. My reason for bidding high was that I had the impression that the previous owner was bidding on the house and they wanted it bad, and that several people had looked at it ans that was the one they wanted; so therefore I felt that I had to bid high to get it.*
- 2. If I had any ideas that the only bidders bidding against me were professional movers I would not have bid so high.*
- 3. Mr. ware, the house mover, had moved several houses to Godley (where I live) at approximately \$1.00 per Sq. ft.. I had gotten an estimate from him a few months ago on a larger older house with approximately 2500 sq. ft. for*

\$3,000.00. His estimate for moving the house at 5561 Red Cardinal Lane to Godley was \$5500.00. This is more than I had estimated in my figuring.

4. I believe that by withdrawing and waiting for another change I can save some money even if I have to forfeit my down payment. However if you can I would greatly appreciate your refunding my down payment.

Thanking you for your consideration in this matter I remain.

Respectfully yours,

/s/ Richard Roy

Richard Roy

Following a general discussion, Director Penry made a motion that, with the recommendation of management and General Counsel of the District, the bid proposals as submitted by H. D. Snow, Inc. for the improvements located on 5573, 5561, 5557 and 5553, all located on Red Cardinal Lane in Fort Worth, Texas, and being more particularly described in the permanent records of the District, in the amounts shown above be accepted; that the bid of Arthur J. Wanner in the amount of \$3,457.00 for improvements located at 5569 Red Cardinal Lane be accepted; and that the above listed letter from Mr. Richard Roy be accepted as a withdrawal of his bid proposal of \$8,000.00 for improvements located at 5561 Red Cardinal Lane and that his performance or good faith bond in the amount of \$800.00 be retained by the District.

6.

The following letter was presented to the Directors, to-wit:

Mr. Ben Hickey, Manager
Tarrant County Water Control & Improvement District #1
800 E. Northside Drive
P.O. Box 4508
Fort Worth, Texas 76106

Dear Mr. Hickey:

We have been in conversation with City Officials from the Cities of Bedford and Euless. We understand that, through the Trinity River Authority, you have contracted to sell raw water to these two cities, as well as to Arlington and Mansfield under other similar arrangements.

The City of North Richland Hills presently has a contract for water purchase from the City of Fort Worth through which we purchased about five million gallons per day during the peak days of last year. However, the Fort Worth facilities for this supply point are not capable of much additional supply, and we must look to another source.

The master plan for our water system, serving an ultimate population of 94,300 people, indicates the most desirable method of supplemental supply to be from two additional supply points - from the Northwest for an ultimate of 10 million gallons per day and from the Northeast an ultimate of 12 million gallons per day. While we can delay a few years with additional deep wells, we feel it is preferable to develop the supply from the Northeast at this time for the following reasons:

- (1) The bulk of our growth is occurring nearer this source. Also, the major distribution mains are more adequate in this area; thus, our cost of distributing the water would be substantially less in the next few years.
- (2) The terms of purchase of the North Richland Hills water system provide for the sale of the Watauga System to the City of Watauga in the years to come and a supply point West of their City Limits might complicate this procedure.
- (3) We attempted a cooperative effort with the City of Haltom City within the last year for an additional supply from the West, but negotiations fell through when they asked 6.6¢/1000 for transportation of the water through their City Limits.

For these reasons, as well as some technical ones, which our engineers can explain, we are pursuing a supply from the Northeast as shown on the attached master plan.

The Cities of Bedford and Euless advise us that, in order for their system to serve our citizens, the T.C.W.S. & I.D. No. 1 must approve such service. We, therefore, have not contacted the Trinity River Authority since the Authority apparently does not have the contractual right to extend service to us. We respectfully request that your Board of Directors agree to allow the T.R.A. to furnish our City with this water service so that we may begin discussions with the T.R.A. about our participation in their project.

Your prompt reply will be appreciated since we must vigorously pursue

this matter in order to avert a shortage in the near future.

Yours very truly,

/s/ Marion L. Massey

*Marion L. Massey
Mayor*

Following a general review by management and General Counsel of the District relating to the supplying of water to the Northeast Section of Tarrant County from the Cedar Creek Project it was the consensus of opinion of all Directors, and their order, that management, General Counsel and Consulting Engineers for the District prepare a proposal to the City of North Richland Hills.

7.

President Newton recalled to the Directors that at a meeting held by the Board of Directors on April 10, 1973 a Resolution was passed that in substance would allow persons over 65 years of age, living within the District boundaries, an exemption of \$3,000.00 of the assessed valuation of residence homesteads; however, since that date Mr. John M. Scott, General Counsel of the District, had studied the matter and recommends that the Directors extend the previous passed Resolution with the following:

WHEREAS: Under the Constitution of Texas this District has the power to exempt \$3,000.00 of the assessed value of residence homesteads of persons 65 years of age or older from all ad valorem taxes hereafter levied by this District, and

WHEREAS; This District has determined that such an exemption from ad valorem taxes will not impair or affect the ability of this

District to provide funds for the principal and interest of all bonded indebtedness of this District, and of all costs, expenses and requirements of this District, and

WHEREAS; This District has determined that sound considerations of public policy justify this District in extending the exemption allowed by the Constitution of Texas.

NOW, THEREFORE, Be it Resolved by the Board of Directors of the Tarrant County Water Control and Improvement District Number One on this the 12th day of June, 1973, that: There shall hereafter be exempt \$3,000.00 of the assessed value of residence homesteads of persons 65 years of age or older from all ad valorem taxes hereafter levied by the Tarrant County Water Control and Improvement District Number One; and,

Be it further Resolved: That this exemption shall continue until such time as the Board of Directors of the Tarrant County Water Control and Improvement District Number One may hereafter determine that such exemption impairs, affects or diminishes in any way the ability of the District to provide all funds required to pay and discharge the principal and interest of all of the bonded indebtedness of this District when due according to the terms of such bonds whether now or hereafter issued, at which time and upon such determination, the Board of Directors of the Tarrant County Water Control and Improvement District Number One reserves the right and by appropriate order so finding, shall have the power to rescind this resolution of exemption.

Whereon Director Thornton moved that the heretofore passed

Resolution on April 10, 1973 be now extended by the form of Resolution as listed hereinabove. Director Shannon seconded this motion and all Directors voted aye thereon and it was so ordered.

8.

President Newton stated that prior to this meeting all Directors had been furnished information relative to the establishing of the tax rate for 1974 reflecting a detailed breakdown of expenditures estimated to be required for the Interest and Sinking, Maintenance and Revenue Funds; and following his review and a general discussion, and with the recommendation of management of the District Director Penry made a motion seconded by Director Shannon and unanimously passed, that the current ad valorem tax rate of TWENTY-FIVE (25¢) cents per each \$100.00 valuation applicable to the properties within the taxing jurisdiction of the District as placed on the tax rolls of Tarrant County by its Assessor-Collector, and that the revenues produced by said rate be allocated as follows: FIFTEEN (15¢) CENTS to the account of the Maintenance Fund and TEN (10¢) CENTS to the Interest and Sinking Fund; and also that the following preliminary budget be adopted for the Revenue Fund of the Cedar Creek Project, to wit:

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
 CEDAR CREEK PROJECT
 REVENUE FUND
 PRELIMINARY BUDGET FOR THE YEAR, 1974

BALANCE January 1, 1974 Cash & Investments		\$ 2,500,000.00
INCOME		
Water Sales	\$ 3,000,000.00	
Interest Income	446,000.00	
Installments on Notes	99,748.00	
Interest on Notes	75,358.00	

INCOME (Continued)

Lease Rental & Concession Income	\$ 40,000.00	<u>3,661,106.00</u>
		\$ 6,161,106.00

EXPENDITURES

Maturing Bonds	690,000.00	
Interest on Bonds	2,713,395.00	
Administrative Expense	10,000.00	
Maintenance Expense	200,000.00	
Operating Expense - Pipeline	80,000.00	
Pumping Costs	109,000.00	
Trustee Fees	<u>3,000.00</u>	<u>3,805,395.00</u>
		<u>\$ 2,355,711.00</u>

9.

The Directors were presented the Monthly Financial Report regarding Receipts and Disbursements for Program "A", "B" And "D" and the Cedar Creek Project, for the month of April, 1973, from the Auditor of the District, which was ordered accepted and placed in the District's Records.

10.

President Newton stated to the Directors that he was concerned, and felt certain that all present were also concerned, about the sharp rise in inflation and decline of purchasing power that so affects the economic fact of life for employees and their families. Following a thorough discussion, Director Thornton made a motion, which was seconded by Director Penry and unanimously approved, that this District now authorize an increase in salary for all regular employees of the District, effective June 1, 1973, to be determined by using the per cent of increase as published by the U. S. Bureau's Cost of Living Council Index, for the period from December 31, 1972 to May 31, 1973.

11.

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

J. O. Shannon
Secretary

Wayne E. Newton
President