

MINUTES OF FIRST MEETING OF BOARD  
OF DIRECTORS OF FRANKLIN COUNTY  
WATER DISTRICT

THE STATE OF TEXAS

COUNTY OF FRANKLIN

ON THIS, the 25<sup>th</sup> day of June, 1965, the following persons, to wit:

W. C. NEWSOME  
HARRIS MORRIS  
A. J. LAWS  
D. O. ALDRIDGE  
LANDON RAMSAY

convened in session in the Commissioners' Courtroom of the Franklin County Courthouse in Mount Vernon, Texas, being the Directors of FRANKLIN COUNTY WATER DISTRICT, duly appointed as such in the Act creating such District as passed and enacted by the 59<sup>th</sup> Legislature of Texas at its Regular Session in 1965; and said Directors each having duly made and furnished a good and sufficient bond in the sum of Five Thousand Dollars (\$5,000), conditioned as required by law upon the faithful performance of his duties as such Director, and all such bonds having been approved by the County Judge of Franklin County, and having been filed for record in the office of the County Clerk of Franklin County, said bonds to be recorded in a record to be kept for that purpose in the office of the District and to be filed for safekeeping in the District's depository when selected, all in accordance with law; and said Directors each having duly taken and subscribed their oaths of office in accordance with law, copies of which are to be filed in the official files of the District, the following proceeding were had:

The meeting was called to order by Mr. W. C. Newsome, who on motion of Mr. D. O. Aldridge, seconded by Mr. A. J. Laws, and adopted by unanimous vote, was elected temporary Chairman of said meeting. The Chairman assumed charge of the meeting and proceedings and called for nominations for the office of President of said Board of Directors. Thereupon, Mr. Landon Ramsay nominated Mr. W. C. Newsome for the office of President of the Board of Directors. The nomination was seconded by Mr. Harris Morris. There being no further nominations, the temporary Chairman called for a vote on the question of the election of a President of the Board of Directors and thereupon Mr. W. C. Newsome was duly elected President by the following vote: "AYES" Messrs. Morris, Ramsay, Newsome, Laws, Aldridge; "Noes": None.

Thereupon, Mr. W. C. Newsome as President assumed charge of the proceedings of the Board of Directors and called for nominations for the office of Vice-President of the Board of Directors. Thereupon, Mr. A. L. Laws nominated Mr. Landon Ramsay for the office of Vice-President of the Board of Directors. The nomination was seconded by Mr. D. O. Aldridge. There being no further nominations, the President called for a vote on the question of the election of a Vice-President of the Board of Directors, and thereupon Mr. Landon Ramsay was duly elected Vice-President by the following vote: AYES: Messrs. Laws, Aldridge, Morris, Newsome, Ramsay; "NOES": None.

Thereupon, Mr. A. J. Laws moved that Mr. Harris Morris be appointed Secretary of the Board of Directors. The motion was seconded by Mr. Landon Ramsay and, upon the question being called for, Mr. Harris Morris was appointed Secretary of the Board of Directors by the following vote: "AYES": Messrs. Newsome, Morris, Laws, Aldridge, Ramsay; "NOES": None.

Thereupon, Mr. Harris Morris moved that the regular office and meeting place of the District be established and maintained for the conduct of the District's business at the Commissioners' Courtroom in the Franklin County Courthouse, Mount Vernon, Texas. The motion was seconded by Mr. D. O. Aldridge,

and after due discussion and upon the question being called for by the President, the following members voted "AYE": Messrs. Newsome, Morris, Laws, Aldridge and Ramsay; and none voted "NO". The President announced that the motion had carried and that a regular office be established and maintained for the conduct of the District's business at the aforesaid place.

Thereupon, Mr. Landon Ramsay moved that the regular meetings of the Board of Directors be set for the THIRD MONDAY in each month. The motion was seconded by Mr. D. O. Aldridge, and after due discussion and upon the question being called for by the President, the following members voted "AYE": Messrs. Newsome, Morris, Laws, Aldridge and Ramsay; and none voted "NO". The President announced that the motion had carried and that the regular meetings of the Board of Directors would be held on the THIRD MONDAY in each month.

The President declared the Board of Directors properly organized in accordance with law and ready to enter upon the discharge of its duties and the transaction of any business which might come before the Board.

Wisembaker, Fix & Associates entered into a contract with the Committee for Formation of the Proposed Franklin County Fresh Water District on June 3, 1965. Mr. Landon Ramsay made a motion that the Franklin County Water District enter into a contract with the firm of Wisembaker, Fix & Associates on the same terms as the contract had been with the Committee, and authorizing the President and Secretary to sign said contract for the District when the final draft is drawn. Entered herewith is the contract entered into with the Committee on June 3.

This contract entered into this the 3<sup>rd</sup> day of June, 1965, by and between the Committee For Formation of the Proposed Franklin County Fresh Water District, in Franklin County, Texas, hereinafter called Owner, acting herein by and through its duly authorized President, W. C. Newsome, and Wisembaker, Fix & Associates, a partnership of Tyler, Smith County, Texas, acting herein by and through its duly authorized partners, witnesseth:

**SECTION 1. EMPLOYMENT OF THE ENGINEER:** The owner hereby employs Wisembaker, Fix & Associates, hereinafter called the Engineer, and the Engineer agrees to perform professional services in connection with the construction of a lake including dam and spillway.

**SECTION 2. CHARACTER AND EXTENT OF ENGINEERING SERVICES:** The engineer shall perform all the professional services necessary and required for the construction of the above named improvements, to the satisfaction of the Owner, including, but without limitation of, the following:

- (a) Made the necessary field surveys and investigation and prepare a report for the Owner to present to the Franklin County Commissioners' Court which will show the feasibility of the formation of the proposed district.
- (b) Prepare detailed estimates of cost, complete plans and specifications, and submit same to the interested state agencies for review and approval.
- (c) Appear before the State Water Commission and present the necessary data required for a water permit.
- (d) The Engineer shall assist the Owner in receiving and opening bids and awarding a contract for construction.
- (e) During the construction, the Engineer, shall provide and be responsible for the general supervision and administration of the projects. The Engineer shall furnish all line and grade surveys that are necessary for the construction (but excluding land surveys for property lines and easements) check all shop and working drawing submitted in connection with the construction work, supervise and review the work of such inspection bureaus and testing laboratories as may be employed by the Owner provide general supervision of the work and interpretation of the plans and specifications by periodic visits to the site by the Engineer or his representative, furnish consultation and advice during the

construction, prepare monthly and final estimates for payments to contractors, furnish assistance in checking and testing of installed equipment and make final inspection of the construction on its completion. The Engineer does not guarantee the performance of any contractor on any construction work.

**SECTION 3. PAYMENT FOR ENGINEERING SERVICES:** The Owner hereby agrees to pay the Engineer for the performance of all services, as set out in Section 2 preceding, according to the schedule of fees for general engineering services as published by the Texas Society of Professional Engineers which are summarized as follows:

<u>Construction Cost of Work</u>	<u>Fees (Percentage)</u>
Less than \$100,000	9.50%
More than \$100,000, less than \$250,000	8.50% but not less than \$9,500
More than \$250,000, less than \$500,000	7.00% but not less than \$21,250
More than \$500,000, less than \$750,000	6.50% but not less than \$35,000
More than \$750,000, less than \$1,000,000	6.00% but not less than \$48,750

The total amount of engineering fee to be paid shall be based on the total final payment to the contractors in accordance with the preceding schedule.

Said payment shall be made as follows:

- (a) Fifteen percent (15%) of the fee is to be paid to the Engineer for completion of the preliminary investigation studies, preliminary general plans, and a preliminary engineering report including an approximate estimate of cost, said payment to be based on the engineering fees on the estimated cost of construction included in the bond issue are received. Should the District fail to be formed by an adverse vote, the Owner will not be obligated to the Engineer for any payment.
- (b) Sixty percent (60%) of the fee is to be paid to the Engineer upon completion of and approval by the Owner of the detailed construction plans, specifications, and bidding documents.
- (c) The remaining twenty-five percent (25%) of the engineering fee is to be paid monthly during the construction completed, until the aggregate of all payments shall equal the amount due under this agreement. The Contractor's estimates for periodical payments shall be the basis of determining the amount of construction completed.

**SECTION 4. INSPECTION OF CONSTRUCTION:** It is mutually agreed by the parties hereto that the supervision of construction to be performed by the Engineer shall be of a general nature, as previously specified. The Engineer shall keep an inspector satisfactory to the Owner on the job at all times requiring continuous inspection, with the inspector to have the authority to require the contractor performing the construction work to follow the plans and specifications. The Owner shall reimburse the Engineer the actual cost of the salary and expenses of this inspector. This actual cost is to be actual salaries paid plus fifteen percent (15%) for payroll costs plus actual cost of all non-labor items.

**SECTION 5. SUCCESSORS AND ASSIGNMENTS:** The Owner and the Engineer, each binds itself and themselves, their partners, successors, executors, administrators, and assigns to the other party of this agreement, and to the partners, successors, executors, administrators, and assigns of such other party, in respect to all the covenants of this contract. Neither the Owner nor the Engineer shall assign, sublet, or transfer their respective interest in this agreement without written consent of the other.

**SECTION 6. COOPERATION WITH STATE AND FEDERAL AGENCIES:** The Engineer agrees to cooperate with any federal or state agencies that may be concerned with this project. Included in this section, the Engineer shall perform the following work:

- (a) Prepare monthly or semi-monthly progress reports, whichever may be requested, and submit to proper governmental agencies.
- (b) Prepare any contract change orders that may be needed.
- (c) Review and approve the contractor's schedule of amount for contract payment.
- (d) Certify partial payments to contractors.
- (e) Give notice to proper governmental agencies as to date construction started.
- (f) Prepare engineering report for the Texas State Department of Health.
- (g) Prepare application for a waste disposal permit for the Texas Board of Water Pollution Control, if required.

The payment to the Engineer for performing these services shall be a part of the standard engineering fee set out in Section 3. The Owner shall pay the actual traveling expenses incurred in making personal appearance at the public hearing for a waste disposal permit in Austin if such a hearing is required by the Texas State Board of Water Pollution Control.

IN TESTIMONY WHEREOF, the parties have affixed their hands and seals at Mount Vernon, Texas, this 3<sup>rd</sup> day of June, A. D., 1965.

Committee For Formation of the Proposed  
Franklin County Fresh Water District  
 Owner  
 By: \_\_\_\_\_  
 S/ W. C. Newsome  
 W. C. Newsome, President

WISENBAKER, FIX, & ASSOCIATES  
 By: \_\_\_\_\_  
 S/ Royce E. Wisenbaker  
 Partner

ATTEST:

\_\_\_\_\_  
 S/ HORRIS MORRIS  
 Horris Morris, Secretary

RESOLUTION AUTHORIZING ENGINEERING CONTRACT WITH  
 WISENBAKER, FIX & ASSOCIATES

WHEREAS, the Committee for Formation of the Proposed Franklin County Fresh Water District is in need of certain engineering services necessary for having constructed a lake including dam and spillway, and

WHEREAS, it is the option of the above officials that the Engineering firm, Wisenbaker, Fix, & Associates, is a firm consisting of several Engineers who are competent and capable in this specific field of work and having as principal members of the firm, engineers registered as Professional Engineers in the State of Texas.

NOW, THEREFORE BE IT RESOLVED by the Committee, that the President, W. C. Newsome be and is hereby authorized and instructed to enter into an agreement with the said firm for the engineering services above mentioned in the first paragraph of this Resolution.

CERTIFICATE OF RECORDING OFFICER

The undersigned duly qualified and acting Secretary of the Committee does HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Resolution adopted at a legally convened meeting of the Committee held on the 3<sup>rd</sup> day of June, 1965, and further that this Resolution had been recorded in the Minute Book of said Committee.

S/ W. C. Newsome  
Signature

S/ Horris Morris  
Horris Morris,  
Secretary  
Title

Seal

The motion was seconded by A. J. Laws. All members voted "AYE".

Mr. Authur Postel presented his contract with the newly created District, which is based upon the same terms as the contract he had with the Committee. Said Contract is presented herewith in full.

To the Board of Directors  
Franklin County Water District  
Mount Vernon, Texas

Gentlemen:

To provide the financing necessary to further the purposes of the Franklin County Water District created to develop one of the water reservoirs under study in the County for the past year, and to develop a water supply network for Franklin County, we offer the following proposal:

We agree to provide the legal papers necessary to issue the bonds required to finance the facilities, the election supplies, publicity material for information of the voters, and our presence at meetings called to further the purposes of the District. We agree to provide all services necessary to issue the required bonds at the lowest interest rate in line with market conditions at the time of their issuance.

The District agrees to retain the firm of Dumas, Huguenin, And Boothman, Dallas, Texas to prepare the legal papers mentioned above, and we agree to pay for their services.

We agree to pay all other expenses involved to complete the financing, except payment to the local election officials, cost of newspaper publications, and the cost of defending any litigation.

For services rendered it is agreed that we shall be paid a fee of three percent of the par value of bonds issued up to one-half million dollars, and two percent of the par value of bonds issued over one-half million dollars. Said fee to be paid after the bond proceeds have been received.

Should the election to authorized the bond fail to carry, there will be no obligation to us for any expenses incurred; however, should the same or similar proposals be submitted to the voters within one year from the date of the election, then this agreement will apply to any proceedings held at that time.

Respectfully submitted,

POSTEL SECURITIES COMPANY

By S/ Arthur E. Postel

ACCEPTED AND APPROVED by order of the Board of Directors of the Franklin County Water District this the 25<sup>th</sup> day of June, 1965.

s/ W. C. Newsome  
President

s/ Horris Morris  
Secretary

s/ D. O. Aldridge  
Member`

s/ Landon Ramsay  
Member

S/ A. J. Laws  
Member

A. J. Laws made motion to approve the contract with Postal Securities of Austin. The motion was seconded by Landon Ramsay and all members voted "Aye".

Landon Ramsay made a motion to name the First National Bank of Mount Vernon, Texas as the official depository for the Water District. A. J. Laws seconded the motion, and all members voted "Aye".

The Board instructed Mr. Wisenbaker and Mr. Postel to be prepared to make recommendations to the Board at their next regular meeting on July 19, 1965 regarding procedures they should follow in persuing their goal of the construction of a large lake in the district.

Landon Ramsay made a motion that the Board adjourn. The motion was seconded by Horris Morris and all members voted "AYE".

MINUTES APPROVED, this the 19th day of July 1965.

S/ W. C. Newsome \_\_\_\_\_  
President, Board of Directors  
Franklin County Water District

S/ Landon Ramsay \_\_\_\_\_  
Vice-President, Board of Directors

S/ D. O. Aldridge \_\_\_\_\_  
Director

S/ A. J. Laws \_\_\_\_\_  
Director

S/ Horris Morris \_\_\_\_\_  
Director

ATTEST:

S/ Horris Morris \_\_\_\_\_  
Secretary , Board of Directors  
Franklin County Water District