

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
THE FRANKLIN COUNTY WATER DISTRICT
HELD JANUARY 10, 1966

THE STATE OF TEXAS

COUNTY OF FRANKLIN

ON THIS, the 10th day of January, 1966, the Board of Directors of the FRANKLIN COUNTY WATER DISTRICT convened in special session at the regular meeting place thereof, in the Courthouse at Mount Vernon, Texas, with the following members present, to wit:

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

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

The Board met with Mr. Art Postel who suggested that notice of a private sale of the \$100,000 preliminary bond issue be mailed out and that bids be received at 1:30 p. m. on January 13, 1966. D. O. Aldridge made a motion that the following notice of sale be sent:

OFFICIAL NOTICE OF SALE

\$100,000

FRANKLIN COUNTY WATER DISTRICT

3 ½%

Unlimited Tax Bonds, Series 1965

SELLING:

January 13, 1966, at 1:30 p.m., C. S. T.

PLACE AND TIME OF SALE: The Board of Directors of the Franklin County Water District, Mount Vernon,

Texas, will receive sealed bids at the Franklin County Court House, P. O. Box 577, Mount Vernon, Texas, until 1:30 p.m., CST, January 13, 1966, for the above bonds more completely described in the following pages.

ADDRESS OF BIDS: Sealed bids, plainly marked "Bid for Bonds" should be addressed to "Mr. W. C. Newsome, President, Board of Directors, Franklin County Water District, Mount Vernon, Texas". All bids must be submitted on the "Official Bid Form", copies of which are enclosed.

TYPE OF BIDS AND INTEREST RATES: The bonds will be sold in one block, all or none, and no bid of less than par and accrued interest will be considered. All bonds will bear interest at the rate of 3-1/2% annually.

BASIS FOR AWARD: For the purpose of awarding the bonds the premium bid, if any, will be deducted from the total dollar value of all interest on the bonds from the date thereof to their respective maturities. The bonds will be awarded to the bidder whose bid on the above computation produces the lowest interest cost.

GOOD FAITH DEPOSIT: Each bid must be accompanied by a Cashier's or Certified Check, payable to the "FRANKLIN County Water District", in the amount of \$2,000.00, which is 2% of the par value of bonds being sold. This check will be considered as a Good Faith Deposit. The check of the successful bidder will be retained by the District to assure performance of the contract on the part of the successful bidder. In the event such bidder should fail or refuse to take up and pay for the bonds in accordance with his bid, then said check will be cashed and accepted by the District as full and complete liquidated damages. Otherwise, said check will be returned to the successful bidder upon delivery of and payment for the bonds. The checks of unsuccessful bidders will be returned to such bidders promptly.

PRINTED BONDS AND LEGAL OPINION: The District will furnish printed bonds on lithographed borders together with the final unqualified approving legal opinion of Messrs. Dumas, Huguenin & Boothman, Attorney, Dallas, Texas.

DELIVERY: The bidder must agree to accept delivery of and make payment for the bonds at the American National Bank, Austin, Texas. It is anticipated that delivery of the bonds can be made on or about January 25, 1966, and if for any reason the District is unable to make delivery on or before February 15, 1966, then the successful bidder may accept delivery thereafter at his option for the next succeeding thirty days.

ADDITIONAL COPIES OF THE NOTICE OF SALE AND BID FORM: Additional copies of the "Official Notice of Sale" and "Official Bid Form" may be obtained from County Judge C. H. Duvall, P. O. Box 577, Mount Vernon, Texas, or from Postel Securities Company, 5909 Marilyn Drive, Austin, Texas, Financial Advisors to the District. Area Code 512, GL 3-8659.

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The District reserves the right to reject any and all bids and waive any and all irregularities.

Total "Bond Years" = 466.666

W. C. Newsome, President

Board of Directors
Franklin County Water District

January 10, 1966

OFFICIAL BID FORM

January 13, 1966

Honorable President and Board of Directors
Franklin County Water District
Mount Vernon, Texas

Gentlemen:

Reference is made to your "Official Notice of Sale"
dated January 10, 1966, of \$100,000.00, 3 ½% Unlimited
Tax Bonds, Series 1965, which is made a part hereof.

For your legally issued bonds, as described in said
Notice, we will pay you par and accrued interest from
date of issue to date of delivery to us, plus cash
premium of \$_____.

Interest Cost, in accordance with the above bid, is:

Gross Interest Cost	\$16,333.33
Less Premium	\$_____
Net Interest Cost	\$_____
Effective Interest Rate (Net Interest Cost)	_____%
466.666	

Attached hereto is Cashier's/Certified Check of the
_____ Bank, _____, in the amount of \$2,000.00 which represents our
good faith deposit, and which is submitted in accordance with the terms as set forth in the
"Official Notice of Sale".

Respectfully Submitted,

By _____
Authorized Representative

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things
accepted by the Franklin County Water District, this
the 13th day of January, 1966.

President, Board of Directors
Franklin County Water District

ATTEST:

Secretary, Board of Directors

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Return of Good Faith Check is hereby acknowledged:

By _____

Landon Ramsay seconded the motion, and upon the question being called, it carried unanimously.

Horris Morris made a motion that the above notice be mailed to the following seven firms:

Mr. R. G. Tucker
Merrill Lynch, Pierce, Fenner & Smith, Inc.
1412 Main Street
Dallas, Texas

Mr. Lockett Shelton
Republic National Bank of Dallas
Pacific at Ervay
Dallas, Texas

Mr. Edward J. Jilek
Bache & Company
Mercantile Continental Building
Dallas, Texas 75221

Mr. Edward Clark
Weber, Hall Cobb & Caudle
L T V Building
Dallas, Texas

Mr. Gene Spivey
Du Pont & Company & Goodbody
Mercantile Bank Building
Dallas, Texas

Mr. Lewis F. Lyne
Mercantile National Bank
Dallas, Texas

Mr. E. W. Franklin

Dittmar & company, Inc.
Dallas Federal Savings Building
Dallas, Texas

A. J. Laws seconded the motion, and upon the question being called, it carried unanimously.

Landon Ramsay made a motion that the Board meet at the regular meeting place on January 13, 1966, at 1:00 p.m., in order to receive the bids at the time stated in the above notice of sale. D. O. Aldridge seconded the motion, and upon the question being called, it carried unanimously.

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Landon Ramsay made the motion that there shall be submitted to the Board of Directors or a quorum thereof at any special or regular session, all bills, prior to any payment being made thereon, for the approval or disapproval of the Board, and each check for any approved account shall bear the signatures of the President and Secretary, or in case of their incapacity, the signatures of any two Directors acting in their place.

There being no further business, the meeting was adjourned at 3:40 p. m.

MINUTES APPROVED, this the 17 day of Jan. 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