

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 31ST DAY OF MAY, 1962 AT 11:00 A.M.

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

PRESENT

Joe B. Hogsett
Houston Hill
Lacy Boggess
W. L. Pier
Wayne E. Newton

Also present were Messrs. John M. Scott General Counsel for the
District and Ben Hickey General Manager of the District.

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

1.

On motion duly made and seconded the minutes of the
meeting held May 23, 1962 were read and approved by the Directors
and it was accordingly ordered that such minutes be placed in the
permanent files of the District.

2.

On motion of Director Pier, seconded by Director Boggess,
voucher-checks #1061 to #1100 inclusive, Cedar Creek Construction
Fund; voucher-check #130 Cedar Creek Revenue Fund; voucher-checks
#1274 to #1305 inclusive, Maintenance Fund; voucher-check #124
Maintenance Construction Fund and voucher-check #128 Interest and
Sinking Fund were approved and ordered paid upon receiving the approval

and verification of Mr. J. M. Williams, County Auditor, who by virtue of the Statutes is the Auditor of this District as well. All the Directors voted aye thereon.

3.

President Hogsett presented the following letter, dated May 23, 1962 signed by L. C. Johnson, addressed to the District:

"TARRANT COUNTY WATER CONTROL
AND IMPROVEMENT DISTRICT NO. 1
Danciger Building
Fort Worth, Texas

Gentlemen:

This letter is in reference to the tract of land that I purchased from you on June 29, 1956, containing 2.83 acres located immediately West of the Trinity river bridge on the South side of East Belknap Street, Fort Worth, Texas.

As you know the property in question is the tract of land that the State of Texas condemned the East Belknap frontage for road purposes, leaving me the rear 1.8 acres without the valuable frontage. I have tried repeatedly since the taking of this land by the State to either sell or improve the property in order to be able to meet the principal and interest payments still owed on property. I have had no success in this attempt.

At the present time an opportunity to trade this land off subject to a loan balance of \$14,100.00 that you hold on subject property, and the people who are willing to assume this loan are financially responsible and I believe that they will pay for the property.

I hereby respectfully request that you waive the interest payments on this property and give me a chance to salvage a portion of the money that I have invested in good faith not knowing the State would condemn and take the most valuable portion away from me. At the present time the property remaining on this note is not worth the principal balance much to my sorrow, and I see no way that I would be able to meet the payments. However if I were allowed to transfer the title to these people they are in a position to improve the land and pay off the note in the very near future. This would give you an opportunity to get more for the land than it is actually worth on the present market.

Thanking you in advance for your kind consideration in this

matter, I am

Very truly yours,
/s/ L. C. Johnson"

Following the reading of the above letter, and a detailed discussion, wherein President Hogsett reviewed the history of the transaction to date, pointing out that an appraisal had just been made of the property, copy of same attached to these minutes, and it was the opinion of the appraiser that the property in question had a worth of \$18,000.00. It was the unanimous opinion of the Directors, and their order, that Mr. L. C. Johnson be notified, (a) that in event of his producing proof, to the District, of his inability to fulfill the requirements of the deed of trust, the District would accept his assignment to the District; or (b) that the requirements of the Deed of Trust be brought to current status as soon as requested by this District.

4.

Mr. Ben Hickey, General Manager of the District, requested authority for the District to enter into Contract for the purchase of the following described tracts of land required for the Cedar Creek Reservoir, and on the following basis for payment, to-wit:

- (a) Tract No. 257 - Ben T. Fitzgerald - 2.5 acres more or less @ Lump Sum \$250.00.
- (b) Tract No. 140 - H. E. Faires - 53.95 acres more or less @ \$90.00 per acre.
- (c) Tract No. 168 - W. M. Spradley - 55.09 acres more or less @ \$125.00 per acre.
- (d) Tract No. 47 - Haywood Wingham - 27.06 acres more or less @ \$125.00 per acre.

(e) Tract No. 47-A - Clifton Wingham - 12.82 acres more or less @ \$125.00 per acre.

(f) Tract No. 199 - Robert Tarleton - 31.85 acres more or less @ \$125.00 per acre.

9.60 acres more or less @ \$125.00 per acre + \$796.25 damages due to the taking; also approved the following land for the Cedar Creek Pipeline Right-of-Way:

(a) T-51-B - Malor Mfg. Co. - 47.8 Rods more or less @ \$5.00 per rod - \$239.00.

(b) T-10 - Jennie L. Darnell - 36.1 Rods more or less Lump Sum \$200.00.

(c) T-27 - Lewis E. Cearley - 128.5 Rods more or less @ \$5.00 per rod - \$642.50.

(d) T-22 - G. J. Quinn - 70.0 Rods more or less @ \$5.00 per rod - \$350.00.

(e) T-23 - R. L. Lowery - 60.0 Rods more or less @ \$5.00 per rod - \$300.00.

(f) T-55 = T. R. Wilkinson - 4.8 Rods more or less - Lump sum - \$100.00.

(g) T-53 - H. J. Harris - 35.2 Rods more or less - Lump Sum - \$500.00.

Following a detailed presentation of the Tracts, and upon recommendation of management of the District, Director Pier, seconded by Director Newton, moved that the District be authorized to enter into Contract for the purchase of the above described tracts and on the basis as shown. This meeting with the approval of all Directors, it was so ordered.

5.

Mr. Ben Hickey, General Manager, made a brief report on the acquisition of rights-of-way for the Cedar Creek Pipeline, stating contact and/or acquisition was being concentrated on the Tarrant County

section of the line because of the rapid development of the urban areas, and the increase in land values that went with development. The matter of obtaining an easement on property with a lien against same, had been previously referred to Mr. John M. Scott, General Counsel for the District, for his opinion, which he had answered by letter dated May 23, 1962:

"We would prefer of course to have a Release of any liens on the property, or a Waiver of the liens as they apply to this right-of-way conveyance. I think that in most cases we can secure a Waiver of the liens, particularly if the loan is current. We should make that effort. However, if this will make it more difficult to acquire the right-of-way, or increase the consideration, then the Board may wish to give consideration to disregarding the lien. In most cases the lien will be paid off by the landowner in order to protect his equity in the remainder of the property. In a few cases this may not occur and the holder of the lien will then foreclose upon the whole tract. In his foreclosure action his lien would be superior to our right-of-way easement. However, we could condemn our right-of-way easement as against the lienholder at the time of the foreclosure, and pay the lienholder the pro-rata value which the right-of-way easement bears to the value of the entire property securing the lien. I am inclined to believe that the course of disregarding the lien is the course that is best to follow if the pipe line right-of-way is to be secured with a maximum of economy. Here again, however, I think we should discuss this with the Board and have a clear direction from the Board as to how it wants to handle these items.

Yours Very truly

/s/ John M. Scott

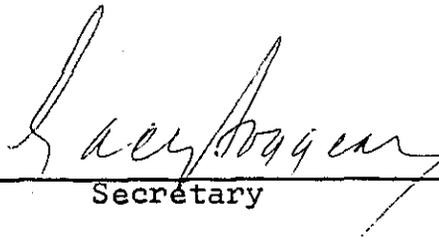
for BROWN, HERMAN, SCOTT & YOUNG"

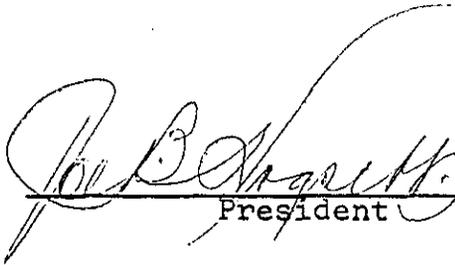
Following a detailed discussion, Director Newton made a motion, seconded by Director Pier, that in each case of right-of-way acquisition involving a lien on said property, that the attorney and management of the District review and use their best judgment in the handling of the lien releases. This meeting with unanimous approval,

it was so ordered.

6.

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


Secretary


President