

MINUTES OF A 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 22ND DAY OF APRIL, 1952, AT 2:00 P.M.

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The call of the roll disclosed the presence of Directors  
as follows:

PRESENT

Joe B. Hogsett  
Houston Hill  
Dan H. Priest  
W. L. Pier  
A. T. Seymour, Jr.

Also present were Sidney L. Samuels, General Counsel of the District,  
C. L. McNair, General Manager of the District, and Marvin C. Nichols  
of the Engineering Firm of Freese and Nichols, Consulting Engineers  
of the District.

Director Hogsett acted in his capacity as President, and  
Director Priest acted in his capacity as Secretary, whereupon pro-  
ceedings were had and done as follows:

1.

The Directors had previously received copies of the minutes  
of meetings held as follows:

February 29, 1952, at 10:00 A.M.  
March 11, 1952, at 1:45 P.M.  
March 17, 1952, at 2:00 P.M.  
March 28, 1952, at 2:00 P.M.  
April 1, 1952, at 1:00 P.M.  
April 14, 1952, at 2:00 P.M.

Having found no objections thereto, it was ordered that they be  
approved, signed and placed on record.

President Hogsett reported to the Board, that \$3,350,000.00 United States Treasury Bills owned by the several funds of the District would mature during the month of May, 1952, and that the Board should determine whether such maturities should be merged into other securities of a like kind. Said securities are deposited in the Safekeeping Department of the Fort Worth National Bank of Fort Worth, Texas, for which the District holds the Bank's official safekeeping receipts described, as follows:

SK No. B47293 for \$3,000,000.00 U. S. Treasury Bills, dated 2-7-52, maturity 5-8-52. Owned by "Construction Fund."

SK No. B47362 for \$100,000.00 U. S. Treasury Bill, dated 2-7-1952, maturity 5-8-1952. Owned by "Interest and Sinking Fund".

SK No. B47349 for \$100,000.00 U. S. Treasury Bill dated 2-14-52, maturity 5-15-52, owned by "Interest and Sinking Fund".

SK No. B47350 for \$100,000.00 U. S. Treasury Bill, dated 2-14-52, maturity 5-15-52. Owned by "Maintenance Fund."

SK No. B47405 for \$50,000.00 U. S. Treasury Bill dated 2-21-52, maturity 5-22-52. Owned by "Maintenance Fund."

After discussion of the matter, Director Hill moved, seconded by Director Seymour, that President Hogsett be authorized to make re-investment of so much of the proceeds of the maturing United States Treasury Bills as may be reinvested in like securities, for the benefit of the several funds of the District as shown above.

Upon a vote being taken, the motion carried and it was so ordered.

Mr. Hogsett, President of the Board, announced that the proceedings of this particular meeting, to a great degree, would be taken up with once again considering the contract to be prepared between the District on the one hand and Texas Electric Service Company on the other, a matter which had engrossed the attention of the Board at prior meetings.

Inasmuch as many features of the contract had been theretofore discussed and even approved, it was suggested that the Directors take up those phases which were yet under discussion, and if possible to arrive at mutual agreement. For the most part, the consideration of the contract revolved about the period of time for which it should run, the location of transmission lines of the Texas Electric Service Company, the privileges of such Company in using water for its needs in the operation of its plant, superior as against users in the future, who should desire to contract with the District for the industrial use of waters from Eagle Mountain Lake, and the further question of whether or not the District should include a provision that would either expressly or by implication guarantee the sufficiency of water for the purposes of the contract. After considerable debate in which all directors of the Board participated, it was finally agreed that in point of time the privileges to be granted the Texas Electric Service Company should be for a period of fifty years from the date of the contract with option to be exercised under certain conditions by the Company for a further period of fifty years by giving notice to the District two years in advance of the expiration of the first period of fifty years. The viewpoint of the Counsel for the District, Sidney L. Samuels, was sought on this point, and he answered that,

in view of the fact that the investment of the Company would amount to several millions of dollars, and that the improvements to be made would be monumental and permanent in character, and that it was contemplated that electric energy would be supplied over a wide area of country, in his judgment it would be valid to grant the Company, under the conditions of the contract, that period of time which it sought. He, Mr. Samuels, pointed out that a contract of the Board was very different from mere legislative action, and, moreover, no public service corporation engaged in such wide distribution of its service could be expected to establish a plant of that character in the absence of a provision for a long-time privilege. Mr. Samuels further announced that the contract, by its very terms, did not confer exclusive privileges, and moreover, very much of the water which would be so utilized by the Company would be returned to the channel of the stream.

Following this discussion and the remarks of the Counsel for the District, it was resolved that further discussion of the various points be had with the representatives of the Company and report thereon be made to the Board at a further meeting, at which time the consideration of the subject would be renewed.

4.

Director Seymour brought to the attention of the meeting the matter of a resolution to be passed by the Board concerning the desire of the District to have the program of the Floodway Improvement (Section IV) make provision for the protection against flood and submergence of the Clear Fork Area, which Section is the Section of the Floodway above the mouths of the Clear Fork with the West Fork, extending upstream on the Clear Fork to Lancaster Street Bridge and on the West

Fork to University Drive.

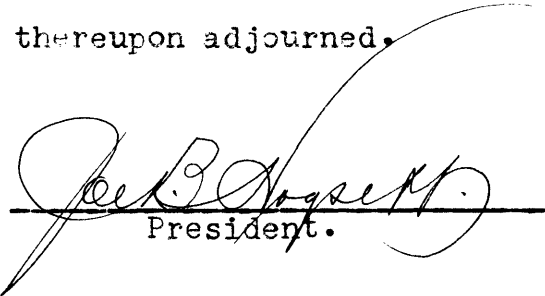
Mr. Seymour then proposed a resolution to that effect which should be embodied in a communication from the District to Colonel Delbert B. Freeman, District Engineer, Corps of Engineers, and that Mr. Marvin C. Nichols, the Consulting Engineer of the District, prepare the communication so to be sent to Colonel Freeman. Following the foregoing observations, Mr. Seymour moved, seconded by Director Hill, the adoption of the following resolution:

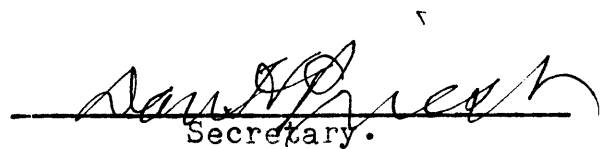
BE IT RESOLVED by Tarrant County Water Control and Improvement District Number One that a communication be addressed to Colonel Delbert B. Freeman, Federal District Engineer, of the earnest desire of the District to have (Section IV) of the Floodway Improvements provide for the protection of the Clear Fork area and that such communication to Colonel Freeman direct his attention to the high concentration of property values in the Clear Fork area.

The motion to adopt this resolution having been submitted by the President of the Board, all the Directors present voted "aye" thereon, and the motion was unanimously carried.

5.

There being no further business before the Board, the meeting thereupon adjourned.

  
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President.

  
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Secretary.