

Minutes of the Franklin County
Water District--Held January 20,
1969

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On the 20th day of January, 1969, The Board of Directors of the Franklin County Water District convened in regular session at the regular meeting place thereof in Woodrow Edwards Office, Bolger Building, Mount Vernon, Texas, with the following members present:

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

and with the following absent: NONE, constituting a quorum; and among other proceedings had were the following:

The President announced that April 1, 1969 would be time to elect 3 directors for the next two years. The directors whose terms are up are Landon Ramsay, D. O. Aldridge and A. J. Laws. It was decided that there would be 4 election boxes and they are Mt. Vernon, Hagansport, Winnsboro and South Franklin.

Mr. Edwards, attorney for district ask that a raise for him be considered. This was discussed and held over for the next meeting.

A motion was made by A. J. Laws and duly seconded by Landon Ramsay to pay the following bills:

mo. salary--	Martha Cargile	45.30
mo. retainer--	Woodrow Edwards	450.00
supplies -----	Mt. Vernon Optic Herald	12.35
mo. bill	Telephone co.	22.14
income tax	First Natl. Bank	14.10
	Total	543.89

Upon the motion being put by the President, all members present voted "Aye". None opposed.

The lease agreement between the District and Saville-Baker Brick Co. Inc. , was again discussed and contract of lease was submitted and the Board, after discussion was had, Mr. Landon Ramsay that said contract be adopted and/or ratified to be effective December 2, 1968 and that the President be authorized to execute same. Mr. A. J. Laws seconded the motion, and the question being put by the President, all members present voted "Aye" None opposed.

Said lease contract reads as follows:

THE STATE OF TEXAS
COUNTY OF FRANKLIN

This agreement is entered into between Franklin County Water District, hereinafter referred to as Lessor, and Saville-Baker Brick Company, Inc., hereinafter referred to as Lessee.

Lessor in consideration of the terms, conditions, agreements and covenants hereinafter stated does hereby let, lease and demise unto Lessee the land described in Exhibit A attached hereto and made a part hereof for all purposes.

Lessee is granted the exclusive right for the term or terms herein stated to mine and remove from the leased **land** clay type soil **and other similar or**

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ceramic materials to a depth not below 380 feet above mean sea level.

Subject to the other provisions herein contained, this lease shall be for the term of one (1) year, beginning December 2, 1968, and as long thereafter as Lessee, its successors or assigns shall mine or quarry clay type soil or ceramic materials.

Lessee shall pay as royalty Fifteen (15¢) Cents per loose cubic yard of materials mined, loaded and removed from the property. The number of truckloads and the amount loaded on each truck will be determined, accounted for, and recorded accurately by Lessee. These records will be available to Lessor for its inspection at all reasonable times.

Lessee agrees to pay to Lessor at its office in Mt. Vernon, Texas advance royalty of \$600. 00 per year payable at the beginning of each year this lease is in force, that is on each consecutive December 2 after the first year when it shall be payable on execution of this contract and lease. On or before the fifth day of the month following the close of each calendar quarter, Lessee Will furnish to Lessor a statement showing the amount of material removed during the quarter and will pay royalty due after applying any credits due Lessee from payment of advance royalty to Lessor. The royalty paid in any calendar year shall be not less than Fifty Dollars for each month during that year in which the lease was in force.

Lessor agrees to furnish free of charge right of way over and across the premises for the purpose of transporting such material from the premises; provided however, that Lessee, at its expense shall maintain at all times an all-weather road connecting to the existing road of Lessor from its connection at the existing county road.

Lessee shall upon completion of excavation in a given area replace the overburden removed in the excavation, leaving no slopes greater than 1 foot vertical in 4 feet horizontal. Areas excavated shall be graded so that they will drain completely. At the conclusion of mining, all spoil piles shall be moved and mined areas smoothed and placed in condition suitable for planting grass.

Lessee shall escrow in Lessor's Account at the First National Bank of Mt. Vernon, Texas the sum of \$200.00 for the first two year period of this lease to assure Lessor that should Lessee abandon said lease the premises will be left in the prescribed physical condition. After said period this escrow amount will again be re-negotiated by the parties.

Lessee may terminate or abandon this lease at any time but shall not be entitled to recover from Lessor any part of the advance royalty payment made to Lessor. Lessor may terminate this lease upon Lessee's failure to pay the agreed upon advance royalty to Lessor, or for Lessee's failure to comply with other material conditions of this contract.

Lessee agrees to pay any taxes which may be levied against structures or equipment used by Lessee in its operations.

Lessee agrees to hold Lessor harmless from all claims for injuries to persons and damages to property of others rightfully on the premises which occur as a result of its operations, and it assumes all such liabilities.

This agreement shall be binding upon the parties hereto, their successors or assigns. Lessor warrants and agrees to defend the title to the leased premises.

Witness our hands in duplicate originals this 1st day of January, 1969.

Attest- /s/ Horris Morris /s/ W.C. Newsome

Attest: /s/ Gloria H. Price /s/ Ross G. Baker
There being no further business, the meeting was adjourned.
Minutes approved January 20, 1969.

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President, Board of Directors
Vice President
Secretary, Board of Directors
Director, Board of Directors
Director, Board of Directors