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MINUTES OF A CALLED MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD IN THE DISTRICT OFFICE ON JUNE 27, 1929, AT 11 A.M.

The call of the roll disclosed the presence of all the directors as follows, viz:

W. R. Bennett
W. K. Stripling
E. E. Bewley
C. A. Hickman
W. S. Cooke

At this meeting the following proceedings were had and done, viz:

Director W. R. Bennett presided in his capacity as President; W. K. Stripling acted in his capacity as Secretary.

1. Mr. Geo. L. Simpson, Dallas, appeared before the Board and submitted a proposal in writing. Upon consideration of his proposal it was suggested by the Attorneys that the proposal should be redrafted, in order to make certain provisions clear and further, to provide for change in the schedule for the payments to be made under the proposal. Said redrafted proposal signed by Geo. L. Simpson & Company, is attached to these minutes as 'Exhibit A', and is made a part hereof.

Upon consideration of the proposal it was determined that the delayed payments proposed by Mr. Simpson must be carefully considered due to the fact that after the letting of contracts by the District, the moneys in hand as of a given time would not be adequate to permit the District to make payments to contractors upon Engineers' estimates as given. It was therefore the sense of the Board that Mr. Simpson's proposal do not be accepted; that his good faith check for the sum Seventy-Five Thousand (\$75,000.00) Dollars do be returned to him and that it be understood that if the District did not make other and more satisfactory arrangements that Mr. Simpson might be notified and his proposition be again submitted in case he at the subsequent time desired to do so. The check was returned and Mr. Simpson withdrew from the meeting.

2. Thereupon, there was presented to the Board analysis of Mr. Simpson's bid, which showed that while the bid was nominally one for par on the bonds, that the loss in interest, which would be absorbed by the District, would reduce the value of the bid to a basis 97.34% of par.

3. Thereupon, Mr. Raymond Gee, representing the Fort Worth National Company and other members of a Syndicate, appeared before the Directors and stated that his Syndicate would undertake to effect sale of the District's bonds in the par sum \$2,000,000.00 for the consideration of \$1,930,000.00, plus accrued interest to the date of the delivery of the bonds, which date was to be on or before August 1, 1929, subject however, to the final opinion of Messrs. Chapman & Cutler of Chicago, concerning the validity of the bonds, together with fulfillment of provisions of the law in regard to the certificate by the Attorney General and registration of the bonds. He further stated that if the District

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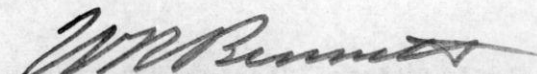
would authorize sale of the bonds on this basis, his Syndicate, by 2 o'clock June 28th, 1929, would execute formal written contract covering this proposal and would deposit with the District the Syndicate's good faith certified check for the sum Seventy-Five Thousand (\$75,000.00) Dollars.


(b) Thereupon, Mr. Gee retired. Upon analysis of the bid submitted by Mr. Gee, it was determined by the Directors that the payment to the District on August 1st, 1929, of the sum One Million Nine Hundred Thirty Thousand (\$1,930,000.) Dollars; plus the interest accrued from May 15th to August 1st, 1929, would on said day show a value 97.54% of par of the bonds; Further that the accrual of depository interest on deposits of the District after August 1st, 1929, would further increase the value of the Gee bid over the Simpson bid.

(c) After full discussion the motion was made by Director C. A. Hickman that the District do enter into firm written contract with the Syndicate represented by Mr. Gee for the sale of bonds of the District 'Series A', serial numbers 1 - 2000, both inclusive, for the par sum Two Million (\$2,000,000.00) Dollars. Further, that upon execution of the written contract in accordance with the proposal made by Mr. Gee, and the deposit of the good faith certified check for the sum Seventy-Five Thousand (\$75,000.00) Dollars, the President and Secretary of the District do be requested to formally execute the written contract as a binding obligation of the District and receive the good faith deposit as provided for. Further, that said officers of the District and the Attorneys for the District be requested to do any and all things necessary to carry out the intent of said contract on or before August 1st, 1929. The foregoing motion was seconded by Director Stripling. Upon a vote being taken each of the Directors voted for the motion and no Director voted against the same. Said motion was declared adopted and it is so ordered.

4. There being no further business presented, the meeting was declared adjourned.

APPROVED:


As President.


As Secretary
Acting

"E X H I B I T A"

TO THE HON. W.R. BENNETT, PRESIDENT,
AND BOARD OF TRUSTEES OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DIST. NUMBER ONE,
FORT WORTH, TEXAS.

Gentlemen:

For your \$2,000,000.00, Series A, bonds of Tarrant County Water Control and Improvement District No. 1, dated May 15, 1929, and maturing serially as set out in the attached schedule and bearing interest at the rate of five per cent (5%) per annum from their date, and otherwise described in said attached memorandum, we will pay you for same, delivered to us at the Republic National Bank, Dallas, Texas, the sum of

TWO MILLION DOLLARS (\$2,000,000.00)

Prior to delivery of any of the above bonds, we are to be furnished with the complete transcript of proceedings had precedent to and in the issuance of same evidencing their legality to the satisfaction of Messrs. Chapman and Cutler of Chicago, and their final approving opinion at your expense.

We are to take up and pay for said bonds as follows:

\$250,000.00 on August 1, 1929, and \$150,000.00 on September 1, 1929, and \$100,000.00 on the first of each month thereafter until September 1, 1930, on which date there shall be a final payment of \$500,000.00;

bonds to be delivered with all coupons attached from their date and payments to be made at par, flat, as deliveries are made to us.

We are to have the right to take out of your depository at any time, all or any part of the bonds as to which delivery would be delayed according to the foregoing schedule of payments: In case we exercise this option we will, to secure the District, deposit with such bank as your District may designate, United States Treasury Certificates or United States Liberty Bonds in amount at least equal to the amount of the District bonds so taken out by us. Said bonds so deposited as a pledge for security to the District shall be held by such Bank, until we do pay to it, for the account of the District, in lawful money of the United States a sum equal to the par value of the District bonds so withdrawn by us: Said money payments shall be made in accordance with the schedule above set out: The failure to make any payment according to said schedule shall instantly mature the demand for the total sum payable hereunder. The interest running on the bonds hereby purchased shall accrue for our account.

As evidence of our good faith and guarantee of the performance of this contract and that we will accept delivery of the bonds as herein provided and deliver cash to the District on the dates herein mentioned, we attach hereto Cashier's Check on the Republic National Bank, Dallas, Texas, in the sum of SEVENTY FIVE THOUSAND DOLLARS (\$75,000.00), which check is to be held by the District uncashed, pending performance of this contract and to be cashed by the District and converted to its use as and for full liquidated damages in the event of our failure or refusal to carry out the terms of the contract as herein provided, or any part thereof.

Respectfully submitted,

By _____

GEO. L. SIMPSON & COMPANY, INC.,

By G. L. Simpson, President

Accepted by order of the Board this the ____ day of June, 1929

By _____

ATTESTED:

President, Board of Directors