

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 IN FORT WORTH, TEXAS, ON THE
7TH DAY OF MAY, A. D. 1932, AT 1:30 P. M.

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

W. R. Bennett
E. E. Bewley
W. K. Stripling
C. A. Hickman
Joe B. Hogsett

At this time and place Director Bennett presided in his capacity as President;

W. K. Stripling acted in his capacity as Secretary.

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

1.

President Bennett explained that the meeting was called to consider a proposed option to purchase, to be granted by the District and to cover three hundred (300) bonds of the District.

2.

Thereupon Director Hogsett presented a proposed option agreement, in letter form, addressed to The Cummins, Morrison & Co., 621 Equitable Building, Des Moines, Iowa. A true copy of said proposed letter is attached to these Minutes as "Exhibit A," and it hereby is made part hereof. There was full discussion of this proposal. It was the unanimous opinion of the Directors that the proposal as made was one advantageous to the District under the present condition of the market for its bonds, and considering the necessity for the District to make prompt arrangement for money wherewith to make payments of the

monthly estimates of the work being done for the District under contract.

Thereupon Director Hogsett made a motion that the proposed option, as embodied in said letter, do be approved, ratified and confirmed, as the act, deed, and proposal of the District. Further, that said letter do be signed in the name of the District by W. R. Bennett, as its President, and that the letter do be attested by W. K. Stripling, as Secretary of the District, with the District's official seal. Further, that in case of actual sale of bonds under said proposal, Director Bewley, in his capacity as Custodian of the District's unsold bonds, do be authorized to make deliveries thereof, under the terms and conditions for delivery stated in said letter and that he do be authorized to incur expense for insurance coverage as may be necessary to protect the District against loss of the bonds between the Continental National Bank of Fort Worth and Continental-Illinois Bank and Trust Company of Chicago, Illinois: This he shall have authority to do without other or further order. This motion was seconded by Director Hickman. Upon a vote being taken the motion was carried and it was so ordered.

3.

There was presented to the Directors for consideration the further fact that the Dallas Union Trust Company, of Dallas, Texas, had been the procuring cause of the District receiving the proposal for an option for a purchase of bonds, as is set forth in "Exhibit A," to these Minutes, also that in so doing the Dallas Union Trust Company had stipulated that in case the District saw fit to grant said option, the District would pay to the Trust Company a brokerage fee equal to one-half of one per cent of the par value of any bonds which The Cummins, Morrison & Company might actually purchase and pay for under said

option contract, and to be payable only in case of such actual sale. There was full consideration of this matter, and the Directors had advice from the Attorneys for the District that it might lawfully pay the proposed brokerage, whereupon Director Hickman made a motion that the payment of said brokerage be paid, if, as and when the same might be earned under the conditions hereinbefore stated. This motion was seconded by Director Hogsett. Upon a vote being taken the motion was carried and it was so ordered.

4.

No further business was presented, the meeting was adjourned.

W. A. Dripling.
As Secretary

APPROVED:

W. R. Bennett
As President

"EXHIBIT A" 5/7/32-1:30 PM

TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NUMBER ONE

BOARD OF DIRECTORS

W. R. BENNETT, PRES.
E. E. BEWLEY, VICE-PRES.
W. K. STRIPLING, SEC'Y
JOE B. HOGSETT
C. A. HICKMAN

OFFICE CAPPS BUILDING

PHONE 3-2848

ED. B. CHEATHAM, OFFICE

FORT WORTH, TEXAS.

SIDNEY L. SAMUELS
IRELAND HAMPTON } ATTORNEYS

HAWLEY AND FREESE
ENGINEERS

May 7, 1932.

The Cummins, Morrison & Co.,
621 Equitable Building,
Des Moines, Iowa.

Gentlemen:

This letter is delivered to you under authorization of the Board of Directors of this District, given at a called meeting held this day. A true copy of the Minutes of that meeting is attached hereto, and will be considered as part hereof. The District hereby specifies and confirms the oral agreement had between you and the Directors of this District on May 6, 1932, as follows:

1.

You hereby are granted a firm and exclusive option to purchase bonds of this District of "Series D," being three hundred (300) bonds, of par value Three Hundred Thousand (\$300,000.00) Dollars, dated November 16, 1931, having attached interest coupons at the rate of Five (5%) per cent per annum, and maturing successively on September 15, 1932, March 15, 1933, and on like dates thereafter, until the principal of each bond shall have matured according to its terms. The bonds so placed under option to you have maturities, serial numbers, and amounts of maturities for stated years, as follows:

<u>NO.</u>	<u>YEAR</u>	<u>PRINCIPAL MATURITY</u>	<u>BOND NUMBERS, INCL.</u>
18	1949	\$ 10,000.00	5252 - 5261
19	1950	11,000.00	5276 - 5286
20	1951	10,000.00	5304 - 5313
21	1952	12,000.00	5329 - 5340
22	1953	9,000.00	5362 - 5370
23	1954	15,000.00	5387 - 5401

<u>NO.</u>	<u>YEAR</u>	<u>PRINCIPAL MATURITY</u>	<u>BOND NUMBERS, INCL.</u>
24	1955	\$ 16,000.00	5418 - 5433
25	1956	18,000.00	5450 - 5467
26	1957	19,000.00	5485 - 5503
27	1958	20,000.00	5522 - 5541
28	1959	22,000.00	5560 - 5581
29	1960	21,000.00	5602 - 5622
30	1961	22,000.00	5644 - 5665
31	1962	37,000.00	5675 - 5711
32	1963	39,000.00	5721 - 5759
33	1964	19,000.00	5769 - 5787
		<u>\$ 300,000.00</u>	
		Average 26.53 Yrs.	

2.

The option hereby granted, unless hereafter otherwise agreed, shall fully expire and be terminated at noon, Central Standard Time, on May 21, 1932. No notice or other act shall be required to effect the termination hereof.

3.

The further conditions under which you may exercise this option are as follows:

(a) You may require delivery of bonds hereunder in lots of not less than One Hundred Thousand (\$100,000.00) Dollars, each such lot to be approximate average maturities of the bonds hereinabove described. You will be entitled to delivery of either one-third (1/3) or two-thirds (2/3) of the bonds hereinabove described, without obligation on your part to take those bonds which may remain.

(b) You are to yield and pay to this District, as consideration for the bonds which may be purchased by you, Ninety (90%) Cents on the dollar of the par value of such bonds, plus interest at the coupon rate from March 15, 1932

up to the day you may actually pay for the bonds purchased.

(c) Delivery of, and payment for the bonds which may be purchased by you hereunder shall be effected in the following manner:

This District will cause the Continental National Bank of Fort Worth, the District's Official Depository, to transmit the bonds, with draft on you attached, to the Continental-Illinois Bank and Trust Company of Chicago, Illinois, with instructions to notify you at your address as above given, this District to absorb the insurance coverage from Fort Worth to Chicago, and any collection charge which may be imposed by our own Bank. Any other charge shall be borne by you. In case you should fail to pay for any bonds so tendered for delivery, you will be obligated to absorb insurance, and other transmitting charges which may have been incurred.

(d) During the period of this option this District will not offer to others any bonds of this District at a price less than Ninety (90%) Cents on the dollar of par value, together with accrued interest.

(e) At such time as you may have actually purchased bonds of this District under this option, and the District may have actually received credit for the same by its Depository, the District will furnish to you without cost to you the final approving opinion concerning the validity of said bonds, by Messrs. Chapman & Cutler, Bond Attorneys of Chicago, Illinois. The opinion so to be furnished shall be a certified copy of one original opinion, as we may not be able to procure more than one original without incurring an additional fee.

(f) It is agreed, as a material condition of this agreement, that you will not within the life of this agreement, offer or tender for resale any bond hereby placed under option of purchase by you to any person, corporation or association of persons, other than two life insurance companies having their home-offices in Des Moines, Iowa, and one life insurance company having its home-office in Newark, New Jersey, and such resales may be effected only by your direct negotiation with one or more of the above indicated corporations: Violation of this condition will terminate the obligation of this District to make delivery of any bonds hereunder.

The District has caused this letter to be signed by its President, and attested by its Secretary with the District's seal. The letter has been written in duplicate. The District has signed both letters. You will kindly sign in the space provided below and return one letter to us, and thereby confirm the terms of this letter: We thereby will come to firm agreement.

ATTEST:

W. S. Dripling
As Secretary

TARRANT COUNTY WATER CONTROL AND
IMPROVEMENT DISTRICT NUMBER ONE.

BY

W. M. Smith
As President.

We Hereby Confirm the Foregoing Agreement:

THE CUMMINS, MORRISON & CO.,

BY _____