

MINUTES OF A CALLED MEETING OF THE BOARD OF DIRECTORS OF TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE, HELD AT THE DISTRICT OFFICE IN FORT WORTH, TEXAS, ON JANUARY 25TH A.D., 1928, AT 9:30 O'CLOCK A.M.

At this meeting President W.R. Bennett presided. Also present were Directors E.E. Bewley, C.A. Hickman and W.S. Cooke. Secretary W.K. Stripling was out of the City, and Director C.A. Hickman was appointed by the Chair as Acting Secretary. Also present for consultation were Sidney L. Samuels and Ireland Hampton, Attorneys for the District. At this meeting the following proceedings were had and done, viz:

1st. President Bennett stated that the meeting had been called for the purpose of arranging temporary finances to care for the maturity of the outstanding preliminary notes of the District numbered from 36 to 75, which will mature on February 1st, 1928. He stated that he was prepared to receive motions concerning this matter. Thereupon Director E.E. Bewley did move that this Board of Directors do adopt as the act and deed of Tarrant County Water Control and Improvement District Number One, certain findings of facts, conclusions and orders, which findings of facts, conclusions and orders are in words, symbols and figures as follows, viz:

AGREEMENT TO EXTEND PRELIMINARY NOTES

STATE OF TEXAS

COUNTY OF TARRANT

KNOW ALL MEN BY THESE PRESENTS:

1st. At a special meeting of the Board of Directors of Tarrant County Water Control and Improvement District Number One, held on December 1st, 1924, W.G. Turner, Director and president, W.E. Bideker, Director and Secretary, and Directors W.E. Austin, W.C. Weeks, and H.M. Hightower, were present, they being all of the Directors of said District. Among other proceedings the following official acts were had, done and taken, by a vote of five Directors "for" the action, being all the Directors; no Director voted against the action. Said acts appear of record in "Minute Book No. 2" of the District, pages 4 to 10, both inclusive. Said acts are in said minutes expressed in words and figures as follows, viz: -

A N O R D E R

PROVIDING FOR AND AUTHORIZING THE ISSUANCE OF NOTES OF TARRANT COUNTY WATER IMPROVEMENT DISTRICT NO. 1 AND PROVIDING FOR THE LEVY, ASSESSMENT AND COLLECTION OF TAXES TO PAY THE INTEREST ON, AND PRINCIPAL OF, SAID NOTES.

W H E R E A S , at an election duly and legally called and held in Tarrant County Water Improvement District No. 1 on the 7th day of October 1924, at which election a majority of the votes cast were in favor of the issuance of notes of said district in a sum not to exceed

fifteen per cent of the proposed cost of improvements to be made in said District, for the purpose hereinafter stated; and

WHEREAS, the proposed cost of said improvements is the sum of One Million Dollars (\$1,000,000.00), and the amount of said notes hereinafter authorized to be issued does not exceed fifteen per cent of said sum, therefore,

IT IS HEREBY ORDERED BY THE BOARD OF DIRECTORS OF TARRANT COUNTY WATER IMPROVEMENT DISTRICT NO. 1:

1. That notes of Tarrant County Water Improvement District No. 1 be issued for the purpose of creating a fund to pay the cost of organization of the District and the cost of all surveys, investigations, engineering, issuance of bonds, making and filing of maps and reports and all legal expenses connected therewith, and all other costs and expenses authorized or made necessary by chapter 87 of the Acts of the thirty-fifth Legislature and amendments thereof.

2. THAT said notes shall be numbered consecutively from 1 to 75 inclusive, shall be of the denomination of One Thousand Dollars (\$1,000.00) each, aggregating Seventy-five Thousand Dollars, (\$75,000.00).

3. That said notes shall be dated the 1st day of December, 1924 and shall become due and payable as follows:-

- Nos. 1 to 15, one year from their date,
- Nos. 16 to 35 two years from their date,
- Nos. 36 to 75 three years from their date.

4. That said notes shall bear interest at the rate of five (5%) per cent per annum, payable semi-annually on the first day of August and

the 1st day of February of each year, except coupon No. 1 on each of said notes which shall be for fourteen months interest and payable on the 1st day of February 1926.

5. That the principal and interest on said notes shall be payable upon presentation and surrender of notes or proper coupons in lawful money of the United States of America at the Bank of America, New York, N.Y., or at the Farmers and Mechanics National Bank, Fort Worth, Texas, at the option of the holder.

6. That each of said notes shall be signed by the President of the Board of Directors of said District, Countersigned by the Secretary of said Board, and the seal of said District shall be impressed upon each of them. The Fac simile signatures of the President and Secretary may be lithographed on the interest coupons attached to said notes, and shall have the same effect as if they had been signed by them.

7. On the face of each of said notes shall appear the following recital: "This note is secured by the assessment, levy and collection of taxes as provided for the assessment, levy and collection of taxes for the payment of the bonds of said District, provided, however, it shall be paid off, satisfied and discharged out of the proceeds of bonds of said district, when issued and sold. If bonds of said District are not voted at the election held for that purpose, then, in that event, this note shall continue in force and effect and shall be paid off, satisfied and discharged by the assessment, levy and collection of taxes. If this note matures before

Bonds of said District are issued and sold, then it shall be paid off, satisfied and discharged out of taxes assessed, levied and collected for that purpose."

8. Said notes shall be in form and shall contain recitals substantially as follows:

No \_\_\_\_\_ \$1,000.00

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTY OF TARRANT.

TARRANT COUNTY WATER IMPROVEMENT DISTRICT NO. 1 PROMISSORY NOTE.

KNOW ALL MEN BY THESE PRESENTS: That Tarrant County Water Improvement District No. 1, in the County of Tarrant, State of Texas, for value received hereby promises to pay to bearer on the 1st day of February 192\_\_\_, the sum of

ONE THOUSAND DOLLARS

in lawful money of the United States of America, with interest thereon from date hereof, until paid at the rate of five (5%) per annum payable semi-annually on August 1st and February 1st of each year, except interest coupon No. 1 hereto attached which is for fourteen months' interest and payable on the 1st day of February, 1926, and both principal and interest are payable at the Bank of America, New York, N.Y., or at the Farmers & Mechanics National Bank, Fort Worth, Texas, at the option of the holder and for the prompt payment of this note and the interest thereon at Maturity, the full faith, credit and resources of Tarrant County Water Improvement District No. 1 are hereby irrevocably pledged.

This note is secured by the assessment, levy and collection of taxes for the payment of the bonds of said district, provided, however, it shall be paid off, satisfied and discharged out of the proceeds of bonds of said district when issued and sold. If bonds of said District are not voted at the election held for that purpose, then in that event, this note shall continue in force and effect and shall be paid off, satisfied and discharged by the assessment, levy and collection of taxes. If this notes matures before bonds of said district are issued and sold, then it shall be paid off, satisfied and discharged out of taxes assessed, levied and collected for that purpose. In case the bonds of said district are issued and sold, the depository for said district shall give notice in writing to said Bank of America and to said Farmers and Mechanics National Bank, to the effect that it holds funds for the payment of the unpaid notes of said series, if any, and if the same are not presented for payment within 30 days from the date of said notice, they shall cease to bear interest after the date so fixed for payment.

This note is one of a series of notes numbered consecutively from 1 to 75, inclusive of the denomination of \$1,000.00 each, aggregating \$75,000.00 issued by said District for the purpose of creating a fund to pay the cost of the organization of said district and the cost of all surveys investigations, engineering, issuance of bonds, making and filing of maps and reports, all legal expenses connected therewith, and all costs and expenses authorized or made necessary by Chapter 87 of the Acts of the 35th Legislature and amendments thereof, in strict accordance with the Constitu-

tion and Laws of Texas, and particularly said Chapter 87 and amendments above mentioned, and pursuant to an order passed by the Board of Directors of said District on the 1st day of December 1924, which Order is of record in Book 2, page 4, et. seq., of the minutes of said Board.

The date of this notes is December 1st, 1924 and it is hereby certified and recited that the issuance of this note, and the series of which it is one, is duly authorized by law and by a requisite majority of the votes cast by the qualified voters who are resident property tax payers of said District at an election duly and legally called and held in said District on the 7th day of October 1924; that all acts, conditions and things required to be done and to exist precedent to and in the issuance of this series of notes, and of this note, having been properly done and performed, and do exist in regular and due time, form and ammer as required by law; that a direct annual tax has been levied upon all taxable property in said district sufficient to pay the interest on said series of notes, and of this note, and the principal thereof at maturity; and that the aggregate amount of this series of notes, together with all other indebtedness of said district, does not exceed any constitutional or statutory limitation, provided that in no event shall any official of said district be personally liable on this note.

IN TESTIMONY WHEREOF, the Board of Directors of Tarrant County Water Improvement District No. 1 has caused the seal of said District to be affixed hereto, and this note to be signed by the President and countersigned by the Secretary of said Board and the interest coupons

hereto attached to be executed by the lithographed fac simile signatures of said president and secretary, as of the 1st day of December, 1924.

W.G.Turner, President of Board of Directors.

Countersigned:  
W.E.Bideker, Secretary of the Board  
of Directors.

9. The interest coupons attached to said notes shall be substantially in the following form, except that coupon No. 1 on each of said notes shall be for fourteen months' interest, payable February 1st, 1926.

No \_\_\_\_\_ \$ 25.00

On the 1st day of \_\_\_\_\_ 192\_\_\_\_, Tarrant County Water Improvement District No. 1, in the County of Tarrant, State of Texas, promises to pay to Bearer at the Bank of America, New York, N.Y. or at the Farmers and Mechanics National Bank Fort Worth, Texas, at the option of the holder, the sum of Twenty-five dollars, being interest due that day on Tarrant County Water Improvement District No. 1 Promissory note, dated December 1st, 1924, No. \_\_\_\_\_.

W.G.Turner, President of Board of Directors.

W.E.Bideker, Secretary, Board of Directors.

10. It is further order that while said notes or any of them are outstanding and unpaid, that there shall be and it is hereby ordered that there be levied, assessed and collected, in due time, form and manner, in each year, a tax on all taxable property in said Tarrant County Water Improvement District No. 1 sufficient to pay the current interest on said



notes and to create a sinking fund to pay the principal at maturity, and for the purpose of the interest and principal payments coming due as provided in this order, there is hereby levied a tax of two (2¢) cents on each hundred dollars valuation of taxable property of said district for the year 1925, and the same shall be assessed, and collected and applied to the purposes named; and while said notes, or any of them are outstanding and unpaid, a tax for each year, from year to year, as will be sufficient to provide funds to pay the installments of interest on, and the principal of said notes as the same becomes due, full allowance being made for delinquencies and cost of assessing and collection, shall be, and is hereby levied for each year respectively, while said notes or any of them, are outstanding and unpaid, and said tax shall each year be assessed and collected and applied to the payment of the interest on, and the principal of said notes.

2nd: On December 6th, 1925, W.G. Turner, Director and President W.E. Bideker, Director and Secretary, and Directors W.E. Austin, W.C. Weeks and H.M. Hightower, being all the Directors of Tarrant County Water Control and Improvement District Number One, did hold an official meeting of the Board of Directors of said District, at which time the certain acts were had, done and taken. Said acts appear of record in "Minute Book No. 2" of the District, on pages 11 and 12, both inclusive. Said acts are in said minutes expressed in words and figures as follows, viz:

A N O R D E R

AMENDING AN ORDER PASSED ON THE 1ST DAY OF DECEMBER 1924.

WHEREAS, on the 1st day of December 1924, the Board of Directors of Tarrant County Water Improvement District No. 1 passed an order authorizing the issuance of \$75,000.00 of notes of said District; and

WHEREAS, an error appears in said order as to the maturities of said notes and to correct said error it is necessary to amend said order,

THEREFORE, It is hereby ordered, by the Board of Directors of Tarrant County Water Improvement District No. 1:

1. That subdivision three of an order passed by the Board of Directors of Tarrant County Water Improvement District No. 1 of record in Book 2, page 4, of the minutes of said Board, authorizing the issuance of \$75,000.00 of notes of said district be amended so as to read as follows:

- "3. That said notes shall be dated the 1st day of December, 1924, and shall become due and payable as follows:
  - Nos. 1 to 15, on February 1st, 1926
  - Nos. 16 to 35, on February 1st, 1927
  - Nos. 36 to 75, on February 1st, 1928.

2. That the said order of the 1st day of December 1924 shall be and remain in full force and effect except as hereby amended, and this amendatory order may be recited in the face of said notes.

There being no further business to be transacted at this time the Board adjourned subject to call by its President.

3rd: Thereafter and on January 31st, 1925, as appears from "Minute Book No. 2" pages 20 and 21, the order appearing in said "Minute Book No. 2" pages 4 to 10, both inclusive, was amended by an order which is in words and figures as follows:

"On motion of W.E. Austin, seconded by H.M.Hightower the following amendatory order was passed by the Board, to-wit:

A M E N D A T O R Y     O R D E R

On this the 31st day of January, 1925, the Board of Directors of Tarrant County Water Improvement District No. 1, convened in special session with the following members present: W.C.Weeks, W.E. Austin, H.M.Hightower and W.E.Bideker, W.G.Turner, President of the Board being ill and unable to attend, W.C. Weeks, Vice President of said Board presided at said meeting.

The following order was duly passed by said Board by a vote of Four for its passage to vote of none against its passage:

AN ORDER AMENDING AN ORDER PASSED ON THE 1ST DAY OF DECEMBER 1 9 2 4.

W H E R E A S, on the 1st day of December 1924, the Board of Directors of Tarrant County Water Improvement District No. 1 passed an order authorizing the issuance of \$75,000.00 of notes of said District; and

W H E R E A S, in said order it is provided that each of said notes shall be signed by the President of said Board of Directors, and that his name be lithographed on the interest coupons attached to said notes, and

W H E R E A S, W.G. Turner, President of said Board, is confined in a Sanitarium with a serious affection of his eyes and is unable to sign said notes; therefore,

I T   I S   H E R E B Y   O R D E R E D by the Board of Directors

of Tarrant County Water Improvement District No. 1, that Subdivision 6 of an order passed by the Board of Directors of Tarrant County Water Improvement District No. 1 on the 1st day of December, 1924, of record in Book No. 2, page 4, et. seq., of the Minutes of said Board, authorizing the issuance of \$75,000.00 of notes of said District be amended so as to read as follows:

"6. That each of said notes shall be signed by W.C. Weeks, Vice President of the Board of Directors, countersigned by the Secretary of said Board, and the seal of said District shall be impressed upon each of them. The fac simile signatures of the Vice President and Secretary may be lithographed upon the interest coupons attached to said notes, and shall have the same effect as if they had been signed by them."

This Amendatory Order may be recited in the face of said notes.

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There being no further business to attend to at this time the Board adjourned until 10 o'clock Monday, February 2nd, at which time a regular meeting is to be held, according to law, in order that the Public may attend and present such matters as they may desire. The meeting was then duly adjourned.

W.C. Weeks, President

W.E. Bideker, Secretary."

4th: The preliminary notes described the orders set out in paragraphs 1st, 2nd and 3rd hereof were thereafter sold to C.W. and J.L. Arlitt of Austin, Texas. The semi-annual interest due on said notes has

been paid as same accrued and the coupons therefor have been surrendered and destroyed. [The notes numbered serially from "1" to "15" were fully paid off and discharged on February 1st, 1926, and same have been surrendered and destroyed.] The notes numbered serially from "16" to "35" were fully paid off and discharged on February 1st, 1927, and same have been surrendered and destroyed. Said notes numbered serially from "36" to "75", both inclusive are still outstanding, and represent a total of principal remaining unpaid in the sum of Forty Thousand (\$40,000.00) Dollars. Said notes will mature on February 1st, 1928, at which time there will be due and payable interest in the sum of One Thousand (\$1,000.00) Dollars, making a total payable on said notes, as of February 1st, 1928, the sum Forty One Thousand (\$41,000.00) Dollars. The said notes have been in due course of trade, before the maturity thereof, for a valuable consideration, sold assigned and delivered to

The Fort Worth National Bank of Fort Worth, Texas.

hereinafter called "Assignee", whereby said Assignee is now the legal and equitable owner and holder of said notes numbered from 36 to 75.

5th: The Tarrant County Water Improvement District, did by an election held on January 12th, A.D. 1926, did become and was converted into Tarrant County Water Control and Improvement District Number One, by compliance with the provisions of Section 143 of Chapter 25 of the Acts of the 39th Legislature of Texas, Regular Session, all of which appears from the Minutes of the District, Book #3, page 68. By reason of such conversion Tarrant County Water Control and Improvement District Number One succeeded

to all the rights and powers theretofore held by Tarrant County Water Improvement District Number One, and did become legally bound for all outstanding obligations theretofore issued by said Tarrant County Water Improvement District Number One.

6th: The taxes heretofore levied and collected, and the taxes which will be collected by February 1st, 1928, will not be sufficient to pay off and discharge the Forty One Thousand (\$41,000.00) Dollars to become due and payable on February 1st, 1928, and it has become necessary for Tarrant County Water Control and Improvement District Number One, to either refund said obligations, or to procure an extension of the maturity time of said obligations. This District anticipates that it will on or before July 1st, 1928, effect a sale of its ultimate, or construction bonds, whereby it will be required, and will be able, to retire the balance due on preliminary notes. Due to the shortness of the time required a refunding is impracticable, costly and would produce an unmarketable security. Under the provisions of Section 91 of said Chapter Twenty Five of the Acts of the 39th Legislature, the tax heretofore levied for the purpose of retiring said described notes will remain in full force and effect until said notes have been fully paid, or a new levy made therefor.

7th: Said Assignee desires to extend the time of the maturity of said notes numbered serially from 36 to 75 so that the same, together with accrued interest thereon, will be payable "on or before July 1st, A.D. 1928", just as though said notes had been originally executed to mature on or before July 1st, A.D. 1928. The condition of said agreement to extend is that Tarrant County Water Control and Improvement District Number One will

authorize such extension by order duly entered of record in its minutes and will perpetuate the existing tax levies until such time as said notes have been fully paid off and satisfied; further that said District will promptly pay off and discharge the sums due on said notes at such times as it may effect a sale of all or any part of the \$6,500,000.00 of bonds authorized by the election held on October 8th, 1927. Further that this District will deliver to "Assignee" (The present owner and holder of said notes numbered serially from 36 to 75) two certified copies of an appropriate order in the premises, to the end that the Assignee may hold one copy as a part of said notes, and may under authority thereof endorse on each of said notes the following: "Maturity of the within note extended to be paid on or before July 1st, 1928". The Assignee/thereupon endorse and sign on the second certified copy of the order authorizing extension the following: "The extension provided for by the foregoing order is hereby consummated". The second copy so endorsed shall be returned to the District and filed as Exhibit "A" to the minutes of the meeting authorizing the extension. There shall not be required any other act or thing to consummate the extension contract agreed upon.

T H E R E F O R E BE IT ORDERED, that W.R. Bennett, President, and W.K. Stripling, Secretary, do all acts and things necessary to consummate the intent of this resolution, and that they do for and in the name of Tarrant County Water Control and Improvement District, and as its act and deed, execute two certified copies of this resolution, as the binding extension contract of this District, whereby said notes numbered serially from

36 to 75 shall become due and payable on or before **July** 1st, 1928.


Further be it ordered that all sums now collected, or to be collected, as taxes of the District for the year current from January 1st, 1927, to December 31st, 1927, do be paid into the interest and sinking fund account provided for the retirement of said notes, and that all of the same shall be wholly reserved for such purpose, unless said notes shall have been sooner paid out of the proceeds of the final bonds to be issued. Further, be it ordered that if required to retire any part of the notes numbered 36 to 75, the tax levy heretofore made to retire said preliminary bonds do be maintained and enforced, in a sum wholly sufficient to retire said notes within the current tax year:

8th: Further be it ordered that in the event the holder of said notes numbered from 36 to 75 inclusive, may from any cause fail or refuse to execute the extension agreement hereinbefore set forth, that the President and Secretary of this District do have conferred upon them full and plenary power to issue refunding notes of the District in a sum not to exceed Forty-one Thousand (\$41,000.00) Dollars, in accordance with the provisions of Section 92 Chapter 25 of the Acts of the 39th Legislature of Texas, which notes, when and if issued, shall become binding obligations of this District; further that in the event of such issue they do be authorized to sell the same, to bear a rate of interest not greater than six (6%) per cent per annum, and to mature on or before July 1st, 1928. It is further ordered that in the event of the issuance and sale of refunding notes there shall be perpetuated and extended the tax levy heretofore

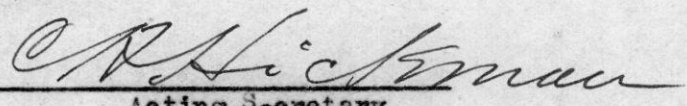


~~orders~~ made <sup>by</sup> of the District, for the creation of a sinking fund to be used to pay off and discharge the said preliminary notes hereinbefore described. They shall be authorized to do any and all acts and things necessary to consummate the objects of this order within the limits of this order and said Section 92 of Chapter 25 of the Acts of the 39th Legislature of Texas; It is so ordered."

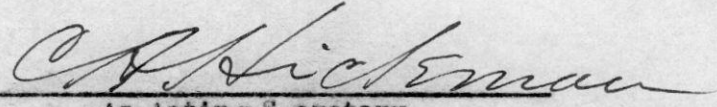
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1,

By   
As President.

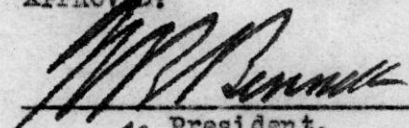
ATTEST:

  
Acting Secretary

9th: Upon the reading of said motion Director Cooke seconded the adoption of said motion as the act and deed of the District. Upon a vote being taken all Directors present voted for the motion and no Director voted against the motion; It is so ordered.

  
As Acting Secretary.

APPROVED:

  
President.

I, C.A. Hickman, Acting Secretary of the Board of Directors of Tarrant County Water Control and Improvement District Number One, do hereby <sup>certify</sup> ~~testify~~ that the attached and foregoing sixteen (16) pages do contain a true and correct copy of the minutes of a Called Meeting of this District held on January 25th, A.D. 1928, at 9:30 o'clock A.M., as the same appear of record in Minute Book No. 6 of this District.

WITNESS MY HAND and the seal of this District this January 25th, A.D. 1928.

C.A. Hickman  
 Acting Secretary, Tarrant County Water Control and Improvement District Number One.