

Bastrop, TX City Council

Meeting Agenda

Bastrop City Hall City

Council Chambers

1311 Chestnut Street

Bastrop, TX 78602

(512) 332-8800



February 23, 2021 at 5:30 P.M.

City of Bastrop City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at (512) 332-8800 or write 1311 Chestnut Street, 78602, or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas at 1-800-735-2989 at least 48 hours in advance of the meeting.

The City of Bastrop reserves the right to reconvene, recess, or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

PLEASE NOTE: ANYONE IN ATTENDANCE WISHING TO ADDRESS THE COUNCIL MUST COMPLETE A CITIZEN COMMENT FORM AND GIVE THE COMPLETED FORM TO THE CITY SECRETARY PRIOR TO THE START OF THE CITY COUNCIL MEETING. ALTERNATELY, IF YOU ARE UNABLE TO ATTEND THE COUNCIL MEETING, YOU MAY COMPLETE A CITIZEN COMMENT FORM WITH YOUR COMMENTS AT WWW.CITYOFBASTROP.ORG/CITIZENCOMMENTFORM BEFORE 5:00 P.M. ON FEBRUARY 23, 2021. COMMENTS SUBMITTED BY THIS TIME WILL BE DISTRIBUTED TO THE CITY COUNCIL PRIOR TO MEETING COMMENCEMENT, REFERENCED AT THE MEETING, AND INCLUDED WITH THE MEETING MINUTES. COMMENTS FROM EACH INDIVIDUAL WILL BE LIMITED TO THREE (3) MINUTES WHEN READ ALOUD.

- 1. CALL TO ORDER**
 - 2. EXECUTIVE SESSION**
 - 2A. City Council shall convene into closed executive session pursuant to Section 551.074 to conduct an annual performance evaluation of the City Manager as required by his employment agreement.
 - 3. TAKE ANY NECESSARY OR APPROPRIATE ACTION ON MATTERS POSTED FOR CONSIDERATION IN CLOSED/EXECUTIVE SESSION**
 - 4. CALL TO ORDER – REGULAR SESSION – 6:30 P.M.**
-

5. PLEDGE OF ALLEGIANCE

TEXAS PLEDGE OF ALLEGIANCE

Honor the Texas Flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

6. INVOCATION – Bob Long, Police Chaplain

7. PRESENTATIONS

7A. Mayor's Report

7B. Council Members' Report

7C. City Manager's Report

7D. Receive a presentation for a Life-Saving Award Recognition. (Submitted by: Andres Rosales, Chief of Fire)

7E. Receive a presentation from Halff Associates regarding Gills Branch flood mitigation project. (Submitted by: Trey Job, Assistant City Manager)

8. WORK SESSION/BRIEFINGS - NONE

9. STAFF AND BOARD REPORTS

9A. Receive presentation on the unaudited Monthly Financial Report for the period ending January 31, 2021. (Submitted by: Tracy Waldron, Chief Financial Officer)

9B. Receive Update on construction of Highway 71 from Diana Schulz, Area Engineer, Texas Department of Transportation. (Submitted by: Clint Nagy, Chief of Police)

10. CITIZEN COMMENTS

At this time, three (3) minute comments will be taken from the audience on any topic. Anyone in attendance wishing to address the Council must complete a citizen comment form and give the completed form to the City Secretary prior to the start of the City Council meeting. Alternately, if you are unable to attend the council meeting, you may complete a citizen comment form with your comments at www.cityofbastrop.org/citizencommentform before 5:00 p.m. on February 23, 2021. Comments submitted by this time will be distributed to the city council prior to meeting commencement, referenced at the meeting, and included with the meeting minutes. Comments from each individual will be limited to three (3) minutes when read aloud. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, City Council cannot discuss issues raised or make any decision at this time. Instead, City Council is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry. Issues may be referred to City Manager for research and possible future action.

It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Council to allow a member of the public to slur the performance, honesty and/or integrity of the Council, as a body, or any member or members of the Council individually or collectively, or members of the City's staff. Accordingly, profane, insulting or threatening language directed toward the Council and/or any person in the Council's presence will not be tolerated.

11. CONSENT AGENDA

The following may be acted upon in one motion. A Council Member or a citizen may request items be removed from the Consent Agenda for individual consideration.

- 11A. Consider action to approve City Council minutes from the January 28, 2021, Joint Council and Planning & Zoning Commission and February 9, 2021 Regular meeting. (Submitted by: Ann Franklin, City Secretary)
- 11B. Consider and adopt on second reading Ordinance No. 2021-01 of the City Council of the City of Bastrop, Texas, abandoning and vacating A 0.351 acre portion of Church Street Roadway being all of that certain 0.351 acre (15,297 Square Feet) tract of land situated in the Bastrop Town Tract Survey, Abstract Number 11, Bastrop County, Texas, being more particularly described as being a portion of Church Street (55.55' R.O.W.), of the City Of Bastrop, said 0.351 ACRE (15,297 square feet) tract of land be more particularly described by metes and bounds and plat attached hereto as Exhibit "A", which is attached hereto and incorporated herein for all purposes; authorizing the City Manager to execute a deed to convey said right-of-way to adjacent owners; and providing for findings of fact, repealer, and severability; establishing an effective date; proper notice and meeting. (Submitted by: Trey Job, Assistant City Manager)
- 11C. Consider action to approve Resolution No. R-2021-19 of the City Council of the City of Bastrop, Texas, approving task order number four (#4) to Kimley-Horn, and Associates, Inc. for services that include preparation of hazardous mitigation grant cost estimates and exhibits for the following projects known as the Westside Fire station, the Agnes Road and Blakey Lane extension, and the Colorado River Erosion Mitigation at a cost of Thirty- four thousand Four hundred dollars and zero cents (\$34,400) attached as Exhibit B; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date.. (Submitted by: Trey Job, Assistant City Manager)

12. ITEMS FOR INDIVIDUAL CONSIDERATION

- 12A. Consider and adopt on first and final reading Ordinance No. 2021-02 as an emergency measure ratifying temporary Emergency Orders enacted by the Mayor in her capacity as Emergency Management Director in regards to the current Local State of Disaster, for the immediate preservation of the public peace, health or safety.
- 12B. Consider action to approve Resolution No. R-2021-18 of the City Council of the City of Bastrop, Texas, confirming board appointments of the Mayor to the Cultural Arts Commission, as required in Section 3.08 of the City's Charter and establishing an effective date. (Submitted by: Paul Hofmann, City Manager)
- 12C. Consider action to approve Resolution No. R-2021-17 of the City Council of the City of Bastrop, Texas awarding a contract to Artisan Concrete Services, Inc. in the amount of one hundred six thousand, three hundred seventy-four dollars and thirty cents (\$106,374.30), attached as Exhibit A; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date. (Submitted by: Curtis Hancock, Director of Public Works)

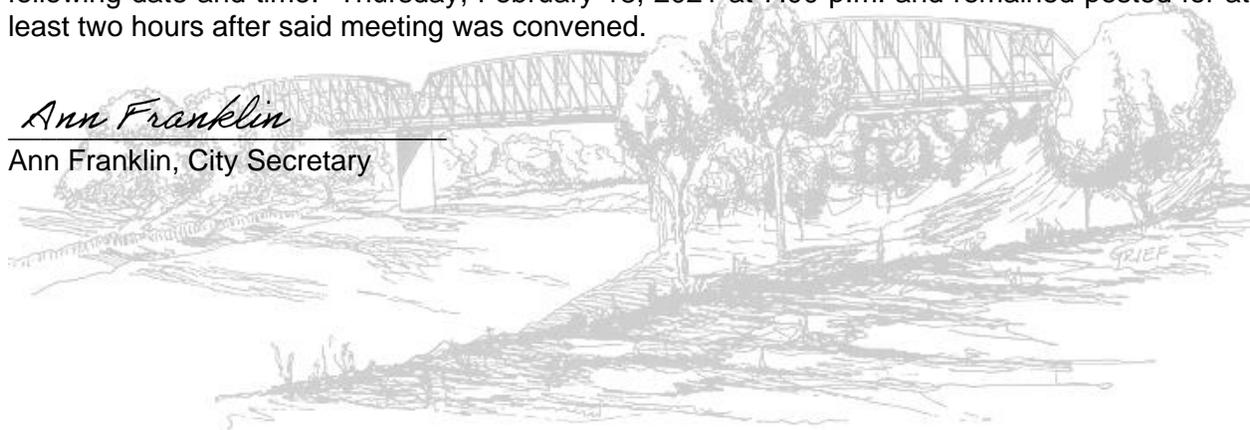
- 12D. Consider action to approve Ordinance No. 2021-03 of the City Council of the City of Bastrop, Texas, authorizing the issuance and sale of City of Bastrop, Texas General Obligation Refunding Bonds; providing for the security for and payment of said bonds; prescribing the form of said bonds; approving any official statement, bond purchase agreement, paying agent/registrars agreement and escrow agreement; establishing the procedures for selling and delivering the bonds; and enacting other provisions relating to the subject. (Submitted by: Tracy Waldron, Chief Financial Officer)

13. ADJOURNMENT

I, the undersigned authority, do hereby certify that this Notice of Meeting as posted in accordance with the regulations of the Texas Open Meetings Act on the bulletin board located at the entrance to the City of Bastrop City Hall, a place of convenient and readily accessible to the general public, as well as to the City's website, www.cityofbastrop.org and said Notice was posted on the following date and time: Thursday, February 18, 2021 at 7:00 p.m. and remained posted for at least two hours after said meeting was convened.

Ann Franklin

Ann Franklin, City Secretary





STAFF REPORT

MEETING DATE: February 23, 2021

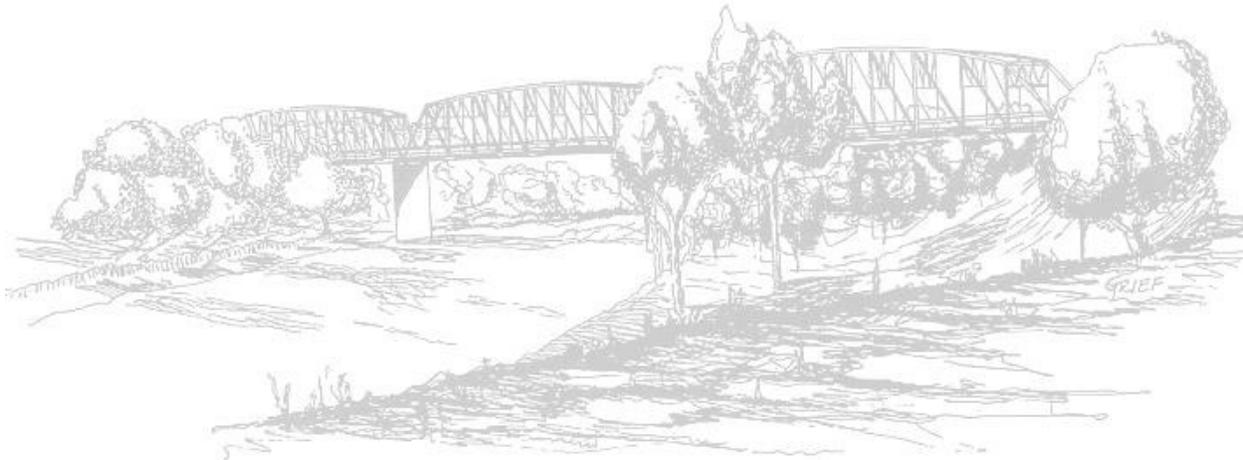
AGENDA ITEM: 2A

TITLE:

City Council shall convene into closed executive session pursuant to Section 551.074 to conduct a first six month performance evaluation of the City Manager as described in his employment agreement.

STAFF REPRESENTATIVE:

Paul A. Hofmann, City Manager





STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 3

TITLE:

Take any necessary or appropriate action on matters posted for consideration in closed/executive session

STAFF REPRESENTATIVE:

Paul A. Hofmann, City Manager





STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 7A

TITLE:

Mayor's Report

STAFF REPRESENTATIVE:

Paul A. Hofmann, City Manager

POLICY EXPLANATION:

Texas Local Government Code, Section 551.045 – Governing Body of Municipality or County: Reports about Items of Community Interest Regarding Which No Action Will Be Taken:

(a) Notwithstanding Sections 551.041 and 551.042, a quorum of the governing body of a municipality or county may receive from staff of the political subdivision and a member of the governing body may make a report about items of community interest during a meeting of the governing body without having given notice of the subject of the report as required by this subchapter if no action is taken and, except as provided by Section 551.042, possible action is not discussed regarding the information provided in the report.

(b) For purposes of Subsection (a), "items of community interest" includes:

- (1) expressions of thanks, congratulations, or condolence;
- (2) information regarding holiday schedules;
- (3) an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutary recognition for purposes of this subdivision;
- (4) a reminder about an upcoming event organized or sponsored by the governing body;
- (5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the political subdivision; and
- (6) announcements involving an imminent threat to the public health and safety of people in the political subdivision that has arisen after the posting of the agenda.

ATTACHMENTS:

- Power Point Presentation



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 7B

TITLE:

Council Members' Report

STAFF REPRESENTATIVE:

Paul A. Hofmann, City Manager

POLICY EXPLANATION:

Texas Local Government Code, Section 551.045 – Governing Body of Municipality or County: Reports about Items of Community Interest Regarding Which No Action Will Be Taken:

(a) Notwithstanding Sections 551.041 and 551.042, a quorum of the governing body of a municipality or county may receive from staff of the political subdivision and a member of the governing body may make a report about items of community interest during a meeting of the governing body without having given notice of the subject of the report as required by this subchapter if no action is taken and, except as provided by Section 551.042, possible action is not discussed regarding the information provided in the report.

(b) For purposes of Subsection (a), "items of community interest" includes:

- (1) expressions of thanks, congratulations, or condolence;
- (2) information regarding holiday schedules;
- (3) an honorary or salutory recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutory recognition for purposes of this subdivision;
- (4) a reminder about an upcoming event organized or sponsored by the governing body;
- (5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the political subdivision; and
- (6) announcements involving an imminent threat to the public health and safety of people in the political subdivision that has arisen after the posting of the agenda.



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 7C

TITLE:

City Manager's Report

STAFF REPRESENTATIVE:

Paul A. Hofmann, City Manager

POLICY EXPLANATION:

Texas Local Government Code, Section 551.045 – Governing Body of Municipality or County: Reports about Items of Community Interest Regarding Which No Action Will Be Taken:

(a) Notwithstanding Sections 551.041 and 551.042, a quorum of the governing body of a municipality or county may receive from staff of the political subdivision and a member of the governing body may make a report about items of community interest during a meeting of the governing body without having given notice of the subject of the report as required by this subchapter if no action is taken and, except as provided by Section 551.042, possible action is not discussed regarding the information provided in the report.

(b) For purposes of Subsection (a), "items of community interest" includes:

- (1) expressions of thanks, congratulations, or condolence;
- (2) information regarding holiday schedules;
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- (6) announcements involving an imminent threat to the public health and safety of people in the political subdivision that has arisen after the posting of the agenda.



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 7D

TITLE:

Receive a presentation for a Life-Saving Award Recognition.

STAFF REPRESENTATIVE:

Andres Rosales, Chief of Fire





STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 7E

TITLE:

Receive a presentation from Halff Associates regarding Gills Branch flood mitigation project.

STAFF REPRESENTATIVE:

Trey Job, Assistant City Manager

BACKGROUND/HISTORY:

On November 12, 2019 the Bastrop City Council received a presentation from Halff Associates representative Paul Morales regarding preliminary engineering for Gills Branch drainage improvements and the development of a Master Drainage Plan.

Eager to provide a long-term solution to flooding near Gills Branch a discussion was held in regard to delaying the Master Drainage Plan and allocating funding from the Master Drainage Plan proposal to final design of the Gills Branch Drainage Improvement Project.

The plans are now at a 100% design and an Opinion of Probable Cost (OPC) has been developed. Mr. Paul Morales will provide an update.

POLICY EXPLANATION:

Community Safety is a Council Focus Area.

FUNDING SOURCE:

Design is funded in FY 21.

Land Acquisition and Construction is the subject of a pending CDBG Haz Mit grant application.

RECOMMENDATION:

Provide feedback as appropriate.

ATTACHMENTS:

- PowerPoint

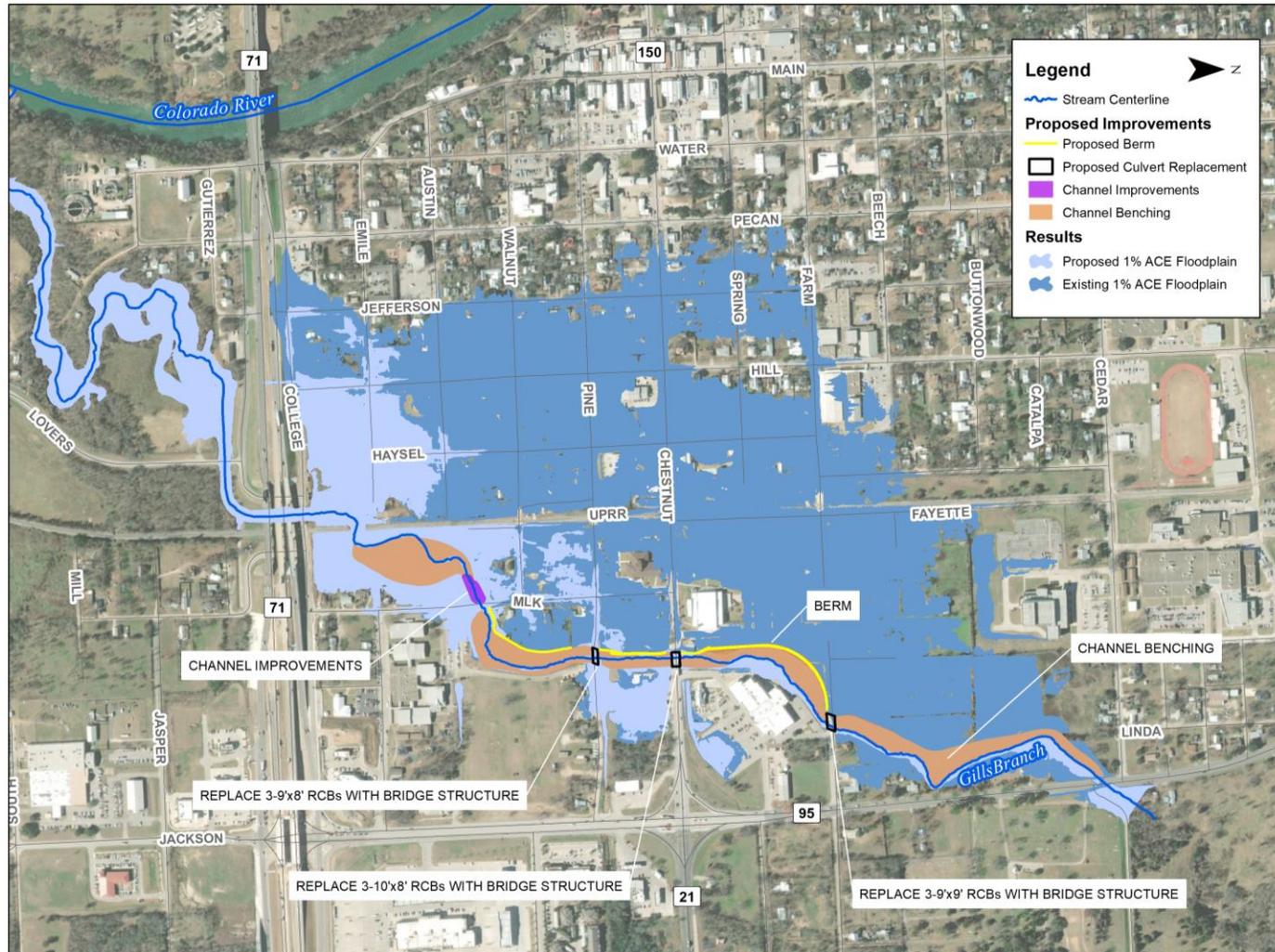


CITY OF BASTROP GILLS BRANCH FLOOD MITIGATION PROJECT UPDATE

FEBRUARY 23, 2021

BASTROP CITY HALL (VIRTUAL)

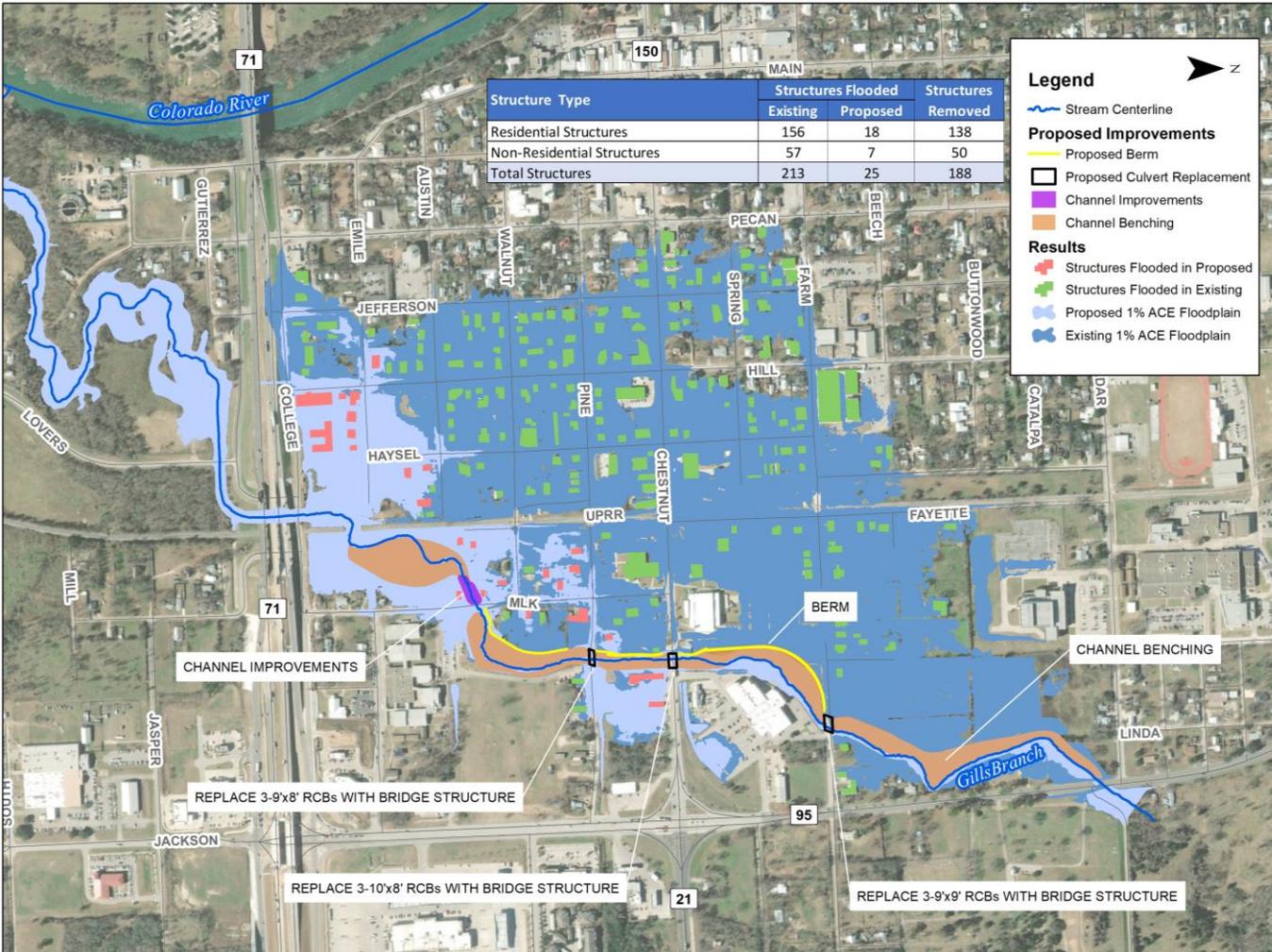
PROJECT OVERVIEW



- Reduce overflow of Gills Branch
- Minimize flooding to the extent possible
- Add channel conveyance
- Channel benching and bridge improvements
- Prepare design plans and specifications
- GLO-CDBG MIT grant funding

PROJECT BENEFITS

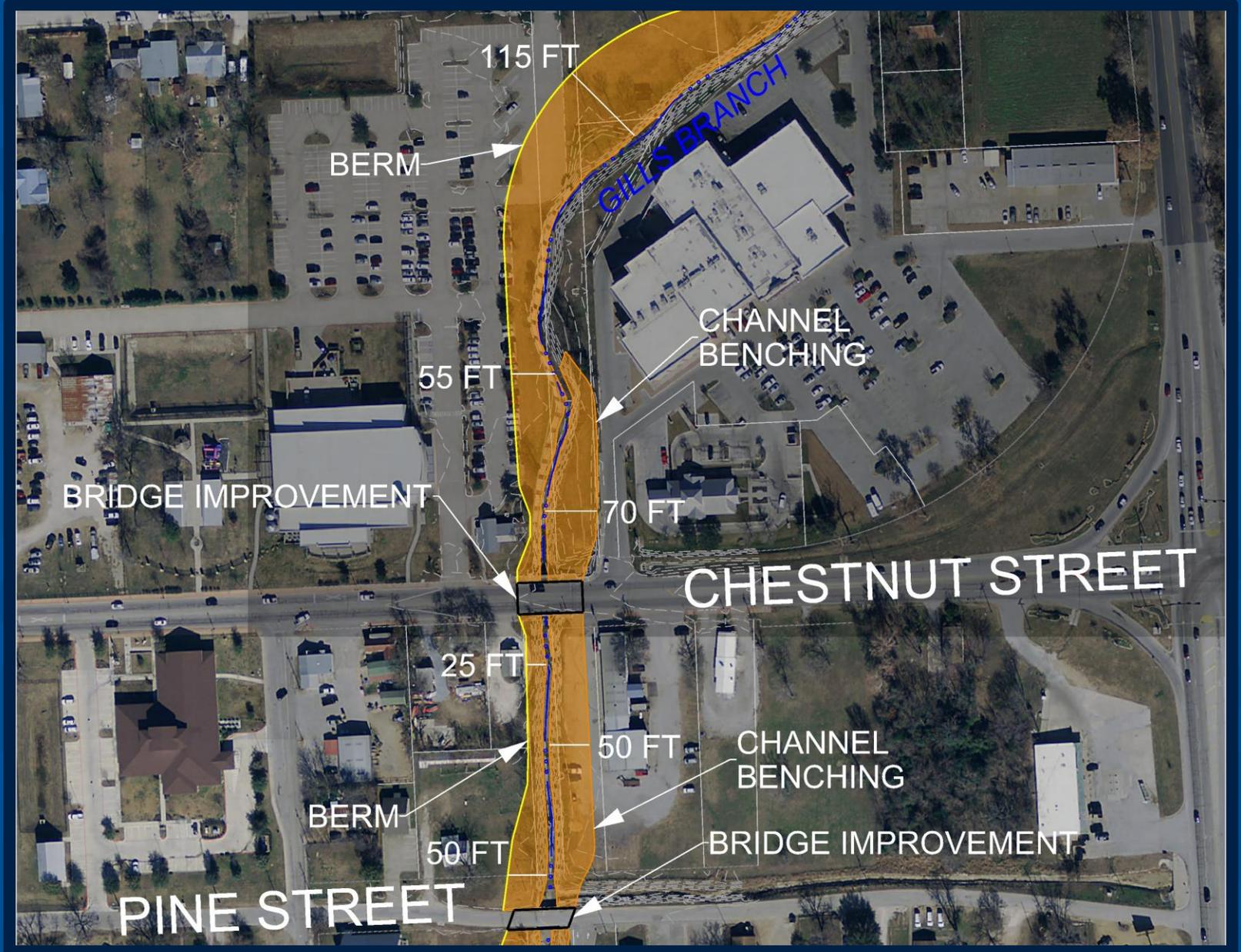
- Reduction of approximately 110 acres of flooding
- 188 structures removed from flooding
- Increase travel safety on Pine St., Chestnut St., and Farm St.
- Channel benching could incorporate future pedestrian connectivity and recreational areas



GILLS BRANCH - LOWER



GILLS BRANCH - MIDDLE

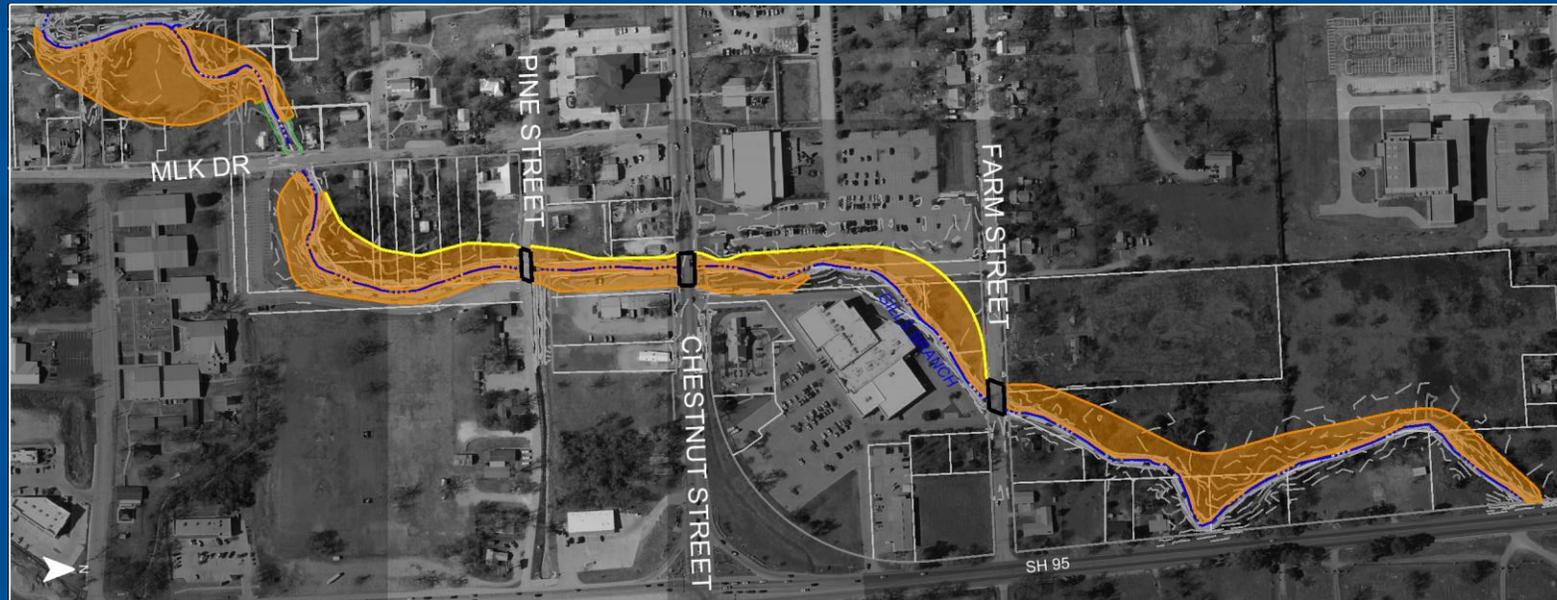


GILLS BRANCH - UPPER



GILLS BRANCH PROJECT TIMELINE

Dates	Project Phase
Dec. 2019 – Mar. 2021	Engineering Design Phase
<i>Mar. 2021 – May 2021</i>	<i>GLO CDBG-MIT Grant</i>
<i>Apr. 2021 – Apr. 2022</i>	<i>Land Acquisition (est. 8-12 mo.)</i>
<i>Apr. 2021 – Apr. 2022</i>	<i>Utility Relocation (est. 8-12 mo.)</i>
<i>Apr. 2022 – Apr. 2023</i>	<i>Construction Phase (est. 12 mo.)*</i>
	<i>*Assume land has been acquired prior to construction.</i>





STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 9A

TITLE:

Receive presentation on the unaudited Monthly Financial Report for the period ending January 31, 2021.

STAFF REPRESENTATIVE:

Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:

The Chief Financial Officer provides the City Council a monthly financial report overview for all funds to include detailed analysis for General Fund, Water-Wastewater Fund, Bastrop Power & Light and the HOT Tax Fund.

REVENUE

General Fund is exceeding the forecast by over 8.5%. This is attributed substantially to development fees. This category of revenue is already at 70% of budget four months into the fiscal year.

HOT funds revenue is short of forecast due to COVID-19 impacting the hospitality industry to a greater extent than projected. This trend will be closely monitored.

Cemetery is running short of forecast. We have had only one non-resident plot sale since the price increase effective Oct. 1st.

The Park Land Dedication fund and Capital Bond funds are short of forecast due to interest returns being lower than forecast.

EXPENDITURES

All funds are positive variance to forecasted expenditures year to date.

POLICY EXPLANATION:

This reporting requirement is set forth by the City of Bastrop Financial Management Policies, Chapter IV. Operating Budget, Section D. Reporting, as adopted by Resolution R-2020-77 on September 8, 2020.

ATTACHMENTS:

- Unaudited Monthly Financial Report for the period ending January 31, 2021

CITY OF BASTROP

Comprehensive Monthly Financial Report
January 2021



Performance at a Glance as of January 31, 2021



	YEAR TO DATE	REFERENCE
ALL FUNDS SUMMARY		
ALL FUNDS SUMMARY	POSITIVE	Page 3-4
SALES TAXES	POSITIVE	Page 5
PROPERTY TAXES	POSITIVE	Page 6
GENERAL FUND EXPENSE BY DEPARTMENT	POSITIVE	Page 7
WATER/WASTEWATER REVENUES	POSITIVE	Page 8
WATER/WASTEWATER EXPENDITURES BY DIVISION	POSITIVE	Page 9
ELECTRIC REVENUES	POSITIVE	Page 10
HOTEL OCCUPANCY TAX REVENUES	NEGATIVE	Page 11
HOTEL OCCUPANCY TAX EXPENDITURES BY DIVISION	POSITIVE	Page 12
LEGAL FEES BY ATTORNEY/CATEGORY	POSITIVE	Page 13
PERFORMANCE INDICATORS		
POSITIVE	= Positive variance or negative variance < 1% compared to seasonal trends	
WARNING	= Negative variance of 1-5% compared to seasonal trends	
NEGATIVE	= Negative variance of >5% compared to seasonal trends	

BUDGET SUMMARY OF ALL FUNDS

	<u>FY2021</u> <u>Approved Budget</u>	<u>FY2021</u> <u>Forecast YTD</u>	<u>FY2021</u> <u>Actual YTD</u>	<u>Variance</u>
<u>Revenues:</u>				
General	\$ 12,661,181	\$ 6,006,109	\$ 6,528,335	8.7%
Designated	63,583	9,067	10,975	21.0%
Innovation	795,894	-	3	0.0%
Street Maintenance	1,024,000	1,021,825	1,025,104	0.3%
Debt Service	2,863,181	2,230,708	2,241,318	0.5%
Water/Wastewater	6,572,900	1,928,785	2,182,979	13.2%
Water/Wastewater Debt	2,956,026	686,925	689,279	0.3%
Water/Wastewater Capital Proj	130,000	43,333	44,958	3.8%
Impact Fees	907,250	297,417	514,750	73.1%
Vehicle & Equipment Replacement	452,192	194,064	216,495	11.6%
Electric	7,154,050	2,048,884	2,032,278	-0.8%
HOT Tax Fund	2,533,212	774,219	496,116	-35.9%
Library Board	20,600	3,350	7,100	111.9%
Cemetery	108,750	36,250	13,386	-63.1%
Capital Bond Projects	1,105,793	1,034,333	1,007,172	-2.6%
Grant Fund	731,851	12,000	12,000	0.0%
Park/Trail Land Dedicaiton	1,865	622	419	-32.6%
Hunter's Crossing PID	513,031	306,131	332,216	8.5%
Bastrop EDC	3,953,570	887,357	1,078,034	21.5%
TOTAL REVENUES	\$ 44,548,929	\$ 17,521,379	\$ 18,432,917	5.2%

POSITIVE
WARNING
NEGATIVE

= Positive variance or negative variance < 1% compared to forecast
 = Negative variance of 1-5% compared to forecast
 = Negative variance of >5% compared to forecast

BUDGET SUMMARY OF ALL FUNDS

	<u>FY2021 Approved Budget</u>	<u>FY2021 Forecast YTD</u>	<u>FY2021 Actual YTD</u>	<u>Variance</u>
<u>Expense:</u>				
General	\$ 12,535,852	\$ 4,175,563	\$ 3,803,709	-8.9%
Designated	481,000	# 102,555	96,849	-5.6%
Innovation	958,130	149,668	149,668	0.0%
Street Maintenance	1,020,654	80,000	8,993	-88.8%
Debt Service	2,997,157	631,715	629,619	-0.3%
Water/Wastewater	6,213,872	1,950,594	1,793,483	-8.1%
Water/Wastewater Debt	2,174,353	726,040	729,578	0.5%
Water/Wastewater Capital Proj.	583,900	405,000	405,885	0.2%
Impact Fees	910,250	-	-	0.0%
Vehicle & Equipment Replacement	241,800	-	-	0.0%
Electric	7,427,450	2,362,281	2,278,705	-3.5%
HOT Tax Fund	2,795,012	1,524,933	1,352,265	-11.3%
Library Board	23,450	7,817	208	-97.3%
Park Dedication	100,000	-	-	0.0%
Cemetery	79,803	28,571	27,155	-5.0%
Hunter's Crossing PID	480,025	41,175	35,588	-13.6%
Capital Projects (Bond)	24,944,196	2,759,609	2,765,890	0.2%
Grant Fund	731,851	21,192	21,193	0.0%
Bastrop EDC	5,131,091	1,877,079	1,471,171	-21.6%
TOTAL EXPENSES	\$ 69,829,846	\$ 16,843,792	\$ 15,569,959	-7.6%
Surplus/(Shortfall)	\$ (25,280,917)	\$ 677,587	\$ 2,862,958	322.5%

POSITIVE

WARNING

NEGATIVE

= Negative variance or positive variance < 1% compared to forecast

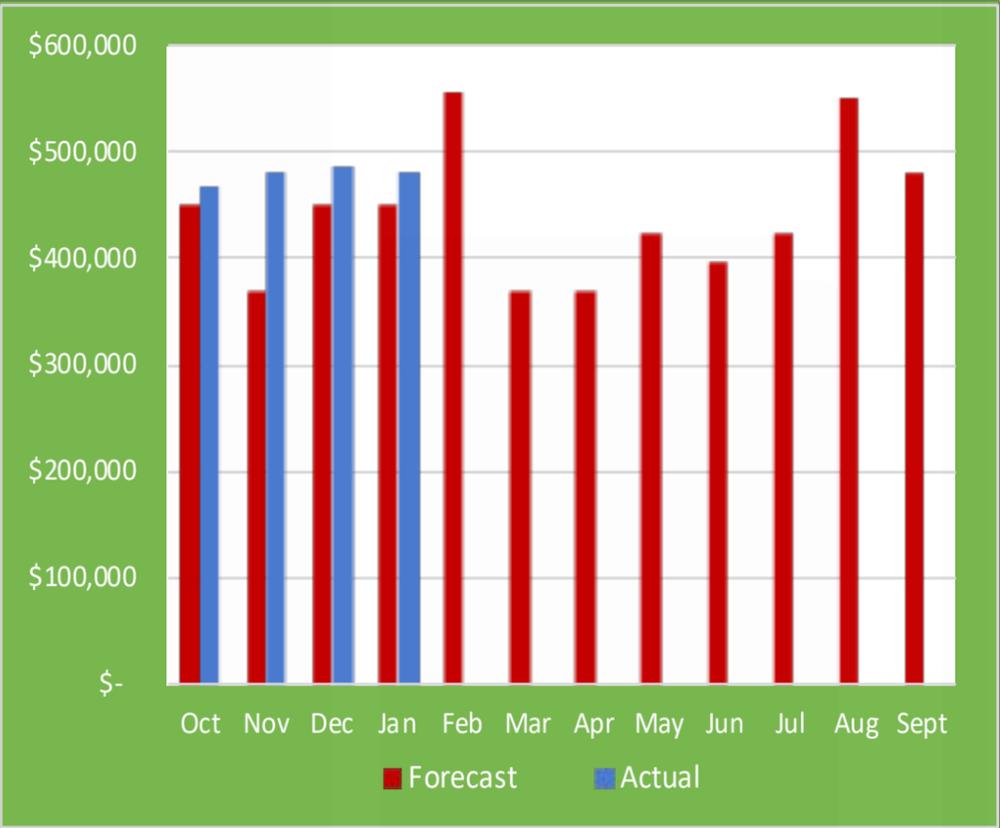
= Positive variance of 1-5% compared to forecast

= Positive variance of >5% compared to forecast

REVENUE ANALYSIS

SALES TAX REVENUE

Month	FY2021 Forecast	FY2021 Actual	Monthly Variance
Oct	\$ 447,689	\$ 464,945	\$ 17,256
Nov	368,685	477,068	\$ 108,383
Dec	447,689	484,697	\$ 37,008
Jan	447,689	478,752	\$ 31,063
Feb	553,028		\$ -
Mar	368,685		\$ -
Apr	368,685		\$ -
May	421,355		\$ -
Jun	395,020		\$ -
Jul	421,355		\$ -
Aug	547,761		\$ -
Sept	479,291		\$ -
Total	\$ 5,266,932	\$ 1,905,462	\$ 193,710
Cumulative Forecast	\$ 1,711,752		
Actual to Forecast	\$ 193,710	11.3%	

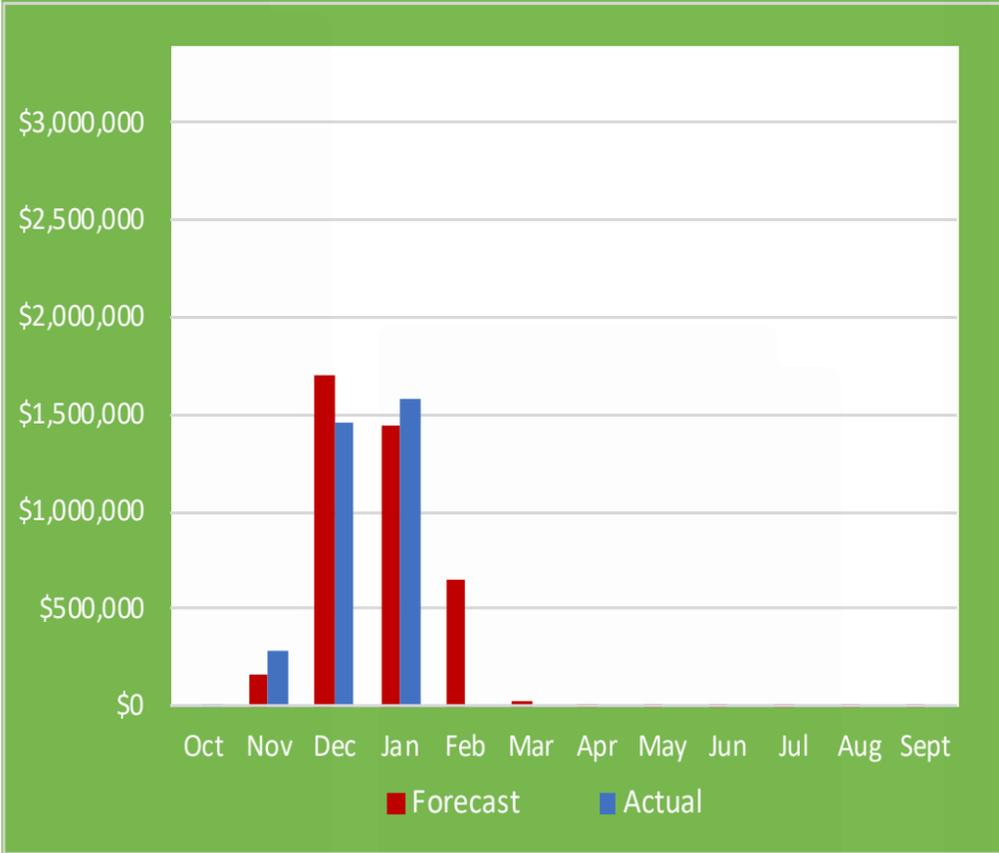


POSITIVE

Sales Tax is 42% of the total budgeted revenue for General Fund. The actual amounts for Oct. and Nov. are estimated due to the State Comptroller's two month lag in payment of these earned taxes. The actual is 11% greater than forecasted.

PROPERTY TAX REVENUE

<u>Month</u>	FY2021 <u>Forecast</u>	FY2021 <u>Actual</u>	Monthly <u>Variance</u>
Oct	\$ -	\$ 696	\$ 696
Nov	161,543	280,465	\$ 118,922
Dec	1,696,205	1,451,029	\$ (245,176)
Jan	1,437,736	1,584,842	\$ 147,106
Feb	646,173		
Mar	32,309		
Apr	16,154		
May	16,154		
Jun	8,077		
Jul	8,077		
Aug	8,077		
Sept	8,077		
Total	\$ 4,038,582	\$ 3,317,032	\$ 21,548
Cumulative Forecast	\$ 3,295,484		
Actual to Forecast	\$ 21,548	0.65%	



POSITIVE

Property tax represents 31% of the total General Fund revenue budget. As you can see from the forecast, they are generally collected from December to February. The actual is slightly over forecast. The timing of when these payments are received does not stay consistent from year to year which increases the difficulty of forecasting the monthly receipts.

GENERAL FUND EXPENDITURES BY DEPT.

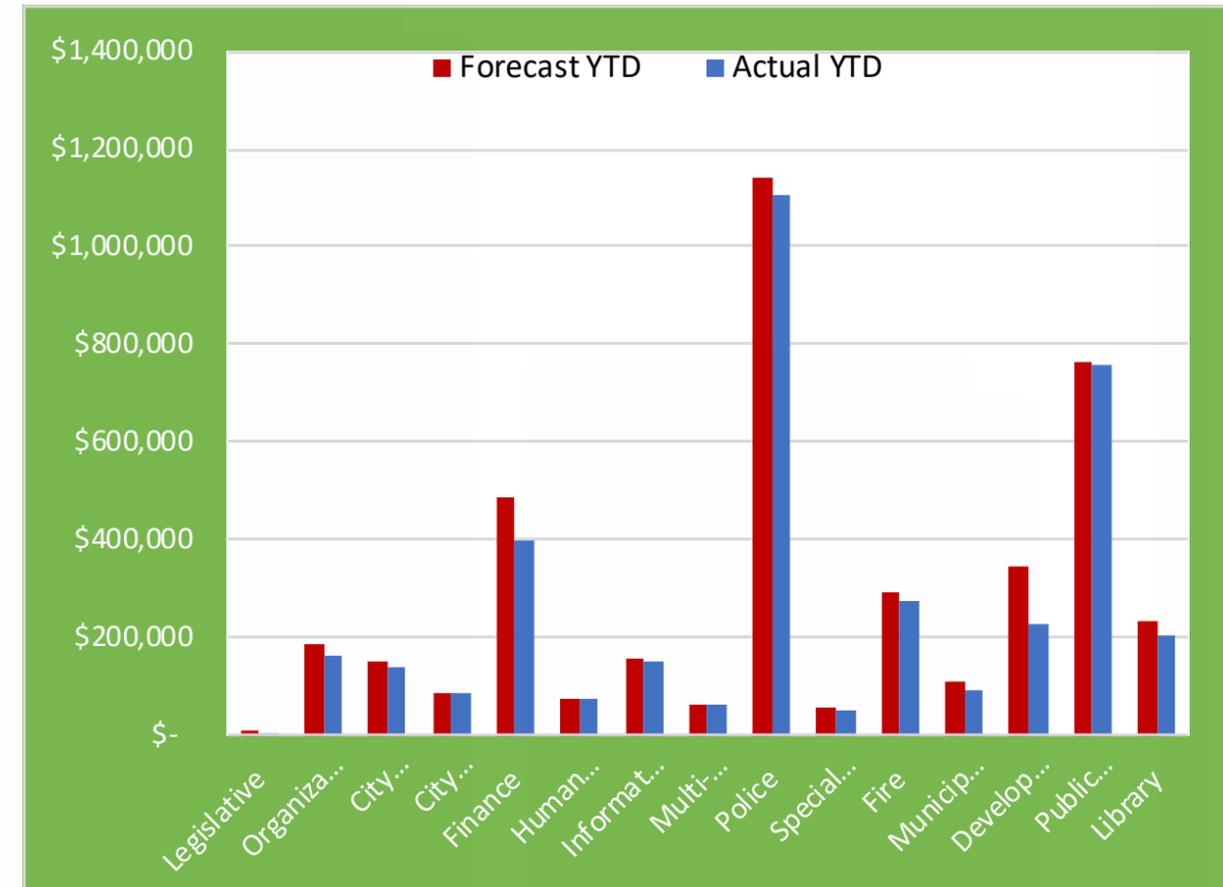
<u>Division</u>	<u>FY2021 Forecast YTD</u>	<u>FY2021 Actual YTD</u>	<u>Variance</u>
Legislative	\$ 11,694	\$ 4,797	\$ (6,897)
Organizational	188,907	162,314	\$ (26,593)
City Manager	151,216	142,263	\$ (8,953)
City Secretary	86,009	85,947	\$ (62)
Finance	487,140	398,420	\$ (88,720)
Human Resources	76,320	73,333	\$ (2,987)
Information Technology	159,705	150,701	\$ (9,004)
Multi-Media	64,460	61,093	\$ (3,367)
Police	1,143,453	1,107,076	\$ (36,377)
Special Events/Reserv.	56,683	51,211	\$ (5,472)
Fire	294,390	275,674	\$ (18,716)
Municipal Court	112,557	95,834	\$ (16,723)
Development Services	343,915	230,963	\$ (112,952)
Public Works	765,544	758,987	\$ (6,557)
Library	233,570	205,096	\$ (28,474)
Total	\$ 4,175,563	\$ 3,803,709	\$ (371,854)

Actual to Forecast

91.1%

POSITIVE

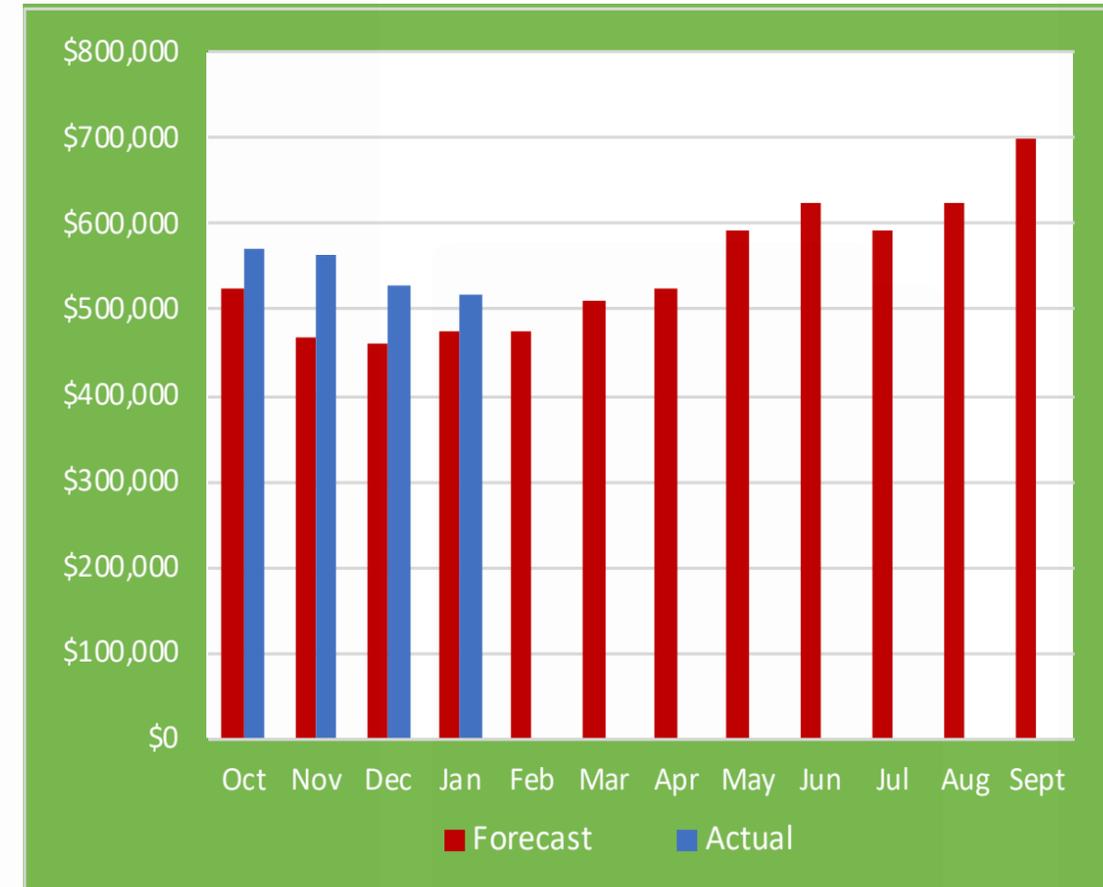
This is a new page to the financial report that looks at forecast to actual by department within the General Fund. YTD the actual is 91% of forecast. We will continue to refine our forecast based on historic patterns and understanding of what has been budgeted.



REVENUE ANALYSIS

WATER/WASTEWATER REVENUE

<u>Month</u>	<u>FY2021 Forecast</u>	<u>FY2021 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 525,920	\$ 572,388	\$ 46,468
Nov	466,616	564,581	\$ 97,965
Dec	460,044	527,318	\$ 67,274
Jan	476,204	518,692	\$ 42,488
Feb	476,616		
Mar	509,760		
Apr	525,920		
May	591,384		
Jun	624,116		
Jul	591,796		
Aug	624,528		
Sept	699,992		
Total	\$ 6,572,896	\$ 2,182,979	\$ 254,195
Cumulative Forecast	\$ 1,928,784		
Actual to Forecast	\$ 254,195	13.18%	



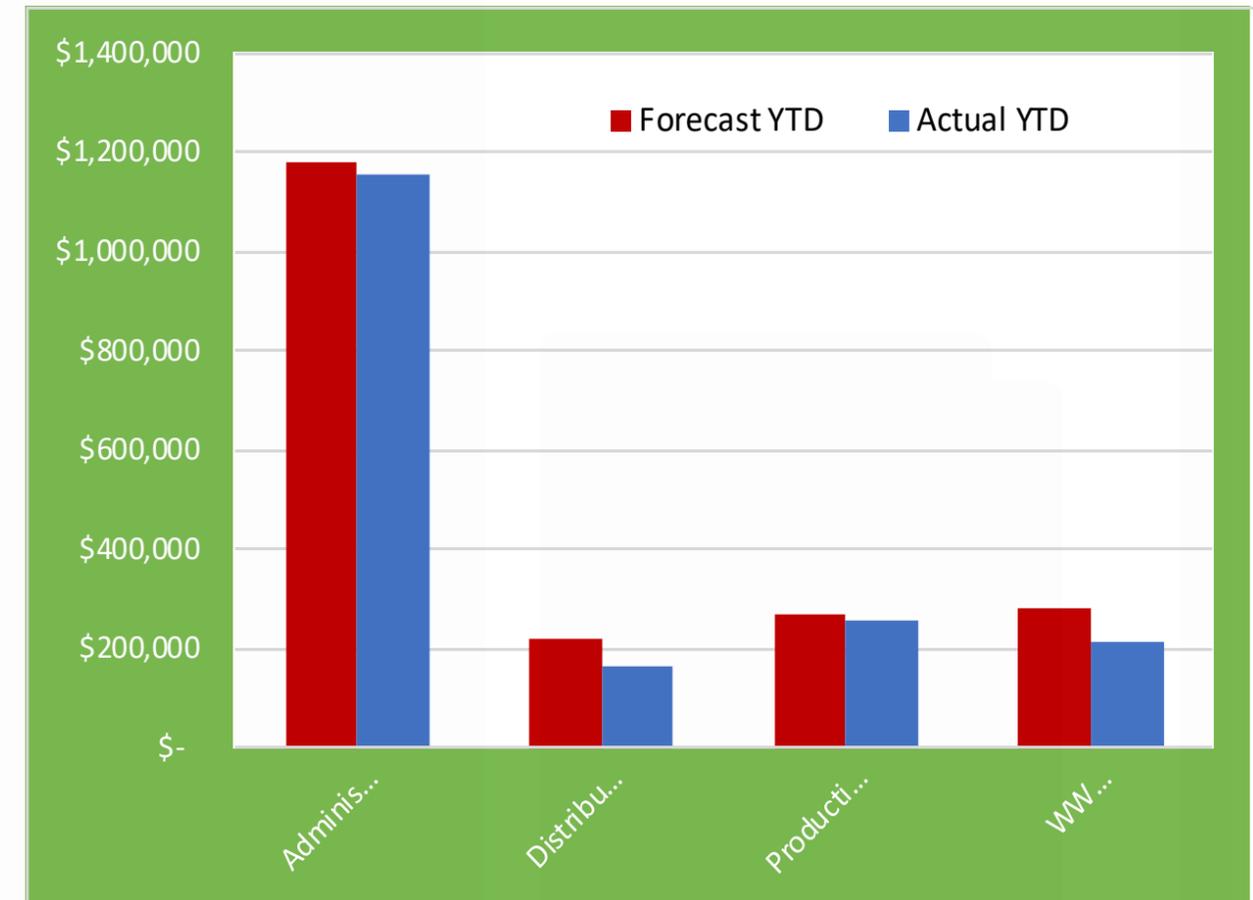
POSITIVE

The water and wastewater actual revenue is higher than forecast slightly over 13%. There were 9 new meters set this month all residential.

EXPENSE ANALYSIS

WATER/WASTEWATER EXPENDITURES BY DIVISION

<u>Division</u>	FY2021 <u>Forecast YTD</u>	FY2021 <u>Actual YTD</u>	<u>Variance</u>
Administration	\$ 1,178,183	\$ 1,156,615	\$ (21,568)
Distribution/Collection	221,226	167,036	\$ (54,190)
Production/Treatment	270,053	255,833	\$ (14,220)
WW Treatment Plant	<u>281,132</u>	<u>213,999</u>	<u>\$ (67,133)</u>
Total	\$ 1,950,594	\$ 1,793,483	\$ (157,111)
Actual to Forecast		91.9%	



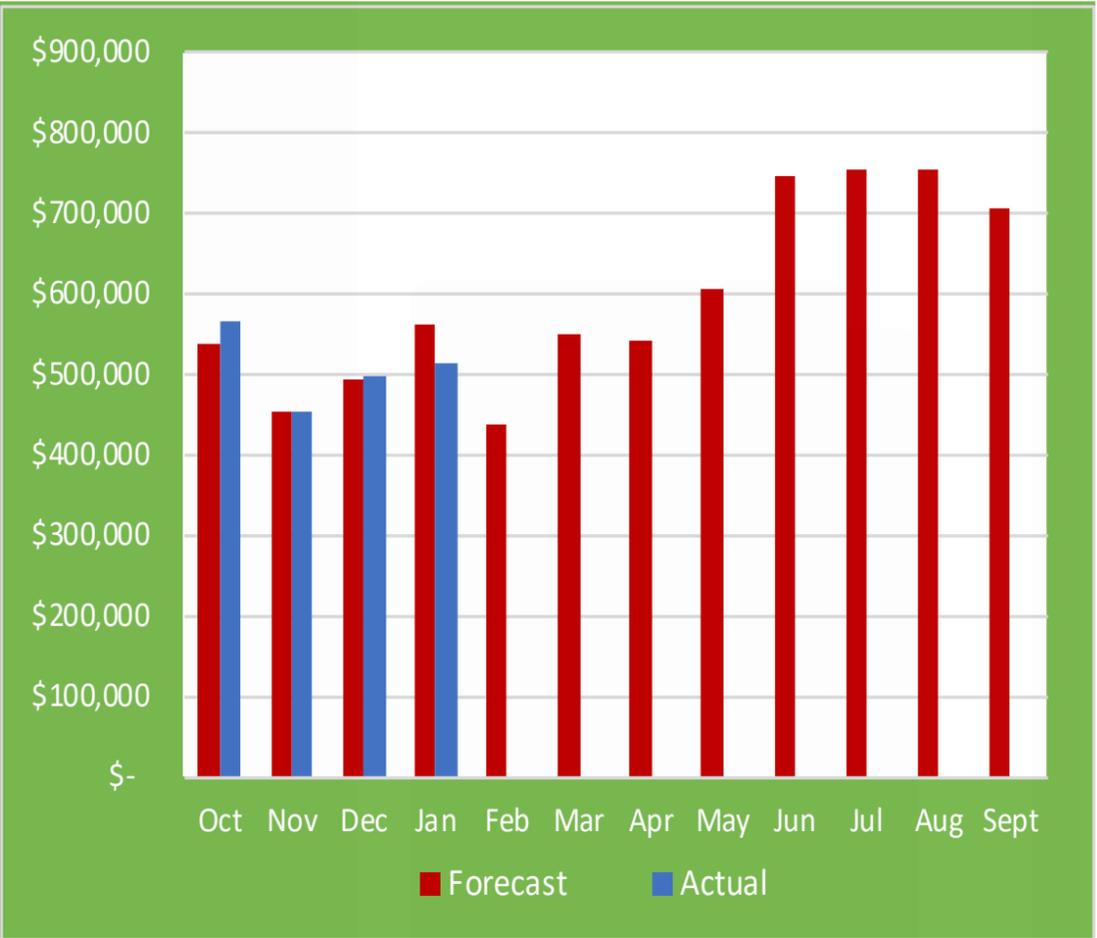
POSITIVE

This is a new page in the Financial Report that tracks the actual to forecast by divisions within the Water/Wastewater department. The actual is almost 92% of forecast.

REVENUE ANALYSIS

ELECTRIC FUND REVENUE

<u>Month</u>	<u>FY2021 Forecast</u>	<u>FY2021 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 537,087	\$ 566,455	\$ 29,368
Nov	452,966	454,582	\$ 1,616
Dec	495,027	497,321	\$ 2,294
Jan	563,804	513,921	\$ (49,883)
Feb	439,936		
Mar	551,107		
Apr	544,097		
May	607,188		
Jun	747,389		
Jul	754,399		
Aug	754,399		
Sept	706,651		\$ -
Total	\$ 7,154,050	\$ 2,032,279	\$ (16,605)
Cumulative Forecast	\$ 2,048,884		
Actual to Forecast	\$ (16,605)	-0.81%	



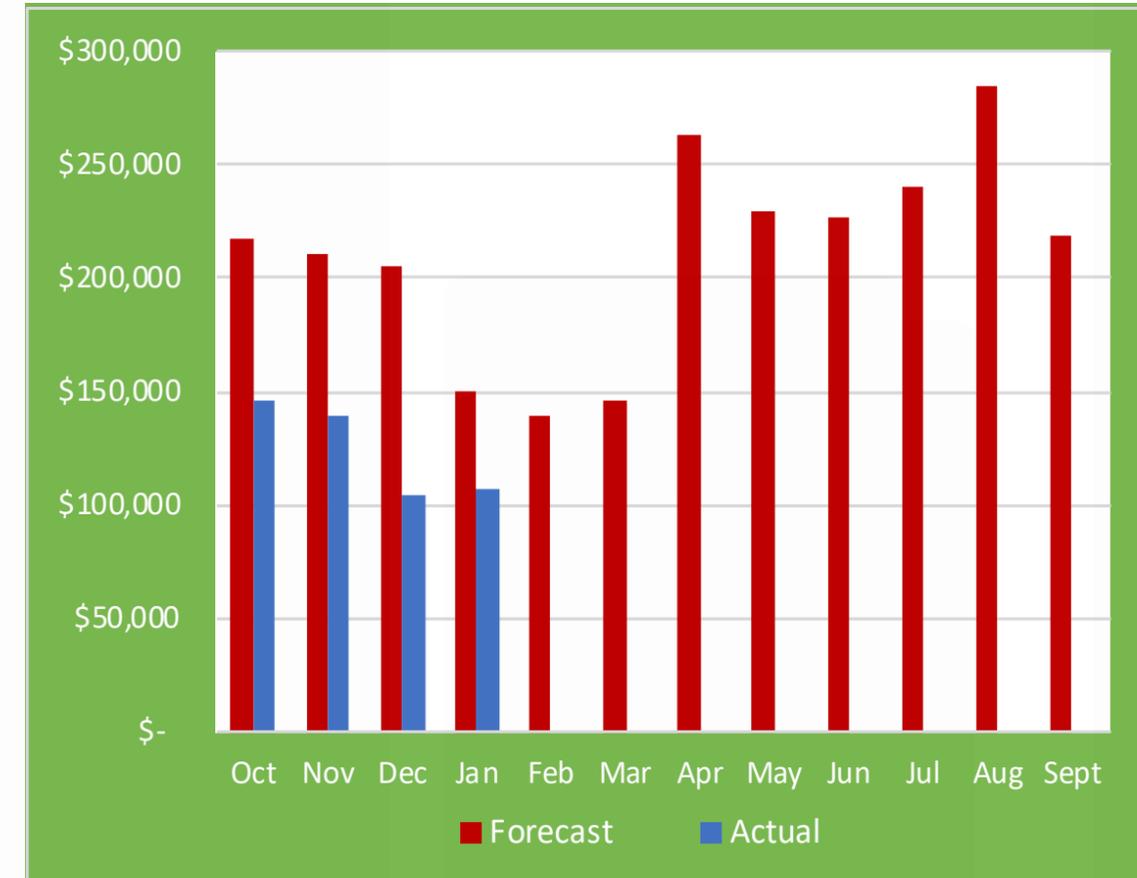
POSITIVE

The Electric utility revenue is .8% below forecasted revenue. There were 6 new meters set this month all residential.

REVENUE ANALYSIS

HOTEL OCCUPANCY TAX REVENUE

Month	FY2021 Forecast	FY2021 Actual	Monthly Variance
Oct	\$ 217,168	\$ 145,576	\$ (71,592)
Nov	210,688	138,810	\$ (71,878)
Dec	204,751	104,901	\$ (99,850)
Jan	150,637	106,830	\$ (43,807)
Feb	139,920		
Mar	145,899		
Apr	263,503		
May	229,521		
Jun	226,291		
Jul	240,708		
Aug	285,412		
Sept	218,714		
Total	\$ 2,533,212	\$ 496,117	\$ (287,127)
Cumulative Forecast	\$ 783,244		
Actual to Forecast %	\$ (287,127)	-36.7%	



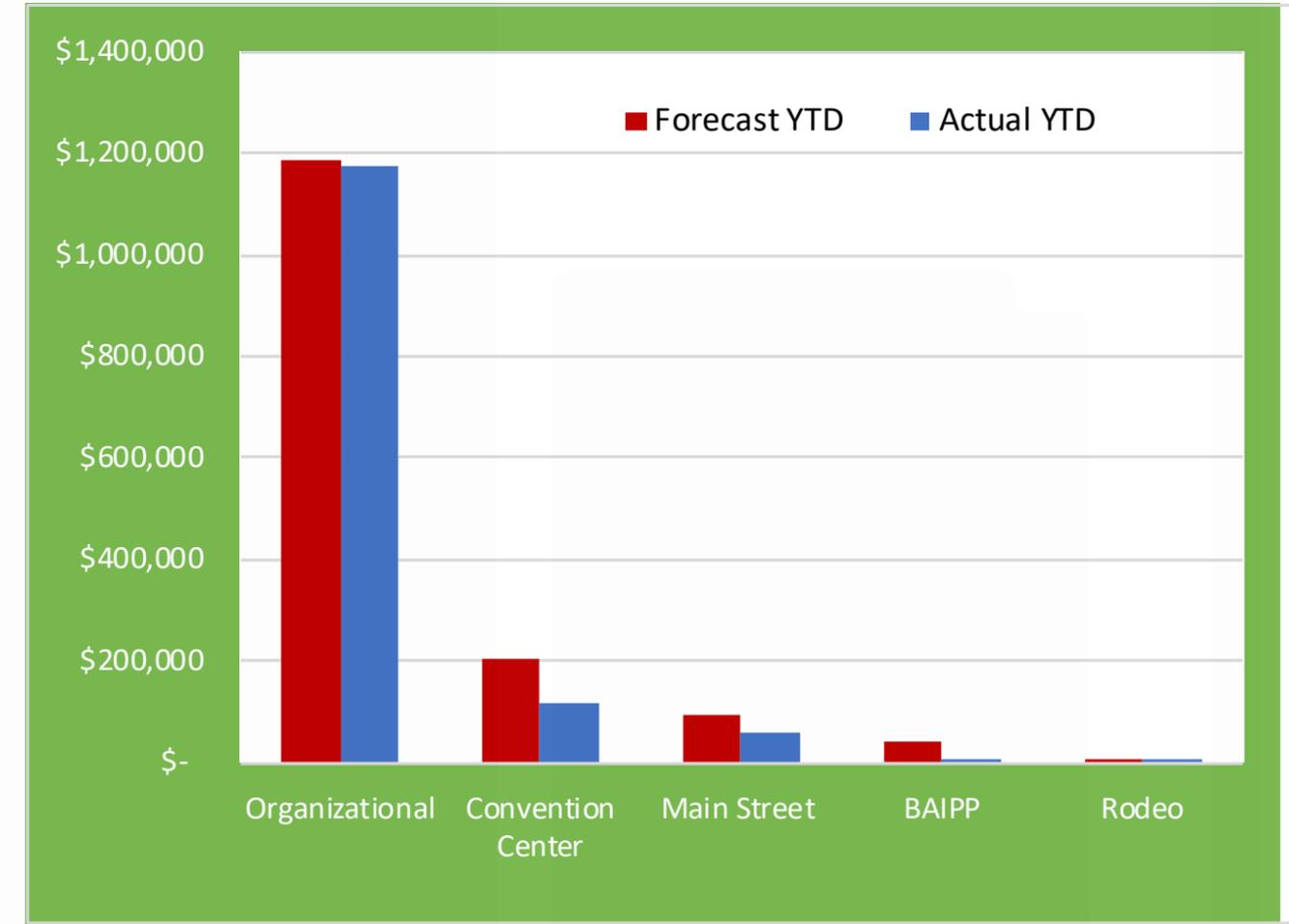
NEGATIVE

So far YTD we are almost 37% negative actual to forecast. ***The Hotel Tax revenue YTD is \$390,579 less than same time last year.***

EXPENSE ANALYSIS

HOTEL OCCUPANCY TAX EXPENDITURES BY DIVISION

<u>Division</u>	<u>FY2021 Forecast YTD</u>	<u>FY2021 Actual YTD</u>	<u>Variance</u>
Organizational	\$ 1,185,579	\$ 1,177,244	\$ (8,335)
Convention Center	205,940	117,010	\$ (88,930)
Main Street	90,870	56,838	\$ (34,032)
BAIPP	41,577	374	\$ (41,203)
Rodeo	<u>967</u>	<u>799</u>	<u>\$ (168)</u>
Total	<u>\$ 1,524,933</u>	<u>\$ 1,352,265</u>	<u>\$ (172,668)</u>
Actual to Forecast	88.7%		



POSITIVE

This is a new page in the Financial Report that shows the actual to forecast for each division located in the Hotel Occupancy Tax Fund. YTD is reporting actual 88% of forecast.

Legal fees by Attorney/Category

COMPREHENSIVE MONTHLY FINANCIAL REPORT – January 2021

FIRM	CASE	FY18-19	FY19-20	FY20-21
BUNDREN				
	Pine Forest Interlocal	\$ 6,195	\$ 1,298	\$ -
BOJORQUEZ				
	General Legal	\$ 432,931	\$ 185,102	\$ 26,700
	NEU Review	\$ -	\$ -	\$ 6,077
	COVID-19	\$ -	\$ 8,687	\$ 165
	Vandiver	\$ 1,857	\$ -	\$ -
	Pine Forest Interlocal	\$ -	\$ 1,275	\$ -
	Prosecutor (Municipal Court)	\$ 23,357	\$ 15,526	\$ 4,416
	Water/WW	\$ 46,721	\$ 57,168	\$ 23,733
RUSSEL RODRIGUEZHYDE				
	Hunter's Crossing PID	\$ -	\$ 7,378	\$ 335
MULTIPLE FIRMS				
	XS Ranch Water Rights	\$ 6,204	\$ 4,888	\$ -
	Hunter's Crossing PID	\$ 89,899	\$ 10,391	\$ -
TAYLOR, OLSON, ADKINS, SRALLA & ELAM				
	Red Light Camera Suit	\$ 717	\$ 64	\$ -
		<u>\$ 607,881</u>	<u>\$ 291,777</u>	<u>\$ 61,426</u>

SUMMARY OF CASE/TYPE

Row Labels	Sum of FY18-19	Sum of FY19-20	Sum of FY20-21
COVID-19	\$ -	\$ 8,687	\$ 165
General Legal	\$ 432,931	\$ 185,102	\$ 26,700
Hunter's Crossing PID	\$ 89,899	\$ 17,769	\$ 335
Pine Forest Interlocal	\$ 6,195	\$ 2,573	\$ -
Prosecutor (Municipal Court)	\$ 23,357	\$ 15,526	\$ 4,416
Red Light Camera Suit	\$ 717	\$ 64	\$ -
Vandiver	\$ 1,857	\$ -	\$ -
Water/WW	\$ 46,721	\$ 57,168	\$ 23,733
XS Ranch Water Rights	\$ 6,204	\$ 4,888	\$ -
NEU Review	\$ -	\$ -	\$ 6,077
Grand Total	\$ 607,881	\$ 291,777	\$ 61,426



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 9B

TITLE:

Receive Update on construction of Highway 71 from Diana Schulz, Area Engineer, Texas Department of Transportation.

STAFF REPRESENTATIVE:

Clint Nagy, Chief of Police





STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 10

TITLE:

CITIZEN COMMENTS

At this time, three (3) minute comments will be taken from the audience on any topic. Anyone in attendance wishing to address the Council must complete a citizen comment form and give the completed form to the City Secretary prior to the start of the City Council meeting. Alternately, if you are unable to attend the council meeting, you may complete a citizen comment form with your comments at www.cityofbastrop.org/citizencommentform before 5:00 p.m. on February 23, 2021. Comments submitted by this time will be distributed to the city council prior to meeting commencement, referenced at the meeting, and included with the meeting minutes. Comments from each individual will be limited to three (3) minutes when read aloud. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, City Council cannot discuss issues raised or make any decision at this time. Instead, City Council is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry. Issues may be referred to City Manager for research and possible future action.

It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Council to allow a member of the public to slur the performance, honesty and/or integrity of the Council, as a body, or any member or members of the Council individually or collectively, or members of the City's staff. Accordingly, profane, insulting or threatening language directed toward the Council and/or any person in the Council's presence will not be tolerated.



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 11A

TITLE:

Consider action to approve City Council minutes from the January 28, 2021, Joint Council and Planning & Zoning Commission and February 9, 2021 Regular meeting.

STAFF REPRESENTATIVE:

Paul A. Hofmann, City Manager
Ann Franklin, City Secretary

BACKGROUND/HISTORY:

N/A

POLICY EXPLANATION:

Section 551.021 of the Government Code provides as follows:

- (a) A governmental body shall prepare and keep minutes or make a tape recording of each open meeting of the body.
- (b) The minutes must:
 1. State the subject of each deliberation; and
 2. Indicate the vote, order, decision, or other action taken.

FUNDING SOURCE:

N/A

RECOMMENDATION:

Consider action to approve City Council minutes from the January 28, 2021, Joint Council and Planning & Zoning Commission and February 9, 2021 Regular meeting.

ATTACHMENTS:

- January 28, 2021, DRAFT Joint Council and P&Z Meeting Minutes.
- February 9, 2021, DRAFT Regular Meeting Minutes.

**MINUTES OF JOINT WORKSHOP WITH BASTROP COUNCIL AND
PLANNING AND ZONING COMMISSION****January 28, 2021**

The Bastrop City Council and Planning and Zoning Commission met in a Joint Workshop Meeting on Thursday, January 28, 2021, at 6:30 p.m. at the Bastrop City Hall Council Chambers, located at 1311 Chestnut Street, Bastrop, Texas. Members present for the Bastrop City Council were: Mayor Schroeder, Mayor Pro Tem Nelson and Council Members Ennis, Rogers and Peterson. Council Member Jackson was present via video. Officers physically present were City Manager, Paul A. Hofmann; City Secretary, Ann Franklin; and City Attorney, Alan Bojorquez. Members present for the Planning and Zoning Commission were: Debbie Moore, Cheryl Lee, Carrie Caylor, Glenn Johnson, Cynthia Meyer, Matt Lassen, Greg Sherry, and Pablo Serna. Staff Liaison, Planning and Zoning Assistant Director, Jennifer Bills.

CALL TO ORDER

- a. Mayor Schroeder called the meeting of the Bastrop City Council to order with a quorum being present at 6:30 p.m.
- b. Planning and Zoning–Chair, Debbie Moore called the meeting of the Planning and Zoning Commission to order with a quorum being present at 6:30 p.m. Board Member Ishmael Harris was absent.

WORK SESSION

- 2A. Hold discussion and receive policy direction on the following topic areas related to the B³ Code for future amendments:
1. Development Process and the Development Review Committee;
 2. Subdivision Standards and the Extraterritorial Jurisdiction;
 3. General Code Changes;
 4. Sign Standards; and
 5. Other Direction from Planning & Zoning and City Council.
- Presentation was made by Planning and Zoning Assistant Director, Jennifer Bills.**

Mayor Schroeder recessed the joint meeting at 8:31 p.m.

Mayor Schroeder called the joint meeting back to order at 8:39 p.m.

EXECUTIVE SESSION

The City Council met at 8:39 p.m. in a closed/executive session pursuant to the Texas Government Code, Chapter 551, et seq, to discuss the following:

- 3A. City Council shall convene into closed executive session pursuant to Texas Government Code Sections 551.071 and 551.072, to receive a report from legal counsel regarding Pine Forest Unit 6 development.
Council Member Rogers recused herself.
Board Member Cynthia Meyers recused herself.

The Bastrop City Council reconvened at 9:33 p.m. into open (public) session.

ADJOURNMENT

Mayor Schroeder adjourned the Bastrop City Council meeting at 9:33 p.m. without objection.

Chair, Debbie Moore adjourned the Planning and Zoning Commission meeting at 9:33 p.m. without objection.

APPROVED:

ATTEST:

Mayor Connie B. Schroeder

City Secretary Ann Franklin

The Minutes were approved on February 23, 2021, by motion, Council Member second. The motion was approved on a vote.

FEBRUARY 9, 2021

The Bastrop City Council met in a regular meeting on Tuesday, February 9, 2021, at 6:30 p.m. at the Bastrop City Hall Council Chambers, located at 1311 Chestnut Street, Bastrop, Texas. Members physically present were: Mayor Schroeder, Mayor Pro Tem Nelson and Council Members Ennis, Peterson and Rogers. Council Member Jackson was present via video. Officers physically present were City Manager, Paul A. Hofmann; City Secretary, Ann Franklin; and City Attorney, Alan Bojorquez.

CALL TO ORDER

At 6:30 p.m. Mayor Schroeder called the meeting to order with a quorum being present.

PLEDGE OF ALLEGIANCE

INVOCATION

Police Chaplain Hardy Overton, gave the invocation.

PRESENTATIONS

- 4A. Mayor's Report
- 4B. Council Members' Report
- 4C. City Manager's Report
- 4D. A proclamation of the City Council of the City of Bastrop, Texas, recognizing February, 2021 as Black History Month.
Mayor Schroeder acknowledged the proclamation recognizing February, 2021 as Black History Month.

WORK SESSION/BRIEFINGS - NONE

STAFF AND BOARD REPORTS

- 6A. Receive Annual Racial Profiling Report from the Bastrop Police Department.
(Submitted by: Clint Nagy, Chief of Police)
Presentation was made by Clint Nagy, Chief of Police.
- 6B. Receive presentation on the FY2021 Quarterly Report. (Submitted by: Paul A. Hofmann, City Manager)
Presentation was made by Paul Hofmann, City Manager.

CITIZEN COMMENT - NONE

CONSENT AGENDA

A motion was made by Council Member Ennis to approve Items 8A, 8B, and 8C as listed on the Consent Agenda after being read into the record by City Secretary, Ann Franklin. Seconded by Mayor Pro Tem Nelson, motion was approved on a 5-0 vote.

- 8A. Consider action to approve City Council minutes from the January 26, 2021 Regular meeting. (Submitted by: Ann Franklin, City Secretary)
- 8B. Consider action to approve Resolution No. R-2021-14 of the City Council of the City of Bastrop, Texas, approving the Tenth Amended Bylaws of the Bastrop Economic Development Corporation, as attached in Exhibit A; and providing an effective date. (Submitted by: Cameron Cox, Bastrop Economic Development, CEO)
- 8C. Consider action to approve Resolution No. R-2021-15 of the City Council of the City of Bastrop, Texas approving a Tri-party Agreement regarding Future Connections in the Colony Project to Off-Site Roadways, as attached in Exhibit A; authorizing the City Manager to execute all necessary documents; and establishing an effective date. (Submitted by: Jennifer Bills, Assistant Director, Planning and Zoning)

ITEMS FOR INDIVIDUAL CONSIDERATION

- 9D. Consider action to approve Resolution No. R-2021-16 of the City Council of the City of Bastrop, Texas confirming appointment by the Mayor to the Main Street Advisory Board, as required in Section 3.08 of the City's Charter, and establishing an effective date. (Submitted by: Paul A. Hofmann, City Manager)
A motion was made by Council Member Rogers to approve Resolution No. R-2021-16, seconded by Council Member Ennis, motion was approved on a 5-0 vote.
- 9A. Consider and adopt on first and final reading Ordinance No. 2021-02 as an emergency measure ratifying temporary Emergency Orders enacted by the Mayor in her capacity as Emergency Management Director in regards to the current Local State of Disaster, for the immediate preservation of the public peace, health or safety.
Mayor Schroeder did not approve any Emergency Orders since the last Council meeting.
- 9B. Consider action to approve Resolution No. R-2021-12 of the City Council of the City of Bastrop, Texas approving the Bastrop Police Department to apply for a grant from the 2021 State Homeland Security Program (SHSP) Terrorism grant for a Regional Law Enforcement Surveillance Trailer at a total cost of forty-nine thousand nine-hundred fifty dollars (\$49,950) with no matching funds from the City of Bastrop; authorizing the Chief of Police as the Grantee's Authorized Official; providing for a severability clause; and establishing an effective date. (Submitted by: Clint Nagy, Chief of Police)
Presentation was made by Clint Nagy, Chief of Police.
A motion was made by Council Member Rogers to approve Resolution No. R-2021-12, seconded by Council Member Jackson, motion was approved on a 5-0 vote.
- 9C. Consider action to approve Resolution No. R-2021-13 of the City Council of the City of Bastrop, Texas to award a Grant Administration Service contract to GrantWorks for the preparation of the City's 2021-2022 Texas Community Development Block Grant (TxCDBG) application and subsequent administrative services if funded; authorizing the City Manager to execute all necessary documents; providing for a

repealing clause; and establishing an effective date. (Submitted by: Tracy Waldron, Chief Finance Officer)

Presentation was made by Tracy Waldron, Chief Financial Officer.

A motion was made by Mayor Pro Tem Nelson to approve Resolution No. R-2021-13, seconded by Council Member Peterson, motion was approved on a 5-0 vote.

EXECUTIVE SESSION

10A. City Council shall convene into closed executive session pursuant to Texas Government Code Sections 551.071 and 551.072, to seek the advice of legal counsel, and to deliberate upon the acquisition of real property interests associated with the construction of Wastewater Treatment Plant #3 at 385 SH 304, Unit B, Bastrop, TX 78602, and its collections systems, including all related agreements, authorizations, easements, resolutions, and associated legal actions.

This item was pulled from the agenda.

11. TAKE ANY NECESSARY OR APPROPRIATE ACTION ON MATTERS POSTED FOR CONSIDERATION IN CLOSED/EXECUTIVE SESSION

No action taken.

Adjourned at 8:05 p.m. without objection.

APPROVED:

ATTEST:

Mayor Connie B. Schroeder

City Secretary Ann Franklin

The Minutes were approved on February 23, 2021, by Council Member motion, Council Member second. The motion was approved on a vote.



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 11B

TITLE:

Consider and adopt on second reading Ordinance No. 2021-01 of the City Council of the City of Bastrop, Texas, abandoning and vacating A 0.351 acre portion of Church Street Roadway being all of that certain 0.351 acre (15,297 Square Feet) tract of land situated in the Bastrop Town Tract Survey, Abstract Number 11, Bastrop County, Texas, being more particularly described as being a portion of Church Street (55.55' R.O.W.), of the City Of Bastrop, said 0.351 ACRE (15,297 square feet) tract of land be more particularly described by metes and bounds and plat attached hereto as Exhibit "A", which is attached hereto and incorporated herein for all purposes; authorizing the City Manager to execute a deed to convey said right-of-way to adjacent owners; and providing for findings of fact, repealer, and severability; establishing an effective date; proper notice and meeting.

STAFF REPRESENTATIVE:

Trey Job, Assistant City Manager for Community Development

BACKGROUND/HISTORY:

The Calvary Episcopal Church has requested the City of Bastrop abandon .351 acres, known as Church Street, and swap for a .139-acre portion of property know as Alley A. The Alley while used as a public alleyway it is actually partially owned by the Calvary Episcopal Church. There is some existing drainage infrastructure in the Church Street Right of way that will need to remain in an easement.

POLICY EXPLANATION:

The Bastrop City Council has the authority to abandon the municipality's interest in public right of way.

FUNDING SOURCE:

N/A

ATTACHMENTS:

- Deeds
- Ordinance 2021-01

ORDINANCE NO. 2021-01

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS ABANDONING AND VACATING A 0.351 ACRE PORTION OF CHURCH STREET ROADWAY SITUATED IN THE BASTROP TOWN TRACT SURVEY, ABSTRACT NUMBER 11, BASTROP COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AND PLAT ATTACHED HERETO AND INCORPORATED FOR ALL PURPOSES AS EXHIBIT “A”; AUTHORIZING THE CITY MANAGER TO EXECUTE A DEED TO CONVEY SAID RIGHT-OF-WAY TO ADJACENT OWNERS; AND PROVIDING FOR FINDINGS OF FACT, REPEALER, AND SEVERABILITY; ESTABLISHING AN EFFECTIVE DATE; AND PROPER NOTICE AND MEETING.

WHEREAS, the City of Bastrop, Texas (“City”) is a Home-Rule City acting under its Charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, Section 311.001(a) of the Texas Transportation Code generally provides that a home-rule municipality has exclusive control over and under the public highways, streets, and alleys of the municipality; and

WHEREAS, Section 311.007 of the Texas Transportation Code provides the authority for a home-rule municipality to vacate, abandon or close a street or alley within the municipality; and

WHEREAS, the City Council of the City of Bastrop, Texas, has determined and finds it is in the public interest that the portion of Church Street, as described and/or depicted in *Exhibit A*, which is attached hereto and incorporated herein for all purposes, should be abandoned, vacated, and closed as a public right-of-way.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS THAT:

1. FINDINGS OF FACT

The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if expressly set forth herein.

2. ABANDONMENT

That the right-of-way identified as a portion of Church Street, generally consisting of 0.351 acres of land out of the Bastrop Town Tract Survey, Abstract Number 11, in the City of Bastrop, Bastrop County, Texas, more particularly described in the field notes and plat in *Exhibit A*, which is attached hereto and incorporated herein for all purposes, is hereby abandoned, vacated, and closed as a public roadway.

3. DEED AUTHORIZATION

That the City Council of the City of Bastrop, Texas does hereby authorize the City Manager to execute a deed or deeds in a form substantially similar to the deed attached hereto as *Exhibit B*, and any and all documents necessary to convey the Church Street right-of-way to the abutting property owners.

4. REPEALER

In the case of any conflict between other provisions of this Ordinance and any existing Ordinance of the City, the provisions of this Ordinance will control.

5. SEVERABILITY

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, that invalidity or the unenforceability will not affect any other provisions or applications of this Ordinance that can be given effect without the invalid provision.

6. EFFECTIVE DATE

This Ordinance shall be effective immediately upon passage and publication.

7. OPEN MEETINGS

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551.

READ & ACKNOWLEDGED on First Reading on this, the 26th day of January, 2021.

READ & APPROVED on the Second Reading on this, the 23rd day of February, 2021.

APPROVED:

by: _____
Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

Notice of Confidentiality rights: If you are a Natural Person, you may remove or strike any of the following information from this instrument before it is filed for record in the Public Records: your Social Security Number or your Drivers' License Number.

DEED WITHOUT WARRANTY

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF BASTROP §

CITY OF BASTROP, TEXAS, a Texas home-rule municipality (whether one or more, “Grantor”), for and in consideration of the sum of ONE AND NO/100 DOLLARS (\$1.00), and other good and valuable consideration paid by **BASTROP CALVARY CHURCH** (whether one or more, “Grantee”), the receipt and sufficiency of which are hereby acknowledged and confessed, subject to the exceptions, liens, encumbrances, terms and provisions hereinafter set forth and described, has GRANTED, BARGAINED, SOLD and CONVEYED, and by these presents does hereby GRANT, BARGAIN, SELL and CONVEY, unto Grantee, without warranty of any kind, all of that certain lot, tract or parcel of land situated in Bastrop County, Texas, and being more particularly described real estate, to-wit:

Being all of that certain 0.351 acre (15,297 square feet) tract of land situated in the Bastrop town tract survey, abstract number 11, Bastrop county, Texas, being more particularly described as being A PORTION OF CHURCH STREET (55.55' R.O.W.), OF THE CITY OF BASTROP, SAID 0.351 ACRE (15,297 SQUARE FEET) tract of land be more particularly described by metes and bounds and plat attached hereto as Exhibit “A” and incorporated herein for all purposes.

NOTICE: NO RESPONSIBILITY FOR VALIDITY OF REAL ESTATE TITLE IS ASSUMED BY THE ATTORNEYS PREPARING THIS INSTRUMENT UNLESS A WRITTEN TITLE OPINION IS RENDERED.

RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTY: This conveyance is made and accepted subject to the following matters, if any, to the extent same are in effect at this time, relating to the Property, and shown of record in the herein-above mentioned County and State: any and all reservations, restrictions, covenants, conditions and easements, and to all zoning laws, regulations and ordinances of municipal and/or other governmental authorities.

Grantor for the Consideration and subject to the Reservations From and Exceptions to Conveyance and Warranty, conveys all of Grantor’s right, title and interest in and to Property to Grantee, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee’s heirs, successors, or assigns forever, without express or implied warranty; and all warranties that might arise by common law and the warranties in §5.023 of the Texas Property Code (or its successor) are excluded.

Grantee assumes all ad valorem taxes due on the Property for the current year.

When the context requires, singular nouns and pronouns include the plural.

(Signatures Next Page)

EXECUTED AND EFFECTIVE ON THIS THE ____ day of _____, 2021.

GRANTOR:

THE CITY OF BASTROP, TEXAS
a Texas home-rule municipality

Paul Hofmann, City Manager

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

ACKNOWLEDGEMENT

STATE OF TEXAS
COUNTY OF BASTROP

This instrument was acknowledged before me on the ____ day of _____, 2021,
Paul Hofmann, City Manager for the City of Bastrop, Texas, a Texas home-rule municipality, on
behalf of said municipality.

NOTARY PUBLIC, STATE OF TEXAS



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 11C

TITLE:

Consider action to approve Resolution No. R-2021-19 of the City Council of the City of Bastrop, Texas, approving task order number four (#4) to Kimley-Horn, and Associates Inc. for services that include preparation of hazardous mitigation grant cost estimates and exhibits for the following projects known as the Westside Fire station, the Agnes Road and Blakey Lane extension, and the Colorado River Erosion Mitigation at a cost of Thirty- four thousand Four hundred dollars and zero cents (\$34,400) attached as Exhibit B; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date.

STAFF REPRESENTATIVE:

Trey Job, Assistant City Manager

BACKGROUND/HISTORY:

In October of 2020, the City of Bastrop is applied for Hazard Mitigation Grant funding through the General Land Office GLO with the help of Langford Community Services. Updating the City of Bastrop Hazard Mitigation Actions increases the likelihood of being awarded the grant. It provides an additional five points to our score.

These four new projects that will be added to the action steps (table 19-2) of the Bastrop County Hazard Mitigation Plan. Blakey Lane Extension., Agnes Street Gap Completion, Colorado River Bank Stabilization, and the West side Fire Station.

Kimley Horn Engineering provided the exhibits necessary for the following grant projects to be submitted, Agnes Street Gap Completion, Colorado River Bank Stabilization, and the West side Fire Station. If the grants are approved this task order will allow Kimley Horn to recoup the cost associated with the engineering performed.

POLICY EXPLANATION:

The City Council approved resolution 2020-47 approving grant administrative services providing for the submission of multiple grants totaling approximately \$40,000,000.

FUNDING SOURCE:

N/A

RECOMMENDATION:

ACM Job recommends approval of Resolution No. R-2021-19 of the City Council of the City of Bastrop, Texas, approving task order number four (#4) to Kimley-Horn, at a cost of Thirty- four thousand Four hundred dollars and zero cents (\$34,400.00)

ATTACHMENTS:

- Resolution

- Exhibit B – Task Order No. 4



RESOLUTION NO. R-2021-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, APPROVING TASK ORDER NUMBER FOUR (#4) TO KIMLEY-HORN, AND ASSOCIATES INC. FOR SERVICES THAT INCLUDE PREPARATION OF HAZARDOUS MITIGATION GRANT COST ESTIMATES AND EXHIBITS FOR THE FOLLOWING PROJECTS KNOWN AS THE WESTSIDE FIRE STATION, THE AGNES ROAD AND BLAKEY LANE EXTENSION, AND THE COLORADO RIVER EROSION MITIGATION AT A COST OF THIRTY- FOUR THOUSAND FOUR HUNDRED DOLLARS AND ZERO CENTS (\$34,400) ATTACHED AS EXHIBIT B; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; PROVIDING FOR A REPEALING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, The City Council of the City of Bastrop, Texas has appointed the City Manager as the Chief Administrative Officer of the City; and

WHEREAS, The City Manager is responsible for the proper administration of all affairs of the City; and

WHEREAS, The City Council of the City of Bastrop, Texas is committed to improving drainage, response time, and resiliency around the City following several overwhelming flood events; and

WHEREAS, The City of Bastrop, Texas has found Kimley Horn and Associates, Inc. to be qualified to provide engineering services for grant programs including the GLO-CDBGMIT program; and

WHEREAS, The City of Bastrop, Texas participated in the Bastrop County Flood Protection Planning grant in 2017 and will continue to seek out funding opportunities.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:

Section 1: That the City Manager is hereby authorized to execute an Agreement for Professional Services with Kimley Horn and Associates, Inc., to provide application and implementation services for the GLO-CDBGMIT program.

Section 2: All orders, ordinances, and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 3: That this Resolution shall take effect immediately upon its passage, and it is so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 23rd day of February, 2021.

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

EXHIBIT “B”
TASK ORDER NO. 4

TXGLO HAZARD MITIGATION GRANT FUNDING ASSISTANCE
FOR THE
FIRE STATION NO. 1, AGNES ROAD, BLAKEY LANE, AND
COLORADO RIVER EROSION MITIGATION IMPROVEMENTS
IN
BASTROP, TEXAS

PROJECT DESCRIPTION AND UNDERSTANDING

This Task Order describes a specific scope under an Engineering Services Agreement dated October 9th, 2018, the terms of which are incorporated by reference. The City of Bastrop (City) is proposing to contract with Kimley-Horn (Consultant) to provide conceptual layouts and opinions of probable cost (OPC) for projects being submitted for hazard mitigation grant funding through the Texas General Land Office.

Based on this understanding, Consultant will provide the services specifically set forth below.

SCOPE OF SERVICES

Task 1 – Fire Station No. 1

- 1) Fire Station Layout and Opinion of Probable Cost (OPC)
 - i) The Consultant (through a Subconsultant) will provide a conceptual layout of Fire Station No. 1
 - (1) Site selection will be determined based on conversations with the City. It is understood that the grant allows for site and layout changes subsequent to award of funding.
 - (2) Size and layout will be based on needs communicated by the City and Fire Department.
 - ii) Deliverables
 - (1) PDF (22”x34”) of fire station conceptual layout.
 - (2) OPC.
 - iii) Coordination
 - (1) Consultant and Subconsultant will attend up to three (3) virtual coordination meetings with the City (in combination with discussions of other projects described in this Task Order).

Task 2 – Agnes Road and Blakey Lane

- 1) Agnes Road Layout and Opinion of Probable Cost (OPC)
 - i) The Consultant will provide a conceptual alignment of Agnes Road from the existing eastern terminus of Home Depot Way to the existing western terminus of Agnes Road.
 - (1) Roadway alignment will accommodate known current/future developments. It is understood that the grant allows for alignment modifications subsequent to award of funding.
 - ii) Deliverables
 - (1) PDF (22"x34") of Agnes Road conceptual alignment.
 - (2) OPC.
 - iii) Coordination
 - (1) Consultant will attend up to three (3) virtual coordination meetings with the City (in combination with discussions of other projects described in this Task Order).

- 2) Blakey Lane Layout and Opinion of Probable Cost (OPC)
 - i) The Consultant will provide a conceptual alignment of Blakey Lane from the existing eastern terminus of Blakey Lane to Old Austin Highway.
 - (1) Roadway alignment will accommodate known current/future developments. It is understood that the grant allows for alignment modifications subsequent to award of funding.
 - ii) Deliverables
 - (1) PDF (22"x34") of Blakey Lane conceptual alignment.
 - (2) OPC.
 - iii) Coordination
 - (1) Consultant will attend up to three (3) virtual coordination meetings with the City (in combination with discussions of other projects described in this Task Order).

Task 3 – Colorado River Erosion Mitigation

- 1) Erosion Mitigation Layout and Opinion of Probable Cost (OPC)
 - i) The Consultant will provide a conceptual layout of erosion mitigation improvements along the Colorado River from approximately 250 linear feet south of the confluence of Piney Creek to approximately 100 linear feet north of the SH71 bridge crossing
 - (1) Improvements are anticipated to include a combination of the following
 - (a) Rock/bioengineering armoring
 - (b) Riparian buffer enhancements/bank plantings
 - (c) Rock vane (stream barb)
 - (d) Earthwork enhancements
 - (e) Scour protection

- ii) Deliverables
 - (1) PDF (22"x34") of erosion mitigation layout.
 - (2) OPC.
- iii) Coordination
 - (1) Consultant will attend up to three (3) virtual coordination meetings with the City (in combination with discussions of other projects described in this Task Order).

SERVICES NOT INCLUDED

Any other services, including but not limited to the following, are not included in this Agreement:

- 1. Topographic Survey.
- 2. Design Services.
- 3. Preparation of construction plans and specifications.
- 4. Assist the City as an expert witness in connection with the project.

ADDITIONAL SERVICES

Services not specifically provided for in the above scope can be provided as an additional service and will be performed and billed at our current hourly rates.

INFORMATION PROVIDED BY CLIENT

Consultant shall be entitled to rely on the completeness and accuracy of all information provided by the Client or the Client's consultants or representatives. The Client shall provide all available information requested by Consultant during the project, including but not limited to the following:

- 1. Available construction record documents and planned developments.
- 2. Fire Station No. 1 site selection.

FEES

Consultant will perform the services in Tasks 1-3 for the total lump sum fee below. Individual task amounts are informational only.

Task 1 – Fire Station No.....	\$19,200
Task 2 – Agnes Road and Blakey Lane.....	\$4,700
Task 3 – Colorado River Erosion Mitigation	\$10,500
<u>Total Fee (Lump Sum)</u>	<u>\$34,400</u>

CITY:

CITY OF BASTROP

By: _____

Title: _____

Date: _____

CONSULTANT:

KIMLEY-HORN AND ASSOCIATES, INC.

By:  _____

Title: Assistant Secretary

Date: 9-17-2020



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 12A

TITLE:

Consider and adopt on first and final reading Ordinance No. 2021-02 as an emergency measure ratifying temporary Emergency Orders enacted by the Mayor in her capacity as Emergency Management Director in regards to the current Local State of Disaster, for the immediate preservation of the public peace, health or safety.

STAFF REPRESENTATIVE:

Paul A. Hofmann, City Manager

BACKGROUND/HISTORY

A declaration of local disaster and public health emergency includes the ability to take measures to reduce the possibility of exposure to disease, control the risk, prevent the spread of the disease, and promote the health and safety of individuals in the City of Bastrop; and

POLICY EXPLANATION:

On March 16, 2020 the City Council Confirmed a Declaration of Disaster due to the novel coronavirus (COVID-19). Within that declaration the mayor is granted the authority to take extraordinary measures to protect the health and safety of the citizens of Bastrop.

FUNDING SOURCE:

N/A

RECOMMENDATION:

Recommend adopting on first and final reading Ordinance No. 2021-02 as an emergency measure ratifying temporary Emergency Orders enacted by the Mayor in her capacity as Emergency Management Director in regards to the current Local State of Disaster, for the immediate preservation of the public peace, health or safety.

ATTACHMENTS:

- Ordinance No. 2021-02

EMERGENCY ORDINANCE 2021-02

AN EMERGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, CONFIRMING AND RATIFYING THE EMERGENCY ORDERS ISSUED BY THE MAYOR AS THE EMERGENCY MANAGEMENT DIRECTOR, AS DESCRIBED IN EXHIBIT A; PROVIDING FOR FINDINGS OF FACT, REPEALER, SEVERABILITY, ENFORCEMENT, AND PENALTY; ESTABLISHING AN EFFECTIVE DATE; AND PROPER NOTICE AND MEETING.

WHEREAS, the novel coronavirus (COVID-19) has been recognized globally as a contagious respiratory virus; and

WHEREAS, on March 13, 2020, Texas Governor Greg Abbott declared a State of Disaster for all counties in Texas, and the President of the United States of America declared a national emergency in relation to COVID-19; and

WHEREAS, on March 16, 2020, the Mayor issued a Declaration of Local Disaster to allow the City of Bastrop to take measures to reduce the possibility of exposure to COVID-19 and promote the health and safety of Bastrop residents; and

WHEREAS, Section 418.108 of the Texas Government Code provides that a declaration of local disaster activates the City's Emergency Management Plan; and

WHEREAS, in furtherance of the declaration of local disaster, the Mayor issued certain orders pursuant to Chapter 418 of the Texas Government Code; and

WHEREAS, Section 3.15(b) of the Bastrop City Charter allows the City Council to adopt an emergency ordinance relating to the immediate preservation of the public peace, health or safety, and such emergency ordinances shall take effect immediately upon adoption and execution without a second consideration; and

WHEREAS, Section 54.001 of the Texas Local Government Code generally provides the maximum penalties for violations of municipal ordinances, rules, or police regulations; and

WHEREAS, Section 418.173 of the Texas Government Code provides that a local emergency management plan may provide that failure to comply with the plan or with a rule, order, or ordinance adopted under the plan is an offense punishable by a fine not to exceed \$1,000 or confinement in jail for a term not to exceed 180 days; and

WHEREAS, the City Council of the City of Bastrop, Texas, finds it reasonable and necessary for the protection of the health and safety of the residents of the City of Bastrop to confirm and ratify the orders issued by the Mayor pursuant to Chapter 418 of the Texas Government Code, as described in **Exhibit A**; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS THAT:

SECTION 1. FINDINGS OF FACT: The foregoing recitals are incorporated into this Emergency Ordinance by reference as findings of fact as if expressly set forth herein.

SECTION 2. CONFIRMATION & RATIFICATION: The City Council of the City of Bastrop, Texas, in accordance with the authority vested in the governing body of the City of Bastrop, Texas, by Section 418.108 of the Texas Government Code, hereby confirms and ratifies the emergency orders issued by the Mayor in furtherance of the declaration of local disaster, as described in **Exhibit A**.

SECTION 3. PUBLIC NOTICE: The City Secretary is hereby directed to give prompt and general publicity to this Emergency Ordinance.

SECTION 4. CONFLICTS: In the case of any conflict between other provisions of this Emergency Ordinance and any existing Ordinance of the City, the provisions of this Emergency Ordinance will control.

SECTION 5. SEVERABILITY: If any provision of this Emergency Ordinance or the application thereof to any person or circumstance is held invalid, that invalidity or the unenforceability will not affect any other provisions or applications of this Emergency Ordinance that can be given effect without the invalid provision.

SECTION 6. ENFORCEMENT: The City shall have the power to administer and enforce the provisions of this Emergency Ordinance as may be required by governing law. Any person violating any provision of this Emergency Ordinance violates Section 1.08.011 of the Bastrop City Code. In accordance with Section 418.173 of the Texas Government Code, a violation is a misdemeanor punishable by a fine not to exceed \$1,000 or confinement in jail for a term not to exceed 180 days. Nothing in this ordinance shall be construed as a waiver of the City's right to bring a civil action to enforce the provisions of this ordinance and to seek remedies as allowed by law and/or equity.

SECTION 7. EFFECTIVE DATE: In accordance with Section 3.15(b) of the Bastrop City Charter, this Emergency Ordinance shall be *effective immediately* upon passage.

SECTION 8. OPEN MEETING: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551.

READ, ACKNOWLEDGED & APPROVED on the First & Final Reading on this, the 23rd day of February 2021.

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

Exhibit A



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 12B

TITLE:

Consider action to approve Resolution No. R-2021-18 of the City Council of the City of Bastrop, Texas confirming board appointments of the Mayor to the Cultural Arts Commission, as required in Section 3.08 of the City's Charter and establishing an effective date.

STAFF REPRESENTATIVE:

Paul A. Hofmann, City Manager

BACKGROUND/HISTORY:

Section 3.08, Mayor and Mayor Pro Tem, of the City Charter states that the Mayor shall appoint members to all City boards and commissions, subject to confirmation by the City Council.

POLICY EXPLANATION:

Mayor Connie Schroeder has made appointments to the Cultural Arts Commission. The approval of this Resolution will provide confirmation of these appointments by Council as required by the Charter.

FUNDING SOURCE:

N/A

RECOMMENDATION:

Recommend approval of Resolution No. R-2021-18 of the City Council of the City of Bastrop, Texas confirming board appointments of the Mayor to the Cultural Arts Commission, as required in Section 3.08 of the City's Charter and establishing an effective date.

ATTACHMENTS :

- Resolution

RESOLUTION NO. R-2021-18

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS
CONFIRMING APPOINTMENTS BY THE MAYOR TO THE CULTURAL ARTS
COMMISSION, AS REQUIRED IN SECTION 3.08 OF THE CITY'S CHARTER;
AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, Section 3.08, Mayor and Mayor Pro Tem, of the City Charter states that the Mayor shall appoint members to all City boards and commissions, subject to confirmation by the City Council; and

WHEREAS, Mayor Connie Schroeder has made appointments to the Cultural Arts Commission; and

WHEREAS, City Council must confirm these appointments as required by the City Charter.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:

Section 1: That Mayor Connie Schroeder has appointed members to the Cultural Arts Commission.

Section 2: That the City Council of the City of Bastrop confirms Mayor Schroeder's appointments to the Cultural Arts Commission.

Section 3: That this Resolution shall take effect immediately upon its passage, and it is so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 23rd day of February, 2021.

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 12C

TITLE:

Consider action to approve Resolution No. R-2021-17 of the City Council of the City of Bastrop, Texas awarding a contract to Artisan Concrete Services, Inc. in the amount of one hundred six thousand, three hundred seventy-four dollars and thirty cents (\$106,374.30), attached as Exhibit A; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date.

STAFF REPRESENTATIVE:

Curtis Hancock, Director of Public Works

BACKGROUND/HISTORY:

On February 7, 2020, four (4) bids were received for a best value contract for construction of an approximately 5,000 square foot, poured in place concrete wheeled sports plaza (skate park) to be located within Fisherman's Park.

Following review of the submittals, it was found that the best value quote was from Artisan Concrete Services, Inc.. Council awarded a contract to Artisan Concrete Services in the amount of \$246,000 on March of 2020.

As part of the design a geo-tech report was completed. The Geo-Tech Engineer is proposing remediation to the existing soils. In order for the contractor to remove the existing soil and replace it with structural fill. The estimated increased project cost was \$91,000. The original estimated amount for construction was \$290,000.

After receiving the project cost change, it was placed on the September, Parks Board Agenda for discussion and consider recommendation to City Council pertaining to Wheeled Sports Plaza. The Board unanimously voted to ask the City Council to provide the additional funding.

At the October 13, 2020 City Council meeting, Council decided to move forward with finding the funds for the Earthwork for the Wheeled Plaza Skate Park, along with the two (2) alternates.

On February 8, 2021, four bids were received and publicly read for the Earthwork Contract for the Wheeled Plaza Skate park, Phase I. Bids ranged from \$64,000 to \$204,000. An evaluation process was done by Dale Clarke with Burditt Consultants, LLC, with one critical aspect of the bid was the proposed schedule: to begin by the second week of March,2021 and to be completed by the first week of April 2021. Burditt Consultants, LLC found that the low bidder had an incomplete packet and they could not comply with the work schedule. Burditt Consultants, LLC and the City

of Bastrop Public Works Director, Curtis Hancock recommend award of the contract for the Earthwork Contract for the Wheeled Plaza Skate park, Phase I, to the second lowest bidder, Artisan Concrete Services, in the amount of one hundred six thousand, three hundred seventy four dollars and thirty cents (\$106,374.30);

POLICY EXPLANATION:

FUNDING SOURCE:

Parkland designated fund.

RECOMMENDATION:

Burditt Consultants, LLC and the City of Bastrop Public Works Director, Curtis Hancock recommended awarding a contract to Artisan concrete Services, Inc. for the Earthwork Contract for the Wheeled Plaza Skate park, Phase I, in the amount of one hundred six thousand, three hundred seventy four dollars and thirty cents (\$106,374.30); due to the low bidder failed to turn in all bid forms and was unable to meet timeline.

ATTACHMENTS:

- Recommendation Award
- Bid Tabulation Sheet



RESOLUTION NO. R-2021-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS AWARDED A CONTRACT TO ARTISAN CONCRETE SERVICES, INC. IN THE AMOUNT OF ONE HUNDRED SIX THOUSAND, THREE HUNDRED SEVENTY FOUR DOLLARS AND THIRTY CENTS (\$106,374.30), ATTACHED AS EXHIBIT A; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; PROVIDING FOR A REPEALING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, The City Council has appointed the City Manager as the Chief Administrative Officer of the City; and

WHEREAS, The City Manager is responsible for the proper administration of all affairs of the City; and

WHEREAS, The City Council has the steadfastness to ensure the quality of our City recreational opportunities; and

WHEREAS, The City of Bastrop has received all bids, and determined the best value contract.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:

Section 1: That the City Manager is hereby authorized to execute a contract with Artisan Concrete Services, Inc., in the amount of one hundred six thousand, three hundred seventy four dollars and thirty cents (\$106,374.30); (Attached as Exhibit A)

Section 2: That the City Council of the City of Bastrop has found Artisan Concrete Services, Inc., to be skilled and qualified for the Earthwork of the Fisherman's Park Wheeled Sports Plaza, Phase I.

Section 3: All orders, ordinances, and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 4: That this Resolution shall take effect immediately upon its passage, and it is resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 23rd day of February, 2021.

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

Recommendation of Award
Earthwork for Wheeled Sports Plaza
Bastrop, Texas

Date: February 12, 2021

Attention: Curtis Hancock
Assistant Director Public Works & Utilities
City of Bastrop, Texas

RE: Earthwork for Fisherman's Park, Wheeled Sports Plaza
Recommendation of Award

On February 8, 2021, at the office of the City Secretary, four bids were received and publicly read for the above referenced project. The project includes the earthwork preparation of the plans and specification per Exhibit A. Per the geotechnical report, the Contractor awarded the bid will need to achieve a PVR rating of 1 inch over excavation of depth below final grade 5 feet, select fill thickness 5 feet. Note the French drain system and other related items will need to be installed in coordination with the earthwork.

An evaluation process took place based upon the work experience outlined in the specifications. One critical aspect of the bid was the proposed schedule: begin by the second week of March 2021 and to be completed by the first week of April 2021. A bid tabulation showing the detailed bid results is attached. The proposer who selected, provides the goods and services at the best value to the City.

Artisan Concrete Services, Inc. provided demonstrated competence, references, a list of past and current projects of similar scale, best delivery method and a fair and reasonable price. The proposed schedule, pricing and experience projects of a similar size and character. The Artisan Concrete Services, Inc. bid has been evaluated and they do have the required insurance. The project references have been contacted. Evaluation and responses are satisfactory.

It is recommended the City of Bastrop to accept Artisan Concrete Services, Inc.

Lump Sum Bid Total	<u>\$106,374.30</u>
--------------------	---------------------

We recommend the award of the Earthwork for Wheeled Sports Plaza, Phase 1 to Artisan Concrete Services, Inc.

Respectfully submitted,



Dale K. Clarke, ASLA, RLA TX 1212
Burditt Consultants LLC
310 Longmire Rd.
Conroe, TX 77302
936-756-3041 office

BID TABULATION SHEET

Earthwork for Wheeled Sports Plaza Ph. 1 Bid # PKS-2021-01 February 8, 2021 2:00 pm	Artisan Concrete Services, Inc.	AIC Construction, LLC (used older documents)	Myers Concrete Construction, LP	DigDug Construction, LLC
Base Bid	\$106,374.30	\$64,000.00	\$168,361.00	\$204,760.00
Current Bid Forms	Yes	No	Yes	Yes
Bid Bond	no	X	no	No
(1) Original (1) Copy (1) Electronic	X	X	X	X
Affadavit of No Prohibited Interest	X	X	X	X
State Reciprocal Requirement	X	X	X	X
Non-Collusion Statement	X	X	X	X
Accounts Reference Listing	X	X	X	X
Disadvantaged Business Enterprises Only	X	MBE	WBE	X
Cooperative Purchasing Form	YES	NO	X	No
Indemnification Form	X	X	X	X
Conflict of Interest Questionnaire	X	X	No	X
Insurance	X	X	X	X

Earthwork or Wheeled Sports Plaza
Bid Reference Nuber : PKS-2021-01

AIC Construction LLC. Query
2/9/2021

- 1 Does your price include the select fill being sourced and does it meet the specification on Sheet AS-02? yes
- 2 Does your price include the tree protection fenceing Sheet AS-01? yes
- 3 Does your price include the silt fencing? Sheet AS-01 yes
- 4 Does your price accommodate the co-ordination of the existing electricity? City will help but cannot tear it up. no, did not see it
- 5 Does your price include French drain? @ 230 If AS-03 yes
- 6 Does your price include small concrete outfall for drain pipe? yes
- 7 Does your price include bullrock cobble at outfalls? yes
- 8 What is the sequence of your work effort? Drainage has to be first. yes
- 9 Are you confident in your timeline? 2nd week of March, completed 1st week of April. no
- 10 Are you confident in providing the proper grades / elevation? no, thought someone else would do levels.
- 11 Does your price include the Clearing and grubbing on AS-01? yes
- 12 Does your price include the co-ordination of compaction testing, proctor index, needs to be planned for Testing Lab. yes

Artisan Concrete Services inc.. Query
2/9/2021

- 1 Does your price include the select fill being sourced and does it meet the specification on Sheet AS-02? yes
- 2 Does your price include the tree protection fenceing Sheet AS-01? yes
- 3 Does your price include the silt fencing? Sheet AS-01 yes
- 4 Does your price accommodate the co-ordination of the existing electricity? City will help but cannot tear it up. yes
- 5 Does your price include French drain? @ 230 If AS-03 yes
- 6 Does your price include small concrete outfall for drain pipe? yes
- 7 Does your price include bullrock cobble at outfalls? yes
- 8 What is the sequence of your work effort? Drainage has to be first. yes
- 9 Are you confident in your timeline? 2nd week of March, completed 1st week of April. yes
- 10 Are you confident in providing the proper grades / elevation? yes
- 11 Does your price include the Clearing and grubbing on AS-01? yes
- 12 Does your price include the co-ordination of compaction testing, proctor index, needs to be planned for Testing Lab. yes



STAFF REPORT

MEETING DATE: February 23, 2021

AGENDA ITEM: 12D

TITLE:

Consider action to approve Ordinance No, 2021-03 of the City Council of the City of Bastrop, Texas, authorizing the issuance and sale of City of Bastrop, Texas General Obligation Refunding Bonds; providing for the security for and payment of said bonds; prescribing the form of said bonds; approving any official statement, bond purchase agreement, paying agent/registrars agreement and escrow agreement; establishing the procedures for selling and delivering the bonds; and enacting other provisions relating to the subject.

STAFF REPRESENTATIVE:

Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:

Considering the current low interest rates, the City's Financial Advisor approached the city with the possibility of future savings through refunding several current outstanding bonds. The Financial Advisor presented preliminary summaries (as attachment) that there were four current bond series that could be refunded for a savings of approximately \$1.5M after issuance costs. This savings would be shared over General Fund, Water/Wastewater Fund, and Electric Fund.

This ordinance authorizes the issuance of refunding bonds. The Bond Delivery Date for this refunding is April 13, 2021. This is when the city receives funds from the purchaser of the bonds.

POLICY EXPLANATION:

City Charter Sec. 7.01 – Powers to Issue

In keeping with state law, the City shall have the power to borrow money on the credit of the City for any public purpose not now or hereafter prohibited by state law.

Bond Council has advised that state law supersedes the City Charter in only requiring one reading for a Bond Ordinance.

RECOMMENDATION:

CFO, Tracy Waldron recommends approval of Ordinance No. 2021-03 of the City Council of the City of Bastrop, Texas, authorizing the issuance and sale of City of Bastrop, Texas General Obligation Refunding Bonds; providing for the security for and payment of said bonds; prescribing the form of said bonds; approving any official statement, bond purchase agreement, paying agent/registrars agreement and escrow agreement; establishing the procedures for selling and delivering the bonds; and enacting other provisions relating to the subject.

ATTACHMENTS:

- Ordinance 2021-03
- Presentation
- Refunding timeline

ORDINANCE NO. 2021-03

**ORDINANCE
AUTHORIZING THE ISSUANCE OF**

**CITY OF BASTROP, TEXAS
GENERAL OBLIGATION REFUNDING BONDS
IN ONE OR MORE SERIES**

Adopted on February 23, 2021

ORDINANCE NO. 2021-03

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF BASTROP, TEXAS, GENERAL OBLIGATION REFUNDING BONDS; PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID BONDS; PRESCRIBING THE FORM OF SAID BONDS; APPROVING ANY OFFICIAL STATEMENT, BOND PURCHASE AGREEMENT, PAYING AGENT/REGISTRAR AGREEMENT AND ESCROW AGREEMENT; ESTABLISHING THE PROCEDURES FOR SELLING AND DELIVERING THE BONDS; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the City has duly issued and there is now outstanding several series of ad valorem tax obligations; and

WHEREAS, the City Council of the City deems it advisable and in the best interest of the City to refund the Refunded Obligations, as hereinafter defined, in order to achieve a net present value debt service savings of not less than 3.00% of the principal amount of the Refunded Obligations net of any City contribution with such savings, among other information and terms to be included in a pricing certificate to be executed by the City Manager, acting as the designated pricing officer of the City, or, in the absence of the City Manager, the Mayor as the Pricing Officer, all in accordance with the provisions of Chapter 1207, including 1207.007, of the Texas Government Code thereof; and

WHEREAS, Chapter 1207, Texas Government Code, as amended ("Chapter 1207") authorizes the City to issue refunding bonds and to deposit the proceeds from the sale thereof together with any other available funds or resources, directly with a place of payment (paying agent) for the Refunded Obligations or a trust company or commercial bank that does not act as depository for the City, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

WHEREAS, Chapter 1207 further authorizes the City to enter into an agreement with a paying agent for the Refunded Obligations or a trust company or commercial bank that does not act as a depository for the City with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the City and such paying agent may agree, provided that such deposits may be invested and reinvested in Defeasance Securities, as defined herein; and

WHEREAS, the Escrow Agreement hereinafter authorized, constitutes an agreement of the kind authorized and permitted by said Chapter 1207; and

WHEREAS, all the Refunded Obligations mature or are subject to redemption prior to maturity within 20 years of the date of the bonds hereinafter authorized; and

WHEREAS, the City deems it appropriate to call for redemption the Refunded Obligations determined by the Pricing Officer; and

WHEREAS, it is officially found, determined and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the date, hour, place and subject of said meeting, including this Ordinance, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended; Now, Therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BASTROP:

ARTICLE I
DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Ordinance the following terms shall have the meanings specified below:

"Accretion Table" means the exhibit attached to the Pricing Certificate that sets forth the rounded original principal amounts at the Original Issuance Date for the Premium Compound Interest Bonds and the Accreted Values and maturity amounts thereof as of each Compounding Date until final maturity.

"Accreted Value" means, with respect to a Premium Compound Interest Bond, as of any particular date of calculation, the original principal amount thereof, plus all interest accrued and compounded to the particular date of calculation, as determined in accordance with the Pricing Certificate and the Accretion Table attached as an exhibit to the Pricing Certificate relating to the respective Bonds that shows the Accreted Value per \$5,000 maturity amount on the calculation date of maturity to its maturity.

"Authorized Denominations" means the denomination of \$5,000 or any integral multiple thereof with respect to the Current Interest Bonds and in the denomination of \$5,000 in maturity amount or any integral multiple thereof with respect to the Premium Compound Interest Bonds.

"Bond" means any of the Bonds.

"Bonds" means the City's bonds entitled "City of Bastrop, Texas, General Obligation Refunding Bonds" authorized to be issued in one or more series by Section 3.01 of the Ordinance and a Pricing Certificate and including any of the Tax-Exempt Bonds and Taxable Bonds as designated by the Pricing Officer in each Pricing Certificate for a series of Bonds.

"Closing Date" means the date of the initial delivery of and payment for each series of the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions relating thereto.

"Compounding Dates" means, with respect to a Premium Compound Interest Bond, as of any particular date of calculation, the original principal amount thereof plus all interest accrued and compounded to the particular date of calculation.

"Current Interest Bonds" means the Bonds paying current interest and maturing in each of the years and in the aggregate principal amounts set forth in the Pricing Certificate.

"Defeasance Securities" means (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Certificates are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Certificates, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Bonds.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named herein, its designated office in Dallas, Texas and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

"DTC" means The Depository Trust Company of New York, New York, or any successor securities depository.

"DTC Participant" means any broker, dealer, bank, trust company, clearing corporation or certain other organizations with Bonds credited to an account maintained on its behalf by DTC.

"Escrow Agent" means Regions Bank.

"Escrow Agreement" means each escrow agreement, by and between the City and the Escrow Agent.

"Escrow Fund" means the fund referred to in Article VIII and in Section 8.03 of this Ordinance and established by each Escrow Agreement to hold cash and securities for the payment of principal of and interest on the Refunded Obligations.

"Event of Default" means any Event of Default as defined in Section 10.01.

"Federal Securities" as used herein means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America (including Interest Strips of the Resolution Funding Corporation).

"Initial Bond" means the Bond described in Section 3.04(d) and 6.02(d).

"Interest and Sinking Fund" means the interest and sinking fund established by Section 8.01(a).

"Interest Payment Date" means the date or dates upon which interest on the Bonds is scheduled to be paid until the maturity or prior redemption of the Bonds, as provided in each Pricing Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Ordinance" means this Ordinance.

"Original Issue Date" means the date designated in each Pricing Certificate.

"Owner" means the person who is the registered owner of a Bond or Bonds, as shown in the Register.

"Paying Agent/Registrar" means Regions Bank, any successor thereto or an entity which is appointed as and assumes the duties of paying agent/registrar as provided in this Ordinance and each Pricing Certificate.

"Premium Compound Interest Bonds" means the Bonds on which no interest is paid prior to maturity, maturing in various amounts and in the aggregate principal amount as set forth in each Pricing Certificate.

"Pricing Certificate" means each Pricing Certificate of the City's Pricing Officer to be executed and delivered pursuant to Section 3.02 hereof in connection with the issuance of each series of the Bonds.

"Pricing Officer" means the City Manager, or in their absence, the Mayor, acting as the designated Pricing Officer of the City to execute each Pricing Certificate.

"Purchasers" means the persons, firms or entities initially purchasing the Bonds from the City and which are designated in Section 7.01.

"Record Date" means the date specified in each Pricing Certificate.

"Refundable Obligations" means all or a portion of the City's outstanding ad valorem tax or revenue obligations.

"Refunded Obligations" means those Refundable Obligations designated by the Pricing Officer in each Pricing Certificate to be refunded.

"Register" means the Register specified in Section 3.06(a).

"Representation Letter" means the Blanket Issuer Letter of Representations with respect to the Bonds and other obligations of the City, between the City and DTC.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Special Payment Date" means the new date established for payment of interest on the Bonds in the event of a nonpayment of interest on a scheduled payment date, and for 30 days thereafter, as described in Section 3.03(b).

"Special Record Date" means the new record date established for payment of interest on the Bonds in the event of a nonpayment of interest on a scheduled payment date, and for 30 days thereafter, as described in Section 3.03(b).

"Taxable Bonds" means any Bonds designated by the Pricing Officer in the Pricing Certificate as Taxable Bonds, the interest on which is includable in the gross income of the owner thereof for federal income tax purposes.

"Tax-Exempt Bonds" means any of the Bonds designated by the Pricing officer as Tax-Exempt Bonds, the interest on which is excludable from the gross income of the owner thereof for federal income tax purposes, pursuant to Section 103 of the Code.

"Unclaimed Payments" means money deposited with the Paying Agent/Registrar for the payment of principal, redemption premium, if any, or interest on the Bonds as the same become due and payable or money set aside for the payment of Bonds duly called for redemption prior to maturity, and remaining unclaimed for 90 days after the applicable payment or redemption date.

Section 1.02. Other Definitions.

The terms "City Council" and "City" shall have the meaning assigned in the preamble to this Ordinance.

Section 1.03. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.04. Table of Contents, Titles and Headings.

The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Ordinance.

(c) Unless expressly provided otherwise, all references to article and section numbers herein shall be to the article and section numbers of this Ordinance.

ARTICLE II SECURITY FOR THE BONDS

Section 2.01. Tax Levy for Payment of the Bonds.

(a) The City Council hereby declares and covenants that it will provide and levy a tax legally and fully sufficient for payment of the Bonds, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations of the City.

(b) In order to provide for the payment of the debt service requirements on the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their payment at maturity or a sinking fund of two percent (whichever amount is the greater), there is hereby levied for the current year and each succeeding year thereafter, while the Bonds or interest thereon remain outstanding and unpaid, a tax within legal limitations on each \$100 valuation of taxable property in the City that is sufficient to pay such debt service requirements, full allowance being made for delinquencies and costs of collection.

(c) The tax levied by this Section shall be assessed and collected each year and applied to the payment of the debt service requirements on the Bonds, and the tax shall not be diverted to any other purpose.

Section 2.02. Perfection of Security Interest.

Chapter 1208, Texas Government Code applies to the issuance of the Bonds and the pledge of the ad valorem taxes granted by the City under Sections 2.01 and 2.02 of this Ordinance, and such pledge, therefore, is valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the ad valorem taxes granted by the City under Section 2.01 of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business and Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business and Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

ARTICLE III AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.01. Authorization.

The City's bonds, to be designated "City of Bastrop, Texas, General Obligation Refunding Bonds," are hereby authorized to be issued in one or more series and delivered in accordance with the Constitution and laws of the State of Texas, including particularly Chapter 1207, Texas Government Code, as amended, in the aggregate principal amount not to exceed \$20,000,000 for the purpose of (i) refunding the Refunded Obligations, and (ii) paying the costs of issuing the Bonds. The title of any Bonds may be revised by the Pricing Officer as reflected in

the Pricing Certificate to reflect the appropriate series designation and the tax status of the Bonds as either Taxable Bonds or Tax-Exempt Bonds, as applicable.

Section 3.02. Date, Denomination, Maturities, Numbers and Interest.

(a) Initially there shall be issued, sold, and delivered hereunder fully registered bonds, without interest coupons, which may be in the form of Current Interest Bonds or Premium Compound Interest Bonds, numbered consecutively from R-1 upward, in the case of Current Interest Bonds, and from PC-1 upward, in the case of Premium Compound Interest Bonds (except the Initial Bond delivered to the Attorney General of the State of Texas which shall be numbered T-1 and TPC-1 respectively) payable to the respective initial Registered Owners thereof, or to the registered assignee or assignees of said Bonds or any portion or portions thereof, in Authorized Denominations, maturing not later than August 1, 2034, serially or otherwise on the dates, in the years and in the principal amounts, respectively, and dated, as all set forth in each Pricing Certificate to be executed and delivered by the Pricing Officer pursuant to subsection (b) of this section. Each Pricing Certificate is hereby incorporated in and made a part of this Ordinance. Each series of the Bonds shall be designated by the year in which they are awarded with a letter as necessary to designate each series as provided in each Pricing Certificate. The authority of the Pricing Officer to execute a Pricing Certificate shall expire at 5:00 p.m. C.D.T. on August 23, 2021. Bonds priced on or before August 23, 2021 may be delivered to the Purchasers after such date.

(b) As authorized by Chapter 1207 Texas Government Code, as amended, the Pricing Officer is hereby authorized to act on behalf of the City in selling and delivering one or more series of the Bonds, determining which of the Refundable Obligations shall be refunded and constitute Refunded Obligations under this Ordinance and carrying out the other procedures specified in this Ordinance, including determining the date of the Bonds, any additional or different designation or title by which a series of the Bonds shall be known, the purposes of the Bonds, the price at which each series of the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the aggregate principal amount of Current Interest Bonds and Premium Compound Interest Bonds, the rate or rates of interest to be borne by each such maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, whether any series of Bonds shall be issued as Taxable Bonds or Tax-Exempt Bonds and all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Obligations, all of which shall be specified in the Pricing Certificate; provided that (i) the price to be paid for each series of the Bonds shall not be less than 90% of the aggregate original principal amount thereof plus accrued interest thereon from its date to its delivery, (ii) none of the Bonds of a series shall bear interest at a rate, or yield in the case of Premium Compound Interest Bonds, greater than the maximum authorized by law, (iii) the refunding must produce a net present value debt service savings of at least 3.00% of the principal amount of the Refunded Obligations, net of any City contribution and (iv) each series of the Bonds shall be rated by a nationally recognized rating agency in of the four higher rating categories. In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not to exceed the amount authorized in Section 3.01, which shall be sufficient to provide for the purposes for which the Bonds are authorized and to pay the costs of issuing the Bonds.

(c) To achieve advantageous borrowing costs for the City, the Bonds shall be sold on a negotiated, placement or competitive basis as determined by the Pricing Officer in a Pricing Certificate. In determining whether to sell the Bonds by negotiated, placement or competitive sale, the Pricing Officer shall take into account any material disclosure issues which might exist at the time, the market conditions expected at the time of the sale and any other matters which, in the judgment of the Pricing Officer, might affect the net borrowing costs on the Bonds.

If the Pricing Officer determines that a series of the Bonds should be sold at a competitive sale, the Pricing Officer shall cause to be prepared a notice of sale and official statement in such manner as the Pricing Officer deems appropriate, to make the notice of sale and official statement available to those institutions and firms wishing to submit a bid for the Bonds, to receive such bids, and to award the sale of the Bonds to the bidder submitting the best bid in accordance with the provisions of the notice of sale.

If the Pricing Officer determines that a series of the Bonds should be sold by a negotiated sale or placement, the Pricing Officer shall designate the placement purchaser or the senior managing underwriter for the Bonds and such additional investment banking firms as the Pricing Officer deems appropriate to assure that the Bonds are sold on the most advantageous terms to the City. The Pricing Officer, acting for and on behalf of the City, is authorized to enter into and carry out a Bond Purchase Agreement or other agreement for the Bonds to be sold by negotiated sale or placement, with the underwriters or placement purchasers at such price, with and subject to such terms as determined by the Pricing Officer pursuant to Section 3.02(b) above. Each Bond Purchase Agreement or other agreement shall be substantially in the form and substance previously approved by the City in connection with the authorization of ad valorem tax debt with such changes as are acceptable to the Pricing Officer.

In satisfaction of Section 1201.022(a)(3), Texas Government Code, the City hereby determines that the delegation of the authority to the Pricing Officer to approve the final terms and conditions of each series of the Bonds as set forth in this Ordinance and the decisions made by the Pricing Officer pursuant to such delegated authority and incorporated in each Pricing Certificate will be, in the best interests and shall have the same force and effect as if such determination were made by the Pricing Officer and the Pricing Officer is hereby authorized to make and include in each Pricing Certificate an appropriate finding to that effect.

(d) The Current Interest Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF BONDS set forth in this Ordinance to their respective dates of maturity or redemption at the rates per annum set forth in the Pricing Certificate.

The Premium Compound Interest Bonds shall bear interest from the Original Issue Date, calculated on the basis of a 360-day year composed of twelve 30-day months (subject to rounding to the Compounded Amounts thereof), compounded on the Compounding Dates as set forth in the Pricing Certificate, and payable, together with the principal amount thereof, in the manner provided in the Form of Bonds at the rates set forth in the Pricing Certificate. Attached to the Pricing Certificate, if Premium Compound Interest Bonds are to be issued, shall be the Accretion Table. The Accreted Value with respect to any date other than a Compounding Date is the amount set forth on the Accretion Table with respect to the last preceding Compounding Date, plus the portion of the difference between such amount and the amount set forth on the Accretion Table with respect to the next succeeding Compounding Date that the number of days

(based on 30-day months) from such last preceding Compounding Date to the date for which such determination is being calculated bears to the total number of days (based on 30-day months) from such last preceding Compounding Date to the next succeeding Compounding Date.

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of, premium, if any, and interest on the Bonds shall be paid in lawful money of the United States of America as provided in this Section and each Pricing Certificate.

(b) Interest on the Bonds shall be payable to the Owners whose names appear in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date", which shall be at least 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(c) Interest on the Bonds shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment by United States mail, first class postage prepaid, to the address of such person as it appears in the Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements.

(d) The principal of each Bond shall be paid to the person in whose name such Bond is registered on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Bond at the Designated Payment/Transfer Office.

(e) If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are required or authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

(f) Subject to Title 6, Texas Property Code, as amended, Unclaimed Payments remaining unclaimed for three years after the applicable payment or redemption date shall be paid by the Paying Agent/Registrar to the City, to be used for any lawful purpose. Thereafter, neither the City, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Owners of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat, abandoned property, or similar law.

Section 3.04. Execution and Initial Registration.

(a) The Bonds shall be executed on behalf of the City by the Mayor and City Secretary of the City, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the City had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution by an officer or duly authorized representative of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bond delivered on the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one Initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the Purchasers or their designee, executed by manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the Purchasers or their designee as set forth in the Pricing Certificate. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to DTC on behalf of the Purchasers one registered definitive Bond for each year of maturity of the Bonds in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee for DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Bond is registered on

the Record Date or Special Record Date, as applicable), and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Bonds remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Ordinance.

(b) Registration of any Bond may be transferred in the Register only upon the presentation and surrender thereof at the Designated Payment/Transfer Office for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Bonds, or any portion thereof in any integral multiple of \$5,000, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Bond or any portion thereof registered in the name of such assignee or assignees. No transfer of any Bond shall be effective until entered in the Register. Upon assignment and transfer of any Bond or portion thereof, a new Bond or Bonds will be issued by the Paying Agent/Registrar in conversion and exchange for such transferred and assigned Bond. To the extent possible the Paying Agent/Registrar will issue such new Bond or Bonds in not more than three business days after receipt of the Bond to be transferred in proper form and with proper instructions directing such transfer.

(c) Any Bond may be converted and exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office, together with a written request therefor duly executed by the registered owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. If a portion of any Bond is redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 at the request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. To the extent possible, a new Bond or Bonds shall be delivered by the Paying Agent/Registrar to the Owner of the Bond or Bonds in not more than three business days after receipt of the Bond to be exchanged in proper form and with proper instructions directing such exchange.

(d) Each Bond issued in exchange for any Bond or portion thereof assigned, transferred or converted shall have the same principal maturity date and bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall convert and

exchange the Bonds as provided herein, and each substitute Bond delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such substitute Bond is delivered.

(e) The City will pay the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer, exchange or conversion of Bonds, but the Paying Agent/Registrar will require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, exchange or conversion of a Bond. In addition, the City hereby covenants with the Owners of the Bonds that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration, conversion and exchange of Bonds as provided herein.

(f) Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled balance of a Bond.

Section 3.07. Cancellation and Authentication.

(a) All Bonds paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Ordinance, shall be canceled and destroyed upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall periodically furnish the City with certificates of destruction of such Bonds.

(b) Each substitute Bond issued pursuant to the provisions of Sections 3.06 and 3.09 of this Ordinance, in conversion of and exchange for or replacement of any Bond or Bonds issued under this Ordinance, shall have printed thereon a Paying Agent/Registrar's Authentication Certificate, in the form hereinafter set forth. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, manually sign and date such Authentication Certificate, and no such Bond shall be deemed to be issued or outstanding unless such Authentication Certificate is so executed. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing conversion and exchange or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Title 9, of the Texas Government Code, as amended, and particularly Chapter 1201, Subchapter D thereof, the duty of conversion and exchange or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Paying Agent/Registrar's Authentication Bond, the converted and exchanged or replaced Bonds shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Bond which was originally delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Bonds issued in conversion and exchange or replacement of any other Bond or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the registered owners thereof, (ii) may be transferred and assigned, (iii) may be converted and exchanged for other Bonds, (iv) shall have the characteristics, (v) shall be signed and sealed, and (vi) shall be payable as to principal of and interest, all as provided, and in the manner required or indicated, in the Form of Bonds set forth in this Ordinance.

Section 3.08. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.09. Book-Entry-Only System.

(a) The definitive Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the register, shall receive a Bond evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The execution and delivery of the Representation Letter is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Bonds.

Section 3.10. Successor Securities Depository; Transfer Outside Book-Entry-Only System.

In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the City or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.11. Payments to Cede & Co.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Representation Letter.

ARTICLE IV
REDEMPTION OF BONDS BEFORE MATURITY

Section 4.01. Redemption of Bonds Prior to Maturity.

The Bonds shall be subject to redemption before scheduled maturity only as provided in this Article IV and each Pricing Certificate.

Section 4.02. Optional and Mandatory Redemption.

(a) The City reserves the option to redeem Bonds as provided in each Pricing Certificate.

(b) The City, at least forty-five (45) days before the redemption date (unless a shorter period shall be satisfactory to the Paying Agent/Registrar), shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Bonds to be redeemed.

Section 4.03. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed, the City shall determine the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar (or DTC or a successor securities depository, as applicable, if the Bonds are in Book-Entry-Only form) to call

by lot Bonds, or portions thereof within such maturity and in such principal amounts, for redemption.

(b) A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption.

(c) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Ordinance, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

(d) The Paying Agent/Registrar shall promptly notify the City in writing of the principal amount to be redeemed of any Bond as to which only a portion thereof is to be redeemed.

Section 4.04. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by United States mail, first class postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.05. Payment Upon Redemption.

(a) Before or on each redemption date, the Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the City sufficient to pay the principal of, premium, if any, and accrued interest on such Bonds.

(b) Upon presentation and surrender of any Bond called for redemption at the Designated Payment/Transfer Office on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, premium, if any, and accrued interest on such Bond to the date of redemption from the money set aside for such purpose.

Section 4.06. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.04 of this Ordinance, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City defaults in the payment of the principal

thereof, premium, if any, or accrued interest thereon, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If any Bond or portion thereof called for redemption is not so paid upon presentation and surrender of such Bond for redemption, such Bond or portion thereof shall continue to bear interest at the rate stated on the Bond until paid or until due provision is made for the payment of same.

Section 4.07. Conditional Notice of Redemption.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

ARTICLE V
PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

(a) The City hereby appoints Regions Bank, as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided and as provided in the Pricing Certificate. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Bond to which payments with respect to the Bonds shall be mailed, as provided herein. The City or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar has agreed to maintain a copy of the Register at its offices, or the office of its agent, located in Dallas, Texas.

(b) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all conversions, exchanges and replacements of such Bonds, as provided in this Ordinance.

(c) The execution and delivery of a Paying Agent/Registrar Agreement, specifying the duties and responsibilities of the City and the Paying Agent/Registrar, is hereby approved

with such changes as may be approved by the Pricing Officer and the Pricing Officer is hereby authorized to execute such agreement.

Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be (i) a commercial bank, trust company, or other entity duly qualified and legally authorized under applicable law, (ii) authorized under such laws to exercise trust powers, (iii) subject to supervision or examination by a federal or state governmental authority, and (iv) a single entity.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Bonds are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement.

Section 5.04. Termination.

The City reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated a certified copy of a resolution of the City (i) giving notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar; provided that no such termination shall be effective until a successor Paying Agent/Registrar has accepted the duties of Paying Agent/Registrar for the Bonds.

Section 5.05. Notice of Change to Owners.

Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner by United States mail, first class postage prepaid, at the address in the Register, stating the effective date of the change and the name of the replacement Paying Agent/Registrar and the mailing address of its Designated Payment/Transfer Office.

Section 5.06. Agreement to Perform Duties and Functions.

By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and the Pricing Certificate and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

Section 5.07. Delivery of Records to Successor.

If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

ARTICLE VI
FORM OF THE BONDS

Section 6.01. Form Generally.

(a) The Bonds, including the Registration Bond of the Comptroller of Public Accounts of the State of Texas, the Bond of the Paying Agent/Registrar, and the Assignment form to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and the Pricing Certificate and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The Bonds shall be printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof, except that the Initial Bond submitted to the Attorney General of Texas, the definitive Bonds delivered to DTC and any temporary Bonds may be typewritten or photocopied or otherwise produced.

Section 6.02. Form of Bonds.

The form of Bonds, including the form of the Registration Bond of the Comptroller of Public Accounts of the State of Texas, the form of Bond of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance and the Pricing Certificate:

(a) [Form of Bond]

REGISTERED

REGISTERED

No. _____

\$ _____

United States of America
State of Texas

CITY OF BASTROP, TEXAS
GENERAL OBLIGATION REFUNDING BOND
SERIES _____*

Interest Rate	Maturity Date	Original Issue Date	CUSIP Number
---------------	---------------	---------------------	--------------

_____%*	_____*	_____*	_____*
---------	--------	--------	--------

The City of Bastrop (the "City") in Bastrop County, State of Texas, for value received, hereby promises to pay to

_____*

or registered assigns, on the Maturity Date specified above, the sum of

_____ * DOLLARS

and to pay interest on the unpaid principal amount hereof from the later of the Original Issue Date specified above or the most recent interest payment date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on _____* and _____* of each year, commencing _____*.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the designated office in Houston, Texas (the "Designated Payment/Transfer Office"), of the Paying Agent/Registrar executing the registration certificate appearing hereon, or, with respect to a successor Paying Agent/Registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the person to whom interest is to be paid. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the last business day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the

* As provided in each Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a series of fully registered bonds specified in the title hereof issued in the aggregate principal amount of \$ _____* (herein referred to as the "Bonds"), issued pursuant to a certain Ordinance of the City Council of the City (the "Ordinance") for the purpose of (i) refunding certain outstanding obligations of the City (the "Refunded Obligations"), (ii) for the purpose of paying the costs of issuing the Bonds.

The Bonds and the interest thereon are payable from the levy of a direct and continuing ad valorem tax, within the limits prescribed by law, against all taxable property in the City.

The City has reserved the option to redeem the Bonds maturing on and after _____*, before their respective scheduled maturity in whole or from time to time in part in integral multiples of \$5,000 on _____*, or on any date thereafter, at a price equal to the principal amount of the Bonds so called for redemption plus accrued interest to the redemption date. If less than all of the Bonds are to be redeemed, the City shall determine the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof within such maturity or maturities and in such amounts, for redemption.

[Redemption Provisions

The City has also reserved the option to redeem the Term Bond maturing on _____*, before its respective scheduled maturity in whole or from time to time in part in integral multiples of \$5,000, on _____*, or on any date thereafter, at a price equal to the principal amount of the Bonds so called for redemption plus accrued interest to the redemption date. If less than all of the Bonds are to be redeemed, the City shall determine the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof within such maturity or maturities and in such amounts, for redemption.

The Bonds maturing on _____* (the "Term Bonds") are subject to mandatory sinking fund redemption by lot prior to maturity in the following amounts, on the following dates and at a price of par plus accrued interest to the redemption date.

Bonds Maturing _____*

Redemption Date	Principal Amount
_____, 20__	\$ _____
_____, 20__*	_____]*

* As provided in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

* Use of Term Bonds, if any, to be determined by the Pricing Officer.

Notice of such redemption or redemptions shall be sent by United States mail, first-class postage prepaid, not less than 30 days before the date fixed for redemption, to the registered owner of each of the Bonds to be redeemed in whole or in part. Notice having been so given, the Bonds or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice, and from and after such date, notwithstanding that any of the Bonds or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Bonds or portions thereof shall cease to accrue. Conditional notice of redemption may also be given as provided in the Ordinance.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Bond Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar, and, thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled balance of a Bond.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the City nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, this Bond has been duly executed on behalf of the City, under its official seal, in accordance with law.

City Secretary, City of Bastrop Texas

Mayor, City of Bastrop, Texas

[CITY SEAL]

(b) [Form of Certificate of Paying Agent/Registrar]

CERTIFICATE OF PAYING AGENT/REGISTRAR

This is one of the Bonds referred to in the within mentioned Ordinance. The series of Bonds of which this Bond is a part was originally issued as one Initial Bond which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

REGIONS BANK,
as Paying Agent/Registrar

Dated: _____

By: _____
Authorized Signatory

(c) [Form of Assignment]

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (print or typewrite name, address and zip code of transferee):

(Social Security or other identifying number: _____) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

Signature Guaranteed By:

Authorized Signatory

(d) Initial Bond Insertions.

(i) The Initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

A. immediately under the name of the Bond, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As Shown Below" and "CUSIP Number. _____" deleted;

B. in the first paragraph:

the words "on the Maturity Date specified above" shall be deleted and the following will be inserted (with all blanks to be completed with information included in the Pricing Certificate): "on August 1 in the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

Years	Principal Installments	Interest Rates
-------	------------------------	----------------

(Information from Pricing Certificate to be inserted.)

C. In the second paragraph of the Initial Bond, "initial" shall be inserted before "Paying Agent/Registrar" in the first sentence, "executing the registration certificate appearing hereon," shall be deleted and an additional sentence shall be added to the paragraph as follows: "The initial Paying Agent/Registrar is Regions Bank";

D. the Initial Bond shall be numbered R-1.

(ii) The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond in lieu of the Certificate of Paying Agent/Registrar:

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER OF PUBLIC ACCOUNTS	§ §	REGISTER NO. _____
THE STATE OF TEXAS	§ §	

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____.

[SEAL]

Comptroller of Public Accounts
of the State of Texas

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

Section 6.04. Legal Opinion.

The approving legal opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel for the City, may be printed on the back of each Bond or, in the case of the definitive Bonds delivered to DTC, attached to each definitive Bond, over the certification of the City Secretary, which may be executed in facsimile.

ARTICLE VII

APPROVAL OF OFFERING DOCUMENTS, PAYING AGENT/REGISTRAR AGREEMENT
AND ESCROW AGREEMENT; CONTROL AND DELIVERY OF THE BONDS

Section 7.01. Approval of Offering Documents, Paying Agent/Registrar Agreement and Escrow Agreement. The Pricing Officer is hereby authorized to approve the Preliminary Official Statement, the Official Statement relating to the Bonds and any addenda, supplement or amendment thereto and to deem such documents final in accordance with Rule 15c2-12. The City further approves the distribution of such Official Statement in the reoffering of the Bonds by the Purchaser in final form, with such changes therein or additions thereto as the Pricing Officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof.

The Paying Agent/Registrar Agreement by and between the City and the Paying Agent/Registrar ("Paying Agent Agreement") in substantially the form and substance previously approved by the City in previous transactions. The Pricing Officer is hereby authorized and directed to complete, amend, modify and execute the Paying Agent Agreement as necessary.

The discharge and defeasance of Refunded Obligations shall be effectuated pursuant to the terms and provisions of an Escrow Agreement, in the form and containing the terms and provisions as shall be approved by a Pricing Officer, including any insertions, additions, deletions, and modifications as may be necessary (a) to carry out the program designed for the City by the Purchasers, (b) to maximize the City's present value savings and/or to minimize the City's costs of refunding, (c) to comply with all applicable laws and regulations relating to the refunding of the Refunded Obligations and (d) to carry out the other intents and purposes of this Ordinance; and, the Pricing Officer is hereby authorized to execute and deliver such Escrow Agreement, on behalf of the City, in multiple counterparts.

To maximize the City's present value savings and to minimize the City's costs of refunding, the City hereby authorizes and directs that certain of the Refunded Obligations shall be called for redemption prior to maturity in the amounts, at the dates and at the redemption prices set forth in each Pricing Certificate, and the Pricing Officer is hereby authorized and directed to take all necessary and appropriate action to give or cause to be given a notice of redemption to the holders or paying agent/registrars, as appropriate, of such Refunded Obligations, in the manner required by the documents authorizing the issuance of such Refunded Obligations.

The Pricing Officer and the Escrow Agent are each hereby authorized (a) to subscribe for, agree to purchase, and purchase Defeasance Securities that are permitted investments for a defeasance escrow established to defease Refunded Obligations, and to execute any and all subscriptions, purchase agreements, commitments, letters of authorization and other documents necessary to effectuate the foregoing, and any actions heretofore taken for such purpose are hereby ratified and approved, and (b) to authorize such contributions to the escrow fund as are provided in the Escrow Agreement.

Section 7.02. Control and Delivery of Bonds.

(a) The Mayor of the City is hereby authorized to have control of the Initial Bond and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts of the State of Texas, delivery of the Bonds shall be made to the Purchasers under and subject to the general supervision and direction of the Mayor of the City, against receipt by the City of all amounts due to the City under the terms of sale.

ARTICLE VIII

CREATION OF FUNDS AND ACCOUNTS;DEPOSIT OF PROCEEDS; INVESTMENTS

Section 8.01. Creation of Funds.

(a) The City hereby establishes the following special funds or accounts for each respective series of Bonds:

(i) the City of Bastrop, Texas, General Obligation Refunding Bonds, Series _____, Interest and Sinking Fund (the "Interest and Sinking Fund"); and

(ii) the City of Bastrop, Texas, General Obligation Refunding Bonds, Series _____, Escrow Fund (the "Escrow Fund").

(b) The Interest and Sinking Fund shall be maintained at a depository bank of the City and the Escrow Fund shall be maintained at Regions Bank pursuant to the terms of the Escrow Agreement.

Section 8.02. Interest and Sinking Fund.

(a) Any taxes levied under Article II shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on each series of the Bonds.

(b) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on each series of the Bonds as such become due and payable.

Section 8.03. Escrow Fund.

(a) Money on deposit in the Escrow Fund, including investment earnings thereof, shall be used for the purpose of refunding the Refunded Obligations in accordance with the Escrow Agreement and the Pricing Certificate.

(b) Any amounts remaining in the Escrow Fund after the accomplishment of the purposes for which the Bonds are hereby issued, including investment earnings of the Escrow Fund, shall be deposited into the Interest and Sinking Fund.

(c) Regions Bank is hereby designated as the Escrow Agent. The execution and delivery of the Escrow Agreement, specifying the duties and responsibilities of the City and the Escrow Agent, is hereby approved with such changes as may be approved by the Pricing Officer and the Pricing Officer is hereby authorized to execute such agreement.

Section 8.04. Security of Funds.

All moneys on deposit in the funds referred to in this Ordinance shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

Section 8.05. Deposit of Proceeds.

(a) All amounts received on the Closing Date as accrued interest on the Bonds from the Original Issue Date to the Closing Date, shall be deposited to the Interest and Sinking Fund.

(b) The remainder of the proceeds of the Bonds, including original issue premium, shall be used to pay costs of issuance and deposited to the Escrow Fund and used as provided in the Escrow Agreement and the Pricing Certificate.

Section 8.06. Investments.

(a) Money in the Interest and Sinking Fund established by this Ordinance, at the option of the City, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely

applied to the making of all payments required to be made from the fund from which the investment was made.

Section 8.07. Investment Income.

Interest and income derived from investment of the Interest and Sinking Fund created by this Ordinance shall be credited to such fund.

ARTICLE IX
PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Bonds.

While any of the Bonds are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay the interest on and the principal of the Bonds, as applicable, as will accrue or mature on each applicable Interest Payment Date.

Section 9.02. Other Representations and Covenants.

(a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Bond; the City will promptly pay or cause to be paid the principal of, interest on, and premium, if any, with respect to, each Bond on the dates and at the places and manner prescribed in such Bond; and the City will, at the times and in the manner prescribed by this Ordinance and the Pricing Certificate, deposit or cause to be deposited the amounts of money specified by this Ordinance and the Pricing Certificate.

(b) The City is duly authorized under the laws of the State of Texas to issue the Bonds; all action on its part for the creation and issuance of the Bonds has been duly and effectively taken; and the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the City in accordance with their terms.

Section 9.03. Covenants Regarding Tax Exemption of Interest on the Tax-Exempt Bonds.

(a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Tax-Exempt Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Tax-Exempt Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10

percent of the debt service on the Tax-Exempt Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Tax-Exempt Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Tax-Exempt Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Tax-Exempt Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Tax-Exempt Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Tax-Exempt Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Tax-Exempt Bonds, other than investment property acquired with --

(A) proceeds of the Tax-Exempt Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Tax-Exempt Bonds;

(7) to otherwise restrict the use of the proceeds of the Tax-Exempt Bonds or amounts treated as proceeds of the Tax-Exempt Bonds, as may be necessary, so that the Tax-Exempt Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Tax-Exempt Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the

Tax-Exempt Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Tax-Exempt Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Tax-Exempt Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the Refunded Obligations expended prior to the date of issuance of the Tax-Exempt Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Tax-Exempt Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Tax-Exempt Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Tax-Exempt Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Tax-Exempt Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the City Manager and Director of Finance to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Tax-Exempt Bonds.

(d) Allocation Of, and Limitation On, Expenditures for the Project. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Order (the "Project") on its books and records in accordance with the requirements of the Internal Revenue Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Tax-Exempt Bonds, or (2) the date the Tax-Exempt Bonds are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely

affect the tax-exempt status of the Tax-Exempt Bonds. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Project. The City covenants that the property constituting the Project financed by the Refunded Obligations will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Tax-Exempt Bonds. For purpose of the foregoing, the City may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Tax-Exempt Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Reimbursement. This ordinance is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

(g) Designation as Qualified Tax-Exempt Obligations. The Pricing Officer is authorized to designate one or more Series of the Tax-Exempt Bonds as bank qualified obligations if the City qualifies to make such a designation at the time of pricing the Tax-Exempt Bonds.

ARTICLE X DEFAULT AND REMEDIES

Section 10.01. Events of Default.

Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an "Event of Default," to-wit:

- (i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or
- (ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Owner to the City; or
- (iii) the City files bankruptcy.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then and in every case any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor,

may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Bonds then outstanding.

Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

ARTICLE XI
DISCHARGE AND DEFEASANCE

Section 11.01. Defeasance of Bonds.

(a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption or the establishment of irrevocable provisions for the giving of such notice) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or an eligible trust company or commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the City with the Paying Agent/Registrar or an eligible trust company or commercial bank for the payment of its services until all Defeased Bonds shall have become due and payable or (3) any combination of (1) and (2). At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the revenues herein pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of a Bond as aforesaid when proper notice of redemption of such Bonds shall have been given or upon the establishment of irrevocable provisions for the giving of such notice, in accordance with this Ordinance. Any money so deposited with the Paying Agent/Registrar or an eligible trust company or commercial bank as provided in this Section may at the discretion of the City Council also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section which is not required for the payment of such Bond and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the City Council.

(c) Notwithstanding any provision of any other Section of this Ordinance which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Bonds and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(d) Notwithstanding anything elsewhere in this Ordinance, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Bond affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Bond to be paid at its maturity, the City retains the right under Texas law to later call that Defeased Bond for redemption in accordance with the provisions of this Ordinance, the City may call such Defeased Bond for redemption upon complying with the provisions of Texas law and upon the satisfaction of the provisions of subsection (a) immediately above with respect to such Defeased Bond as though it was being defeased at the time of the exercise of the option to redeem the Defeased Bond and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Bond.

ARTICLE XII CONTINUING DISCLOSURE UNDERTAKING

12.01 Annual Reports.

The City shall provide annually to the MSRB, (i) within six months after the end of each fiscal year of the City, financial information and operating data, which information and data may be unaudited, with respect to the City of the general type included in the final Official Statement approved by section 7.02(b) of this Ordinance and as provided in each Pricing Certificate, if audited financial statements are then available and (ii) if not provided as part of such financial information and operating data, audited financial statements of the City, when and if

available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit A hereto or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation and (ii) audited, if the City commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet web site or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

12.02. Event Notices.

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

- A. Principal and interest payment delinquencies;
- B. Non-payment related defaults, if material within the meaning of the federal securities laws;
- C. Unscheduled draws on debt service reserves reflecting financial difficulties;
- D. Unscheduled draws on credit enhancements reflecting financial difficulties;
- E. Substitution of credit or liquidity providers, or their failure to perform;
- F. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds
- G. Modifications to rights of holders of the Bonds, if material within the meaning of the federal securities laws;
- H. Bond calls, if material within the meaning of the federal securities laws and tender offers;
- I. Defeasances;

- J. Release, substitution, or sale of property securing repayment of the Bonds, if material within the meaning of the federal securities laws;
- K. Rating changes;
- L. Bankruptcy, insolvency, receivership or similar event of the City;
- M. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material within the meaning of the federal securities laws; and
- N. Appointment of a successor or additional trustee or the change of name of a trustee, if material within the meaning of the federal securities laws;
- O. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- P. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

12.03. Limitations, Disclaimers, and Amendments.

The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Section 12.02 of this Ordinance that causes the Bonds no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly

provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Should the Rule be amended to obligate the City to make filings with or provide notices to entities other than the MSRB, the City hereby agrees to undertake such obligation with respect to the Bonds in accordance with the Rule as amended.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consents to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

(d) Definitions.

As used in this Section, the following terms have the meanings ascribed to such terms below:

"Financial Obligation" means (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

ARTICLE XIII
AMENDMENT OF ORDINANCE; FURTHER PROCEDURES; AND
SEVERABILITY

Section 13.01. Amendment of Ordinance.

The City hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The City may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the holders, (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (v) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of the City's Bond Counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Bonds aggregating in principal amount 51% of the aggregate principal amount of then outstanding Bonds that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then outstanding Bonds, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bonds so as to:

- (1) Make any change in the maturity of any of the outstanding Bonds;
- (2) Reduce the rate of interest borne by any of the outstanding Bonds;
- (3) Reduce the amount of the principal of, or redemption premium, if any, payable on any outstanding Bonds;

- (4) Modify the terms of payment of principal or of interest or redemption premium on outstanding Bonds or any of them or impose any condition with respect to such payment; or
- (5) Change the minimum percentage of the principal amount of the Bonds necessary for consent to such amendment.

(c) If at any time the City shall desire to amend this Ordinance under this Section, the City shall send by U.S. mail to each registered owner of the affected Bonds a copy of the proposed amendment and cause notice of the proposed amendment to be published at least once in a financial publication published in The City of New York, New York or in the State of Texas. Such published notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the City for inspection by all holders of such Bonds.

(d) Whenever at any time within one year from the date of publication of such notice the City shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all of the Bonds then outstanding that are required for the amendment, which instrument or instruments shall refer to the proposed amendment and that shall specifically consent to and approve such amendment, the City may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the City and all holders of such affected Bonds shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the holder of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the publication of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Bond during such period. Such consent may be revoked at any time after six months from the date of the publication of said notice by the holder who gave such consent, or by a successor in title, by filing notice with the City, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the affected Bonds then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

Section 13.02. Further Procedures.

The officers and employees of the City are hereby authorized and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of and under the corporate seal of the City all such instruments, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Bonds, the Paying Agent/Registrar Agreement, and the Official Statement. In addition, prior to the initial delivery of the Bonds, the Mayor, the City Manager or Director of Finance of the City, and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official

Statement, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Bonds by the Attorney General of Texas. In the event that any officer of the City whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 13.03. Payment of Attorney General Fee.

The City hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of the Bonds or (ii) \$9,500, provided that such fee shall not be less than \$750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004, Texas Government Code, as amended. The appropriate member of the City's staff is hereby instructed to take the necessary measures to make this payment. The City is also authorized to reimburse the appropriate City funds for such payment from proceeds of the Bonds.

Section 13.04. Severability.

If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance is held to be invalid or unenforceable, the remainder of this Ordinance and the application of such section, article, paragraph, sentence, clause, phrase or word to other persons and circumstances nevertheless shall be valid and enforceable; and it is hereby declared that this Ordinance would have been enacted without such invalid or unenforceable provision.

Section 13.05. No Personal Liability.

No covenant or agreement contained in the Bonds, this Ordinance or any corollary instrument shall be deemed to be the covenant or agreement of any member of the City Council or any officer, agent, employee or representative of the City Council in his or her individual capacity, and neither the directors, officers, agents, employees or representatives of the City Council nor any person executing the Bonds shall be personally liable thereon or be subject to any personal liability for damages or otherwise or accountability by reason of the issuance thereof, or any actions taken or duties performed, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the issuance of the Bonds.

FINALLY PASSED, APPROVED AND EFFECTIVE ON FIRST READING IN ACCORDANCE WITH Section 1201.028 Texas Government Code this February 23, 2021.

Mayor, City of Bastrop, Texas

ATTEST:

City Secretary, City of Bastrop, Texas

[CITY SEAL]

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

EXHIBIT A

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Article XII of this Ordinance.

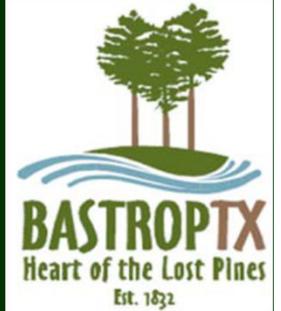
Accounting Principles

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements included in the Official Statement.

Refunding Opportunities | January 21, 2021

City of Bastrop, Texas

Refunding Opportunities



FINANCIAL ADVISORY CONTACT

Dan Wegmiller

Managing Director

248 Addie Roy Road, Suite B103

Austin, Texas 78746

Cell: 512.820.6086

dan@spfmuni.com



SPECIALIZED PUBLIC FINANCE INC.
FINANCIAL ADVISORY SERVICES

Preliminary Current Refunding Summary

General Obligation Refunding Bonds, Series 2021

Refunded Bonds				
Issue	Maturities	Interest Rates	Amount	Callable
Series 2012 CO	2022 - 2032	3.00% - 4.00%	\$ 2,760,000	8/1/2021
Series 2012 GO Ref & Imp	2022 - 2024	3.000%	705,000	8/1/2021
			\$ 3,465,000	

Preliminary Summary of Results	
Par Amount of Refunding Bonds	\$ 3,225,000
Est. True Interest Cost (TIC)	1.106%
Est. Total Debt Service Savings	\$ 376,053
Est. Net Present Value Savings (\$)	\$ 344,967
Net Present Value Savings (%)	9.956%

Projected Annual Savings			
FYE 9/30	Existing D/S	Post-Ref Net D/S	Est. Savings
2021	\$ 447,575	\$ 443,572	\$ 4,003
2022	552,550	516,750	35,800
2023	544,350	509,150	35,200
2024	551,000	516,400	34,600
2025	307,050	273,050	34,000
2026	310,000	276,600	33,400
2027	307,650	274,850	32,800
2028	310,150	277,950	32,200
2029	307,350	275,750	31,600
2030	304,400	268,400	36,000
2031	313,600	281,050	32,550
2032	312,000	278,100	33,900
	\$ 4,567,675	\$ 4,191,622	\$ 376,053

All assumptions are as of January 21, 2021 for purposes of illustration only and subject to change. Assumes May 2021 delivery and current market rates + 25bps.

Preliminary Taxable Advanced Refunding Summary

General Obligation Refunding Bonds, Taxable Series 2021

Refunded Bonds				
Issue	Maturities	Interest Rates	Amount	Callable Beginning
Series 2013 CO	2025 - 2033	4.00% - 4.25%	\$ 7,365,000	8/1/2022
Series 2014 CO	2026 - 2034	3.00% - 3.50%	3,675,000	8/1/2023
			\$ 11,040,000	

Preliminary Annual Savings			
FYE 9/30	Existing Net D/S	Post-Ref Net D/S	Est. Savings
2021	\$ 755,663	\$ 750,681	\$ 4,982
2022	1,332,125	1,239,828	92,297
2023	1,340,325	1,252,439	87,886
2024	1,346,850	1,258,146	88,704
2025	1,387,125	1,297,363	89,762
2026	1,383,538	1,291,569	91,969
2027	1,412,538	1,319,761	92,776
2028	1,489,038	1,400,416	88,621
2029	1,511,038	1,418,304	92,734
2030	1,525,538	1,433,091	92,447
2031	1,531,775	1,439,991	91,785
2032	1,535,400	1,444,557	90,844
2033	1,540,163	1,447,522	92,640
2034	481,275	393,378	87,897
	\$ 18,572,388	\$ 17,387,045	\$ 1,185,343

Preliminary Summary of Results	
Par Amount of Refunding Bonds	\$ 11,835,000
Est. True Interest Cost (TIC)	1.785%
Est. Total Debt Service Savings	\$ 1,185,343
Est. Net Present Value Savings (\$)	\$ 1,040,289
Est. Net Present Value Savings (%)	9.423%
Negative Arbitrage in the Refunding Escrow	\$ 303,304
Captured Benefit = NPV Savings / (NPV Savings + Negative Arbitrage)	77.426%

All assumptions are as of January 21, 2021 for purposes of illustration only and subject to change. Assumes March 2021 delivery & current market rates + 15bps.



City of Bastrop, Texas
General Obligation Refunding Bonds, Series 2021 (“Bonds”)
General Obligation Refunding Bonds, Taxable Series 2021 (“Bonds”)

Timeline of Events – Negotiated Sale

Tuesday, February 23, 2021*	Presentation from SPFI on the City’s Refunding opportunity. <u>Delegation Ordinance.</u> The City Council will consider a Delegation Ordinance authorizing the issuance of the Bonds.
Week of March 1, 2021	Rating Conference Call.
Thursday, March 11, 2021	The Preliminary Official Statement is distributed to the Underwriters. Rating is received and published by SPFI.
Week of March 15 or 22, 2021	<u>Pricing and Award.</u> Interest rates on the Bonds are negotiated with the Underwriters by SPFI and awarded based on the Delegation authority.
Tuesday, April 13, 2021	<u>Delivery Date.</u> The City closes on the GO Refunding issue.

* Official City Council Meeting.