

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
24TH DAY OF OCTOBER, 1933, 3 P.M.

The call of the roll disclosed the presence, or absence, of Directors as follows:

PRESENT

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

ABSENT

E. E. Bewley

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

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

1.

There came to the attention of the Directors the fact that certain money paid to the District upon leases of District land for the year 1934, for the aggregate sum \$1211.05, had been placed in the District Construction Fund; further, that under the provisions of Section 5 of "Schedule A" of this District's contract with Reconstruction Finance Corporation, it was required that said funds be placed first in the Maintenance Fund of the District, and that any part thereof which might remain after payment of the District's Expense of operation and maintenance must be transferred to the District "R. F. C. Special Fund," as is provided for by said contract with the Corporation. Upon consideration of these matters, Director Stripling made a motion that the District's Voucher Check No. 3403, for the sum \$1211.05, drawn on the District's Construction Fund, do be executed in order to effect the transfer of said money to the District's Maintenance Fund. This motion was seconded by Director Hogsett. Upon a vote being taken the motion was carried and it was so ordered.

There was presented for consideration of the Directors the fact that the District since August 8, 1933, has continued to owe to the Contractors of the District the sum of \$11,622.49, which had accumulated under the District's contract for construction, as interest on the past due final estimate made on October 25, 1932. It appeared that the Contractors were pressing for payment of this sum, and that suit for the enforcement of this obligation must be anticipated, unless prompt payment be made. It appeared that the sum was not immediately available in the District's Construction Fund, but that the District had Construction resources much more than sufficient to provide the money to pay said balance to the Contractors. These resources consist of: (1) 135 authorized but unsold bonds; (2) approximately 13,000 acres of marginal lands, which are subject to sale. It further appeared that these resources should not be forced upon the market at the present time. It further appeared that the District had in its Maintenance Fund for the year 1933, more money than would be needed to carry on the operation and maintenance of the District for the months of October, November and December, 1933; that this surplus was sufficient to permit the Maintenance Fund to advance to the Construction Fund said sum \$11,622.49. Upon this state of facts, counsel for the District gave advice that the District could lawfully cause its Maintenance Fund to advance money to its Construction Fund in said sum \$11,622.49, for the purposes of enabling the Construction Fund to pay the balance due to the Contractors. This opinion, however, recommended that the transfer be considered as a loan by the Maintenance Fund to the Construction Fund, and that the sum \$11,622.49 be later restored to the Maintenance Fund at such time as it might prudently be done

by means of the sale of bonds, or lands. Further, that the District should by its order provide that thirteen (13) or more of the unsold bonds, of the District, be reserved in the District's Treasury, and not sold for any other purpose than to procure money wherewith the sum \$11,622.49 might be restored to the Maintenance Fund, unless said restoration might sooner be effected by means of the sale of marginal lands. Counsel further gave advice that in their opinion said sum \$11,622.49 would lawfully bear interest not before January 1, 1934, and then at the rate 6% per annum.

After consideration of said facts and opinion by Counsel, Director Hogsett made a motion that the District's Voucher Check No. 3404, for the sum \$11,622.49, drawn on the District's Maintenance Fund, payable to the District's Construction Fund do be issued and used to effect said proposed transfer of funds; further, that in order to secure the restoration of said money to the Maintenance Fund, the District do reserve in its Treasury 13 of the District's authorized but unsold bonds (there being 135 such bonds), until the said bonds might be sold and the proceeds applied to restoring said sum \$11,622.49 to the Maintenance Fund; provided said restoration be not sooner made by sale of marginal lands of the District and the application of funds from such sale to effecting said restoration. Further, that in case said restoration of money to the Maintenance Fund be effected by the sale of lands, the provision as to reserving bonds for said purpose shall be without further force or effect. Further, that the District's Voucher Check No. 3405, for the sum \$11,622.49, payable to the Contractors of the District, be drawn on the District's Construction Fund and delivered to the Contractors in full and absolute satisfaction of any and all claims or demands of whatever nature, which the Contractors may now hold against the District by reason of their

performance of their contract with the District, of date February 4, 1930; also in full of any other claim or claims on part of said Contractors against this District. This motion was seconded by Director Stripling. Upon a vote being taken, the motion was carried and it was so ordered.

3.

There was presented to the Directors a suggestion that Mr. Marvin C. Nichols of the Engineers and Ireland Hampton, of Counsel for the District, deemed it possible that they might procure Mr. Lawrence Westbrook, Chairman of the Texas Rehabilitation and Relief Commission, to provide labor without cost to the District, for the purpose of doing certain work on the West Fork of the Trinity River in the Boyd-Paradise area, in Wise County. The District's interest in this matter consists in the fact that until certain work is done in that area, the District will be subjected to numerous claims for damage by overflows in that area, at all such times as the District may have occasion to open more than two of the valves in the Bridgeport Dam. Director Hogsett made a motion that Mr. Nichols and Mr. Hampton be requested to proceed to Austin for conference with Mr. Westbrook at the earliest time practical, for the purpose stated herein, and that actual cost of such trip do be authorized for payment by the District. This motion was seconded by Director Hickman. Upon a vote being taken, the motion was carried and it was so ordered.

4.

There was presented to the Directors the fact that any ordinances designed to protect the District's works and make the operation thereof practical, would be of doubtful validity, unless the District procures an amendment to its Permits which would constitute a grant from the state of Texas to

the District, of the right to control the water in the District's Reservoirs for the purpose stated in Section 3 of Chapter 280 of the Acts of the Regular Session of the 41st Legislature of Texas, and relating to "preserving the sanitary condition of all water controlled by the District, to prevent waste of water, to regulate residence, hunting, fishing, boating and camping, and all recreational and business privileges upon any body or stream of water, or any body of land owned or controlled by the District."

Upon consideration of this matter, it was the sense of the Directors that application for the amendment to the Permits should be made; that payment of the statutory fees therefor (not to exceed \$200.00) do be authorized and that Mr. Hampton do be requested to present said application for amendment at the time he might be in Austin for a conference with Col. Westbrook.

5.

Director Hickman, on behalf of the Land Committee, reported upon proposed leases to cover the period from December 31, 1933, to December 31, 1934, as follows:

WRITTEN PROPOSALS:

PROPOSAL OF	FOR LEASE OF LAND PURCHAS ED FROM	TRACT #	APPROX. ACRES	TOTAL CON- SIDERATION	AMOUNT ACCOMPANYING PROPOSAL		BALANCE DUE
					CASH	CHECK	
O.W.Sparks	Q. K. Dent	323	9.50	\$ 60.00	-	\$ 15.00	\$ 45.00

There was full consideration of this proposal, and consummation of said proposal was recommended by Director Hickman and Director Stripling, whereupon Director Hogsett moved that said leases do be approved and consummated; subject only to the actual payment in cash of the recited consideration,

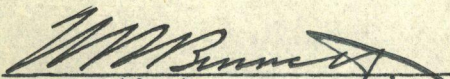
prior to December 15, 1933, and the execution of written lease containing the provisions in use by this District. This motion was seconded by Director Stripling. Upon a vote being taken the motion was carried and it was so ordered.

6.

No further business was presented and the meeting was adjourned.


As Secretary

APPROVED:


As President