

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  
29TH DAY OF AUGUST, 1935, 5 P. M.

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

C. A. Hickman  
E. E. Bewley  
W. K. Stripling  
Joe B. Hogsett  
W. S. Cooke

At this meeting C. A. Hickman, President, presided; W. K. Stripling acted in his capacity as Secretary.

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

1.

There was presented to the Directors for consideration a proposed contract whereby the Federal Administrator of Public Works has proposed to obligate himself to purchase one hundred twenty-six (126) bonds of this District, for the total par sum One Hundred Twenty-six Thousand (\$126,000.00) Dollars, as described in subdivision (e) on page one of said contract, and to make to the District a grant in an amount equal to thirty (30%) per centum of the cost of the labor and materials employed upon the project, as set forth in paragraph 3 on page 2 of the agreement. An identical of said contract is attached to these minutes as "Exhibit A." Upon examination of the contract, Director Cooke moved that the tendered contract do be executed in behalf of the District, as the act and deed of the District. That Director Hickman, in his capacity as President, do be authorized and directed to execute said

contract in the name of the District, and that Director Stripling, in his capacity as Secretary of the District, do be authorized and directed to attest the execution of said contract and to imprint the official seal of the District. Further that, said contract do be delivered to the officers and agents of the said Administration of Public Works in Fort Worth, Texas, together with a certified copy of the minutes of this meeting, for the purpose of showing authority herefor. This motion was seconded by Director Hogsett. Upon a vote being taken the motion was carried and it was so ordered.

2.

No further business was presented and the meeting was adjourned.

APPROVED:

C. A. Hickman  
As President.

W. N. Stripling  
As Secretary.

"EXHIBIT A"  
August 30, 1935, 5PM.

LOAN AND GRANT AGREEMENT

between the

TARRANT COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NUMBER ONE, TARRANT  
COUNTY, TEXAS

and the

UNITED STATES OF AMERICA

P.W.A. DOCKET NO. 5984

1. Purpose of Agreement. Subject to the terms and conditions of this Agreement, the United States of America (herein called the "Government") will, by loan and grant not exceeding in the aggregate the sum of \$165,300

(herein called the "Allotment") aid the TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE, TARRANT COUNTY, TEXAS, (herein called the "Borrower") in financing a project (herein called the "Project") consisting substantially of the construction of Section A of a levee and channel improvement project, comprising that portion of the project situated west of North Main Street, Fort Worth, Texas, and west of Station 48;

all pursuant to the Borrower's application (herein called the "Application"), P.W.A. Docket No. 5984, Title II of the National Industrial Recovery Act (herein called the "Act") and the Constitution and Statutes of the State of Texas (herein called the "State").

2. Amount and Method of Making Loan. The Borrower will sell and the Government will buy, at the principal amount thereof plus accrued interest, \$126,000 aggregate principal amount of Series "D-3" negotiable coupon bonds (herein called the "Bonds") of the description outlined below or such other description as may be satisfactory to the Borrower and to the Federal Emergency Administrator of Public Works (herein called the "Administrator"), bearing interest at the rate of 4 percent per annum, payable semi-annually from date until maturity, less such amount of the Bonds, if any, as the Borrower may sell to purchasers other than the Government.

- (a) Date: November 16, 1931 (b) Denomination: \$1,000
- (c) Place of Payment: At the office of Tarrant County Water Control and Improvement District Number One, in the City of Fort Worth, Texas; or at the option of the holder at the Central Hanover Bank and Trust Company, in the Borough of Manhattan, City and State of New York.
- (d) Registration Privileges: At the option of the holder as to principal only.
- (e) Maturities: Payable, without option of prior redemption, on
- |                  |                                  |
|------------------|----------------------------------|
| September 15     | in years and amounts as follows: |
| \$4,000. . . . . | .1945-1946, inclusive            |
| 5,000. . . . .   | .1947-1951, inclusive            |
| 6,000. . . . .   | .1952-1956, inclusive            |
| 7,000. . . . .   | .1957-1959, inclusive            |
| 8,000. . . . .   | .1960-1962, inclusive            |
| 9,000. . . . .   | .1963-1964, inclusive            |
- (f) Security: General obligations of the Borrower, payable as to both principal and interest from ad valorem taxes which may be levied without limit as to rate or amount upon all the taxable property within the territorial limits of the Borrower.

3. Amount and Method of Making Grant. The Government will make and the Borrower will accept, whether or not any or all of the Bonds are sold to purchasers other than the Government, a grant (herein called the "Grant") in an amount equal to 30 per centum of the cost of the labor and materials employed upon the Project. The determination by the Administrator of the cost of the labor and materials employed upon the Project shall be conclusive. The Government will make part of the Grant by payment of money and the remainder of the Grant by cancellation of Bonds or interest coupons or both. If all of the Bonds are sold to purchasers other than the Government, the Government will make the entire Grant by payment of money. In no event shall the Grant, whether made partly by payment of money and partly by cancellation, or wholly by payment of money, be in excess of \$ 40,500.

4. Bond Proceedings. When the Agreement has been executed, the Borrower (unless it has already done so) shall promptly take all proceedings necessary for the authorization and issuance of the Bonds.

5. Bond and Grant Requisitions. From time to time after the execution of this Agreement, the Borrower shall file a requisition with the Government requesting the Government to take up and pay for Bonds or to make a payment on account of the Grant. Each requisition shall be accompanied by such documents as may be requested by the Administrator (a requisition together with such documents being herein collectively called a "Requisition").

6. Bond Payments. If a Requisition requesting the Government to take up and pay for Bonds is satisfactory in form and substance to the Administrator, the Government, within a reasonable time after the receipt of such Requisition, will take up and pay for Bonds, having maturities satisfactory to the Administrator, in such amount as will provide, in the judgment of the Administrator, sufficient funds for the construction of the Project for a reasonable period. Payment for such Bonds shall be made at a Federal Reserve Bank to be designated by the Administrator or at such other place or places as the Administrator may designate, against delivery by the Borrower of such Bonds, having all unmatured interest coupons attached thereto, together with such documents as may be requested by the Administrator. The Government shall be under no obligation to take up and pay for Bonds beyond the amount

which in the judgment of the Administrator is needed by the Borrower to complete the Project.

7. Grant by Payment of Money. If a Requisition requesting the Government to make a payment on account of the Grant is satisfactory in form and substance to the Administrator, the Government will pay to the Borrower at such place or places as the Administrator may designate against delivery by the Borrower of its receipt therefor, a sum of money equal to the difference between the aggregate amount previously paid on account of the Grant, and

(a) 25 per centum of the cost of the labor and materials shown in the Requisition to have been employed upon the Project if the Requisition shows that the Project has not been completed, or

(b) 30 per centum of the cost of such labor and materials if the Requisition shows that the Project has been completed and that all costs incurred in connection therewith have been determined;

provided, however, that the part of the Grant made by payment of money to the Borrower shall not be in excess of the difference between the Allotment and the amount paid (not including the amount paid as accrued interest) for the Bonds taken up by the Government. The Government reserves the right to make any part of the Grant by cancellation of Bonds or interest coupons or both rather than by payment of money if, in the judgment of the Administrator, the Borrower does not need the money to pay costs incurred in connection with the construction of the Project.

8. Grant by Cancellation of Bonds. If the Borrower, within a reasonable time after the completion of the Project, shall have filed a Requisition, satisfactory in form and substance to the Administrator, then the Government will cancel such Bonds and interest coupons as may be selected by the Administrator in an aggregate amount equal (as nearly as may be) to the difference between 30 per centum of the cost of the labor and materials employed upon the Project and the part of the Grant made by payment of money. The Government will hold Bonds or interest coupons for such reasonable time in an amount sufficient to permit compliance with provisions of this Paragraph, unless payment of such difference shall have been otherwise provided for by the Government.

9. Grant Advances. At any time after the execution of this Agreement the Government may, upon request of the Borrower, if in the judgment of the Administrator the circumstances so warrant, make advances to the Borrower on account of the Grant, but such advances shall not be in excess of 30 per centum of the cost of the labor and materials to be employed upon the Project, as estimated by the Administrator.

10. Deposit of Bond Proceeds and Grant; Bond Fund; Construction Accounts. The Borrower shall deposit all accrued interest which it receives from the sale of the Bonds at the time of the payment therefor and any payment on account of the Grant which may be made under the provisions of Paragraph 8, hereof, into an interest and bond retirement fund account (herein called the "Bond Fund") promptly upon the receipt of such accrued interest or such payment on account of the Grant. It will deposit the remaining proceeds from the sale of the Bonds (whether such Bonds are sold to the Government or other purchasers) and the part of the Grant made by payment of money under the provisions of Paragraph 7, hereof, promptly upon the receipt of such proceeds or payments in a separate account or accounts (each of such separate accounts herein called a "Construction Account"), in a bank or banks which are members of the Federal Reserve System and of the Federal Deposit Insurance Corporation and which shall be satisfactory at all times to the Administrator.

11. Disbursement of Monies in Construction Accounts and in Bond Fund. The Borrower shall expend the monies in a Construction Account only for such purposes as shall have been previously specified in Requisitions filed with the Government and as shall have been approved by the Administrator. Any monies remaining unexpended in any Construction Account after the completion of the Project which are not required to meet obligations incurred in connection with the construction of the Project shall either be paid into the Bond Fund, or said monies shall be used for the purchase of such of the Bonds as are then outstanding at a price not exceeding the principal amount thereof plus accrued interest. Any Bonds so purchased shall be cancelled and no additional Bonds shall be issued in lieu thereof. The monies in the Bond Fund shall be used solely for the purpose of paying interest on and principal of the Bonds.

12. Other Financial Aid from the Government. If the Borrower shall receive any funds (other than those received under this Agreement) directly or indirectly from the Government, or any agency or instrumentality thereof, to aid in financing the construction of the Project, to the extent that such funds are so received the Grant shall be reduced, and to the extent that such funds so received exceed the part of the Grant which would otherwise be made by payment of money, the aggregate principal amount of Bonds to be purchased by the Government shall be reduced.

13. Construction of Project. Not later than upon the receipt by it of the first Bond payment, the Borrower will commence or cause to be commenced the construction of the Project, and the Borrower will thereafter continue such construction or cause it to be continued to completion with all practicable dispatch, in an efficient and economical manner, at a reasonable cost and in accordance with the provisions of this Agreement, plans, drawings, specifications and construction contracts which shall be satisfactory to the Administrator, and under such engineering supervision and inspection as the Administrator may require. Except with the written consent of the Administrator, no materials or equipment for the Project shall be purchased by the Borrower subject to any chattel mortgage, or any conditional sale or title retention agreement.

14. Construction Work. All work on the Project shall be done subject to the rules and regulations adopted by the Administrator to carry out the purposes and control the administration of the Act. By the act of executing this Agreement the Borrower acknowledges receipt of a copy of the rules and regulations set out in Bulletin No. 2, Non-Federal Projects revised March 1, 1935, entitled "P.W.A. REQUIREMENTS as to BIDS, CONTRACTORS' BONDS, AND CONTRACT, WAGE AND LABOR PROVISIONS AND GENERAL INSTRUCTIONS as to APPLICATIONS AND LOANS AND GRANTS", and covenants that said rules and regulations, with all blank spaces filled in as provided



in said Bulletin, will be incorporated verbatim in ALL CONSTRUCTION CONTRACTS for work on the Project.\*

15. Force Account. All construction work on the Project shall be done under contract, provided, however, that if prices in the bids are excessive, the Borrower reserves the right, anything in this Agreement to the contrary notwithstanding, to apply to the Administrator for permission to do all or any part of the Project on a force account basis.

16. Restriction as to Contractors. The Borrower shall receive no bid from any contractor, nor permit any contractor to receive any bid from any subcontractor, who has not signed U. S. Government Form No. P. W. A. 61, revised March, 1934.

17. Bonds and Insurance. Construction contracts shall be supported by adequate surety or other bonds or security satisfactory to the Administrator for the protection of the Borrower, or materialmen, and of labor employed on the Project or any part thereof. The contractor under any construction contract shall be required to provide public liability insurance in an amount satisfactory to the Administrator.

18. Information. During the construction of the Project the Borrower will furnish to the Government all such information and data as the Administrator may request as to the construction, cost and progress of the work. The Borrower will furnish to the Government and to any purchaser from the Government of 25 per centum of the Bonds, such financial statements and other information and data relating to the Borrower as the Administrator or any such purchaser may at any time reasonably require.

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\* Particular care should be taken by the Borrower that in all construction contracts the following words are inserted in the blank space in Paragraph 3 (a) (1) of the rules and regulations: **Tarrant County Water Control and Improvement District Number One and/or Tarrant County**

and the following words are inserted in the blank space in Paragraph 3 (a) (2) of the rules and regulations: **The State of Texas.**

19. Representations and Warranties. The Borrower represents and warrants as follows:

- (a) Litigation. No litigation or other proceedings are now pending or or threatened which might adversely affect the Bonds, the security therefor, the construction of the Project, or the financial condition of the Borrower;
- (b) Financial Condition. The character of the assets and the financial condition of the Borrower are as favorable as at the date of the Borrower's most recent financial statement, furnished to the Government as a part of the Application, and there have been no changes in the character of such assets or in such financial condition except such changes as are necessary and incidental to the ordinary and usual conduct of the Borrower's affairs;
- (c) Fees and Commissions. It has not and does not intend to pay any bonus, fee or commission in order to secure the loan or grant hereunder;
- (d) Affirmation. Every statement contained in this Agreement, in the Application, and in any supplement thereto or amendment thereof, and in any other document submitted to the Government is correct and complete, and no relevant fact materially affecting the Bonds, the security therefor, the Grant or the Project, or the obligations of the Borrower under this Agreement has been omitted therefrom.

20. Bond Circular. The Borrower will furnish all such information in proper form for the preparation of a Bond Circular and will take all such steps as the Government or any purchaser or purchasers from the Government of not less than 25 per centum of the Bonds may reasonably request to aid in the sale by the Government or such purchaser or purchasers of any or all of the Bonds.

21. Expenses. The Government shall be under no obligation to pay any costs, charges or expenses incident to compliance with any of the duties or obligations of the Borrower under this Agreement including, without limiting the generality of the foregoing, the cost of preparing, executing and delivering the Bonds, and any legal, engineering and accounting costs, charges or expenses incurred by the Borrower.

22. Waiver. Any provision of this Agreement may be waived or amended with the consent of the Borrower and the written approval of the Administrator, without the execution of a new or supplemental agreement.

23. Interest of Member of Congress. No Member of or Delegate to the Congress of the United States of America shall be admitted to any share or part of this Agreement, or to any benefit to arise thereupon.

24. Validation. The Borrower hereby covenants that it will institute, prosecute and carry to completion in so far as it may be within the power of the Borrower, any and all acts and things to be performed or done to secure the enactment of legislation or to accomplish such other proceedings, judicial or otherwise, as may be necessary, appropriate or advisable to empower the Borrower to issue the Bonds and to remedy any defects, illegalities and irregularities in the proceedings of the Borrower relative to the issuance of the Bonds and to validate the same after the issuance thereof to the Government, if in the judgment of the Administrator such action may be deemed necessary, appropriate or advisable. The Borrower further covenants that it will procure and furnish to the Government, as a condition precedent to the Government's obligations hereunder a letter from the Governor of the State stating that if in the judgment of the Administrator it may be advisable to enact legislation to empower the Borrower to issue the Bonds or to remedy any defects, illegalities or irregularities in the proceedings of the Borrower relative to the issuance thereof or to validate the same, said Governor will recommend and cooperate in the enactment of such legislation.

25. Naming of Project. The Project shall never be named except with the written consent of the Administrator.

26. Insurance on Project. The Borrower shall, during the life of the Project, maintain proper and adequate insurance thereon.

27. Undue Delay by the Borrower. If in the opinion of the Administrator, which shall be conclusive, the Borrower shall delay for an unreasonable time in carrying out any of the duties or obligations to be performed by it under the terms of this Agreement, the Administrator may cancel this Agreement.

28. Conditions Precedent to the Government's Obligations. The Government shall be under no obligation to pay for any of the Bonds or to make any part of the Grant:

- (a) Financial Condition and Budget. If, in the judgment of the Administrator, the financial condition of the Borrower shall have changed unfavorably in a material degree from its condition as theretofore represented to the Government, or the Borrower shall have failed to balance its budget satisfactorily or shall have failed to take action reasonably designed to bring the ordinary current expenditures of the Borrower within the prudently estimated revenues thereof;
- (b) Cost of Project. If the Administrator shall not be satisfied that the Borrower will be able to complete the Project for the sum of \$165,300 , or that the Borrower will be able to obtain, in a manner satisfactory to the Administrator, any additional funds which the Administrator shall estimate to be necessary to complete the Project;
- (c) Compliance. If the Administrator shall not be satisfied that the Borrower has complied with all the provisions contained in this Agreement or in the proceedings authorizing the issuance of the Bonds, theretofore to be complied with by the Borrower;
- (d) Legal Matters. If the Administrator shall not be satisfied as to all legal matters and proceedings affecting the Bonds, the security therefor or the construction of the Project;
- (e) Representations. If any representation made by the Borrower in this Agreement or in the Application or in any supplement thereto or amendment thereof, or in any document submitted to the Government by the Borrower shall be found by the Administrator to be incorrect or incomplete in any material respect;
- (f) Maturity of Bonds Sold to Government. If, in the event that some of the Bonds are sold to purchasers other than the Government, the maturities of the remaining Bonds are not satisfactory to the Administrator.
- (g) Land to be Acquired. If the Borrower shall not furnish an appraisal of the land and rights-of-way necessary for the Project, estimated to cost \$25,000, and if the value of such land and rights-of-way shall not be satisfactory to the Administrator.

This Agreement shall be binding upon the parties hereto when a copy thereof, duly executed by the Borrower and the Government, shall have been received by the Borrower. This Agreement shall be governed by and be construed in accordance with the laws of the State. If any provision of this Agreement shall be invalid in whole or in part, to the extent it is not invalid it shall be valid and effective and no such invalidity shall affect, in whole or in part, the validity and effectiveness of any other provision of this Agreement or the rights or obligations of the parties hereto, provided, however, that in the opinion of the Administrator, the Agreement does not then violate the terms of the Act.

IN WITNESS WHEREOF, the Borrower and the Government have respectively caused this Agreement, to be duly executed as of

TARRANT COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NUMBER ONE,  
TARRANT COUNTY, TEXAS.

By.....  
*W. H. Jensen*  
.....  
*President*  
.....

SEAL:

ATTEST:

*W. H. Dripling*  
.....  
*Secretary*  
.....

UNITED STATES OF AMERICA

By.....  
Federal Emergency Administrator of  
Public Works.