

84

MINUTES OF A REGULAR 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  
27TH DAY OF JUNE, A. D. 1932, 3 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

W. R. 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.

Minutes were read, approved and ordered of record as follows, viz:

Called Meeting of May 7, 1932, at 2 P. M.,  
Regular Meeting of May 10, 1932, at 3 P. M.,  
Called Meeting of May 17, 1932, at 1 P. M.,  
Regular Meeting of May 30, 1932, at 3 P. M.,  
Called Meeting of June 9, 1932, at 2 P. M.,  
Called Meeting of June 9, 1932, at 3 P. M.,  
Called Meeting of June 13, 1932, at 4:30 P. M.,  
Called Meeting of June 23, 1932, at 3 P. M.

2.

President Bennett called upon the Attorneys for the District for their opinion concerning the question of planting and caring for the Bermuda grass and the filling of gullies on the District's Works. Attached to these Minutes is an opinion signed by Sidney L. Samuels and Ireland Hampton, dated June 24, 1932, which here is referred to as part hereof. Upon consideration of this opinion, it was the sense of the Directors that the same should be approved and adopted as the conclusion of the Board of Directors; further,

that the Attorneys be directed to so advise Mr. D. K. Woodward, Jr.: It was so ordered. Also, attached to these Minutes, in folio, and as part of "Exhibit A," is a copy of a letter transmitting said opinion to Mr. Woodward.

3.

Attached to these Minutes as "Exhibit B," is an itemized statement of a mature claim of Messrs. Burch & Woodruff for Attorneys' fees for certain service rendered for the District. The letter accompanying this claim explained that the claim omitted all items as to which there was any difference of opinion as between the District and Messrs. Burch & Woodruff. Reference here is made to said letter as part hereof. There was full consideration of this account and the data to support the same, whereupon Director Stripling made a motion that the account as presented do be approved for payment; and, that the District's Voucher Check No. 2905, for the sum \$290.00, payable to Burch & Woodruff, do be executed and delivered to them in payment of said account. This motion was seconded by Director Hogsett. Upon a vote being taken the motion was carried and it was so ordered.

4.

The attorneys for the District presented to the Directors for consideration the fact that the Court of Civil Appeals of San Antonio recently rendered a decision holding that all contracts made by a Water Control and Improvement District, all purchases exceeding Fifty Dollars, all claims and vouchers, were subject to approval and counter-signing by the County Auditor of the County in which the District is situated. It appeared that the matter was being carried to the Supreme Court of Texas by petition for a writ of error. There was full consideration of this matter, and it was the sense of the Directors that the Attorneys of this District

should be authorized to seek leave to intervene for the purpose of protesting the ruling made by the San Antonio Court: It was so ordered.

5.

There was presented to the Directors an opinion by the Attorneys for the District concerning the claimed exemption of this District from certain Federal taxes. Said opinion is attached to these Minutes as "Exhibit C," and is here referred to as part hereof. The Directors were of the opinion that the District should claim exemption in all the stated cases and seek to establish such exemption: It was so ordered.

6.

There was presented to the Directors for consideration the report of Mr. W. E. Yancy, County Auditor of Tarrant County, Texas, showing the collection of taxes for the District for the year 1930. Said report of said audit is attached to these minutes as "Exhibit D," and here is referred to as part hereof. It was the sense of the Directors that the audit that the audit do be referred to Messrs. Pitner & Adams, the Auditors for this District, for examination and verification. Further, that upon and after such examination the District do claim and demand from Mr. L. P. Card any sums shown yet lawfully to be due to the District.

7.

Attached to these Minutes as "Exhibit E," is a report of the audit of Messrs. Pitner & Adams, dated June 3, 1932, showing the statement of cash receipts and disbursements of the District for the month of May and the year to date. Each of the Directors had formerly been furnished a copy of this report. It was the sense of the Directors that the same

required no action at this time, other than that said report be received and filed in the usual manner: It was so ordered.

8.

There was presented to the Directors for consideration the correspondence with Mr. S. B. Cantey and Mr and Mrs. John I. Burgess, concerning the removal of saw logs and a saw mill; certain houses; and other equipment, from low lands owned by the District. It was especially noted that on June 13, 1932, Mrs. Burgess had made a promise that the stated property would be promptly removed. It was the sense of the Directors that the Engineers should be requested to make examination of the land and report actual removal as soon as it was accomplished.

9.

There was presented to the Directors for consideration the fact that Mr. W. E. Yancy, County Auditor, had stated to Mr. Cheatham that the County, in its Interest & Sinking Fund, had approximately \$90,000.00, which was available for short term investment; that he would not oppose an investment of this District's obligations; provided only, that the amount of \$30,000.00 thereof be actually repaid at a time not later than October 8, 1932, and the remainder not later than December 31, 1932; further, subject to the condition that the investment be approved by the legal adviser for the Commissioners' Court. Upon consideration of this matter Sidney L. Samuels and Ireland Hampton, Attorneys for the District, were instructed to make an interview with Mr. Yancy and Mr. Atkinson in an effort to procure a firm understanding of this matter, in such time as would enable the District to meet its mature accounts not later than July 10, 1932: It was so ordered.

There was presented to the Directors for consideration a letter, signed by Hawley and Freese, dated June 25, 1932 (attached to these Minutes as "Exhibit F."), which relates to the prior request of the Commissioners' Court of Wise County, for the grant of the right of an easement for a road from the town of Bridgeport to the Bridgeport Dam in Wise County. There was consideration of this matter, whereupon Director Hogsett made a motion that said request for easement do be granted upon these conditions.

(a) That the District retain the fee simple title to the land placed under easement, with the usual reversion clause.

(b) That the exact field notes to define the boundaries of the land placed under easement do be actually approved by Hawley and Freese, as Engineers for this District.

(c) Further, that this grant of easement do be considered as consideration for Wise County granting to this District an easement for the placing of a telephone line on the County's road between the Bridgeport Dam and Bridgeport.

(d) That the easement be granted subject to the condition that Wise County will save and hold this District harmless from any and all claims for damages, which may grow out of the location and opening of the road way now proposed to be built.

(e) Further, that Wise County, as and when required by this District, will fence such portions of the right of way through the District's land as later may be determined upon, and thereafter maintain said fence without cost to this District.

He further moved that upon approval of the field notes for the right of way, by the Engineers, there do be executed a good and sufficient conveyance of easement to Wise County, without consideration other than the grant of the telephone easement hereinabove referred to; that the conveyance of easement hereunder do be executed in the name of the District by its President, and that the same do be attested by the Secretary of the District with the District's seal.

This motion was seconded by Director Stripling. Upon a vote being taken the motion was carried and it was so ordered.

11.

REPORT OF LAND COMMITTEE

Directors Hickman and Stripling presented the oral claim made by Mr. A. B. Carter, 4011 Modlin Street, Fort Worth, whereby he claimed \$1035.00 as the value of pecan timber already cut without authority from 3-3/4 acres of land owned by Mr. Carter, and which will be submerged by the Eagle Mountain Lake. It was explained that the Contractors had gone upon his land through error and had cut the timber from approximately one acre. That the District would actually require 2.66 acres for submergence and would require a flood easement on 14.05 acres. The land in question is out of the S. R. Rachels Survey, District's Tract No. 327. It was the sense of the Directors that the District should tender to Mr. Carter, as consideration for the 2.66 acres to be submerged and conveyed in fee simple, the sum \$75.00 per acre; for the conveyance of a flood easement of the usual provisions on 14.05 acres, the sum \$5.00 per acre, making a total of \$269.75. Further, that the claim for damage for timber already cut should be disallowed, due to

the fact that the price tendered represents the full value of the land as if the timber were standing. It was so ordered.

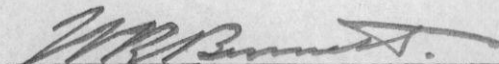
12.

No further business was presented and the meeting was adjourned.

---

As Secretary

APPROVED:



---

As President

"EXHIBIT A" (In Folio) MINUTES OF  
6/27/32 - 3 P. M.

Fort Worth, Texas,  
June 24, 1932 .

Board of Directors  
Tarrant County Water Control and  
Improvement District Number One,  
406 Capps Building,  
Fort Worth, Texas.

RE: Advisory Opinion Concerning Bermuda  
Sod and Maintenance thereof, under  
your Construction Contract.

Gentlemen:

In keeping with your request we hereby render you our advisory opinion in the above matter. We make statement of the factors, and questions, presented to us, together with comment thereon, as follows:

1.

F A C T O R S :

(a) On December 15, 1931 (save as hereinafter noted), you actually accepted the Bridgeport Works as being completed in substantial compliance with your contract for construction. At that time there had been planted on the earthen embankments Bermuda sod, which was then in compliance with Paragraph 9, page 9, of the specifications of your contract. In this connection it should be remembered that some part of the sod had not been planted; that planting was then omitted due to the fact that Bermuda grass planted in the Winter could not be made to thrive, and that this omission was covered by an agreement of the Contractors to plant the additional Bermuda grass as early in the Spring as was favorable to the growth of Bermuda grass. At that time the earthen embankments were sufficiently smooth and free from gullies or washes to be deemed by your engineers in substantial compliance with the contract.

The Bermuda grass theretofore planted was in tufts, or rows, and had not developed sufficiently to produce a turf or sod. At some time during the past Spring the Contractors planted additional Bermuda tufts, and rows, to supply the parts omitted in December. The Contractors have not, since December, made any provision whatever for watering the Bermuda grass in order to stimulate its growth. The Winter and Spring rains have



S.H.

successively produced and enlarged numerous washes in the earthen embankments, and have rendered it not possible for a Bermuda grass sod to develop over the spaces so gullied, and these gullies by progressive widening have resulted to expose the root system of Bermuda grass which was established.

At the time you were called upon to finally accept the Bridgeport Works, you, upon an examination of your contract and bond, and in order to avoid subsequent controversy, notified the Contractors that you interpreted the provisions relating to maintenance, for one year next after final acceptance of the work, to include the duty on the part of the Contractors to maintain the Bermuda grass. On November 24, 1931, prior to final acceptance of the work on December 15, 1931, the Contractors in writing of that date gave advice as follows:

"In the matter of Bermuda grass on the main dam and  
"Berkshire Levee, we will care for and maintain  
"same during the twelve months succeeding this date."

2.

Q U E S T I O N S      P R E S E N T E D :

(a) Did the contract, as interpreted by you, and confirmed by the letter of the Contractors, dated November 24, 1931, above quoted, establish on the part of the Contractors, the duty to maintain the Bermuda grass from December 15, 1931 to December 15, 1932, including the duty to water the same when reasonably required to permit growth?

(b) Did the contract for maintenance after final acceptance, independently of the provisions as to the maintenance of Bermuda grass sod, bind the Contractors to replace earth taken from your embankments by natural washing, and not produced by either defective materials or workmanship?

(c) Did the provisions as to the maintenance of Bermuda sod, by reasonable implication, put upon the contractors the duty to restore lost earth in gullies, in such cases as these gullies rendered it not possible for Bermuda grass to cover the gullied spaces, and, or, resulted to expose the roots of Bermuda grass already established?

Concerning the foregoing questions we now state some factors of the contract, and give our opinions thereon, as follows:

(a) The above quoted letter of November 24, 1931, constituted a concurrent practical interpretation of the contract, which in our opinion removes all doubt as to the duty of the Contractor to maintain, water when reasonably required, and, or, to replace Bermuda grass which may have failed to grow through neglect of any character for the full period from December 15, 1931, to December 15, 1932.

(b) Were the provisions of your contract relating to "Bermuda Grass Sodding" and the maintenance thereof absent from your contract, we would advise that the Contractors, after final acceptance of the work, would have no obligation to replace gullied earthen embankment save in the event of original defect in material or workmanship. In this connection, and in order to prevent later necessity to refer to the same, we wish to say that in our opinion the replacement of earth in the embankment, under your contract, would be interpreted to mean that it be replaced in such condition as would conform to the solidification of the embankment already in place. Were it otherwise, the mere placing of loose earth would prove a useless thing, and would constitute mere technical compliance with the contract.

(c) The question as to whether the provisions as to the planting and maintenance of Bermuda sod, or turf, together with the duty to water the same, when reasonably required, by reasonable implication would require the Contractors to repair such gullies as would interfere with the continuous growing of Bermuda grass on certain spaces of the earth work, between December 15, 1931 and December 15, 1932, presents a more difficult problem.

However, we have reached the conclusion that such is the result, and we now advise that you should insist that the Contractors conform to this interpretation. Our reasons for reaching this conclusion will now be stated:

(d) It is elementary in law that in interpreting either statutes or contracts, the Courts will first endeavor to discover the object sought to

be accomplished; the nature of the subject matter, and the nature of the means by which it is proposed to accomplish the object. The lawfulness of the object and the means for accomplishment being assumed, the Courts will imply the intent to specify all means reasonably necessary to accomplish the object.

(e) Observing the foregoing elementary rule of law, we think it fairly may be concluded:

(1) The entire object of planting Bermuda grass on your earthen embankments was, as quickly as was practicable, by all usual means, to provide a turf binder for all sloping earth works exposed to the action of running water. No other object can be imagined.

(2) There are certain infertile soils in which Bermuda grass cannot be expected to form a turf, or make any growth whatever. The nature of Bermuda grass is well known for its spreading habit and its necessity to have periodical stimulation by water. In fact it is known as requiring much water for its successful propagation.

(f) It is clear that the object was not to provide for the placing of tufts of bermuda grass at spaced intervals, but was to produce an earth binding sod, or turf, as quickly as it might be done, by the use of all reasonable care and maintenance. Webster gives the words "sod" as a verb, to mean "to cover with sod; to turf." The noun is defined to be "that stratum of the surface of the soil which is filled with the roots of grass on any portion of that surface; turf; sward." The same authority defines the noun "turf" to mean "that upper stratum of earth and vegetable growth which is filled with the roots of grass and other small plants, so as to adhere and form a kind of a mat; sward; sod." Bearing these definitions in mind, our question would be reduced to knowing whether the object was to provide a binding mat for all of the surface of the sloping earth work, or merely to make provision for spots so conditioned. It is obvious that this latter conclusion is wholly unreasonable.

There is one other consideration which is, that in Paragraph 9, page 9, we find the following language:

J.H.

"Payment for sodding will be for the number of acres  
"of slope and berm actually sodded as above pres-  
"cribed, surface measured. Unit price per acre shall  
"include the cost of furnishing, planting, covering  
"and maintaining the sod, watering if necessary."

This provision, coupled with the provision for maintenance for sodding for one year after final acceptance of the other elements of the work, throws much light on what was within the contemplation of the parties. The payment was to be for the actual area of the embankments for which sod was specified, and not merely the area of the space originally sodded. In this connection it should be observed that the element of time is necessary for the production of a turf, for it cannot be produced by mere measuring of man power or the placing of materials. There therefore was a peculiar reason for not treating the sod as accepted on December 15, 1931. The language in the bond relating to the duty of the Contractors within one year to replace defective material or workmanship is in no wise applicable to Bermuda sod, which was non-existent at the time of the acceptance of the elements of the work other than the sod.

(g) In this connection we would refer to your specifications, Paragraph 9, page 9, which reads as follows:

"The Contractor may, at his option and for his protection,  
"at any time after an embankment has been constructed,  
"and the slope dressed to the prescribed grade, sod such  
"slope, where sodding is shown or ordered."

We also wish to quote from your specifications, paragraph 4, page 1, as follows:

"Where the surface of the site is covered with vegetable  
"matter, or loamy top soil, same shall be removed to  
"an average depth of six inches and reserved for the  
"Bermuda grass sodding, and shall be placed later on  
"the top berm and down stream slope of the dam, and  
"measured and paid for as embankment only. No roots or  
"trash will be allowed in embankment."

This latter provision should be read as though embraced in Paragraph 9, page 9, of the Specifications, designated "Bermuda Grass Sodding."

8.41

From the foregoing factors, we conclude:

(1) It was not expected that any Bermuda grass would be placed on soil not suitable for its growth.

(2) That the intent of the contract was for the good of the Contractor during the construction period, and for the good of the owner, upon acceptance of the work. The object of the contract was to require that as soon as an earthen embankment was finished, that proper top soil be provided; that tufts or blocks of Bermuda grass sod be suitably placed; and that thereafter this sod be cared for by the exercise of all reasonable means known to be necessary to stimulate it for the production of a binding turf.

It is elementary that the word "may" will often be interpreted by the Courts to mean "shall." This is especially true where it appears that one person is given permission to do a thing which actually appears to be for the benefit of another person having an interest in performance. It is uniformly held that such other person has a right to interpret "may" as "shall." We therefore think that the 4th subdivision of Paragraph 9 should be construed to mean that the Contractors, as soon as practicable after an embankment has been constructed, "shall" sod the same. In view of the 6th subdivision of paragraph 9, it became the duty of the Contractors immediately after planting Bermuda grass to cover and maintain the sod and water the same if necessary.

(h) We do not wish it to be understood that the Contractor became an insurer of a continuous turf of Bermuda grass upon your embankments, but we do say that he did become obligated to use all reasonable means to produce such a turf as rapidly as the same might be established in the course of nature. This observation relates to the period prior to final acceptance, but your contract is peculiar in that the interpretation placed on it by both parties anticipated that the Bermuda sod would be maintained for a period of twelve months after final acceptance. We therefore conclude that the duties of maintenance prior to acceptance and those for the twelve months next after acceptance are identical. If the washing of gullies has rendered futile any pretense of establishing a continuous turf as rapidly as nature under favorable conditions of care would establish such a turf, then it would appear by neces-

sary implication that it had become the duty of the Contractors to prevent the progressive formation of gullies in the earth work, if such gullies necessarily would result to leave exposed at the end of the twelve months period very substantial areas of your embankments. In saying this it must be remembered that the Courts in interpreting contracts of this nature, will consider the well known laws of nature. For this reason we think the contractors should be held to have contemplated the result above stated.

In this connection it might be observed that this casts no very great burden upon the Contractor, as it is well known principle of maintenance that timely maintenance means economical maintenance. It is quote otherwise where small gullies were permitted to continue to erode and form water courses: This, as we understand, they have permitted to occur at the Bridgeport Works. In considering what has been said in this paragraph it should be understood that these statements have no relation to the maintenance or replacement of work having fault in material or workmanship, either before or after acceptance. It is clear that final acceptance of the sod was not intended for a day earlier than December 15, 1932. For this reason your question may be considered just as though there was a partial failure to provide material and work, and all that we have said with relation to the Bridgeport Works, equally is applicable to what should be your present position with reference to the Bermuda sodding on the Eagle Mountain Works.

4.

#### C O N C L U S I O N

While we are of the opinion that the questions submitted to us would be solved by the Courts largely upon practical considerations rather than on technical construction of the contract, there has been an extended technical discussion of the contract as written. We therefore cite certain separate parts of the contract and make comment thereon as follows:

(a) In Paragraph 1 of "Addenda," page 13 of the "General Conditions of the Agreement," we find the following language:

"Further, that thereupon the construction bond and other insurance coverage (ours: referring to completion of the Bridgeport Works) may be abated to a degree commensurate with the proportion of the work completed: It is provided, however, that this provision shall not be held to impair the obligation of the bond concerning maintenance and repairs for one year after the completion of said dam and its appurtenances."

It is clear that this language was intended to prevent any contention that the bond, insofar as it covered the Bridgeport Work, would be released as to the liability for one year after acceptance, in accordance with its terms, and it therefore should not be held to in anywise affect the provisions as to the Bermuda grass sod.

By reference to the bond itself, in next to the last paragraph, we find the following language:

"The obligation of this bond shall extend to a period to be one year next after the acceptance of the work; provided, however, that the obligation of the contractors and of the surety on this bond, after final acceptance of the work, shall be limited to the duty to make alterations, repairs or replacements (any, or all which may be necessary to remedy any defect in the materials furnished by, and, or, work done by, the contractors). It is provided, however, that defects arising from errors in specifications, and design, shall not be deemed to create any responsibility on the part of the contractors or the surety."

We find here nothing which could be deemed to be a specification with reference to planting and caring for Bermuda grass on the earthen embankments. The only relation which the bond could have to this particular question would grow out of the fact that it refers to the Construction Contract and the Specifications which are made part of the bond as though embraced therein. The quoted provision of the bond should be understood to relate to existing but undiscovered (latent) defects in work, or material, which might be developed within one year from December 15, 1931: On that day there were most certainly no latent defects of material or workmanship in the sodding. It therefore appears that the bond did not within itself specifically anticipate the peculiar question here presented. We therefore find ourselves under necessity to be confined strictly to consideration of the general objects of the contract, as expressed in the "General Conditions of the Agreement," and in the detail "Specifications,"

relating to loamy top soil, and paragraph 9 of the "Specifications," relating to Bermuda Grass Sodding. This last statement, however, should be somewhat qualified by consideration of the Minutes of your Meeting held on December 15, 1931, on which day you did make acceptance of the Bridgeport Works, subject, however, to the qualifications hereinbefore noted. Paragraph 3 (b) of those Minutes read as follows:

"That the contractors and the sureties on their construction bond do be and remain bound to this District to protect it against the obligation of the contractors 'to make alterations, repairs or replacements (any, or all), which may be necessary to remedy any defect in the materials furnished by, and, or, work done by, the contractors,' and to care for and maintain the Bermuda grass on the Bridgeport Dam and the Berkshire Levee, for the period of one year next after acceptance of the Bridgeport Works, as completed."

Those Minutes also referred to the letter of the Contractors, dated November 24, 1931, relating to the maintenance of the Bermuda sod, and it was specified as forming an exhibit to the Minutes. Before actual payment for the work, the Contractors were furnished a true copy of your Minutes and received the money having knowledge of the contents. In this connection it should be remembered that the work was accepted with the knowledge of the fact that some part of the Bermuda grass had not been planted, and that the Contractors were indulged in their desire later to plant the same. Under the circumstances we do not feel that there could be any serious question as to the concurrent practical interpretation of the contract between the parties insofar as the same related to the Bermuda sod and its maintenance.

#### S U M M A R Y

(1) You should require the Contractor to mend the gullies in the Bridgeport embankments, with earth which will not render futile the attempt to produce a Bermuda grass sod over the areas now occupied by the gullies. This they should do at their own cost and expense; they should make immediate preparation for the effective watering of the Bermuda grass, in order to preserve



the grass already established, and to make possible turf coverage of the areas occupied by gullies.

(2) They should, as rapidly as possible, establish Bermuda grass on the earthen embankments at the Eagle Mountain Works, and thereafter care for the same in the proper manner.

J. L. Mumford

Freeland Hampton

ATTORNEYS FOR  
TARRANT COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NUMBER ONE.

"EXHIBIT B" MINUTES 6/27/32 - 3 P. M.

LAW OFFICES

BURCH & WOODRUFF

DECATUR, TEXAS

June 21, 1932

M. W. BURCH  
GRADY WOODRUFF

TELEPHONES:  
OFFICE 455  
RESIDENCE 174

Tarrant County Water Control &  
Improvement District Number One,  
Capps Building,  
Fort Worth, Texas.

ATTENTION: Mr. Ireland Hampton

Gentlemen:

The following items as compensation specifically  
agreed upon between us and yourselves are submitted for  
your approval and payment:

1. Four days trip to Littlefield taking deposition Mrs. Jacob Lyda in Tarrant County Water Control and Improvement District Number One vs. First National Bank of Bridgeport, et al, \$35.00 per day . . . . .	\$ 140.00
2. Settlement between yourselves and J. T. Counts by condemnation and accord . . . . .	100.00
3. Settlement between yourselves and W. U. Blocker by accord in co-operation with Mr. Foster . . . . . \$100.00 less deduction for Mr. Foster's services <u>50.00</u>	. . . <u>50.00</u>
TOTAL . . . . .	\$290.00.

We should appreciate your prompt attention to this  
matter.

Very truly yours,  
BURCH & WOODRUFF  
BY *Grady Woodruff*

HGW/B

BOARD OF DIRECTORS

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

TARRANT COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NUMBER ONE

OFFICE CAPPS BUILDING

PHONE 3-2848

ED. B. CHEATHAM, OFFICE

FORT WORTH, TEXAS.

June 30, 1932.

SIDNEY L. SAMUELS ( ATTORNEYS  
IRELAND HAMPTON )

HAWLEY AND FREESE  
ENGINEERS

Hon. D. K. Woodward,  
Trinityfarm Construction Company, Inc.,  
Dallas, Texas.

Dear Mr. Woodward:

Pressure of other matters since Monday has prevented an earlier writing of this letter. This letter is written to you in your capacity as Vice-President of Trinityfarm Construction Company, Inc., and as well as Representative of the corporations associated with Trinityfarm Construction Company, Inc., under the joint contract with this District. While this is true, the matters treated of are peculiarly known to you.

On June 23 you met with our Directors and presented the viewpoint of "the Contractor" concerning the maintenance of Bermuda grass and the repair of earth work where the same has become eroded. Immediately following this meeting the Directors requested the Attorneys for the District to prepare and deliver to them written opinion concerning the diversity of contention as between the Contractor and the District. The requested opinion was written June 24 and was presented to the Directors at their Regular Meeting on June 27. We enclose to you herein a copy of the opinion so delivered.

It was the sense of the Directors that the Contractor should be requested to conform to the conclusions of the opinion --- This letter will be considered as such request.

We transmit this letter in order to preserve the ultimate rights of the District, and you will consider this communication as our notice to the Contractor concerning the interpretation which the District places on those provisions of the contract relating to the subject matter of the enclosed opinion.

We regret that diversity of opinion concerning this matter has arisen, and will be pleased to have advice from you that the Contractor, upon reconsideration of the matter, has adopted the District's interpretation of the contract.

With kindest regards,

Respectfully,

TARRANT COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NUMBER ONE,

S. L. Samuels

BY: Ireland Hampton  
Attorney.

IH:AM

cc/McKenzie Construction Company,  
Santa Fe Bldg., Dallas, Texas, &  
Uvalde Construction Company,  
Santa Fe Bldg., Dallas, Texas.

"EXHIBIT C" MINUTES OF 6/27/32, 3 P. M.

Fort Worth, Texas.

June 20, 1932.

Board of Directors,  
Tarrant County Water Control and  
Improvement District Number One,  
406 Capps Building,  
Fort Worth, Texas.

Gentlemen:

The recently passed excise tax laws of the United States bring up for consideration by you certain rights of exemption which you may claim or waive on behalf of your District.

As the principles to control the District's right of exemption are the same in each of several cases, we will first state the cases which have occurred to us, and follow this by our citation of authorities.

CASES AS TO WHICH EXEMPTION MAY BE CLAIMED:

1. The requirement that Bank Checks be taxed 2¢ upon each check issued.
2. That leases of land bear stamps.
3. That deeds of conveyance of real estate bear stamps.
4. That motor boats needed for the policing of the District's lakes and works, be subject to a manufacturer's tax.
5. That gasoline required for the operation of motor boats, and, or, other District uses, be taxed.
6. In case the District should sell marginal lands at a price exceeding that for which it was purchased, would the District become liable for the payment of a profit tax?

While there may be other instances in which you are interested, they have not yet occurred to us.

CONCLUSIONS OF FACT:

- (1) Your District, under the provisions of Section 59 of Article XVI of the Constitution is a governmental agent, created for the purpose of dis-

charging a duty of the State of Texas.

(2) All duties and acts undertaken by your District up to this time are strictly governmental duties, one principal duty being the control of floods. No activity of your District is of a profit accumulating and distributing character.

(3) Any tax upon the District whatever, either direct or indirect, would operate to increase the tax levies which you would be forced to levy to compensate the amount of the tax.

(4) Your two dams and reservoirs, being designed for flood control and storage of water to supplement the supply of the City of Fort Worth, are themselves "instrumentalities" of government.

(5) From the foregoing, we conclude: That the District itself, and the property owned by it, are both "instrumentalities" and "agencies" of government.

(6) All checks issued by your District are executed in the discharge of obligations incurred as a means of administering governmental functions.

(7) In case of the sale, or lease, of marginal lands, the money realized automatically would operate to diminish the taxes which would be levied to complete and operate your works, and, or, to retire the bonds which the District has issued for the construction of its works. No person or agency whatever derive any profit from these sources of income.

ADVISORY OPINION

Based on the foregoing conclusions of fact, we advise you that your District is "immune" from the payment of any one and all of the foregoing designated excise levies of the Federal Government; provided only, the District claims its immunity therefrom upon each appropriate occasion.

The foregoing conclusion of law is based on certain text book authorities and upon a very great number of decisions. We therefore

will confine ourselves to the citation of relatively few of the authorities upon which we have relied.

#### C I T A T I O N S

26 R. C. L., Paragraphs 61, 63, 64 and 65, page 84.

Abbott on Municipal Corporations, Vol. 1, Paragraph 313, page 716.

33 Corpus Juris, Paragraph 11, page 281, and notes.

Burnett vs. Coronado Oil and Gas Company (U. S. Supreme, decided April 11, 1932), 52 S. Ct., Syl. 2, page 445, which in material part says:

"The states are essential parts of the plan adopted by the Federal Constitution, and we accept as settled doctrine that the United States can lay no tax upon their governmental instrumentalities."

Metcalf & Eddy, vs. Mitchell, 269 U. S. 514; 46 S. Ct. 172; 70 L. Ed. 384, in material part saying:

"This Court has repeatedly held that those agencies through which either government immediately or indirectly exercises its sovereign powers, are immune from the taxing power of the other."

Certain enlightening instances of exemption from such tax of the state by the Federal Government, or of the Federal Government by the State, are as follows:

A bus used by a School District to transport pupils is exempt from the manufacturer's tax; gasoline sold for use by the government at an Army Post is exempt from the State gasoline tax; a State requirement that Federal bank notes be printed on stamped paper furnished by a State was held void; occupation taxes by the states, sought to be enforced against agencies of the Federal Government have been held void; motorcycles intended for use by a city's police department have been held to be exempt from the govern-

ment's manufacturer's tax.

We might cite many more specific cases without making the scope of the general rule any more clear.

Respectfully,

---

*Aireland Hampton*

ATTORNEYS FOR  
TARRANT COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NUMBER ONE.



EXHIBIT D" 6/27/32-30 PM

AUDIT OF TAX COLLECTIONS

TARRANT COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO.1

FOR THE YEAR 1930

**W. E. YANCY**  
County Auditor

I N D E X

	Pages
Introductory Letter .....	2
Errors in Redemption Receipts .....	3
Errors in Rendered Roll for 1929 .....	4
Errors in Unrendered Roll for 1929 .....	4-5
Errors in Non-Resident Roll .....	5
Errors in Rendered Roll, 1930.....	6
Errors in Unrendered Roll, 1930 .....	6
Collected for Water not in Water District .....	7
Errors Made in Monthly Report of Tax Collector, 1929 Rolls .....	8
Errors Made in Monthly Report of Tax Collector, 1930 Rolls .....	8
Collections as Reported for 1930 .....	9
Recapitulation .....	10
Summary .....	11
Recapitulation of Charges and Credits .....	12

\* \* \*

Fort Worth, Texas.  
May 1st, 1932.

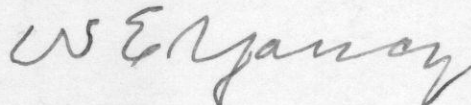
Tarrant County Water Control  
and Improvement District Number One,  
Fort Worth, Texas.

Gentlemen:

We submit herewith special audit of Tax Collections  
of the Tarrant County Water Control and Improvement District  
Number One, as outlined in our contract with you under date  
of June 9th, 1930.

You will find a list of all corrections, together  
with recapitulation of charges and credits.

Yours truly,



County Auditor

h

L. P. CARD, TAX COLLECTOR

TARRANT COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO.1

For the Year 1930

REDEMPTION RECEIPTS

Number	Description	Year	Amount	Collected	Charge
8	Abst.# 1388, J.A. Shields Survey	1927	.94	-0-	.94
8	Abst.# 1829, S. Michellias	1927	.96	-0-	.96
8	Abst.# 851, J. Jennings	1925	.60	-0-	.60
8	Abst.# 851, J. Jennings	1926	.60	-0-	.60
210	Lots 10, Block 3, Westbrook				
	" 15,16, Block 3, Univ.Hill				
	" 14,15, Block 8, " "	1929	.96	.06	.90
541	" 6,7, Block 11, Col. Hts.	1929	.96	-0-	.96
713	" 6, Block 1, Martin Place	1929	3.00	-0-	3.00
1329	" 4,5,6, Block 9, Col.Hts.	1929	1.54	-0-	1.54
1157	" 1 to 7, Block 2, Factory Pl.	1929	2.50	-0-	2.50
1173	" 1 and 2, Block 24, Turner Sub. Beacon Hill	1929	5.34	4.74	.60
1185	" 3, Block 7	1929	.36	.16	.20
1229	So.100, Lot 4, Milner & Cook	1929	.21	-0-	.21
1232	E. 80, W. 160, Lot 27				
	E. 80, W. 160, Lot 28, Driscoll Acre	1929	1.08	-0-	1.08
1253	Lot 3, Block 15, Masonic Home Add.	1929	1.08	.36	.72
1264	Lot 115, Block 5, Hyde Park	1929	1.68	1.13	.55
1271	1/3 of Lot 12, Burkett Sub.	1929	1.83	-0-	1.83
1772	Lot 176, Block 7, Hyde Park	1929	.36	.24	.12
1676	Lot 19, Block 114, Blemont Terr.	1929	3.00	2.00	1.00
1592	Lot 3, Block 31, Jennings So.	1929	15.00	-0-	15.00
2045	Lot 2,3, Block A, Rock Island	1929	.84	-0-	.84
2060	Abst.1093, L. Moore	1929	1.80	-0-	1.80
2060	Abst.151, Wm. Bushnell	1929	.60	-0-	.60
2201	Lot 13, Block E 1, Daggett Add.	1929	3.24	-0-	3.24
2926	Abst.394, 3,12 W. Davidson	1925-26	.44	-0-	.44
3163	Lot 18, Block 30, Eng.Wood Hts.	1929	1.20	.84	.36
3245	Lot 20, Block 3, Maurice Sub.	1929	.96	.42	.54
4889	17 S. 1/2 Lot 18, Block 13, SolHemp.	1929	4.80	3.48	1.32
5015	Lots 1 to 27, Block 22, Int. 3rd	1929	6.60	1.32	5.28
5017	Lots 1,2,4 to 20, Block 20, Int. 3rd	1929	4.22	2.28	1.94
7660	Lots 31,32, Block 3, Arl. 1st	1928	3.45	2.09	1.36
7573	E 30' W 15' Lot 16, Block 3A Misletoe Sangamo	1928	4.00	-0-	4.00
				Total	\$ 55.03
					Credit
867	L 20, Block 4, Hightower Sub.	1929	-0-	2.40	2.40
1715	Lots 10,11,12, Block 5, Col. Hts.	1929	-0-	2.52	2.52
4372	Lots 7 to 15, Block 32, Markette Pl.	1928	.36	.44	.08
					\$ 5.00

L. P. CARD, TAX COLLECTOR

TARRANT COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO.1

For The Year 1930

Rendered Roll

Number	Name	Page	Line	Tax	Collected	Charge
16962	J. O. Squires	4	8	.12	-0-	.12
28793	J. W. Akers	4	8	.90	-0-	.90
34079	Gifford Hill & Co.	92	38	1.80	-0-	1.80
35497	Albert Wandry	96	21	.68	-0-	.68
21214	Mrs. Bert Marshall	451	33	20.64	13.08	7.56
37195	Mistletoe Hts.Realty Co.	474	3	23.94	11.94	12.00
19429	Monticello Land Co.	480	24	.90	.05	.85
25732	A. J. Vasey	480	37	.56	.09	.47
32873	Chas. Murphy	493	32	3.64	3.04	.60
32409	W. R. Ross	617	6	86.06	4.39	81.67
32696	Mary Arhenknott	640	19	1.20	.20	1.00
34773	J. L. Walker	765	15	24.00	21.60	2.40
36803	Mamie Walling	801	32	7.92	6.92	1.00

\$ 111.05

Credit

36398	J. W. Akers	4	35	Double		1.56
36396	J. W. Akers	4	39	Double		1.80
22912	Mrs. A. C. Chambers	5	23	-0-	.12	.12
22841	R. W. Fender	9	27	-0-	3.60	3.60
21918	Alice Handy	65	3	Double	.72	.72
40800	G. C. Buckingham	93	23	-0-	.46	.46
19095	A. H. Cooke	150	1	Double		1.92
20136	Tarrant Co.Bldg & Loan	159	33	1.20	2.40	1.20
23325	J. E. Holt	171	7	Double		2.76
35313	Wm. Wisehahn	190	40	Double		2.16
31575	C. H. Walton	252	40	Double		1.06
15599	Mrs. B. C. Gregory	284	19	Double		1.20
29280	W. H. Irvine	373	23	Double		.96
16989	E. C. Chase	381	26	-0-	.60	.60
25106	J. E. Kerr	441	12	-0-	.96	.96
27379	D. H. Massey	457	14	1.92	2.16	.24
31396	Ollie Morse	484	4	Double		1.80
26359	C. D. Price	573	36	Double		2.42
20404	So.W.Bell Tele.Co.	681	7	Double		1.92
24153	J. M. Barron	720	18	Double		2.40
13530	J. B. Welch	824	42	Double		7.20

\$ 37.06

Unrendered Roll

						<u>Charge</u>
21008	Mrs. J. F. Seines	895	37	1.44	.72	.72
28452	R. B. Mayo	978	44	4.20	4.08	.12
28168	Tommie Perkins	1070	42	.96	-0-	.96
15455	Ollie Mae Baldwin	1110	37	.90	.72	.18
24697	O. Brown	1141	8	.72	.42	.30
31054	J. D. Healey	1144	3	.72	.48	.24
18917	W. O. Goodwin	1203	18	1.56	1.44	.12
23958	F. E. Watkins	1320	8	.96	.72	.24

Unrendered Roll, Cont'd.

Number	Name	Page	Line	Tax	Collected	Charge
24044	No Name	1359	7	1.80	1.20	.60
14632	S. G. Bittick	1380	18	9.00	8.00	1.00
33926	A. C. Barber	1445	25-26	.60	.48	.12
36571	A. Childers	1447	12	12.00	1.32	10.68
27561	Mrs. Jno.M.Barcus	1465	18-19	.48	.24	.24
24463	George Fagan	1659	31	.84	-0-	.84
35360	Mrs. A. Beall	1007	30	4.80	3.36	1.44
						⌘ 17.80
						<u>Credit</u>
26925	H. B. Craft	1013-1014	42-43	.60	1.20	.60
12736	L. N. Edgell	1055	45	Double		4.80
13666	E. Miller	1057	22	-0-	3.60	3.60
33361	J. D. Young	1201	20	Double		6.00
25959	Cont.Southland Sav.&Loan	1359	31	1.20	1.56	.36
22397	No Name	1409	4	-0-	.72	.72
32063	V. L. Peterson	1726	18	-0-	1.20	1.20
18430	Ft.Worth Towel Supply Co.	1782	11	-0-	2.41	2.41
						⌘ 19.69
<u>Non-Resident Roll</u>						<u>Charge</u>
26865	Mrs.Jno.W.Tucker	2465	45	.90	-0-	.90

-1930 Rolls Paid During 1930-Rendered Roll

<u>Number</u>	<u>Name</u>	<u>Page</u>	<u>Line</u>	<u>Tax</u>	<u>Collected</u>	<u>Charge</u>
7563	Mrs. B.F. Bouldin	75	18	2.56	-0-	2.56
10527	W. O. Carter	123	17	14.40	12.40	2.00
4721	R. L. Van Zandt, (Rec)	171	4	4.32	1.12	3.20
2848	W. R. Howard	360	6	.32	-0-	.32
691	J. N. McKee	527	10	2.72	-0-	2.72
						\$ 10.80

Rendered Roll

<u>Number</u>	<u>Name</u>	<u>Page</u>	<u>Line</u>	<u>Tax</u>	<u>Collected</u>	<u>Credit</u>
6032	Tarr, Co. Bldg. & Loan	123	33	-0-	.96	.96
4494	M. K. White	340	15	-0-	1.28	1.28
4452	L. L. Urban	795	21	-0-	.96	.96
						\$ 3.20

Unrendered Roll

<u>Number</u>	<u>Name</u>	<u>Page</u>	<u>Line</u>	<u>Tax</u>	<u>Collected</u>	<u>Credit</u>
1948	O. A. Cunningham	951	45	-0-	1.36	1.36
1190	G. S. Devall	1005	7-8	-0-	1.12	1.12
8646,	D. E. Callahan	1073	39-40	-0-	.32	.32
						\$ 2.80

Unrendered Roll

<u>Number</u>	<u>Name</u>	<u>Page</u>	<u>Line</u>	<u>Tax</u>	<u>Collected</u>	<u>Charge</u>
168	J. W. Ethalton	1152	29	.64	.32	.32
4781	Mrs. Graves Huff	1240	44	4.32	4.00	.32
6246	C. G. Richardson	1407	41	1.28	.80	.48
						\$ 1.12

Collected For Water  
 - Not On Water District -

<u>Number</u>	<u>Description of Property</u>	<u>Collected</u>	<u>Credit</u>
8915	1/2 A, Pt. 8, Masonic Home	.48	.48
9149	200x236x302 of 8 & 9, Masonic Home	.80	.80
9656	E. 1/2 A, Lot 10, Masonic Home	.64	.64
5772	Lot 23, Masonic Home	1.60	1.60
7042	South 100 Ft. Lot 1, Block 2, Masonic Home	1.44	1.44
4338	Lot 7, Block 3, Masonic Home	1.60	1.60
5223	E. 25', Lot 4, W. 50', Lot 5, Masonic Home, B5	1.60	1.60
8821	Lots 4, 5, 6, Block 7, Masonic Home	.96	.96
6959	Lot 1, Block 8, Masonic Home	1.60	1.60
7212	Lot 8, Block 8, Masonic Home	.48	.48
7558	E. 1/2 Lot 3, Block 10, Masonic Home	1.60	1.60
7141	E. 1/2 Lot 4, Block 11, Masonic Home	1.12	1.12
7959	Lot 1, 2, 3, 10, 11, 12, Block 14, Masonic Home	1.68	1.68
2720	Lot 3, Block 15, Masonic Home	.40	.40
10449	West 1/2 Lot 1, Block 19, Masonic Home	1.60	1.60
2229	Lot 6, Block 19, Masonic Home	1.60	1.60
7433	Lot 12, Block 21, Masonic Home	.24	.24
2602	West 1/2 Lot 6, So. 10', Lot 6, Block 25, Masonic Hm.	1.44	1.44
		<u>\$ 20.88</u>	<u>20.88</u>



- Errors As Reported 1929 Rolls -

Number	Name	Page	Line	Paid	Reported	Credit
29145	H. B. Littlepage	1060	28	2.76	3.56	.80
32830	J. W. Baird	43	32	Double		.30
32831	J. W. Baird	43	32	Double		.18
						\$ 1.28

- Errors As Reported 1930 Rolls -

Number	Name	Page	Line	Paid	Reported	Charge
28013	W. S. Redford	586	12	1.44	1.20	.24
28044	Erma Cobb	138	31	2.16	1.76	.40
28611	U. S. Smith	69	9	1.34	.34	1.00
29986	B. S. Walker	2386	25	1.44	1.04	.40
32696	Mary Arbuthnot	640	19	1.20	.20	1.00
32873	Chas. Murphy	493	32	3.64	3.04	.60
35461	No. Texas Iron & Steel	1820	20	33.84	32.84	1.00
6612	W. A. Broyles	93	38	2.80	1.80	1.00
10527	Carter	123	17	14.40	12.40	2.00
						\$ 7.64

Collections As Reported By L. P. Card, Tax Collector  
 Tarrant County Water Control & Improvement District No.1  
 For Year Beginning January, 1930 and Ending December 31, 1930

---

RECEIPTS

Current Rolls 1929, Collected January, February and March	1930, \$ 115,046.00
Current Rolls 1930, Collected October, November and December, 1930	36,429.57
Supplemental Rolls, 1929 .....	257.86
Insolvent Rolls, 1929, Personal .....	662.84
Delinquent Collections 1929 and Prior Years .....	<u>15,741.55</u>
Total Collections during year 1930 .....	\$ 168,137.82
Total Amount Remitted by Tax Collector .....	<u>168,137.82</u>

RECAPITULATION

1929 Rolls, Current .....	\$	176,561.52
*Plus 1929 Supplemental Rolls Reported Collected in 1930.		257.86
*Plus 1929 Supplemental Rolls Reported Collected in 1929.		<u>36.99</u>
	\$	176,856.37

COLLECTIONS:

1929 Current Rolls Collected During 1930	\$	115,046.00	
Collected During October, November and December, 1929		<u>32,559.57</u>	147,605.57
Supplemental Rolls Collected During 1930	\$	257.86	
Collected During October, November and December, 1929		<u>36.99</u>	294.85
Insolvent Rolls Collected During 1930			662.84
1929 Cancellation (Errors in Assessment)		<u>1,431.25</u>	149,994.51
1929 Delinquent Taxes as of December 31st, 1930			<u>\$ 26,861.86</u>
	\$		\$ 176,856.37

Month 1929	1929 Current Roll	1929 Supple- mental Roll	Insolvent Roll	Delinquent Taxes 1928 and Prior
October	\$ 5,882.21	\$ 5.85	\$ 94.40	\$ 1,068.50
November	8,286.05	12.44	37.68	589.90
December	<u>18,391.31</u>	<u>18.70</u>	<u>122.16</u>	<u>551.96</u>
Total	\$ 32,559.57	\$ 36.99	\$ 254.24	\$ 2,210.36

\*Note: Supplemental Rolls are made up as and when Taxes are collected, and represent for the greater part personal property that has been omitted from the regular rolls through error and on which Taxes have been collected.

SUMMARY

	<u>Assessed Value</u>	<u>Tax Rate Per \$100</u>	<u>Levy</u>
1929 Rolls	\$147,134,600.00	.12¢	\$ 176,561.52

COLLECTIONS FOR YEAR 1930 AS DISCLOSED BY AUDIT

1929 Taxes Collected During Year 1930	\$ 115,966.70
1930 Taxes Collected During Year 1930	36,429.57
Delinquent Taxes 1929 and prior (Collected During 1930)	<u>15,741.55</u>
Total Collections for Year 1930	\$ 168,137.82

RECAPITULATION

Recapitulation of Totals Charged to Tax Collector L. P. Card

Page 3, Redemption Receipts .....	55.03
Page 4, Rendered Roll .....	111.05
Page 5, Unrendered Roll .....	17.80
Page 5, Non-Resident Roll .....	.90
Page 6, Rendered Roll .....	10.80
Page 6, Unrendered Roll .....	1.12
Page 8, Errors .....	7.64
	<hr/>
	204.34

Recapitulation of Totals Credited to Tax Collector L. P. Card

Page 3, Redemption Receipts .....	5.00
Page 4, Rendered Roll .....	37.06
Page 5, Unrendered Roll .....	19.69
Page 6, Rendered Roll .....	3.20
Page 6, Unrendered Roll .....	2.80
Page 7, Collected for Water not on Water District ..	20.88
Page 8, Errors .....	1.28
	<hr/>
	89.91

Due Tarrant County Water Control and Improvement  
District Number One ..... 114.43

JUN - 4 1932

"EXHIBIT E" MINUTES 6/27/32 - 3 P.M.

Fort Worth, Texas  
June 3rd 1932

To the Directors of  
Tarrant County Water Control & Improvement Dist No.1,  
Fort Worth, Texas

Gentlemen:

We submit herewith the monthly audited statement of  
Cash Receipts and Disbursements for the month of May and the  
year to date.

As requested in the minutes we report the following  
unfinished business:

The matter of establishing flood monuments and his-  
tory was postponed indefinitely July 10th 1931.

Check for \$13.33 from Gates Abstract Company for re-  
fund of overcharge on Will Laird Abstract has not been received  
as requested in the minutes of July 13th.

The minutes of May 4th 1931 request the opinion of  
attorneys as to the liability of the district engineers for  
payment of \$186.08 for making test pits on Berkshire levee,  
which was included by the contractors in extra work.

Estimate #22 on Eagle Mountain Dam includes as ex-  
tra work an item of \$239.11 for making foundation tests which  
might be chargeable to the district engineers under their con-  
tract.

The minutes of January 19th 1931, request that ar-  
rangements be made with the district engineers regarding their  
fees on residue land purchased and damage claim settlements.  
We are advised that no definite understanding has been reached  
on these matters.

The matter of settlement with Tarrant County on high-  
way matters is still pending.

Balance of \$100.00 on 1931 land rental due from J.I.  
Burgess has not been received as requested in the minutes of  
February 10th. 1932.

There is some confusion in regard to taxes paid in  
January on Jack County land. This is being taken up with the  
Jack County Tax Collector for the necessary adjustment.

On July 7th 1931 check #2552 for \$509.89 was issued  
to Will Laird for balance on 179.87 acres of land in fee and  
49.14 acres easement. This check has not been paid and is on  
hand in your office, due to faulty title on several acres of  
this land, although you have a recorded deed to the property.  
It seems that he is making no progress toward getting the mat-  
ter closed up.

Respectfully submitted,

PITNER AND ADAMS

By *RMP Pitner*

RMP

TARRANT COUNTY WATER CONTROL & IMPROVEMENT DIST NO 1

CASH RECEIPTS & DISBURSEMENTS

January 1st to May 31st-1932

C O N S T R U C T I O N F U N D

<u>RECEIPTS</u>	<u>Total To</u> <u>4-30-32</u>	<u>May</u> <u>1932</u>	<u>Total To</u> <u>5-31-32</u>
Land Rentals	\$ 3,142.79	\$ 000	\$ 3,142.79
Interest on Bank Balances	120.48	84.91	205.39
Short Term Bank Loans	160,000.00	000	160,000.00
Sale of Bonds-Series D-5% Par \$335,000.00	32,225.51	270,000.00	302,225.51
Refund Taxes-Wise & Jack Co.	52.12	.53	52.65
Refund Telephone	.85	000	.85
Sale of Improvements on Land- Purchased	120.00	000	120.00
Refund Condemnation Deposit	17,000.00	000	17,000.00
Prorata Taxes on Land Purchased	4.26	000	4.26
Refund Interest on Bank Loans	000	3,540.02	3,540.02
<b>Total Receipts</b>	<b>212,666.01</b>	<b>273,625.46</b>	<b>486,291.47</b>

RECAPITULATION

Balance in Bank December 31-1931			75,897.06
Receipts	212,666.01	273,625.46	<u>486,291.47</u>
<b>Total</b>			<b>562,188.53</b>
Disbursements	259,998.59	238,040.57	<u>498,039.16</u>
Balance in Bank May 31st-1932			64,149.37

DISBURSEMENTS

	<u>TOTAL To</u> <u>4-30-32</u>	<u>May</u> <u>1932</u>	<u>Total To</u> <u>5-31-32</u>
<u>OFFICE</u>			
Salaries	\$ 1,500.00	\$ 375.00	\$ 1,875.00
Rent	163.00	40.00	203.00
Stationery	49.79	17.96	67.75
Telephone & Telegrams	39.73	8.90	48.63
Postage	13.80	5.00	18.80
Totals	<u>1,766.32</u>	<u>446.86</u>	<u>2,213.18</u>
<u>DIRECTORS</u>			
Directors Fees	710.00	200.00	910.00
Premium on Directors Bonds	85.00	ooo	85.00
Recording Directors Bonds	3.00	ooo	3.00
Totals	<u>798.00</u>	<u>200.00</u>	<u>998.00</u>
<u>ENGINEERING</u>			
Hawley & Freese	7,000.00	1,700.00	8,700.00
Daniel W. Mead	1,014.79	ooo	1,014.79
Totals	<u>8,014.79</u>	<u>1,700.00</u>	<u>9,714.79</u>
<u>CONSTRUCTION</u>			
Contractors-Eagle Mt.Dam	224,221.46	74,458.50	298,679.96
-Bridgeport "	1,750.00	ooo	1,750.00
Crop Damage Claim-Joe Johnson	11.25	ooo	11.25
Totals	<u>225,982.71</u>	<u>74,458.50</u>	<u>300,441.21</u>
<u>LAND DEPT</u>			
Land Purchased in Fee - EM	9,055.15	ooo	9,055.15
" " Perpetual Easement-EM	433.85	ooo	433.85
Abstract & Recording Expense	15.50	6.25	21.75
" " " for Owners	8.75	ooo	8.75
Taxes on Land Purchased	815.46	ooo	815.46
Sundry Condemnation Expense	17.90	13.08	30.98
Services in Condemnation	40.00	ooo	40.00
Repairs for Land Tenants	16.35	ooo	16.35
Telephone & Telegrams	1.85	ooo	1.85
G.W.Duke-Rent Commission	145.72	ooo	145.72
Traveling	15.31	ooo	15.31
Totals	<u>10,565.84</u>	<u>19.33</u>	<u>10,585.17</u>
<u>LEGAL DEPT</u>			
Legal Services	4,166.67	1,041.66	5,208.33
Telephone & Telegrams	10.47	2.60	13.07
Court Cost	26.20	10.00	36.20
Totals	<u>4,203.34</u>	<u>1,054.26</u>	<u>5,257.60</u>
<u>PREPARATION &amp; SALE OF BONDS</u>			
Printing Bonds	825.00	ooo	825.00
Insurance & Postage-Shipping - Bonds	119.83	ooo	119.83
Traveling	89.57	ooo	89.57
Telephone & Telegrams	9.27	1.32	10.59
Miscellaneous Expense	5.60	1.20	6.80
Postage	10.00	ooo	10.00
Printing Proposals	ooo	37.13	37.13
Totals	<u>1,059.27</u>	<u>39.65</u>	<u>1,098.92</u>



DISBURSEMENTS-Coh.

	<u>Total To</u> <u>4-30-32</u>	<u>May</u> <u>1932</u>	<u>Total To</u> <u>5-31-32</u>
<u>ELECTION</u>			
Fees-Officials & Clerks	\$ 1,044.00	\$ 000	\$ 1,044.00
Rent of Polling Places	50.00	000	50.00
Election Supplies & Delivery	540.05	000	540.05
Postage	6.20	000	6.20
Publishing Notice of Election	237.36	000	237.36
Totals	<u>1,877.61</u>	<u>000</u>	<u>1,877.61</u>
<u>BRIDGEPORT LAKE OPERATION</u>			
Salary Custodian	250.00	100.00	350.00
Telephone & Telegrams	12.45	3.75	16.20
Stationery & Supplies	16.13	000	16.13
Works Supplies	13.87	2.52	16.39
Light & Power	6.93	15.70	22.63
Removing Driftwood	36.50	000	36.50
Totals	<u>335.88</u>	<u>121.97</u>	<u>457.85</u>
<u>MISCELLANEOUS</u>			
Interest on Short Term Loans	4,800.00	000	4,800.00
Audit Service	475.00	000	475.00
Expense Paying Bond Coupons	119.83	000	119.83
Repaying Bank Loans	000	160,000.00	160,000.00
Totals	<u>5,394.83</u>	<u>160,000.00</u>	<u>165,394.83</u>
 Grand Totals	 259,998.59	 238,040.57	 498,039.16

I N T E R E S T & S I N K I N G F U N D

RECEIPTS

	<u>Total To</u> <u>4-30-32</u>	<u>May</u> <u>1932</u>	<u>Total To</u> <u>5-31-32</u>
Taxes, Penalties & Interest	\$ 199,868.78	\$ 7,800.44	\$ 207,669.22
Interest on Tax Collectors Balances	333.43	180.50	513.93
Interest on Bank Balances	1,231.95	408.29	1,640.24
Accrued Interest on Bonds Sold	390.97	2,124.99	2,515.96
Central Hanover Bank & Trust Co.- for lost Bond Coupons	125.00	000	125.00
<b>Total Receipts</b>	<b>201,950.13</b>	<b>10,514.22</b>	<b>212,464.35</b>
 Balance in Bank December 31-1931			<u>131,255.09</u>
 Total			<b>343,719.44</b>

DISBURSEMENTS

L. P. Card, Collecting Taxes	1,200.00	000	1,200.00
Premium on Tax Collectors Bond	325.00	000	325.00
Peoples Life Insurance Company - for lost Bond Coupons	125.00	000	125.00
Interest on Bonds	117,966.76	000	117,966.76
<b>Total Disbursements</b>	<b>119,616.76</b>	<b>000</b>	<b>119,616.76</b>
 Balance in Bank May 31st-1932			<b>224,102.68</b>

JOHN B. HAWLEY  
S. W. FREESE  
M. C. NICHOLS  
A. H. WOOLVERTON  
H. A. HUNTER

"EXHIBIT F" MINUTES 6/27/32 - 3 P. M.

WATER SUPPLY  
WATER PURIFICATION  
SEWERAGE  
SEWAGE TREATMENT  
FLOOD CONTROL  
APPRAISALS

HAWLEY, FREESE AND NICHOLS  
CONSULTING ENGINEERS  
407-410 CAPPS BUILDING  
FORT WORTH, TEXAS

June 25, 1932

Board of Directors,  
Tarrant County Water Control and  
Improvement District Number One,  
Fort Worth, Texas.

Gentlemen:

We have examined on the ground the proposed location of the highway to be built by Wise County from Bridgeport to the north end of the Bridgeport Dam.

We find that the location as proposed by the Commissioners Court of Wise County is acceptable to the engineers of this District.

We find that the location and grade proposed through the emergency spillway section north of the dam is considerably below the lowest point of the saddle. The construction of the road at this point will in no way effect the operation of the project.

Attached hereto is a map prepared by Mr. Byers, engineer, for the Commissioners Court showing the proposed location. Mr. Byers has agreed to furnish the District with a profile of the road thru the land owned by the District.

We recommend that suitable easement rights be granted Wise County thru the land now owned by the District contingent upon Wise County fencing such portions of the right-of-way thru the District's land as may later be required by this Board.

Respectfully submitted,

HAWLEY and FREESE

BY *M. C. Nichols*

MCN: CW

CC - Mr. Bennett