

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
THE FRANKLIN COUNTY WATER DISTRICT
HELD DECEMBER 19, 1966

The State of Texas

County of Franklin

On This 19th day of December, 1966, the Board of Directors of the Franklin County Water District convened in regular session at the regular meeting place thereof in the Courthouse at Mount Vernon, Texas, with the following members present:

W. C. NEWSOME	PRESIDENT
LANDON RAMSAY	VICE PRESIDENT
HORRIS MORRIS	SECRETARY
A. J. LAWS	DIRECTOR

and D. O. Aldridge being absent.

The President of the Board called the meeting to order, declared a quorum present and that the meeting was duly convened and ready to transact business.

Motion was made to dispense with reading of minutes of previous meetings due to heavy load of business to transact. Motion by Horris Morris, seconded by Landon Ramsay. All members present voted "Aye", None opposed.

Edward Morrow reported that \$3,997.28 in taxes had been collected to date, December 19, 1966. He reported that daily tax collections had been deposited to a special account, "Ed Morrow, Mt. Vernon Independent School District, Water Tax Fund", in the First National Bank of Mount Vernon. He asked the board to take action as to how and when the tax money should be transferred to the Water District account.

There again came on for discussion the matter of tax monies to be retained by Mount Vernon Independent School District for its services to the District in assessing and collecting 1966 taxes and for acting as the District's Board of Equalization; and it appearing that the Water District and School District at the time of the contract between them respecting such duties of the School District believed that it would be fair and reasonable for the School District to retain 10% of the entire amount of such taxes collected for

Volume 1 Page 119

the year 1966, as set out in the Water District Minutes of its March 4, 1966 Meeting, but it now appears that such retained percent of said taxes is unreasonably low. As reflected by the Water Board's Minutes of its September 17, 1966 Meeting the tax rate of .08 cents per One Hundred Dollars' valuation of all taxable property in the District was set.

A new agreement has been reached by the contracting bodies and it is agreed between them that the Mount Vernon Independent School District shall retain \$9,009.00 from taxes collected by it for the benefit of Franklin County Water District for the year 1966 and for serving as the Water District's tax Assessor and Collector and as the Board of Equalization of such Water District. Remainder of such taxes shall be paid into Water District's "Operating Fund Account" on January 31, 1967.

It appears to the Board of Directors that Mount Vernon Independent School District is satisfying its part of the original agreement between the two bodies that the School District perform the listed services; which also included the measuring of buildings located inside the School District and inside Franklin County; and also included a complete new assessment plan for the territory included in the Water District and not included in the School District.

Landon Ramsay moved to approve said new agreement between the two districts and ratify all

actions taken to effect such agreement by the Committee previously appointed by the Water District to meet with a like Committee of the School District and settle this matter; A. J. Laws seconded the motion, and upon the question, all directors voted in favor of the motion with none opposed.

Attorney Woodrow Edwards reported on the December 13 hearing before the Texas Water Rights Commission on the local sponsor to negotiate with the U. S. Army Corps of Engineers in connection with the U. S. Army Corps of Engineers Bank Stabilization Project on Red River below Denison Dam. It was learned that the area of the Franklin County Water District is not involved at this time in the project.

Edwards also reported on consultations with Austin Attorney Martin Harris and on the pending Writ of Mandamus Suit set for January 6 in District Court in Mount Vernon. Edwards reported that the district's answer

Volume 1, Page 120

to the suit had been filed and that stipulations are being drawn. Edwards told the board that the board's attorneys are going to seek the speediest possible solution to the suit and estimated it would take nine to twelve months for the suit to clear through the Supreme Court if it is appealed. Edwards advised that the District Court judgment would not be final until 30 days after decision of Judge.

Walter Hicks, engineer, reported that core drilling work at the dam and spillway site had been resumed and should be completed shortly after January 1, 1967. He estimated that detailed plans and specifications on the dam and spillway should be completed within **30** days after the soil report is completed or about March 15. Hicks also discussed oil line, power line and highway obstructions which will have to be dealt with in construction of the lake.

Art Postel, fiscal agent, advised the board that it is not thought to be advisable to apply to seek issuance and sale of the remaining \$1,600,000 in Water District bonds until such time as detailed plans and specifications are completed. Mr. Postel told the board he had obtained a receipt from the Texas Water Development Board for the first 90 days construction estimate cost. Mr. Postel then read an "Assignment of Interest in Water Permit #2231". He then read an "Assignment of the Right to Use Water Conservation Storage covered by Water Permit #2231". He then read an "Escrow Agreement between the District and the First National Bank of Mount Vernon".

The following Resolution was adopted.

Volume 1, Page 121

RESOLUTION AUTHORIZING ASSIGNMENT OF RIGHT TO USE WATER CONSERVATION STORAGE SPACE AND OF INTEREST IN DISTRICT'S WATER PERMIT NO. 2231 TO THE TEXAS WATER DEVELOPMENT BOARD AND THE EXECUTION OF AN ESCROW AGREEMENT WITH THE DISTRICT'S DEPOSITORY BANK RELATING TO THE DISTRICT'S RESERVOIR CONSTRUCTION FUND

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

ON THIS, the 19th day of December, 1966, the Board of Directors of the FRANKLIN COUNTY WATER DISTRICT convened in session at the regular meeting place thereof in the Courthouse at Mount Vernon, Texas, with the following members present:

W. C. NEWSOME
LONDON RAMSAY
HORRIS MORRIS
A. J. LAWS

PRESIDENT
VICE PRESIDENT
SECRETARY
DIRECTOR
DIRECTOR

and the following absent: D. O. Aldridge.

The President of the Board called the meeting to order, declared a quorum present and that the meeting was duly convened and ready to transact business.

There came on to be considered the following resolution:

A RESOLUTION by the Board of Directors of FRANKLIN COUNTY WATER DISTRICT authorizing assignment of right to use water conservation storage space and of interest in District's Water Permit No. 2231 to the Texas Water Development Board and the execution of an Escrow Agreement with the District's Depository Bank relating to the District's Reservoir Construction Fund.

WHEREAS, the Franklin County Water District has entered into a Master Agreement with the Texas Water Development Board as of the 19th day of September, 1966; and

WHEREAS, in order to fulfill certain District commitments resulting from the terms and conditions of said Master Agreement it is necessary and appropriate that arrangements now be made for accomplishing an assignment to the Texas Water Development Board of a right to use an undivided one-half interest in the water conservation storage space which will be afforded by the District's dam

Volume 1, page 122

and reservoir project to be constructed on Big Cypress Creek in Franklin County, Texas; further, for an assignment to said Texas Water Development Board of an undivided one-half interest in Permit No. 2231 granted District by the Texas Water Rights Commission on November 10, 1966; and, further for the escrow of the Reservoir Construction Fund, providing for the disbursement thereof through the District's Depository Bank as contemplated in said Master Agreement; therefore

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FRANKLIN COUNTY WATER DISTRICT:

SECTION 1: That on behalf of the District and the Board of Directors and as the act and deed of said Board, the President and Secretary are hereby authorized and directed to execute appropriate assignments to the Texas Water Development Board of a right to use an undivided one-half interest in the water conservation storage space which will be afforded by District's dam and reservoir project to be constructed on Big Cypress Creek in Franklin County, Texas, and an undivided one-half interest in Permit No. 2231 granted District by the Texas Water Rights Commission on November 10, 1966.

SECTION 2: That on behalf of the District and the Board of Directors and as the act and deed of said Board, the President and Secretary are hereby authorized to execute an escrow agreement with The First National Bank of Mount Vernon, Mount Vernon Texas providing the

methods for dispersal of the District's Reservoir Construction Fund appropriate to the arrangements therefor as set forth in the Master Agreement between the District and the Texas Water Development Board.

SECTION 3: The Secretary of the Board is authorized and instructed to provide the Executive Director of the Texas Water Development Board such number of counterparts of the aforementioned instruments as may be requested.

The above resolution having been read in full, it was moved by Landon Ramsay and seconded by Mr. A. J. Laws that same be passed. Thereupon, the question being called for and after full discussion and deliberation, the following Directors voted "AYE": Messrs. Newsome, Ramsay, Morris, Laws and none voted "No". The President announced that the motion had carried and that the resolution had been duly adopted.

PASSED, ADOPTED AND APPROVED, this the 19 day of December, 1966.

W. C. Newsome
President, Board of Directors
Franklin County Water District

ATTEST:

Horris Morris
Secretary, Board of Directors
Franklin County Water District

(District Seal)

Volume 1 Page 123

Telephone bill of Woodrow Edwards to certain people totaled \$11.11. Expense account for Carl Newsome, Horris Morris, Landon Ramsay and Woodrow Edwards to Austin Hearing on December 12 and 13, 1966.

Mileage	\$60.00
Meals	47.96
Meals	8.58
Total	<u>\$116.54</u>

Motion to approve payment of above bills and order for secretary to pay same by A. J. Laws, second by Horris Morris, all present voted "Aye". None voted "No".

The motion to adjourn was by A. J. Laws, second by Horris Morris, all present voted "Aye".

MINUTES APPROVED, This the 19th day of December, 1966.

W. C. Newsome
President, Board of Directors
Franklin County Water District

Landon Ramsay
Vice President

Horris Morris
Secretary

A. J. Laws
Director

D. O. Aldridge
Director