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**MINUTES OF AN EMERGENCY MEETING  
OF THE  
STATE WATER CONSERVATION COMMISSION**

Held Thursday, April 17, 1941, in the Office of Governor Moses

At the call of Governor John Moses, Chairman of the State Water Conservation Commission, and pursuant to notice duly given, an emergency meeting of the Commission was held in the Governor's office at 5 P.M., on April 17, 1941. Present were Vice Chairman Holt, Comm. Simons and Governor Moses. Absent, Comms. Einar H. Dahl and S. W. Thompson. Judge A. M. Christianson, President of the North Dakota Rural Rehabilitation Corporation, was also present.

Matters concerning the Lewis and Clark Project were discussed. It was agreed that the North Dakota Rural Rehabilitation Corporation would take the \$25,000.00 issue of bonds issued by the Lewis and Clark Irrigation District for the construction of drainage. Also that the North Dakota Rural Rehabilitation Corporation would take over the \$150,000.00 issue of irrigation system bonds issued by the Lewis and Clark District, with the exception of the \$30,000.00 last maturing, namely bonds 241 to 300 inclusive, it being understood that the North Dakota Rural Rehabilitation Corporation would accept such drainage system bonds and irrigation system bonds as payment up to the par value of such bonds, exclusive of the interest coupons, to apply on the amount advanced by the North Dakota Rural Rehabilitation Corporation in the construction of the irrigation system and drainage system in said project, it being further understood that the State Water Conservation Commission will utilize the \$30,000.00 of irrigation system bonds, so retained by the Commission, as security for a bond issue in like amount to be issued by the State Water Conservation Commission to be sold at par, and the proceeds of sale to be paid over to the North Dakota Rural Rehabilitation Corporation as further reimbursement for monies it has advanced in construction of said project. It is further understood that the State Water Conservation Commission may enter into an agreement with the Lewis and Clark Irrigation District whereby the interest on such issue of irrigation system bonds be reduced from 6% to 4% per annum. It is further understood that the \$150,000.00 bonds of the State Water Conservation Commission heretofore issued, known as Series A bonds, shall be retired and cancelled and that the Commission shall arrange to issue \$30,000.00 of revenue bonds, the payment of which is to be secured by collateral of the said \$30,000.00 bonds of the irrigation district, Nos. 241 to 300 inclusive.

It was moved by Comm. Holt, seconded by Comm. Simons, that the State Water Conservation Commission do now recall and cancel all of the \$150,000.00 of the Series A bonds issued by the State Water Conservation Commission now remaining unpaid and uncanceled. On roll call the motion carried, Comms. Holt, Simons and Governor Moses voting aye. Comms. Dahl and Thompson, absent.

It was moved by Comm. Holt, seconded by Comm. Simons, that the State Water Conservation Commission do now adopt the following resolution:

Whereas, it appears to the satisfaction of the Commission that it is necessary to issue the Revenue Bonds of said Commission in the sum of \$30,000.00 to obtain funds necessary to pay for the costs of construction of the irrigation system of the Lewis and Clark Irrigation district in McKenzie County, in this State; and

Whereas, it further appears to the satisfaction of the Commission that in order to sell and market such bonds it is necessary to insure or guarantee the payment of the principal of, and interest on, said bonds up to an amount equal to twenty per cent (20%) of the par value thereof, as authorized by subdivision 4, Section 21 of Chapter 256 of the Laws of North Dakota for 1939 as amended and re-enacted by Chapter 300 of the Laws of North Dakota for 1941;

Now therefore, be it hereby resolved that the State Water Conservation Commission issue its bonds in the sum of \$30,000.00, such bonds to be in denominations of \$1,000.00 each, dated May 1st, 1941, and bearing interest at the rate of 3% per annum, payable annually on the first day of May, of each year, with the principal payable as follows:

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- \$2,000.00 payable on or before May 1, 1942.
- \$2,000.00 payable on or before May 1, 1943.
- \$3,000.00 payable on or before May 1, 1944.
- \$3,000.00 payable on or before May 1, 1945.
- \$3,000.00 payable on or before May 1, 1946.
- \$3,000.00 payable on or before May 1, 1947.
- \$3,000.00 payable on or before May 1, 1948.
- \$3,000.00 payable on or before May 1, 1949.
- \$4,000.00 payable on or before May 1, 1950.
- \$4,000.00 payable on or before May 1, 1951.

And that as security for the payment of such bonds, the State Water Conservation Commission irrevocably pledge and hypothecate the said \$30,000.00 of irrigation system bonds of the Lewis and Clark Irrigation District. (The said bonds of the Lewis and Clark Irrigation District bear interest at the rate of six per cent (6%) per annum; but it is understood that the interest may be reduced to four per cent (4%) per annum, and the State Water Conservation Commission reserves the right to enter into an appropriate agreement with the Lewis and Clark Irrigation District providing for a reduction of the rate of interest accordingly.) Also that it pledge and hypothecate as a guarantee for the payment of such bonds, under the provisions of sub-division 4, Section 21, Chapter 256, Laws 1939, as amended and re-enacted by Chapter 300 Laws of North Dakota for 1941, the sum of \$6,000.00 in cash. That such bonds and such moneys be deposited with the Bank of North Dakota as trustee under a Trust Agreement with authority to the Trustee to invest the moneys so deposited with it in appropriate securities to be approved by the State Industrial Commission. Also that the Chairman and Secretary of the State Water Conservation Commission be authorized to take all steps necessary to carry this resolution into effect and to that end to execute for and on behalf of the Commission such instruments as may be necessary, including the Trust Agreement, and to execute and deliver the bonds of the Commission as heretofore set forth. On roll call the motion carried, Comms. Holt and Simons, and Governor Moses, Chairman, voting aye, so the resolution was declared duly adopted. Absent, Comms. Dahl and Thompson.

It was moved by Comm. Holt, seconded by Comm. Simons, that the following resolution be adopted:

WHEREAS negotiations have heretofore been had between the State Water Conservation Commission and the North Dakota Workmen's Compensation Bureau relating to the sale to the said North Dakota Workmen's Compensation Bureau of the said \$30,000.00 issue of State Water Conservation Commission bonds mentioned in the resolution just passed, and

WHEREAS, the said North Dakota Workmen's Compensation Bureau has offered to purchase said bonds at par,

THEREFORE BE IT RESOLVED, That such offer be and the same is hereby accepted, and that the said State Water Conservation Commission bonds be issued and made payable directly to the North Dakota Workmen's Compensation Bureau, and that the officers of the Commission be authorized to execute and deliver such bonds to the North Dakota Workmen's Compensation Bureau accordingly.

On roll call the motion carried, Comms. Holt and Simons, and Governor Moses voting aye, so the resolution was declared duly adopted. Absent, Comms. Dahl and Thompson.

It was moved by Comm. Simons and seconded by Comm. Holt that the Bonds with interest coupons to be issued pursuant to the two foregoing resolutions be substantially in the following form:

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STATE OF NORTH DAKOTA  
State Water Conservation Commission  
Revenue Bond

No. \_\_\_\_\_

\$ 1,000.00

SERIES I

The State Water Conservation Commission, a body corporate, created and existing pursuant to Chapter 255, of the laws of North Dakota for 1937, and Chapter 256, of the laws of North Dakota for 1939, FOR VALUE RECEIVED, does hereby undertake and promise to pay to North Dakota Workmen's Compensation Bureau, or order, on or before the first day of May, A. D. \_\_\_\_\_, the principal sum of One Thousand Dollars (\$1,000.00) and interest thereon at the rate of three per cent (3%) per annum, payable annually on the first day of May of each year, according to the tenor and effect of \_\_\_\_\_ interest coupons hereto attached. Principal and interest on this bond shall be payable at the office of the State Treasurer of North Dakota in any coin or currency of the United States, which on the date of payment is legal tender for the payment of public and private debts.

This bond is one of a series of a duly authorized issue of bonds known as State Water Conservation Commission Revenue Bonds, Series I, limited in amount to Thirty Thousand Dollars (\$30,000.00), (except for bonds issued in substitution for bonds lost, stolen or destroyed), all of like tenure. Said bonds are issued to provide funds for the payment of the cost of constructing a system of irrigation for and within Lewis and Clark Irrigation District in McKenzie County, North Dakota.

As security for the payment of this bond, and other bonds in this Series (State Water Conservation Commission Revenue Bonds, Series I), the State Water Conservation Commission has delivered to, and irrevocably pledged with, the Bank of North Dakota, as Trustee, bonds of said Lewis and Clark Irrigation District, in the aggregate amount of \$30,000.00 issued by said District to defray the cost of construction of the irrigation system in such District; and as further security for the payment of said bonds the State Water Conservation Commission, under and by virtue of subdivision 4 of Section 21 Chapter 256, Laws of North Dakota for 1939, as amended and re-enacted by Chapter 300, Laws of North Dakota for 1941, has irrevocably pledged and hypothecated with the Bank of North Dakota the sum of Six Thousand Dollars (\$6,000.00) in cash to insure and guarantee the payment of the principal of, and interest on, said bonds in an amount equal to twenty per cent (20%) of the par value of the principal of said bonds.

The State Water Conservation Commission covenants that all revenues derived from payments made upon the bonds of the Lewis and Clark Irrigation District so pledged with the Bank of North Dakota will be paid to said Bank of North Dakota as Trustee and deposited by said Trustee in the office of the State Treasurer of North Dakota in a fund known as State Water Conservation Commission Revenue Bond Payment Fund, Series I, and the moneys in such fund will be expended solely in payment of this bond and the other bonds of State Water Conservation Commission Revenue Bonds Series I.

The State Water Conservation Commission reserves, and it shall have, the right to redeem and pay this bond on any interest paying date, upon at least thirty (30) days prior notice by registered mail to the said North Dakota Workmen's Compensation Bureau, by payment of the par value of such bond and interest thereon to the date of redemption. Upon the giving of such notice, this bond shall cease to bear interest after the date of redemption specified in such notice. Upon payment being made, the bond, together with all interest coupons remaining unpaid, shall be surrendered to the State Water

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Conservation Commission by the said North Dakota Workmen's Compensation Bureau, its assigns or successors in interest, or by any then holder of the bond.

This bond shall be deemed to be a negotiable instrument under the laws of the State of North Dakota, as declared by Chapter 256 of the Laws of North Dakota for 1939, as amended and re-enacted by Chapter 300 of the Laws of North Dakota for 1941, and is issued with the intent that the laws of said State shall govern the construction thereof.

This bond is issued and delivered under and by virtue of, and in strict compliance with, Chapter 256 of the Laws of North Dakota for 1939, as amended and re-enacted by Chapter 300 of the Laws of North Dakota for 1941. The State Water Conservation Commission hereby certifies and declares that all conditions required to exist, and all acts required to be performed, precedent to and in the issuance of this bond, and in the issue or series of which it forms a part, do exist and have been performed in regular and due form as required by law.

IN WITNESS WHEREOF, The State Water Conservation Commission has caused this bond to be signed by the Governor of the State of North Dakota, as its ex-officio chairman, and the seal of the State Water Conservation Commission to be affixed, all duly attested to by the Secretary of the Commission.

Dated this 1st day of May, 1941, at Bismarck, North Dakota.

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Governor of the State of North Dakota,  
and Ex-officio Chairman of the State  
Water Conservation Commission.

Attest: -----  
Secretary, State Water  
Conservation Commission.

STATE WATER CONSERVATION COMMISSION  
OF NORTH DAKOTA

Interest Coupon No. \_\_\_\_\_, Bond No. \_\_\_\_\_, SERIES I

On the first day of May, 19\_\_\_\_, unless the bond to which this coupon is attached shall have been called for redemption as provided therein, the State Water Conservation Commission of North Dakota will pay to North Dakota Workmen's Compensation Bureau, or order, at the office of the State Treasurer, in the City of Bismarck, North Dakota, the sum of Thirty Dollars (\$30.00), in any coin or currency of the United States of America which on said date of payment is legal tender for the payment of public and private debts, from the State Water Conservation Commission Revenue Bond Payment Fund, Series I, in payment of the annual interest due upon this bond on said date.

Dated at Bismarck, North Dakota, this first day of May, 1941.

Attest:

STATE WATER CONSERVATION COMMISSION  
BY:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Governor of North Dakota,  
Ex-officio Chairman.

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On Motion duly made, seconded and carried the meeting adjourned.

Respectfully submitted,

John T. Tucker  
Secretary

Attest:

Henry Holt  
Vice Chairman