

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 27th DAY OF JULY, 1962 AT 1:30 P.M.

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

PRESENT

Houston Hill
Lacy Boggess
W. L. Pier

ABSENT

Joe B. Hogsett
Wayne E. Newton

Also present was Mr. Ben Hickey General Manager of the District,
John M. Scott General Counsel for the District, S. G. Endress, and
representatives for Gibraltar Construction Co. of Dallas, Texas.

In the absence of Director Hogsett, Director Hill acted
in his capacity as Vice President and Director Boggess acted in
his capacity as Secretary, whereupon proceedings were had and done
as follows:

1.

On motion duly made and seconded, the minutes of the
meeting held July 12, 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 #1302 to #1348 inclusive, Cedar Creek Construction
Fund; voucher-checks #132, Cedar Creek Revenue Fund; voucher-checks
#1441 to #1466 inclusive, Maintenance Fund; and voucher-checks

Following a lengthy and thorough discussion, and upon advice of Mr. John M. Scott, General Counsel for the District, and Mr. Marvin C. Nichols, Consulting Engineer for the District, Director Pier, seconded by Director Boggess, made a motion that Contract No. Four--Cedar Creek Spillway--be awarded to the Gibraltar Construction Co., Dallas, Texas, based on their submitted bid proposal of \$2,628,026.00 and that the requests as contained in their (Gibraltar's) letter of July 26th, as hereinabove referred to, be rejected. Whereon all Directors voted aye thereon, and it was so ordered.

4.

Vice President Hill stated that the District would deliver the \$13,500,000.00 Series 1962-Water Supply Bonds, and accept payment therefor, on August 2, 1962, and recommended that the following Resolution be adopted, to wit:

WHEREAS, this District has offered for sale its water supply bonds, Series 1962, in the principal amount of \$13,500,000.00 and pursuant to due notice and bidding procedures, the offer of Harris Trust & Savings Bank, et al, was determined to be the best and highest bid therefor and said offer was accepted; and

WHEREAS, the said water supply bonds, Series 1962, in the principal amount of \$13,500,000.00 are to be delivered to Harris Trust & Savings Bank, et al, in return for the total sum of \$13,313,184.18 to be received as the proceeds of the sale of said bonds on August 2, 1962, which amount together with the sum of \$270,000.00 now in the possession of this District as evidenced by a chasier's check delivered to it by the said Harris Trust & Savings Bank, et al, will constitute the whole sum of \$13,583,184.18, which said amount includes accrued interest to August 1, 1962, and

#131 and #132, 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.

Vice President Hill presented the six (6) bid proposals received on July 18, 1962, for the construction of the Cedar Creek Spillway--Contract No. Four (4), to wit:

(a) Gibraltar Construction Co. Dallas, Texas	\$2,628,026.00
(b) Austin Bridge Co. Dallas, Texas	3,347,051.00
(c) Paul Hardeman, Inc. Stanton, California	3,355,000.00
(d) Condon-Cunningham, Inc. and Oldt Construction Co. Dallas, Texas	3,439,525.00
(e) Nolan Bros., Inc. Fort Worth, Texas	3,650,066.40
(f) Warrior Constructors, Inc. Houston, Texas	3,766,465.00.

Vice President Hill stated that it was apparent that the bid of Gibraltar Construction Co. was the low bidder by their bid of \$2,628,026.00; however, a letter had been received from said Gibraltar Construction Co., dated July 26, 1962, copy of same attached to these minutes, requesting that certain conditions be clarified and agreed to, and that their (Gibraltar's) bid be predicated upon the said requests.

WHEREAS, it is required that this District by action of this Board of Directors inform and authorize the various agencies, banks and bankers, and other persons with respect to this District's funds and the handling of the funds to be received pursuant to the sale of said bonds;

NOW, THEREFORE, BE IT RESOLVED: That the President and the Secretary of this District be authorized and directed to issue letters of instructions and authority to the Attorney General of the State of Texas, the Comptroller of the State of Texas, The Fort Worth National Bank, The Chase Manhattan Bank, Harris Trust & Savings Bank, and such other persons, bankers, agents and corporations as may be determined reasonably necessary for the handling, authentication, signature and delivery of the bonds aforesaid and the receipt, deposit, handling and management of the funds of this District involved in the said transaction, in the form of letters attached to and made a part of this resolution.

The President and Secretary of this Board of Directors are further authorized and directed to execute any and all necessary legal documents as may be approved by the Honorable Millard Parkhurst of the firm of McCall, Parkhurst, Crowe, McCall & Horton, who are bond counsel for this District, as may be proper and required to complete the delivery of the bonds of this District aforesaid and the receipt of the proceeds of the sale of said bonds and the handling of said bonds and funds and proceeds in accordance with law and with the requirements of the proceedings, documents and obligations of this District as evidenced by the transcript of the bond proceedings relating to the sale of the said water supply bonds, Series 1962, in the principal amount of \$13,500,000.00.

Wherein, Director Boggess made the motion, seconded by Director Pier that the above Resolution be adopted. This meeting with the unanimous approval of all Directors, it was so ordered.

5.

The attention of the Directors was called to the fact that the Bond Resolution and Trust Indenture did require that a

tentative budget be adopted at this time for the 1963 Cedar Creek Project; and there was presented to each Director a copy of a proposed budget for 1963, to wit:

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
CEDAR CREEK PROJECT
PROPOSED BUDGET FOR THE YEAR 1963

REVENUE FUND

Revenues

Sale or Raw Water	\$852,000.00	
Interest on Investments	<u>190,000.00</u>	
		\$1,042,000.00

Expenses

Interest on Bonded Indebtedness		<u>738,132.50</u>
Excess of Revenues over Expenses		<u><u>303,867.50</u></u>

CONSTRUCTION FUND

Revenue

Sale of Securities		\$5,550,000.00
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Expenditures

General Expense	\$ 50,000.00	
Clearing	100,000.00	
Dam Construction	1,250,000.00	
Gates for Spillway	68,000.00	
Spillway Construction	2,175,000.00	
Adjustment of Conflicts	450,000.00	
Land	<u>1,150,000.00</u>	

TOTAL EXPENDITURES		\$5,243,000.00
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Balance		257,000.00
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Following a review of the proposed budget, it was the unanimous decision of the Directors, and their order, that the above budget be adopted as required under the terms of the Bond Resolution and Trust Indenture.

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. 363-Frank Magures - 26.02 acres, more or less, in fee @ \$125.00 per acre.
4.30 acres, more or less, in easement @ \$50.00 per acre.
- (b) Tract No. 33 - Wilma Waddell - 12.57 acres, more or less, in fee @ \$100.00 per acre.
.50 foot easement for lump sum of \$100.00.
- (c) Tract No. 69 - D. E. Watt - 99.2 acres, more or less, plus damages @ \$115.00 per acre.
- (d) Tract No. 65 - C. Hunt Estate - 60.73 acres, more or less, including damages @ \$115.00 per acre.
- (e) Tract No. 97 - U. R. Richardson - 7.31 acres, more or less, at lump sum of \$500.00 plus .49 acres owned by District - purchased from Bolie Richardson.

Mr. Hickey also requested authorization for the District to enter into Contract for the purchase of Pipeline Right-of-Way Easements for the Cedar Creek Project, on the following basis for payment, to-wit:

- (a) N-6 - J. R. Guynes - 211.50 rods @ \$3.00 per rod - \$ 634.50
- (b) N-3 - R.W. Lott - 204.20 rods, lump sum 615.00
- (c) T-41 - John M. Lisby - 6.7 rods, lump sum (see Frances Stanton et al) 50.00
- (d) T-38 - T.A. Mabra, Sr. - 102.4 rods, lump sum 600.00
- (e) T-42 - F. H. Garland - 6.1 rods, lump sum 50.00
- (f) T-51 - E.L. Creed - 1/2 int. 11.5 rods, lump sum 50.00
- (g) T-51 - Lois Creed - 1/2 int. 11.5 rods, lump sum 50.00
- (h) N-17 - Baldwin Montfort - 108.80 rods @ \$2.00 per rod 217.60

(i) N-14 - Fannie C. Loop - 20.60 rods, lump sum	\$100.00
(j) H-21 - Bruce Smith - 31.5 rods, @ \$2.00 per rod	63.00
(k) H-13 - Dan Smith - 167.9 rods @ \$2.00 per rod	335.80
(l) T-63 - Sherman Pressley - 99.2 rods at \$5.00 per rod	496.00
(m) T-65 - John Lee Roberts - 128.6 rods @ \$5.00 per rod	643.00
(n) T-66 - J.H. Russell - lump sum	50.00

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

7.

Mr. Ben Hickey reported to the Directors that acquisition for the Cedar Creek Pipeline Right-of-Way was progressing in a satisfactory manner; that approximately 40% of the tracts required in Tarrant County had been acquired, 60% of those in Navarro County and 5% of those in Henderson County; all within the maximum amounts as heretofore authorized by the Directors, ie One Hundred (\$100.00) Dollars lump sum, or five (\$5.00) Dollars per rod. At this point in the discussion, Mr. John M. Scott reviewed to the Directors that the policy heretofore adopted by the Directors, in addition to the above listed prices to be paid for the

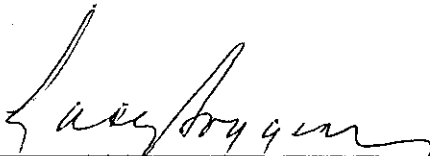
easement rights, also included the method of payment for damages to the property at the time or times of actual construction as outlined in the Easement Agreement, Mr. Scott exhibited the damage claim form heretofore approved, and explained in detail the method that would be used in making settlement of damage, explaining that inasmuch as the time or times of construction of the Cedar Creek Pipeline was an unknown factor, it would be impractical at this time to attempt to settle unknown damage claims; it was also noted by Mr. Scott that the District's acquisition of pipeline easement rights were said to have been made less difficult by this equitable method of damage settlement at the time, or times, of construction.


In further discussion, Mr. Hickey stated that in urban areas, where development might be started prior to pipeline construction, exceptions to the above mentioned damage claim method of settlement might be encountered, and cited as an example Tract No. 19-A, Ghormley Mfg. Co., Fort Worth, Texas, owner of a Tract located in Tarrant County, who have now started construction of a plant and find that the Cedar Creek Pipeline will affect their parking area; and while they (Ghormley Mfg. Co.) are agreeable to the lump sum price of \$100.00 for the easement right-of-way, they do request a separate written agreement whereby the District will restore the disturbed parking area to the condition in which it was at the time or times of pipeline construction and maintenance. Mr. Hickey recommended that this agreement be executed by the District.

Following a discussion, and upon recommendation of management of the District, Director Boggess made the motion, seconded by Director Pier, that the District agree to the above referenced request of Ghormley Mfg. Co., whereon all Directors voted aye thereon.

8.

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


Secretary


Vice President