



**NOTICE OF A REGULAR MEETING
THE BRENHAM CITY COUNCIL
THURSDAY, SEPTEMBER 15, 2016 AT 1:00 P.M.
SECOND FLOOR CITY HALL
COUNCIL CHAMBERS
200 W. VULCAN
BRENHAM, TEXAS**

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – Councilmember Goss**
- 3. Proclamation**
 - **K9 Sammy**
 - **Constitution Week** **Pages 1-2**
- 4. Citizens Comments**

CONSENT AGENDA

5. Statutory Consent Agenda

The Statutory Consent Agenda includes non-controversial and routine items that Council may act on with one single vote. A councilmember may pull any item from the Consent Agenda in order that the Council discuss and act upon it individually as part of the Regular Agenda.

- 5-a. Minutes from the August 4, 2016 Public Hearing and Regular City Council Meeting** **Pages 3-17**
- 5-b. Ordinance No. O-16-021 on Its Second Reading Approving Financing for the Purchase of Furnishings and Equipment for the Expanded and Renovated Nancy Carol Roberts Memorial Library** **Pages 18-20**
- 5-c. Ordinance No. O-16-022 on Its Second Reading Amending Appendix A – “Zoning” of the Code of Ordinances of the City of Brenham, Texas, Part V, Section 3.03, Relating to the Number of Alternate Members of the Board of Adjustment** **Pages 21-22**

WORK SESSION

- 6. Presentation of the Third Quarter Report by the Washington County Convention and Visitors Bureau**
Pages 23-24

REGULAR SESSION

- 7. Discuss and Possibly Act Upon Ordinance No. O-16-023 on Its Second Reading Adopting the Budget for Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017**
Pages 25-28
- 8. Discuss and Possibly Act Upon Ordinance No. O-16-024 on Its Second Reading Levying Taxes for the Tax Year 2016 for the City of Brenham at \$0.5070 per \$100 Valuation**
Pages 29-32
- 9. An Ordinance of the City Council of the City of Brenham, Texas, Authorizing the Issuance and Sale of City of Brenham, Texas Combination Tax and Revenue Certificates of Obligation, Series 2016; Levying a Tax In Payment Thereof; Authorizing the Execution and Delivery of a Purchase Agreement and a Paying Agent/Registrar Agreement; Approving the Official Statement; and Enacting Other Provisions Relating Thereto**
Pages 33-77
- 10. An Ordinance of the City Council of the City of Brenham, Texas, Authorizing the Issuance and Sale of City of Brenham, Texas General Obligation Refunding Bonds, Series 2016; Levying a Tax In Payment Thereof; Authorizing the Execution and Delivery of a Purchase Agreement, A Paying Agent/Registrar Agreement and an Escrow Agreement; Calling Certain Outstanding Obligations for Redemption; Approving the Official Statement; and Enacting Other Provisions Relating Thereto**
Pages 78-123
- 11. Discuss and Possibly Act Upon Renewal with Texas Municipal League Intergovernmental Risk Pool for General Liability, Law Enforcement Liability, Public Officials Liability, Mobile Equipment, Airport Liability, Property, Auto Liability and Physical Damage, Crime, Animal Mortality and Theft and Workers' Compensation Coverage for the City of Brenham for Fiscal Year 2016-17 and Authorize the Mayor to Execute Any Necessary Documentation**
Pages 124-127
- 12. Discuss and Possibly Act Upon the Renewal of City of Brenham Group Health Plan with TML Multistate Intergovernmental Employee Benefits Pool and Establishment of Funding Rates for Calendar Year 2017 and Authorize the Mayor to Execute Any Necessary Documentation**
Pages 128-132

13. **Discuss and Possibly Act Upon a Canine Transfer Agreement Between the City of Brenham and Mark Pierce for the Transfer of K9 Sammy and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 133-137**
14. **Discuss and Possibly Act Upon Resolution No. R-16-025 Authorizing the Acceptance of TxDOT's Selective Traffic Enforcement Program (STEP) Grant for Speed Enforcement During the Specific Period of October 1, 2016 through September 30, 2017** **Pages 138-169**
15. **Discuss and Possibly Act Upon a Recommendation for the Appointment of Alternate Members to the Board of Adjustment** **Pages 170-175**
16. **Discuss and Possibly Act Upon the Approval of the Routine Airport Maintenance Program (RAMP) Grant Agreement No. M1717BRENM with TxDOT for FY2017 and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 176-188**
17. **Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending Chapter 8, Fire Protection and Prevention, Sec. 8-3, Possession, Selling, Etc. of Fireworks, of the Code of Ordinances of the City of Brenham, Texas, Regarding the Sale of Fireworks** **Pages 189-193**
18. **Discuss and Possibly Act Upon an Ordinance on Its First Reading for the Abandonment of a Portion of Day Street Right-Of-Way** **Pages 194-201**
19. **Discuss and Possibly Act Upon Resolution No. R-16-026 Authorizing the Acceptance of a Grant from the Texas Department of Agriculture for the 2016 Community Development Fund (CD) Grant In The Amount of \$275,000 for the Rehabilitation of the Church Street Water Tower** **Pages 202-227**
20. **Discuss and Possibly Act Upon a Request for a Noise Variance from St. Mary's Immaculate Conception Catholic Church for a Fundraiser to be Held on September 18, 2016 from 8:00 a.m. – 4:00 p.m. at 701 Church Street and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 228-229**
21. **Administrative/Elected Officials Report**

Administrative/Elected Officials Reports: Reports from City Officials or City staff regarding items of community interest, including expression of thanks, congratulations or condolences; information regarding holiday schedules; honorary or salutary recognitions of public officials, public employees or other citizens; reminders about upcoming events organized or sponsored by the City; information regarding social, ceremonial, or community events organized or sponsored by a non-City entity that is scheduled to be attended by City officials or employees; and announcements involving imminent threats to the public health and safety of people in the City that have arisen after the posting of the agenda.

Adjourn

Executive Sessions: The City Council for the City of Brenham reserves the right to convene into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by Texas Government Code, Chapter 551, including but not limited to §551.071 – Consultation with Attorney, §551.072 – Real Property, §551.073 – Prospective Gifts, §551.074 - Personnel Matters, §551.076 – Security Devices, §551.086 - Utility Competitive Matters, and §551.087 – Economic Development Negotiation

CERTIFICATION

I certify that a copy of the September 15, 2016 agenda of items to be considered by the City of Brenham City Council was posted to the City Hall bulletin board at 200 W. Vulcan, Brenham, Texas on September 12, 2016 at **12:00 PM**.

Jeana Bellinger, TRMC, CMC

City Secretary

Disability Access Statement: This meeting is wheelchair accessible. The accessible entrance is located at the Vulcan Street entrance to the City Administration Building. Accessible parking spaces are located adjoining the entrance. Auxiliary aids and services are available upon request (interpreters for the deaf must be requested twenty-four (24) hours before the meeting) by calling (979) 337-7567 for assistance.

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the _____ day of _____, 2016 at _____ AM PM.

Signature

Title

PROCLAMATION

- WHEREAS,** In March of 2010, the City of Brenham took ownership of a beautiful male Belgian Malinois pup to re-establish the Brenham Police Department's K9 program; and
- WHEREAS,** The pup became known as "Sammy" and was paired with Officer Mark Pierce in what has become an amazing testimony of the bond between a man and his four-legged friend; and
- WHEREAS,** Sammy is first and foremost a working dog, being deployed to assist in the detection of narcotics and the capture of wanted felons for the past six years; and
- WHEREAS,** Sammy has captured the hearts of children and adults alike who have had the opportunity to watch Mark and Sammy demonstrate their skills at different school and organization events;
- WHEREAS,** Sammy has served this community well since 2010, and now, at nine-years-old – that's 63 in people years – he is ready to retire and enjoy the good life.
- WHEREAS,** It is right and just for the City Council and the residents of Brenham to join together to recognize and commend Sammy for his dedication to protect and serve the Citizens of Brenham;

Now, THEREFORE I, Milton Y. Tate Jr., Mayor of the City of Brenham, Texas do Hereby Proclaim Thursday, September 15, 2016 as

K 9 SAMMY DAY

Milton Y. Tate Jr., Mayor
City of Brenham

PROCLAMATION

- WHEREAS,** September 17, 2016, marks the two hundred twenty-ninth anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and
- WHEREAS,** It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary; and to the patriotic celebrations which will commemorate the occasion; and
- WHEREAS,** Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week;

Now, **THEREFORE I**, Milton Y. Tate Jr., Mayor of the City of Brenham, Texas do Hereby Proclaim the week of September 17-23, 2016 as

CONSTITUTION WEEK

In Witness, Whereof, I have set my hand and affixed the Seal of Brenham.

Milton Y. Tate Jr., Mayor
City of Brenham

Brenham City Council Minutes

A public hearing of the Brenham City Council was held on August 4, 2016 beginning at 1:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Gloria Nix
Councilmember Andrew Ebel
Councilmember Mary E. Barnes-Tilley
Councilmember Weldon Williams, Jr.

Members absent:

Councilmember Danny Goss
Councilmember Keith Herring

Others present:

City Manager Terry Roberts, Assistant City Manager of General Government Ryan Rapelye, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Kacey Weiss, Assistant City Manager – Chief Financial Officer Carolyn Miller, Director of Community Services Wende Ragonis, Assistant Fire Chief Brian Scheffer, Police Chief Craig Goodman, Corporal Chris Jackson, Assistant City Manager of Public Utilities Lowell Ogle, Development Services Manager Erik Smith and Kim Hodde

Citizens present:

Kassie Conner, John Scott Hueske, Jake Zorn, Krissie Zorn, Johanna Fatheree and Clint Kolby

Media Present:

Arthur Hahn, Brenham Banner Press; and Mark Whitehead, KWHI

1. Call Meeting to Order

2. Public Hearing Concerning Proposed Amendment of Appendix A – “Zoning” of the Code of Ordinances of the City of Brenham Granting a Specific Use Permit to Krissie Zorn to Allow for Open (Outdoor) Display or Storage of Retail Merchandise as an Accessory Use on Property Located at 2600 N. Park Street in a B-1, Local Business/Residential Mixed Use Zoning District, and Being Described as Reserve A, Block 1 of the Scenic Estates Subdivision in Brenham, Washington County, Texas

Mayor Tate opened the Public Hearing.

Development Services Manager Erik Smith presented this item. Smith explained that Krissie Zorn has requested a specific use permit (SUP) regarding open (outdoor) display or storage of retail merchandise as an accessory use to uses permitted in the B-1 District located at 2600 North Park Street. Smith stated that the proposed business is going to be named Blue Goose Garden and Gifts. Smith advised that the applicant is proposing to sell goods including vegetables, herbs, plants, shrubs and mulch outside of their business. Smith noted the owner of the property is John Hueske.

Smith noted that the Planning and Zoning Commission met on July 25th and held a public hearing regarding the specific use permit. Smith explained that residents had several concerns with the property. Smith advised that the Planning and Zoning Commission recommended unanimous approval of this request with the condition it only is granted for a period of one calendar year, after which time another SUP must be applied for again and granted to continue the use.

Smith also stated the Comprehensive Plan lists this property as being a commercial/retail district and the zoning ordinance lists this as B-1 Local Business/Residential Mixed Use District. Smith advised that open (outdoor) display or storage of retail merchandise as an accessory use to uses permitted in the B-1 District are within the allowed requests for special use permits.

John Hueske, the property owner, stated that he heard the concerns of the residents and has begun to address some of the issues. Hueske explained that he does not agree with the one year probationary period because there are expenses with starting a business and he would not want to have the business taken away in a year. Hueske noted that there will not be any portable buildings at the site.

Councilmember Ebel asked how 18 wheelers will enter into the property and exit for deliveries. Krissie Zorn stated that the plants will be delivered in box trucks and there will not be any 18 wheelers delivering products.

Citizen Johanna Fatheree stated that she is in support of the business and owners. Fatheree noted the business will be a great asset to the area.

Mayor Tate closed the Public Hearing.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC, CMC
City Secretary

DRAFT

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on August 4, 2016 beginning at 4:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Gloria Nix
Councilmember Andrew Ebel
Councilmember Danny Goss
Councilmember Mary E. Barnes-Tilley
Councilmember Weldon Williams, Jr.

Members absent:

Councilmember Keith Herring

Others present:

City Manager Terry Roberts, Assistant City Manager of General Government Ryan Rapelye, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Kacey Weiss, Assistant City Manager – Chief Financial Officer Carolyn Miller, Stacy Hardy, Sara Parker, Director of Community Services Wende Ragonis, Andria Heiges, Assistant Fire Chief Brian Scheffer, Police Chief Craig Goodman, Public Works Director Dane Rau, Casey Redman, Assistant City Manager of Public Utilities Lowell Ogle, Development Services Manager Erik Smith, Kim Hodde, Lori Lakatos, Paula Shields and Stephen Draehn

Citizens present:

Pat Johnson, John Scott Hueske, Tom Way, Kassie Conner and Krissie Zorn

Media Present:

Arthur Hahn, Brenham Banner Press; and Mark Whitehead, KWHI

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – Mayor Milton Tate**

3. Citizens Comments

Pat Johnson, with Select Furnishings, addressed the Council regarding signage for their new store which will be located at 1900 Highway 290 West. Johnson requested that Council review the LED signage requirements. Johnson explained that a professionally done LED sign is the only way to reach customers that do not see or hear their advertisements.

CONSENT AGENDA

4. Statutory Consent Agenda

4-a. Ordinance No. O-16-016 on Its Second Reading Granting a Specific Use Permit to Alma Carrillo to Allow for Open (Outdoor) Display or Storage of Retail Merchandise as an Accessory Use on Property Located at 1002 E. Blue Bell Road in a B-1, Local Business/Residential Mixed Use Zoning District, and Being Described as Tract 70 of the A. Harrington Survey, A-55, in Brenham, Washington County, Texas

A motion was made by Councilmember Barnes-Tilley and seconded by Mayor Pro Tem Nix to approve the Statutory Consent Agenda Item 4-a. as presented.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

WORK SESSION

5. Discuss and Review the FY2015-16 Second Quarter Financial Report

Assistant City Manager – Chief Financial Officer Carolyn Miller presented this item. Miller advised the status of the General Fund and the five major utility funds in the report. Miller explained that it is important to note that the second quarter performance does not include the impact of the May 2016 historic rainfall, storm damage assessment, and recovery cost. Miller stated the City experienced favorable net revenues to budget across all funds.

Miller explained at the end of the second quarter: the General Fund posted net revenues of \$694,653; the Electric Fund had favorable net revenues of \$437,549; the Gas Fund posted net revenues of \$49,403; the Water Fund experienced a net loss of (\$188,904) compared to budgeted loss of (\$254,331); the Wastewater Fund posted net revenues of \$129,990; and the Sanitation Fund posted net loss of (\$31,880) compared to budgeted loss of (\$82,010). Miller stated the City experienced favorable performance in the General Fund and all utility funds.

6. Discussion with the Director of Operations from Suddenlink Communications Regarding the Local Office Location Provision and Associated Matters in the Cable Television Franchise Agreement with the City

City Manager Terry Roberts introduced the item and Thomas Way, with Suddenlink Communications, addressed the Council. Way explained that Suddenlink Communications has restructured its organization and now the Brenham operation is a division of the Bryan-College Station office. Way stated Suddenlink would like to close the Brenham office in December 2016 when the lease expires. Way advised that the office traffic and subscriber count that they currently have in Brenham makes it nearly impossible, from a business cost perspective, to support an office here. Way stated the walk-in traffic averages about 10 people per day. Way noted that Brenham Suddenlink Customers will be served from the Bryan-College Station location.

Councilmember Barnes-Tilley asked what patrons are coming in for. Way explained that customers drop off payments, but Suddenlink does have arrangements with HEB to take payments at the store; however, for a transaction fee of \$2.00.

Way explained that they will still maintain the same technical staff that live and work in the area and equipment trade out would still require a home visit by a technician. Way advised that service would not be affected.

REGULAR SESSION

7. Discuss and Possibly Act Upon an Ordinance on Its First Reading Granting a Specific Use Permit to Krissie Zorn to Allow for Open (Outdoor) Display or Storage of Retail Merchandise as an Accessory to Use on Property Located at 2600 N. Park Street in a B-1, Local Business/Residential Mixed Use Zoning District, and Being Described as Reserve A, Block 1 of the Scenic Estates Subdivision in Brenham, Washington County, Texas

Development Services Manager Erik Smith presented this item. City Manager Terry Roberts explained what was discussed at the Public Hearing at 1:00 p.m. Roberts stated that there were concerns regarding the one year specific use permit limitation and that portable buildings will be prohibited on the premises.

A motion was made by Councilmember Williams and seconded by Councilmember Barnes-Tilley to approve an Ordinance on its first reading granting a specific use permit to Krissie Zorn to allow for open (outdoor) display or storage of retail merchandise as an accessory to use on property located at 2600 N. Park Street in a B-1, Local Business/Residential Mixed Use Zoning District, and being described as Reserve A, Block 1 of the Scenic Estates Subdivision in Brenham, Washington County, Texas, with the removal of the one year time limitation and adding a requirement that no outdoor storage buildings will be allowed.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

8. Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending Section 8(b) of the Cable Television Franchise Granted by the “Brenham Community Antenna Television Ordinance,” as Amended, Regarding the Maintenance of an Office by Suddenlink Communications in the City of Brenham, and Associated Provisions

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Goss to approve an Ordinance on its first reading amending Section 8(b) of the Cable Television Franchise granted by the “Brenham Community Antenna Television Ordinance,” as amended, regarding the maintenance of an office by Suddenlink Communications in the City of Brenham, and associated provisions.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

9. Discuss and Possibly Act Upon a Proposal to Adopt a Tax Rate of \$0.5070 per \$100 Valuation for the 2016 Tax Year, Take Record Vote and Set the Public Hearings on the Proposed Tax Rate in Accordance with State Law

Assistant City Manager – Chief Financial Officer Carolyn Miller presented this item. Miller advised Council that the City will be increasing the property tax rate from \$0.4731 per \$100 valuation to \$0.0570 or \$0.0339. Miller stated the new property tax rate of \$0.5070 consists of an operation and maintenance rate of \$0.3150 and the debt service rate of \$0.1920. Miller explained that the increase will be to fund three (3) additional firefighters and street repairs.

Miller explained that the Washington County Appraisal District has certified taxable values of \$1,198,049,873 for the 2016 Tax Year which is a net increase of \$14,670,533 or 1.24% above the 2015 (adjusted) taxable values. Miller advised that in accordance with the Tax Code, Council must take a Record Vote to place a proposal to adopt the proposed property tax rate on the agenda of future meetings. Miller stated a separate public hearing on the proposed budget will be held during a Special Council meeting on September 12, 2016.

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Ebel that the property tax rate be increased by the adoption of a tax rate of \$0.5070 per \$100 valuation, which is effectively a 7.64% increase in the tax rate, to be considered by the governing body on the agendas of the September 12, 2016 and September 15, 2016 meetings and to schedule public hearings on the proposed tax rate for August 18, 2016 and September 1, 2016 in accordance with state law.

Mayor Tate called for a record vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

10. Discuss and Possibly Act Upon Resolution No. R-16-020 of the City Council of the City of Brenham, Texas, Authorizing the Giving of Notice of Intention to Issue City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2016; and Declaring an Effective Date

Assistant City Manager – Chief Financial Officer Carolyn Miller presented this item. Miller explained that during the Council budget workshops, Staff discussed acting on Reimbursement Resolution No. R-15-011 to repay the \$1.26 million in street reconstruction money that was reallocated in FY16 for the completion of the new animal shelter and renovated/expanded library.

Miller advised that Staff also discussed issuing debt for \$2 million for the copper replacement project in the Electric Fund. Miller stated this agenda item is giving notice of the City's intent to issue Certificates of Obligation, Series 2016 not to exceed \$3.5 million for these purposes including bond issuance costs.

Miller explained that the initial step in the financing process is to give notice of the City's intent to issue the certificates of obligation, and upon Council's approval, the notice itself will be published in the Brenham Banner Press. Miller stated that Garry Kimball, the City's financial adviser, will handle securing the pricing and bring it back to Council for action at the September 15, 2016 meeting.

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Ebel to approve Resolution No R-16-020 authorizing the giving of notice of intention to issue City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2016.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

11. Discuss and Possibly Act Upon Resolution No. R-16-021 Providing for No Objection to Northview Village, LP's Submission of an Application to the Texas Department of Housing and Community Affairs Requesting 2016 Housing Tax Credits for the Rehabilitation of Northview Village in Brenham, Washington County, Texas

Development Services Manager Erik Smith presented this item. Smith explained that Northview Village, LP is making an application for Housing Tax Credits with the Texas Department of Housing and Community Affairs for Northview Village, a 66 unit housing project located at 1801 Northview Circle, Brenham.

Smith advised that the application to the City is not a competitive grant but that getting a letter of no objection from the City is part of the application process to qualify for the tax credits. The tax credits will be used to renovate and rehabilitate all of the 66 existing units.

A motion was made by Councilmember Williams and seconded by Mayor Pro Tem Nix to approve Resolution No. R-16-021 providing for no objection to Northview Village, LP's Submission of an Application to the Texas Department of Housing and Community Affairs requesting 2016 Housing Tax Credits for the Rehabilitation of Northview Village in Brenham, Washington County, Texas.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

12. Discuss and Possibly Act Upon a License Agreement Between the City of Brenham and Brenham Independent School District for the Authorization of Right-Of-Way Encroachment Related to the Community Spirit Flag Program and Authorize the Mayor to Execute Any Necessary Documentation

Director of Community Services Wende Ragonis presented this item. Ragonis explained that the Spirit Flag Program is jointly sponsored by the Brenham ISD, Brenham Booster Club and Brenham Game Changers. Ragonis stated the Encroachment Agreement will authorize the placement of the Spirit Flags into the City's right of way (ROW). Ragonis advised that many of the school campus entrances are City ROW's and the placements may change slightly to account for any TxDOT ROW's. Ragonis noted that the regional TxDOT representative did provide a verbal approval if the flags were placed in their ROW, but the City would strive to minimize flag placements in the TxDOT ROW.

Councilmember Goss asked if the flag placements were acceptable according to the City's ordinance of having a 10 foot setback from the back of the curb. Ragonis stated that the entrance to Brenham Junior High is the only location that is not because of how the curb is designed. City Manager of Public Utilities Lowell Ogle noted that typically the ROW is anywhere from 7-10 feet behind the curb and that these flags will be within that area.

A motion was made by Councilmember Barnes-Tilley and seconded by Mayor Pro Tem Nix to approve a license agreement between the City of Brenham and Brenham Independent School District for the authorization of right-of-way encroachment related to the Community Spirit Flag Program and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

13. Discuss and Possibly Act Upon the Purchase of Skate Park Equipment Using BuyBoard Contract No. 423-13, for the Skateboard Park Located in Fireman’s Park and Authorize the Mayor to Execute Any Necessary Documentation

Director of Community Services Wende Ragonis presented this item. Ragonis explained that the Parks Department presented a Skate Park Enhancement Project to the Brenham Community Development Corporation (BCDC) Board of Directors at their June 4, 2015 meeting. The BCDC Board approved \$35,000 of funding for this project. Ragonis advised that Staff sought out Council’s support at the September 17, 2015 Council meeting for the application for matching funds to Texas Parks and Wildlife for the Skate Park Enhancement Project. Ragonis stated that the City of Brenham was awarded the grant and at the July 14, 2016 Council meeting, Council accepted the award of \$35,000 from Texas Parks and Wildlife for this Project.

A motion was made by Mayor Pro Tem Nix and seconded by Councilmember Williams to approve the purchase of skate park equipment from American Ramp Company, using BuyBoard Contract No. 423-13, in the amount of \$70,038.18 and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

14. Discuss and Possibly Act Upon Bid No. 16-010 for the Purchase of Furniture for the Nancy Carol Roberts Memorial Library and Authorize the Mayor to Execute Any Necessary Documentation

Director of Community Services Wende Ragonis presented this item. Ragonis explained that as part of the Library Modernization Project, there is a need to purchase new furnishings and fixtures for the Nancy Carol Roberts Memorial Library facility. Ragonis stated that the Purchasing Services Department oversaw the bidding process with Komatsu Architecture. Ragonis advised there were three (3) responsive bidders. Ragonis advised Komatsu Architecture, along with Staff, recommends an award to Intelligent Interiors.

A motion was made by Councilmember Barnes-Tilley and seconded by Mayor Pro Tem Nix to award Bid No. 16-010 for the purchase of furniture for the Nancy Carol Roberts Memorial Library to Intelligent Interiors in the amount of \$199,352.92 and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

- 15. Discuss and Possibly Act Upon the Purchase of Furniture for the Nancy Carol Roberts Memorial Library from the Following Purchasing Cooperatives:**
- a. Tables, Computer Desks and Conference Chairs Through The Cooperative Purchasing Network (TCPN) Contract No. R142213,**
 - b. Arm Lounge Chairs Through the U. S. Communities Government Purchasing Alliance Contract No. 4400003404,**
 - c. Stacking Chairs and Storage Carts Through the U. S. Communities Government Purchasing Alliance Contract No. 4400034025, and**
 - d. Circulation Desk, Signage and Wall Displays Through BuyBoard Contract No. 503-16,**

And Authorize the Mayor to Execute Any Necessary Documentation

Director of Community Services Wende Ragonis presented this item. Ragonis explained that Komatsu Architecture, the architect for the Nancy Carol Roberts Memorial Library facility modernization project, has designed a plan for furniture and fixtures. Ragonis noted that as discussed at the Council Budget Retreat held May 2, 2016, a capital lease will be utilized for these purchases.

A motion was made by Mayor Pro Tem Nix and seconded by Councilmember Barnes-Tilley to authorize the Mayor to execute any necessary documentation related to the purchase of:

- a. Tables, Computer Desks and Conference Chairs through The Cooperative Purchasing Network (TCPN) Contract No. R142213, from Intelligent Interiors in the amount of \$28,571.00;
- b. Arm Lounge Chairs through the U. S. Communities Government Purchasing Alliance Contract No. 4400003404, from GL Seaman & Company in the amount of \$6,499.00;
- c. Stacking Chairs and Storage Carts through the U. S. Communities Government Purchasing Alliance Contract No. 4400034025, from Royer & Schutts in the amount of \$8,312.00; and
- d. Circulation Desk, Signage and Wall Displays through BuyBoard Contract No. 503-16, from PUTSI, DBA Cultural Surroundings in the amount of \$63,051.00

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

16. Discuss and Possibly Act Upon the Purchase of Seven (7) Body Armor Vests for the Police Department Using Seized Narcotic Funds and Authorize the Mayor to Execute Any Necessary Documentation

Police Chief Craig Goodman presented this item. Goodman explained that his department would like to replace seven (7) vests that are either expired or will expire shortly.

A motion was made by Councilmember Barnes-Tilley and seconded by Mayor Pro Tem Nix to approve the purchase of seven (7) body armor vests for the Police Department from Black Company Tactical Group, LLC. in the amount of \$10,455.28 using seized narcotic funds and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

17. Discuss and Possibly Act Upon a Ground Space Lease Agreement with Aviators Plus LLC (Brent Nedbalek) for Hangar Space at the Brenham Municipal Airport and Authorize the Mayor to Execute Any Necessary Documentation

Planning Technician Kim Hodde presented this item. Hodde explained that Dr. Welton E. Hill sold his hangar (3317 Aviation Way) to Aviators Plus LLC (Brent Nedbalek) and therefore a new lease agreement needs to be executed with Aviators Plus LLC. Hodde advised that execution of this lease agreement with Mr. Nedbalek will cancel the previous agreement with Dr. E. Welton Hill.

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Ebel to approve a ground space lease agreement with Aviators Plus LLC (Brent Nedbalek) for hangar space at the Brenham Municipal Airport and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Absent
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

18. Discuss and Possibly Act Upon a Request for a Noise Variance from the American Cancer Society for the Relay for Life to be Held on October 22, 2016 from 6:00 p.m. to 12:00 a.m. (Midnight) at Fireman’s Park and Authorize the Mayor to Execute Any Necessary Documentation

Deputy City Secretary Kacey Weiss presented this item. Weiss explained that Erin Robinson with the American Cancer Society submitted a Noise Variance Request for their annual event to be held at Jackson Street Park. Weiss stated the event will be from 6:00 p.m. – Midnight. Weiss noted that the police department and fire department have approved the noise variance request.

Councilmember Goss asked if the residents had been contacted about the event and where everything would be set-up. Councilmember Goss also suggested that the North side of the park would be a good place to put the activities. Weiss stated that she did not know the details, but would contact Erin Robinson to find out.

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Ebel to approve a noise variance from the American Cancer Society for the Relay for Life to be held on October 22, 2016 from 6:00 p.m. to 12:00 a.m. (Midnight) at Fireman’s Park and authorize the Mayor to execute any necessary documentation. After further discussion on this item Councilmember Barnes-Tilley withdrew her motion and Councilmember Ebel withdrew his second. No further action was taken on this item.

19. Administrative/Elected Officials Report

City Manager Terry Roberts reported on the following:

- The Fireman's Fiesta will be held August 13th
- The first meeting in October will be moved from October 6th to October 13th due to the TML Conference
- Thanked the Council for meeting later in the day to accommodate Councilmember Goss' meeting with the Brazos River Authority Board.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC, CMC
City Secretary

ORDINANCE NO. O-16-021

AN ORDINANCE OF THE CITY OF BRENHAM, TEXAS APPROVING FINANCING FOR THE PURCHASE OF FURNISHINGS AND EQUIPMENT FOR THE EXPANDED AND RENOVATED NANCY CAROL ROBERTS MEMORIAL LIBRARY; PROVIDING FOR AN INTEREST AND SINKING FUND FOR THE SAME; AUTHORIZING THE MAYOR TO EXECUTE ANY NECESSARY DOCUMENTATION.

WHEREAS, the City Council of the City of Brenham, Texas (“City”) desires to purchase furnishings and equipment for the expanded and renovated Nancy Carol Roberts Memorial Library; and

WHEREAS, the City has reviewed the financing alternatives; and

WHEREAS, the City Council, pursuant to the Brenham City Charter, Art. II, Sec. 4 and Title 22 of the Revised Civil Statutes of Texas, 1911, Articles 877, 879 and 890, desires to approve the financing of said purchases through a loan in the amount of \$450,000 from the Bank of Brenham, N.A., the terms of said loan to be as described in Exhibit “A” attached hereto and incorporated herein for all purposes; and

WHEREAS, the City Council, pursuant to Article XI, Section 5 of the Texas Constitution, is required to provide for the creation of an interest and sinking fund adequate to pay at least two percent (2%) of the principal and any interest due each year on the loan; and

WHEREAS, the City Council desires to authorize the Mayor to execute all documents necessary to complete the financing of said purchases through a loan from Bank of Brenham, N.A., including but not limited to any renewals or refinancing of said loan on similar terms;

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

1. The City Council hereby authorizes the City of Brenham, Texas, pursuant to the Brenham City Charter, Art. II, Sec. 4 and Title 22 of the Revised Civil Statutes of Texas, 1911, Articles 877, 879 and 890, to obtain a loan in the amount of \$450,000 from Bank of Brenham, N.A. for the purchase of furnishings and equipment for the expanded and renovated Nancy Carol Roberts Memorial Library, the terms of said loan to be as described in Exhibit “A”.

2. The City Council hereby directs that sufficient provision and tax levy be made by the City to create an interest and sinking fund adequate to pay at least two percent (2%) of the principal and any interest due each year on the loan from Bank of Brenham, N.A. for the purchase of furnishings and equipment for the expanded and renovated Nancy Carol Roberts Memorial Library, and the City Council hereby further directs the creation of said interest and sinking fund.
3. The Mayor is hereby authorized to execute any and all documents necessary to complete the financing of said purchases through a loan from Bank of Brenham, N.A., including but not limited to any renewals or refinancing of said loan on similar terms.

PASSED and APPROVED on its first reading this the 1st day of September, 2016.

PASSED and APPROVED on its second reading this the 15th day of September, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary



Bank of Brenham_{N.A.}

EXHIBIT A

TERM SHEET

LOAN AMOUNT	\$450,000
LOAN RATE	2.23%
TERM	3 Years
PAYMENTS	Annual principal payments of \$64,285.71 plus accrued interest beginning September 15, 2017 and maturing on September 15, 2019
COLLATERAL	Bank of Brenham Certificate of Deposit in the amount of \$450,000

* It is understood that this note will mature in 3 years, but the payments are based on a 7 year payout. It is the intention of the Bank to renew this loan at maturity under terms that will allow for a 4 year repayment plan at that time.

** It is understood that the Certificate of Deposit that secures this loan will have a term of one year and the amount of the Certificate can be reduced annually to coincide with the reduction of the principal balance of the Promissory Note

ORDINANCE NO. O-16-022

AN ORDINANCE AMENDING APPENDIX A - "ZONING" OF THE CODE OF ORDINANCES OF THE CITY OF BRENHAM, TEXAS, AMENDING SECTION 3.03, MEMBERSHIP, APPOINTMENT AND TERMS OF OFFICE OF PART V., DECISION MAKING AND STAFF SUPPORT, TO CHANGE THE NUMBER OF ALTERNATE MEMBERS ON THE BOARD OF ADJUSTMENT TO FOUR (4).

WHEREAS, this amendment was recommended for approval by the Brenham Planning and Zoning Commission during its regular meeting on August 22, 2016; and

BE IT ORDAINED BY THE CITY OF BRENHAM, TEXAS, THAT APPENDIX A - "ZONING" OF THE CODE OF ORDINANCES OF THE CITY OF BRENHAM, TEXAS BE AMENDED IN THE FOLLOWING MANNER:

SECTION 1

That Appendix A - "Zoning" of the Code of Ordinances of the City of Brenham, Texas, Part V, Section 3.03, is hereby amended to read as follows:

(Sec. 3.03) Membership, appointment and terms of office:

- (1) *Membership.* The board shall consist of five (5) citizens, each to be appointed or reappointed by the mayor and confirmed by the city council, for staggered terms of two (2) years respectively. Each member of the board shall be removable for just cause by City Council upon written charges and after public hearings. Vacancies shall be filled by the City Council for the unexpired term of any member whose term becomes vacant.

The board shall have four (4) alternate members appointed or reappointed by the Mayor and confirmed by the City Council who shall serve in the absence of one or more regular members when requested to do so by the mayor. These alternate members, when appointed, shall serve for the same period as the regular members and any vacancies shall be filled in the same manner and shall be subject to removal as the regular members.

SECTION 2

This Ordinance shall take effect as provided by the Charter of the City of Brenham, Texas.

PASSED and APPROVED on its first reading this the 1st day of September, 2016.

PASSED and APPROVED on its second reading this the 15th day of September, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary



AGENDA ITEM 6

DATE OF MEETING: September 15, 2016	DATE SUBMITTED: September 6, 2016	
DEPT. OF ORIGIN: Convention and Visitors Bureau	SUBMITTED BY: Lu Hollander	
MEETING TYPE: CLASSIFICATION: ORDINANCE:		
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input checked="" type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Presentation of the Third Quarter Report by the Washington County Convention and Visitors Bureau		
SUMMARY STATEMENT: A copy of the Washington County Convention and Visitors Bureau Third Quarter Report is included in the agenda packet.		
A complete copy of the Washington County Convention and Visitors Bureau Third Quarter Report is on file for review in the City Secretary's Office. A copy can also be downloaded from the Washington County Chamber of Commerce website at www.brenhamtexas.com .		
If you are interested in obtaining a hard copy, please call the City Secretary at 979-337-7567		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference): N/A		
ATTACHMENTS: (1) 3rd Quarter Report – Convention and Visitors Bureau		
FUNDING SOURCE (Where Applicable): N/A		
RECOMMENDED ACTION: Discussion only		
APPROVALS: Terry K. Roberts		

WCCC Convention & Visitors Bureau

Third Quarter Report: April - June 2016

APRIL

MAJOR TOURISM EVENTS:

- Chappell Hill Bluebonnet Festival
- Burton Cotton Gin Festival
- La Bahia Antiques Show & Sale



Walk In Visitors:

2016 - 595
2015 - 1,419

ADVERTISING PLACEMENTS:

- *Texas Highways* magazine – 2-page co-op
- *Houston Chronicle Summer Festivals tab* –co-op
- *Byways* digital magazine – ½ page



Website Visitors:

2016 – 22,099
2015 – 30,207

EDITORIAL COVERAGE:

- *Austin Monthly* magazine – feature about attractions in Washington County
- *Fodor.com* – feature about 10 best places to see bluebonnets includes Brenham
- *USAToday.com* –gallery of 10 photos focuses on Brenham/Washington County (Geiger advertising equivalency - \$48,000)



Info Requests:

2016 – 279
2015 – 1,147

MAY

MAJOR TOURISM EVENTS:

- Brenham Maifest



Walk In Visitors:

2016 - 391
2015 - 442

ADVERTISING PLACEMENTS:

- *Southern Living* – 1/6 page
- *Texas Monthly* magazine – 1/6 page
- *TripAdvisor.com* - 3 headers



Website Visitors:

2016 – 11,989
2015 – 12,734

EDITORIAL COVERAGE:

- *Houston Chronicle* – feature about roses includes Antique Rose
- *Texas Parks & Wildlife* – feature about state parks includes Lake Somerville



Info Requests:

2016 – 544
2015 – 2,800

JUNE

MAJOR TOURISM EVENTS:

- Juneteenth parade and celebration
- “Scapino” at Unity Theatre



Walk In Visitors:

2016 – 491
2015 - 379

ADVERTISING PLACEMENTS:

- *San Antonio* magazine – ¼ page
- *Small Market Meetings* magazine – 1/6 page



Website Visitors:

2016 – 11,967
2015 – 12,372

EDITORIAL COVERAGE:

- *Houston Chronicle* – feature about Inn at Dos Brisas
- *Wideopencountry.com* – features about 10 beautiful historic downtowns includes Brenham



Info Requests:

2016 – 329
2015 – 2,353



AGENDA ITEM 7

DATE OF MEETING: September 15, 2016	DATE SUBMITTED: September 12, 2016	
DEPT. OF ORIGIN: Finance	SUBMITTED BY: Carolyn D. Miller	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input checked="" type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Ordinance O-16-023 on its Second Reading Adopting the Budget for Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017.		
SUMMARY STATEMENT: The Fiscal Year 2016-17 Proposed Budget has been developed in compliance with the Property Tax Code, Local Government Code and the City Charter. A property tax rate of \$0.5070 per \$100 valuation is necessary to fund the proposed budget, which is on the City’s website and on file with the City Secretary. Local Government Code requires the city council’s vote to adopt a budget be a record vote. COUNCIL MUST TAKE A RECORD VOTE ON THIS ITEM		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Ordinance O-16-023 with Exhibit A		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: RECORD VOTE Approve Ordinance O-16-023 on its second reading adopting the budget for fiscal year beginning October 1, 2016 and ending September 30, 2017.		
APPROVALS: Terry K. Roberts		

ORDINANCE NO. O-16-023

AN ORDINANCE ADOPTING A BUDGET FOR THE CITY OF BRENHAM, TEXAS FOR THE FISCAL YEAR 2016-17; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Brenham, Texas, has prepared a budget for the fiscal year October 1, 2016 through September 30, 2017 and has filed same with the City Secretary and has held public hearings on same, all after due notice as required by statute.

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

SECTION I.

That the City Council of the City of Brenham, Texas does hereby adopt the Budget for the City of Brenham, Texas, for the fiscal year October 1, 2016 through September 30, 2017 as shown in the attached Exhibit "A", which is incorporated herein as though copied herein verbatim.

SECTION II.

That authority is hereby given to the City Manager to approve transfers of portions of any item of appropriation within the same department and transfers from one department to another department within the same fund.

SECTION III.

This Ordinance shall become effective as provided by the Charter of the City of Brenham, Texas.

PASSED AND APPROVED on its first reading this the 12th day of September, 2016.

PASSED AND ADOPTED on its second reading this the 15th day of September, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary

Cary Bovey
City Attorney

**CITY OF BRENHAM
COMBINED FUND SUMMARY
FY16-17 BUDGET**

EXHIBIT A

	GENERAL FUND										COMPONENT UNIT		SPECIAL REVENUE FUNDS			
	GENERAL	EMER MGMT	POLICE DEPT GRANTS	MOTOR/ PD EQUIP	PUBLIC SAFETY	FEMA DISASTER	DONA- TIONS	FIRE DEPT GRANTS	EQUIP- MENT	DEBT	BCDC	BCDC CAP PROJ	HOTEL/ MOTEL	HOTEL/ TAX CNTY	CRIM LAW ENFORCE	COURTS TECH
BEGINNING BALANCE	\$3,883,618	\$10,944	\$0	\$0	\$1,495	\$0	\$84,238	\$0	\$805,998	\$217,273	\$1,511,156	\$394,384	\$199,534	\$9,036	\$23,181	\$95,750
REVENUES																
AD VALOREM TAX	3,737,380									2,300,256						
SALES TAX	4,618,831										1,539,631					
FRANCHISE TAX	2,471,889															
OTHER TAX	378,000												575,000	95,000		
LICENSES AND PERMITS	110,640															
INTERGOVERNMENTAL (1)	296,732									110,200						
CHARGES FOR SERVICES	294,025															65,600
FINES AND FORFEITURES	995,530															
INTEREST/PENALTY	5,000									24,000	2,500		500		30	
CONTRIBUTIONS AND DONATIONS		1,000					46,500	1,000								
MISCELLANEOUS REVENUE	396,055		15,000	2,600	3,475	0					959				10,000	
TRANSFERS IN	3,522,056									3,251,425						
DEBT/LEASE PROCEEDS																
TOTAL OPERATING RESOURCES	\$16,826,138	\$1,000	\$15,000	\$2,600	\$3,475	\$0	\$46,500	\$1,000	\$0	\$5,685,881	\$1,543,090	\$0	\$575,500	\$95,000	\$10,030	\$65,600
DEPARTMENT EXPENDITURES																
ADMINISTRATION	882,114															
DEVELOPMENT SERVICES	479,734															
HUMAN RESOURCES	215,832															
MAIN STREET	149,239															
ENGINEERING SERVICES	212,799															
MAINTENANCE	736,867															
FINANCE	946,660															
PURCHASING/WAREHOUSE	270,828															
STREETS	1,379,393															
PARKS (1)	1,255,465															
LIBRARY (1)	521,838															
AIRPORT	85,950															
COMM PROGRAMS & MKTING	363,204															
AQUATIC CENTER	786,711															
CITY COMMUNICATIONS (1)	307,911															
POLICE (1)	4,051,890															
FIRE	1,937,403															
ANIMAL SHELTER/CONTROL	371,815															
MUNICIPAL COURT	436,390															
GENERAL GOVERNMENT SERVICES	276,141															
INFORMATION TECHNOLOGY (1)	701,601															
EMERGENCY MANAGEMENT		5,700														
POLICE DEPARTMENT GRANTS			15,000													
MOTORCYCLE/PD EQUIPMENT				2,600												
PUBLIC SAFETY TRAINING					3,250											
FEMA DISASTER RELIEF DONATIONS						0	27,000									
FIRE DEPARTMENT GRANTS								1,000								
EQUIPMENT									805,998							
BCDC										681,395						
BCDC CAPITAL PROJECT											297,000					
HOTEL/MOTEL												443,000	95,000			
CRIMINAL LAW ENFORCEMENT														8,000		
COURTS TECHNOLOGY/SECURITY																75,332
SIMON CONFERENCE CENTER																
AIRPORT																
CAPITAL LEASES																
2014 CAPITAL PROJECTS																
PARKS SPECIAL REVENUE																
STREETS AND DRAINAGE																
US 290 PASS THRU FINANCE																
UTILITY CUSTOMER SERVICE																
PUBLIC UTILITIES																
ELECTRIC																
GAS																
WATER TREATMENT																
WATER CONSTRUCTION																
WASTEWATER CONSTRUCTION																
WASTEWATER TREATMENT																
TRANSFER STATION																
COLLECTION STATION																
RECYCLING CENTER																
RESIDENTIAL COLLECTION																
CENTRAL FLEET																
WORKERS' COMPENSATION																
SUBTOTAL DEPARTMENT	16,369,785	5,700	15,000	2,600	3,250	0	27,000	1,000	805,998	0	681,395	297,000	443,000	95,000	8,000	75,332
OTHER EXPENDITURES																
SOURCE COST																
FRANCHISE TAX																
DEBT SERVICE										5,685,881						
NON-DEPT AND MISC	456,353															
SUBTOTAL OTHER	456,353	0	0	0	0	0	0	0	0	5,685,881	0	0	0	0	0	0
TRANSFERS OUT											1,103,475		160,000			25,000
TOTAL EXPENDITURES	\$16,826,138	\$5,700	\$15,000	\$2,600	\$3,250	\$0	\$27,000	\$1,000	\$805,998	\$5,685,881	\$1,784,870	\$297,000	\$603,000	\$95,000	\$8,000	\$100,332
CHANGE IN FUND BALANCE	0	(4,700)	0	0	225	0	19,500	0	(805,998)	0	(241,780)	(297,000)	(27,500)	0	2,030	(34,732)
ENDING FUND BALANCE	\$3,883,618	\$6,244	\$0	\$0	\$1,720	\$0	\$103,738	\$0	\$0	\$217,273	\$1,269,376	\$97,384	\$172,034	\$9,036	\$25,211	\$61,018

(1) Intergovernmental includes inter-local agreements that are budgeted as contra-expenses in departments.

**CITY OF BRENHAM
COMBINED FUND SUMMARY
FY16-17 BUDGET**

EXHIBIT A

	CAPITAL PROJECT FUNDS							ENTERPRISE FUNDS					INTERNAL SERVICE FUNDS		TOTAL
	SIMON CONF CTR	AIRPORT CAPITAL	CAPITAL LEASES	2014 CAP PROJ	PARKS CAP IMPROV	STREET DRAINAGE	290 PASS THRU	ELECTRIC	GAS	WATER	WASTE- WATER	SANI- TATION	CENTRAL FLEET	WORKERS' COMP	
BEGINNING BALANCE	\$61,000	\$7,138	\$0	\$452,203	\$127,439	\$359,409	\$5,232,350	\$7,514,031	\$1,444,367	\$1,235,946	\$409,988	\$1,050,121	\$319,246	\$197,462	\$25,648,305
REVENUES															
AD VALOREM TAX															5,037,636
SALES TAX															6,158,462
FRANCHISE TAX															2,471,889
OTHER TAX															1,048,000
LICENSES AND PERMITS															110,640
INTERGOVERNMENTAL (1)															406,932
CHARGES FOR SERVICES								22,291,461	3,689,483	4,553,140	3,482,409	3,189,051	72,000	165,245	37,802,414
FINES AND FORFEITURES															995,530
INTEREST/PENALTY				1,000		500	2,295,255	49,546	3,300	3,200	3,500			100	2,391,031
CONTRIBUTIONS AND DONATIONS					24,000										72,500
MISCELLANEOUS REVENUE	20,000	0	0												448,089
TRANSFERS IN	92,000				428,050			601,895	3,700	15,200		6,000	21,300		7,941,626
DEBT/LEASE PROCEEDS															0
TOTAL OPERATING RESOURCES	\$112,000	\$0	\$0	\$1,000	\$452,050	\$500	\$2,295,255	\$22,942,902	\$3,696,483	\$4,571,540	\$3,491,909	\$3,212,951	\$72,000	\$165,345	\$65,884,749
DEPARTMENT EXPENDITURES															
ADMINISTRATION															882,114
DEVELOPMENT SERVICES															479,734
HUMAN RESOURCES															215,832
MAIN STREET															149,239
ENGINEERING SERVICES															212,799
MAINTENANCE															736,867
FINANCE															946,660
PURCHASING/WAREHOUSE															270,828
STREETS															1,379,393
PARKS (1)															1,255,465
LIBRARY (1)															521,838
AIRPORT															85,950
COMM PROGRAMS & MKTING															363,204
AQUATIC CENTER															786,711
CITY COMMUNICATIONS (1)															307,911
POLICE (1)															4,051,890
FIRE															1,937,403
ANIMAL SHELTER/CONTROL															371,815
MUNICIPAL COURT															436,390
GENERAL GOVERNMENT SERVICES															276,141
INFORMATION TECHNOLOGY (1)															701,601
EMERGENCY MANAGEMENT															5,700
POLICE DEPARTMENT GRANTS															15,000
MOTORCYCLE/PD EQUIPMENT															2,600
PUBLIC SAFETY TRAINING															3,250
FEMA DISASTER RELIEF															0
DONATIONS															27,000
FIRE DEPARTMENT GRANTS															1,000
EQUIPMENT															805,998
BCDC															681,395
BCDC CAPITAL PROJECT															297,000
HOTEL/MOTEL															538,000
CRIMINAL LAW ENFORCEMENT															8,000
COURTS TECHNOLOGY/SECURITY															75,332
SIMON CONFERENCE CENTER	173,000														173,000
AIRPORT		0													0
CAPITAL LEASES			0												0
2014 CAPITAL PROJECTS				300,000											300,000
PARKS SPECIAL REVENUE					562,550										562,550
STREETS AND DRAINAGE						359,909									359,909
US 290 PASS THRU FINANCE							0								0
UTILITY CUSTOMER SERVICE								470,105							470,105
PUBLIC UTILITIES								951,697							951,697
ELECTRIC								2,123,659							2,123,659
GAS									728,905						728,905
WATER TREATMENT										1,682,537					1,682,537
WATER CONSTRUCTION										784,833					784,833
WASTEWATER CONSTRUCTION											358,488				358,488
WASTEWATER TREATMENT											1,162,192				1,162,192
TRANSFER STATION												1,144,062			1,144,062
COLLECTION STATION												510,366			510,366
RECYCLING CENTER												230,058			230,058
RESIDENTIAL COLLECTION												655,067			655,067
CENTRAL FLEET													79,221		79,221
WORKERS' COMPENSATION														137,690	137,690
SUBTOTAL DEPARTMENT	173,000	0	0	300,000	562,550	359,909	0	3,545,461	728,905	2,467,370	1,520,680	2,539,553	79,221	137,690	31,244,399
OTHER EXPENDITURES															
SOURCE COST								15,899,120	2,059,520	302,400					18,261,040
FRANCHISE TAX								1,566,160	257,354	290,895	239,113	61,210			2,408,732
DEBT SERVICE								146,897	982	875,354	1,363,229	1,715			8,074,058
NON-DEPT AND MISC								85,400	7,000	18,250	10,000	8,300			586,303
SUBTOTAL OTHER	0	0	0	0	0	0	0	17,698,577	2,324,856	1,486,899	1,696,342	71,225	0	0	29,330,133
TRANSFERS OUT								2,680,000	1,799,073	560,697	624,822	375,691	412,868		7,943,626
TOTAL EXPENDITURES	\$173,000	\$0	\$0	\$300,000	\$562,550	\$359,909	\$2,680,000	\$23,043,111	\$3,614,458	\$4,579,091	\$3,502,713	\$3,023,646	\$79,221	\$337,690	\$68,516,158
CHANGE IN FUND BALANCE	(61,000)	0	0	(299,000)	(110,500)	(359,409)	(384,745)	(100,209)	82,025	(7,551)	(10,804)	189,305	(7,221)	(172,345)	(2,631,409)
ENDING FUND BALANCE	\$0	\$7,138	\$0	\$153,203	\$16,939	\$0	\$4,847,605	\$7,413,822	\$1,526,392	\$1,229,395	\$399,184	\$1,239,426	\$312,025	\$25,117	\$23,016,896



AGENDA ITEM 8

DATE OF MEETING: September 15, 2016		DATE SUBMITTED: September 12, 2016	
DEPT. OF ORIGIN: Finance		SUBMITTED BY: Carolyn D. Miller	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING	
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input checked="" type="checkbox"/> 2 ND READING	
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION	
	<input type="checkbox"/> WORK SESSION		
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Ordinance O-16-024 on its Second Reading Levying Taxes for the Tax Year 2016 for the City of Brenham at \$0.5070 per \$100 Valuation			
SUMMARY STATEMENT: The FY2016-17 Proposed Budget includes a tax rate of \$0.5070 per \$100 valuation which has two components: maintenance and operations (M&O) and interest and sinking (I&S). The proposed tax rate of \$0.5070 will allocate \$0.3150 to the General Fund for M&O expenditures and the balance of \$0.1920 will be allocated to the Debt Service Fund for principal and interest obligations. The proposed tax rate of \$0.5070 is above the effective rate of \$0.4710, but below the rollback rate of \$0.5132.			
<p>The City has complied with all of the notices, publications, and public hearings as required by the Tax Code. Pursuant to the Tax Code, the vote on the ordinance setting a tax rate that exceeds the effective tax rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance. The Tax Code also specifies that the motion to adopt the tax rate be made in the following form:</p> <p align="center">“I move that the property tax rate be increased by the adoption of a tax rate of \$0.5070 per \$100 valuation, which is effectively a 7.64% increase in the tax rate.”</p>			
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):			
A. PROS:			
B. CONS:			
ALTERNATIVES (In Suggested Order of Staff Preference):			
ATTACHMENTS: (1) Ordinance O-16-024			
FUNDING SOURCE (Where Applicable):			

RECOMMENDED ACTION: RECORD VOTE

“I move that the property tax rate be increased by the adoption of a tax rate of \$0.5070 per \$100 valuation, which is effectively a 7.64% increase in the tax rate.”

APPROVALS: Terry K. Roberts

ORDINANCE NO. O-16-024

AN ORDINANCE LEVYING TAXES FOR THE TAX YEAR 2016 FOR THE CITY OF BRENHAM, TEXAS AND PROVIDING AN EFFECTIVE DATE.

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

SECTION I.

That there be and is hereby levied an ad valorem tax of \$0.3150 on each one hundred dollars worth of property owned and situated within the City Limits of the City of Brenham, Texas, both real and personal and mixed, for General Fund maintenance and operating purposes for the Tax Year 2016.

SECTION II.

That there be and is hereby levied for the use of the City of Brenham, for the Tax Year 2016, an ad valorem tax of \$0.1920 on each one hundred dollars worth of real, personal and mixed property owned and situated in the City Limits of the City of Brenham, Texas, for the payment of principal and interest on all outstanding bonds and lease payments, not otherwise provided for, of the City of Brenham.

SECTION III.

Wherefore, the combined tax rate in accordance with V.T.C.A. Tax Code Section 26.05 shall be \$0.5070 on each one hundred dollars worth of real, personal, and mixed property of owned and situated within the City Limits of the City of Brenham, Texas.

SECTION IV.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

SECTION V.

This Ordinance shall become effective as provided by the Charter of the City of Brenham, Texas.

PASSED AND APPROVED on its first reading this the 12th day of September, 2016.

PASSED AND ADOPTED on its second reading this the 15th day of September, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary

Cary Bovey
City Attorney



AGENDA ITEM 9

DATE OF MEETING: September 15, 2016		DATE SUBMITTED: September 6, 2016	
DEPT. OF ORIGIN: Finance		SUBMITTED BY: Carolyn D. Miller	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input checked="" type="checkbox"/> 1 ST READING	
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING	
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION	
	<input type="checkbox"/> WORK SESSION		
AGENDA ITEM DESCRIPTION: An Ordinance of the City of Brenham, Texas Authorizing the Issuance and Sale of City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2016; Levying a Tax in Payment Thereof; Authorizing the Execution and Delivery of a Purchase Agreement and a Paying Agent/Registrar Agreement; Approving the Official Statement; and Enacting Other Provisions Relating Thereto			
SUMMARY STATEMENT: The proceeds from the sale of these Certificates of Obligation will be used for the following purposes: (i) the construction and equipping of a new City animal shelter; (ii) the expansion, renovation and equipping of the City library; (iii) the construction and improvements of the City’s electric utility system (collectively, the “Project”); and (iv) to pay professional services of attorneys, engineers, financial advisors and other professionals in connection with the Project; and to pay the costs associated with the issuance of the Certificates. The City’s financial advisor, Garry Kimball of Specialized Public Finance, will bring a presentation summarizing the official bids for the sale of the bonds. Bond counsel, Glenn Opel of Bracewell, LLP will also bring the Ordinance complete with pricing. <u>An ordinance involved with financing only requires a single reading.</u>			
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):			
A. PROS:			
B. CONS:			
ALTERNATIVES (In Suggested Order of Staff Preference):			
ATTACHMENTS: Ordinance			
FUNDING SOURCE (Where Applicable): Debt Service Fund, Electric Fund			

RECOMMENDED ACTION: Approve an Ordinance of the City of Brenham, Texas, authorizing the issuance and sale of City of Brenham, Texas, Certificates of Obligation, Series 2016.

APPROVALS: Terry K. Roberts

ORDINANCE

AUTHORIZING THE
ISSUANCE OF

CITY OF BRENHAM, TEXAS
COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION
SERIES 2016

Adopted: September 15, 2016

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AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF BRENHAM, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2016; LEVYING A TAX IN PAYMENT THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT AND A PAYING AGENT/REGISTRAR AGREEMENT; APPROVING THE OFFICIAL STATEMENT; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, under the provisions of Subchapter C, Chapter 271, Texas Local Government Code, as amended, the City of Brenham, Texas (the "City"), is authorized to issue certificates of obligation for the purposes specified in this Ordinance and for the payment of all or a portion of the contractual obligations for professional services, including that of engineers, attorneys, and financial advisors in connection therewith, and to sell the same for cash as herein provided; and

WHEREAS, the City is authorized to provide that such obligations will be payable from and secured by the levy of a direct and continuing ad valorem tax against all taxable property within the City, in combination with all or a part of certain surplus revenues of the City's combined utility system remaining after payment of any obligations of the City payable in whole or in part from a lien or pledge of such revenues that would be superior to the obligations to be authorized herein as authorized by Chapter 1502, Texas Government Code; and

WHEREAS, the City Council has found and determined that it is necessary and in the best interest of the City and its citizens that it issue such certificates of obligation authorized by this Ordinance; and

WHEREAS, pursuant to a resolution heretofore passed by this governing body, notice of intention to issue certificates of obligation of the City payable as provided in this Ordinance was published in a newspaper of general circulation in the City in accordance with the laws of the State of Texas; and

WHEREAS, no petition of any kind has been filed with the City Secretary, any member of the City Council or any other official of the City, protesting the issuance of such certificates of obligation; and

WHEREAS, this City Council is now authorized and empowered to proceed with the issuance of said certificates of obligation and to sell the same for cash; and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended;

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

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:

“Business Day” means any day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office is located are generally authorized or obligated by law or executive order to close.

“Certificate” means any of the Certificates.

“Certificates” means the City’s obligations authorized to be issued by Section 3.01 of this Ordinance and designated as “City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2016.”

“City” means the City of Brenham, Texas.

“Closing Date” means the date of the initial delivery of and payment for the Certificates.

“Code” means the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c).

“Dated Date” means the date of the Certificates designated in Section 3.02(a).

“Designated Payment/Transfer Office” means, with respect to the initial Paying Agent/Registrar named herein, its office in Dallas, Texas, or at such other location designated by the Paying Agent/Registrar 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 brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Event of Default” means any event of default as defined in Section 10.01 of this Ordinance.

“Fiscal Year” means such fiscal year as shall from time to time be set by the City Council.

“Initial Certificate” means the Initial Certificate authorized by Section 3.04 of this Ordinance.

“Interest and Sinking Fund” means the interest and sinking fund established by Section 2.02 of this Ordinance.

“Interest Payment Date” means the date or dates on which interest on the Certificates is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being February 15 and August 15, commencing February 15, 2017.

“MSRB” means the Municipal Securities Rulemaking Board.

“Net Revenues” means the gross revenues of the System less the expenses of operation and maintenance as said expenses are defined by Chapter 1502, Texas Government Code, as amended.

“Owner” means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

“Paying Agent/Registrar” means initially, The Bank of New York Mellon Trust Company, National Association, Dallas, Texas, or any successor thereto as provided in this Ordinance.

“Prior Lien Bonds” means any and all bonds or other obligations of the City presently outstanding or that may be hereafter issued, payable from and secured by a first lien on and pledge of the Net Revenues or by a lien on and pledge of the Net Revenues subordinate to a first lien and pledge of such Net Revenues but superior to the lien and pledge of the Surplus Revenues made for the Certificates.

“Project” means the purposes for which the Certificates are issued as set forth in Section 3.01.

“Purchase Agreement” means the purchase agreement, between the City and the Underwriter, pertaining to the sale and purchase of the Certificates.

“Record Date” means the last Business Day of the month next preceding an Interest Payment Date.

“Register” means the bond register specified in Section 3.06(a) of this Ordinance.

“Regulations” means the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“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 Special Payment Date prescribed by Section 3.03(b) of this Ordinance.

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b) of this Ordinance.

“Surplus Revenues” means the Net Revenues of the System in an amount equal to \$1,000 remaining after payment of all debt service, reserve, and other requirements in connection with the City’s Prior Lien Bonds.

“System” as used in this Ordinance means the City’s combined utility system, including all present and future additions, extensions, replacements, and improvements thereto.

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of principal of or interest on the Certificates as the same come due and payable or money set aside for the payment of Certificates duly called for redemption prior to maturity and remaining unclaimed by the Owners of such Certificates after the applicable payment or redemption date.

“Underwriter” means Robert W. Baird & Co. Incorporated, as Underwriter of the Certificates named in the Purchase Agreement.

Section 1.02. 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 1.03. 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 1.04. 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) Any action required to be taken on a date which is not a Business Day shall be taken on the next succeeding Business Day and have the same effect as if taken on the date so required.

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

(d) Article and section references shall mean references to articles and sections of this Ordinance unless otherwise designated.

ARTICLE II

SECURITY FOR THE CERTIFICATES; INTEREST AND SINKING FUND

Section 2.01. Tax Levy.

(a) Pursuant to the authority granted by the Texas Constitution and the laws of the State of Texas, there shall be levied and there is hereby levied for the current year and for each succeeding year thereafter while any of the Certificates or any interest thereon is outstanding and unpaid, an ad valorem tax on each one hundred dollars valuation of taxable property within the City, at a rate sufficient, within the limit prescribed by law, to pay the debt service requirements of the Certificates, being (i) the interest on the Certificates, and (ii) a sinking fund for their redemption at maturity or a sinking fund of two percent per annum (whichever amount is greater), when due and payable, full allowance being made for delinquencies and costs of collection.

(b) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the City most recently approved in accordance with law, and the money thus collected shall be deposited as collected to the Interest and Sinking Fund.

(c) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Certificates when and as due and payable in accordance with their terms and this Ordinance.

(d) The amount of taxes to be provided annually for the payment of principal of and interest on the Certificates shall be determined in the manner provided in this Section 2.01.

(e) The City's annual budget shall reflect (i) the amount of debt service requirements to become due on the Certificates in the next succeeding Fiscal Year, (ii) the amount on deposit in the Interest and Sinking Fund, as of the date such budget is prepared (after giving effect to any payments required to be made during the remainder of the then current Fiscal Year), and (iii) the amount of Surplus Revenues estimated and budgeted to be available for the payment of such debt service requirements on the Certificates during the next succeeding Fiscal Year.

(f) The amount required to be provided in the succeeding Fiscal Year from ad valorem taxes shall be the amount, if any, the debt service requirements to be paid on the Certificates in the next succeeding Fiscal Year exceeds the sum of (i) the amount shown to be on deposit in the Interest and Sinking Fund (after giving effect to any payments required to be made during the remainder of the then current Fiscal Year) at the time the annual budget is prepared, and (ii) the Surplus Revenues shown to be budgeted and available for payment of said debt service requirements.

(g) Following the final approval of the annual budget of the City, the governing body of the City shall, by ordinance, set an ad valorem tax at a rate sufficient to produce taxes in the amount determined in paragraph (b) above, to be utilized for purposes of paying the principal of and interest on the Certificates in the next succeeding Fiscal Year.

(h) The City hereby covenants and agrees that the Surplus Revenues are hereby irrevocably pledged equally and ratably to the payment of the principal of and interest on the Certificates, as the same become due.

Section 2.02. Interest and Sinking Fund.

(a) The City hereby establishes a special fund or account to be designated the “City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2016, Interest and Sinking Fund” (the “Interest and Sinking Fund”), said fund or account to be maintained at an official depository bank of the City separate and apart from all other funds and accounts of the City.

(b) Money on deposit in or required by this Ordinance to be deposited to the Interest and Sinking Fund shall be used solely for the purpose of paying the interest on and principal of the Certificates when and as due and payable in accordance with their terms and this Ordinance.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS
REGARDING THE CERTIFICATES

Section 3.01. Authorization.

The City’s certificates of obligation to be designated “City of Brenham, Texas Combination Tax and Revenue Certificates of Obligation, Series 2016,” are hereby authorized to be issued and delivered in accordance with the laws of the State of Texas, specifically Subchapter C, Chapter 271, Texas Local Government Code. The Certificates shall be issued in the aggregate principal amount of \$_____ for the purpose of paying contractual obligations to be incurred for the following purposes, to wit: (a)(i) the construction and equipping of a new City animal shelter; (ii) the expansion, renovation and equipping of the City library; and (iii) the construction and improvement of the City’s electric utility system (collectively, the “Project”); and (b) to pay professional services of attorneys, engineers, financial advisors and other professionals in connection with the Project; and to pay the costs associated with the issuance of the Certificates.

Section 3.02. Date, Denomination, Maturities and Interest.

(a) The Certificates shall be dated September 1, 2016. The Certificates shall be issued in fully registered form, without coupons, in authorized denominations of \$5,000 or any integral multiple thereof, and shall be numbered separately from one (1) upward or such other designation acceptable to the City and the Paying Agent/Registrar, except the Initial Certificate, which shall be numbered T-1.

(b) The Certificates shall mature on August 15 in the years and in the principal amounts and shall bear interest at the per annum interest rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2017	\$ _____		2027		
2018			2028		
2019			2029		
2020			2030		
2021			2031		
2022			2032		
2023			2033		
2024			2034		
2025			2035		
2026			2036		

(c) Interest shall accrue and be paid on each Certificate respectively until its maturity or prior redemption, from the later of the Closing Date or the most recent Interest Payment Date to which interest has been paid or provided for at the rates per annum for each respective maturity specified in the schedule contained in subsection (b) above. Such interest shall be payable on each Interest Payment Date until maturity or prior redemption. Interest on the Certificates shall be calculated on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of and interest on the Certificates shall be paid in lawful money of the United States of America.

(b) Interest on the Certificates shall be payable to each Owner as shown 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 thirty (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 date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Certificate appearing in the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest on each Certificate shall be paid by check, dated as of the Interest Payment Date, and mailed on or before such Interest Payment Date, to each Owner, first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each Owner as it appears in the Register, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the Owner; provided, however, that such Owner shall bear all risk and expense of such other customary banking arrangements.

(d) The principal of each Certificate shall be paid to the Owner thereof on the due date (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Certificate at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Certificates is not a Business Day, the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

(f) Unclaimed Payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Certificates to which such Unclaimed Payments pertain. Subject to Title 6 of the Texas Property Code, any Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three (3) years after the applicable payment or redemption date shall be applied to the next payment or payments on the Certificates thereafter coming due and, to the extent any such money remains after the retirement of all outstanding Certificates, such money shall be paid 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 holders of such Certificates for any further payment of such unclaimed moneys or on account of any such Certificates, subject to Title 6 of the Texas Property Code.

Section 3.04. Execution and Registration of Certificates.

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

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Certificates ceases to be such officer before the authentication of such Certificates 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 Certificate 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 herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Certificates. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Certificate delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, 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 Certificate 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 that it has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one Initial Certificate representing the entire principal amount of all Certificates, payable in stated installments to the Underwriter, or its designee, executed by the manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Underwriter or its designee. Upon payment for the Initial Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver to DTC on behalf of the Underwriter one registered definitive Certificate for each year of maturity of the Certificates in the aggregate principal amount of all Certificates for such maturity bearing interest at the same per annum rate, registered in the name of Cede & Co., as nominee of DTC.

Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute owner of such Certificate for the purpose of making and receiving payment of the principal thereof and for the further purpose of making and receiving payment of the interest thereon, and for all other purposes (except interest will be paid to the person in whose name such obligation is registered on the Record Date or Special Record Date, as applicable), whether or not such Certificate 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 Owner of a Certificate shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Certificates 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 Certificates in accordance with this Ordinance.

(b) The ownership of a Certificate may be transferred only upon the presentation and surrender of the Certificate at the Designated Payment/Transfer Office with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Certificate shall be effective until entered in the Register.

(c) The Certificates shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Certificate or Certificates of the same maturity and interest rate and in any denomination or denominations of any integral multiple of \$5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Certificates presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Certificates exchanged for other Certificates in accordance with this Section.

(d) Each exchange Certificate delivered by the Paying Agent/Registrar 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 Certificate or Certificates in lieu of which such exchange Certificate is delivered.

(e) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different denomination of any of the Certificates. The Paying Agent/Registrar, however, may 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 or exchange of a Certificate.

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

Section 3.07. Cancellation.

All Certificates paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance with this Ordinance, shall be cancelled and proper records shall be made regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall dispose of cancelled Certificates in accordance with the record retention policies of the Paying Agent/Registrar.

Section 3.08. Temporary Certificates.

(a) Following the delivery and registration of the Initial Certificate and pending the preparation of definitive Certificates, the proper officers of the City may execute and, upon the City's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Certificates that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Certificates in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Certificates may determine, as evidenced by their signing of such temporary Certificates.

(b) Until exchanged for Certificates in definitive form, such Certificates in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Certificates in definitive form; thereupon, upon the presentation and surrender of the Certificates in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Certificates in temporary form and shall authenticate and deliver in exchange therefor Certificates of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Certificates in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Certificates.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate 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 Certificate 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 Certificate 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 Certificate has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Certificate 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 Certificate;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar to save it and the City 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 Certificate, a bona fide purchaser of the original Certificate in lieu of which such replacement Certificate was issued presents for payment such original Certificate, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Certificate 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 Certificate has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Certificate, may pay such Certificate if it has become due and payable or may pay such Certificate when it becomes due and payable.

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

Section 3.10. Book-Entry Only System.

The definitive Certificates shall be initially issued in the form of a separate typewritten fully registered Certificate for each of the maturities thereof bearing interest at the same per annum rate. Upon initial issuance, the ownership of such Certificates 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 Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Certificates 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 Certificates. 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 Certificates, (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 Certificates, 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 or interest on the Certificates. 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 Certificate is registered in the Register as the absolute owner of such Certificate for the purpose of payment of principal of and interest on the Certificates, for the purpose of all matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates 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 and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Register, shall receive a certificate 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., the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

Section 3.11. 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 representations letter of the City to DTC, 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 of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts. In such event, the Certificates 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 Certificates shall designate, in accordance with the provisions of this Ordinance.

Section 3.12. Payments to Cede & Co.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Certificates, and all notices with respect to such Certificates, shall be made and given, respectively, in the manner provided in DTC's then current operational procedures.

ARTICLE IV

REDEMPTION OF CERTIFICATES BEFORE MATURITY

Section 4.01. Limitation on Redemption.

The Certificates shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.02. Optional Redemption.

(a) The City reserves the option to redeem Certificates maturing on and after August 15, 20__, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof before their respective scheduled maturity dates, on August 15, 20__, or on any date thereafter, such redemption date or dates to be fixed by the City, at a price equal to the principal amount of the Certificates so called for redemption plus accrued interest to the date of redemption.

(b) If less than all of the Certificates are to be redeemed pursuant to an optional redemption, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity or maturities and in such principal amounts for redemption.

(c) 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 Certificates to be redeemed.

Section 4.03. Mandatory Sinking Fund Redemption.

(a) The Certificates stated to mature on August 15 each of the years 20__, 20__, and 20__ (the "Term Certificates") are subject to scheduled mandatory redemption and will be redeemed by the City, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on August 15 in the years and in the respective principal amounts as set forth in the following schedule:

Term Certificates Maturing August 15, 20

Redemption Date (August 15)	Principal Amount
20__*	\$ _____
20__	

* Stated maturity.

Term Certificates Maturing August 15, 20

Redemption Date (August 15)	Principal Amount
20__*	\$ _____
20__	

* Stated maturity.

Term Certificates Maturing August 15, 20

Redemption Date (August 15)	Principal Amount
20__*	\$ _____
20__	

* Stated maturity.

(b) At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Certificates equal to the aggregate principal amount of such Term Certificates to be redeemed, shall call such Term Certificates for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.05.

(c) The principal amount of the Term Certificates required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option of the City, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.04. Partial Redemption.

(a) A portion of a single Certificate 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. If such an Certificate is to be partially redeemed, the Paying Agent/Registrar shall treat each \$5,000 portion of the Certificate as though it were a single Certificate for purposes of selection for redemption.

(b) Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Ordinance, shall authenticate and deliver an exchange Certificate or Certificates in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered, such exchange being without charge, notwithstanding any provision of Section 3.06 to the contrary.

Section 4.05. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Certificates 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 Certificate (or part thereof) to be redeemed, at the address shown in the Register at the close of business on the Business Day next preceding the date of mailing such notice.

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

(c) The City reserves the right to give notice of its election or direction to redeem Certificates under Section 4.02 conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to a conditional notice of redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a conditional notice of redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

(d) Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the City in

the notice, the Certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any obligation or portion thereof has not been surrendered for payment, interest on such obligation or portion thereof shall cease to accrue.

Section 4.06. Payment Upon Redemption.

(a) Before or on each redemption date, the City shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Certificates 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 and shall use such funds solely for the purpose of paying the principal of, and accrued interest on the Certificates being redeemed.

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

Section 4.07. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.05 of this Ordinance, and subject to the provisions of Section 4.05(c), the Certificates or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City fails to make provision for the payment of the principal thereof or accrued interest thereon, such Certificates or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Certificates are presented and surrendered for payment on such date.

(b) If the City shall fail to make provision for payment of all sums due on a redemption date, or rescinds the notice of redemption, then any Certificate or portion thereof called for redemption shall continue to bear interest at the rate stated on the Certificate until due provision is made for the payment of same by the City.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

The Bank of New York Mellon Trust Company, National Association, is hereby appointed as the initial Paying Agent/Registrar for the Certificates.

Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Certificates.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Certificates are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance. The Mayor is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar in substantially the form presented at this meeting, the form, terms and provisions of which are hereby approved.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement, provided no such resignation shall be effective until a successor Paying Agent/Registrar has accepted the duties of Paying Agent/Registrar for the Certificates.

Section 5.04. Termination.

The City, upon not less than sixty (60) days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided, that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Certificates.

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 first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions.

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

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 Certificates to the successor Paying Agent/Registrar.

ARTICLE VI

FORM OF THE CERTIFICATES

Section 6.01. Form Generally.

(a) The Certificates, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas to accompany the Initial Certificate, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Certificates, (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 (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 Certificates, as evidenced by their execution thereof.

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

(c) The definitive Certificates shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Certificates, as evidenced by their execution thereof.

(d) The Initial Certificate submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 6.02. Form of the Certificates.

The form of the Certificates, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, to accompany the Initial Certificate, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Certificates, shall be substantially as follows:

(a) Form of Certificates.

REGISTERED
No. _____

REGISTERED
\$ _____

United States of America
State of Texas

CITY OF BRENHAM, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2016

INTEREST RATE	MATURITY DATE	CLOSING DATE	DATED DATE	CUSIP NUMBER
_____ %	August 15, 20__	_____, 2016	September 1, 2016	_____

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

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

_____ DOLLARS

unless this Certificate shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of the Closing Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months, such interest to be paid semiannually on February 15 and August 15 of each year, commencing February 15, 2017, until stated maturity or prior redemption.

The principal of this Certificate shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Certificate at the designated office in Dallas, Texas, of The Bank of New York Mellon Trust Company, National Association, as Paying Agent/Registrar (the "Designated Payment/Transfer Office"), or, with respect to a successor paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Certificate is payable by check dated as of the interest payment date, and will be mailed on or before such interest payment date, by first class United States mail, postage prepaid, 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 and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements. For the purpose of the payment of interest on this Certificate, the registered owner shall be the person in whose name this

Certificate 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 thirty (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 date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days (as hereinafter defined) prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of an Certificate 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.

If the date for the payment of the principal of or interest on this Certificate is not a Business Day, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are generally authorized or obligated by law or executive order to close (a "Business Day"), and payment on such date shall for all purposes be deemed to have been made on the original date payment was due.

This Certificate is one of a series of fully registered obligations specified in the title hereof issued in the aggregate principal amount of \$ _____ (herein referred to as the "Certificates"), dated as of September 1, 2016, issued pursuant to a certain ordinance of the City (the "Ordinance") for the purpose of paying contractual obligations to be incurred for authorized public improvements (the "Project"), as described in the Ordinance, and to pay the contractual obligations for professional services of attorneys, financial advisors and other professionals in connection with the Project and the issuance of the Certificates.

The City has reserved the option to redeem the Certificates maturing on or after August 15, 20__ in whole or in part before their respective scheduled maturity dates, on August 15, 20__ or on any date thereafter, at a price equal to the principal amount of the Certificates so called for redemption plus accrued interest to the date fixed for redemption. If less than all of the Certificates are to be redeemed, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity and in such principal amounts, for redemption.

The Certificates stated to mature on August 15 in each of the years 20__, 20__, and 20__ (the "Term Certificates") are subject to scheduled mandatory redemption and will be redeemed by the City, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on August 15 in the years and in the respective principal amounts as set forth in the Ordinance.

At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that

results in a random selection, a principal amount of Term Certificates equal to the aggregate principal amount of such Term Certificates to be redeemed and shall call such Term Certificates for redemption on such scheduled mandatory redemption date.

The principal amount of the Term Certificates required to be redeemed on any mandatory sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to an optional redemption and not previously credited to a mandatory sinking fund redemption.

Notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than thirty (30) days before the date fixed for redemption, to the registered owner of each of the Certificates to be redeemed in whole or in part. Notice having been so given, the Certificates 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 Certificates or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Certificates or portions thereof shall cease to accrue.

In the Ordinance, the City reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to a conditional notice of redemption and such redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional notice of redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default. Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the City in the notice, the certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any obligation or portion thereof has not been surrendered for payment, interest on such obligation or portion thereof shall cease to accrue.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Certificate is transferable upon surrender of this Certificate for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence

of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Certificates 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 issue, transfer or exchange any Certificate called for redemption where such redemption is scheduled to occur within forty-five (45) calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Certificate.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Certificate 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 Certificate is registered on the "Record Date" or "Special Record Date," as applicable) and for all other purposes, whether or not this Certificate be overdue, and neither the City, nor the Paying Agent/Registrar nor any other person shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Certificate and the series of which it is a part is duly authorized by law and that all acts, conditions and things required to be done precedent to and in the issuance of the Certificates have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that ad valorem taxes upon all taxable property in the City have been levied for and pledged to the payment of the debt service requirements of the Certificates, within the limit prescribed by law; that, in addition to said taxes, further provisions have been made for the payment of the debt service requirements of the Certificates by pledging to such purpose Surplus Revenues, as defined in the Ordinance, derived by the City from the operation of its water and wastewater system in an amount limited to \$1,000; that when so collected, such taxes and Surplus Revenues shall be appropriated to such purposes; and that the total indebtedness of the City, including the Certificates, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City has caused this Certificate to be executed by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed or placed in facsimile on this Certificate.

City Secretary
City of Brenham, Texas

Mayor
City of Brenham, Texas

[SEAL]

(b) Form of Comptroller's Registration Certificate.

The following Comptroller's Registration Certificate may be deleted from the definitive Certificates if such certificate on the Initial Certificate is fully executed.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

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

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Certificate has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of the City of Brenham, Texas, and that this Certificate has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, _____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar.

The following Certificate of Paying Agent/Registrar may be deleted from the Initial Certificate if the executed Comptroller's Registration Certificate appears thereon.

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Certificate of this series of certificates of obligation was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Certificates referred to in the within-mentioned Ordinance.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, NATIONAL
ASSOCIATION,
as Paying Agent/Registrar

Dated: _____

By: _____
Authorized Signatory

(d) 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 Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed By:

Authorized Signatory

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

(e) The Initial Certificate shall be in the form set forth in paragraphs (a), (b) and (d) of this Section, except for the following alterations:

(i) immediately under the name of the Certificate, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and the words "CUSIP NUMBER" deleted; and

(ii) in the first paragraph of the Certificate, the words "on the Maturity Date specified above, the sum of _____ DOLLARS" shall be deleted and the following will be inserted: "on August 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth with the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
(Information to be inserted from schedule in Section 3.02 of this Ordinance)		

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Certificates shall be of no significance or effect as regards the

legality thereof and neither the City nor the attorneys approving said Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Certificates.

Section 6.04. Legal Opinion.

The approving legal opinion of Bracewell LLP, Bond Counsel, may be attached to or printed on the reverse side of each Certificate over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 6.05. Statement of Insurance.

A statement relating to a municipal bond insurance policy, if any, to be issued for the Certificates may be printed on or attached to each Certificate.

ARTICLE VII

SALE AND DELIVERY OF CERTIFICATES;
DEPOSIT OF PROCEEDS; OFFICIAL STATEMENT

Section 7.01. Sale of Certificates.

(a) The Certificates are hereby sold and awarded and shall be delivered to the Underwriter at the price and on the terms specified in the Purchase Agreement. The form, terms and provisions of the Purchase Agreement are hereby approved and the Mayor or Mayor Pro Tem is hereby authorized and directed to execute and deliver such Purchase Agreement. It is hereby found, determined and declared that the terms of this sale are the most advantageous reasonably available. The Certificates shall be initially registered in the name of the Underwriter or its designee.

(b) All officers of the City are authorized to execute such documents, certificates and receipts, and to make such elections with respect to the tax-exempt status of the Certificates, as they may deem appropriate in order to consummate the delivery of the Certificates. Further, in connection with the submission of the record of proceedings for the Certificates to the Attorney General of the State of Texas for examination and approval of such Certificates, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10th of 1% of the principal amount of the Certificates or (ii) \$9,500.

(c) The obligation of the Underwriter to accept delivery of the Certificates is subject to the Underwriter being furnished with the final, approving opinion of Bracewell LLP, Bond Counsel for the City, which opinion shall be dated and delivered on the Closing Date.

Section 7.02. Deposit of Proceeds.

Proceeds from the sale of the Certificates shall, promptly upon receipt by the City, be applied as follows:

(a) Certificate proceeds in the amount of \$ _____ shall be used for the purposes set forth in Section 3.01.

(b) Certificate proceeds in the amount of \$ _____ shall be used to pay the costs of issuance provided that any amount remaining after the payment of paying costs of issuance shall be deposited for the purposes described in subsection (a) above.

(c) Any Certificate proceeds not used for the purposes described in subsections (a) and (b) above shall be deposited to the Interest and Sinking Fund.

Section 7.03. Control and Delivery of Certificates.

(a) The Mayor of the City is hereby authorized to have control of the Initial Certificate 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 Certificates shall be made to the Underwriter under and subject to the general supervision and direction of the Mayor, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor or City Secretary is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem and the Assistant City Secretary, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant City Secretary shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor and City Secretary, respectively.

Section 7.04. Official Statement.

The form and substance of the Preliminary Official Statement, and any addenda, supplement or amendment thereto, and the final Official Statement (the "Official Statement") presented to and considered at this meeting, are hereby in all respects approved and adopted, and the Preliminary Official Statement is hereby deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The Mayor and City Secretary of the City are hereby authorized and directed to execute the same and to deliver or cause to be delivered appropriate numbers of copies thereof to the Underwriter. The Official Statement as thus approved and delivered, with such appropriate variations as shall be approved by the Mayor of the City and the Underwriter, may be used by the Underwriter in the public offering and sale thereof. The use and distribution of the Preliminary Official Statement in the public offering of the Certificates by the Underwriter is hereby ratified, approved and confirmed. The City Secretary is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the

Official Statement and the preliminary public offering of the Certificates by the Underwriter is hereby ratified, approved and confirmed.

ARTICLE VIII

INVESTMENTS

Section 8.01. Investments.

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

(b) Any securities or obligations in which money in the Interest and Sinking Fund 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 Interest and Sinking Fund.

Section 8.02. Investment Income.

(a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such Fund.

(b) Interest and income derived from the investment of funds deposited pursuant to Section 7.02 hereof shall be credited to the fund or account where deposited until completion of the Project; thereafter, to the extent such interest and income are present, such interest and income shall be deposited to the Interest and Sinking Fund.

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Certificates.

On or before each Interest Payment Date for the Certificates and while any of the Certificates 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 such interest on and principal of the Certificates as will accrue or mature on the applicable Interest Payment Date, maturity date or date of prior redemption.

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 Certificate; the City will promptly pay or cause to be paid the principal of and interest on each Certificate on the dates and at the places and manner prescribed in such Certificate; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The City is duly authorized under the laws of the State of Texas to issue the Certificates; all action on its part for the creation and issuance of the Certificates has been duly and effectively taken; and the Certificates 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. Provisions Concerning Federal Income Tax Exclusion.

The City intends that the interest on the Certificates be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150 of the Code. The City covenants and agrees not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, would (i) cause the interest on the Certificates to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes or (ii) result in the violation of or failure to satisfy any provision of section 103 and 141 through 150 of the Code. In particular, the City covenants and agrees to comply with each requirement of this Sections 9.03 through 9.13, inclusive; provided, however, that the City will not be required to comply with any particular requirement of Sections 9.03 through 9.13, inclusive, if the City has received an opinion of nationally recognized bond counsel (“Counsel’s Opinion”) that (i) such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Certificates or (ii) compliance with some other requirement will satisfy the applicable requirements of the Code, in which case compliance with such other requirement specified in such Counsel’s Opinion will constitute compliance with the corresponding requirement specified in Sections 9.03 through 9.12, inclusive.

Section 9.04. No Private Use or Payment and No Private Loan Financing.

The City will certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Certificates are delivered, the proceeds of the Certificates will not be used in a manner that would cause the Certificates to be “private activity bonds” within the meaning of section 141 of the Code moreover, the City covenants and agrees that it will make such use of the proceeds of the Certificates, including interest or other investment income derived from Certificate proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Certificates will not be “private activity bonds” within the meaning of section 141 of the Code.

Section 9.05. No Federal Guarantee.

The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Certificates to be “federally guaranteed” within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

Section 9.06. No Hedge Bonds.

The City covenants and agrees not to take any action, or knowingly omit to take any action, and has not knowingly omitted and will not knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Certificates to be “hedge bonds” within the meaning of section 149(g) of the Code.

Section 9.07. No-Arbitrage Covenant.

The City will certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Certificates are delivered, the proceeds of the Certificates will not be used in a manner that would cause the Certificates to be “arbitrage bonds” within the meaning of section 148(a) of the Code. Moreover, the City covenants and agrees that it will make such use of the proceeds of the Certificates including interest or other investment income derived from Certificate proceeds, regulate investments of proceeds of the Certificates, and take such other and further action as may be required so that the Certificates will not be “arbitrage bonds” within the meaning of section 148(a) of the Code.

Section 9.08. Arbitrage Rebate.

If the City does not qualify for an exception to the requirements of section 148(f) of the Code relating to the required rebate to the United States, the City will take all steps necessary to comply with the requirement that certain amounts earned by the City on the investment of the “gross proceeds” of the Certificates (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the City will (i) maintain records regarding the investment of the gross proceeds of the Certificates as may be required to calculate the amount earned on the investment of the gross proceeds of the Certificates separately from records of amounts on deposit in the funds and accounts of the City allocable to other bond issues of the City or moneys that do not represent gross proceeds of any bonds of the City, (ii) determine at such times as are required by the Regulations, the amount earned from the investment of the gross proceeds of the Certificates that is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Certificates or on such other dates as may be permitted under the Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Certificates that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm’s length and had the yield on the issue not been relevant to either party.

Section 9.09. Information Reporting.

The City covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Certificates are issued, an information statement concerning the Certificates, all under and in accordance with section 149(e) of the Code.

Section 9.10. Record Retention.

The City will retain all pertinent and material records relating to the use and expenditure of the proceeds of the Certificates until three years after the last Certificate is redeemed, or such shorter period as authorized by subsequent guidance issued by the Department of Treasury, if

applicable. All records will be kept in a manner that ensures their complete access throughout the retention period. For this purpose, it is acceptable that such records are kept either as hardcopy books and records or in an electronic storage and retrieval system, provided that such electronic system includes reasonable controls and quality assurance programs that assure the ability of the City to retrieve and reproduce such books and records in the event of an examination of the Certificates by the Internal Revenue Service.

Section 9.11. Registration.

The Certificates will be issued in registered form.

Section 9.12. Deliberate Actions.

The City will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Certificates to fail to meet any requirement of section 141 of the Code regarding the use of Certificate proceeds after the issue date of the Certificates unless an appropriate remedial action is permitted by section 1.141-12 of the Regulations, the City takes such remedial action and the City receives a Counsel's Opinion that such remedial action cures any failure to meet the requirements with respect to the use of the proceeds of the Certificates.

Section 9.13. Qualified Tax-Exempt Obligations.

The City hereby designates the Certificates as "qualified tax-exempt obligations" for purposes of section 265(b) of the Code. In connection therewith, the City represents (a) that the aggregate amount of tax-exempt obligations issued by the City during calendar year 2016, including the Certificates, that have been designated as "qualified tax-exempt obligations" under section 265(b)(3) of the Code does not exceed \$10,000,000, and (b) that the reasonably anticipated amount of its tax-exempt obligations that will be issued by the City during calendar year 2016, including the Certificates, will not exceed \$10,000,000. For purposes of this Section 9.13, the term "tax-exempt obligations" does not include (i) "private activity bonds" within the meaning of section 141 of the Code, other than "qualified 501(c)(3) bonds" within the meaning of section 145 of the Code or (ii) obligations issued to currently refund any obligation to the extent that the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation. In addition, for purposes of this Section 9.13, the City includes all entities that are aggregated with the City under the Code.

Section 9.14. Continuing Obligation.

Notwithstanding any other provision of this Ordinance, the City's obligations under the covenants and provisions of Sections 9.03 through 9.13, inclusive, will survive the defeasance and discharge of the Certificates for as long as such matters are relevant to the exclusion from gross income of interest on the Certificates for federal income tax purposes.

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:

(i) the failure to make payment of the principal of or interest on any of the Certificates 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, which default materially and 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 sixty (60) days after notice of such default is given by any Owner to the City.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then 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 Certificates 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 Certificates 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 Certificates 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

Section 11.01. Discharge.

The Certificates may be refunded, discharged or defeased in any manner permitted by applicable law.

ARTICLE XII

CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Annual Reports.

(a) The City shall provide annually to the MSRB within six (6) months after the end of each Fiscal Year, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the information described in Exhibit A hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit A hereto, and (ii) audited, if the City commissions an audit of such 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 such period, then the City shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable Fiscal Year to the MSRB. Thereafter, when and if audited financial statements become available, the City shall provide such audited financial statements as required to the MSRB.

(b) 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.

(c) 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 (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

Section 12.02. Event Notices.

(a) The City shall provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and in not more than 10 business days after the occurrence of the event:

- (i) principal and interest payment delinquencies;
- (ii) nonpayment related defaults, if material;

- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) 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 Certificates, or other material events affecting the tax status of the Certificates;
- (vii) modifications to rights of Owners, if material;
- (viii) bond calls, if material and tender offers;
- (ix) defeasance;
- (x) release, substitution, or sale of property securing repayment of the Certificates, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of 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; and
- (xiv) appointment of a successor or additional paying agent/registrars or the change of name of a paying agent/registrars, if material.

For these purposes, any event described in the immediately preceding clause (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(b) The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 12.01 of this Ordinance by the time required by such Section.

Section 12.03. Limitations, Disclaimers and Amendments.

(a) The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Article XI that causes Certificates no longer to be Outstanding.

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Certificates, and nothing in this Article, 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 Article 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 Article 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 Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY CERTIFICATE 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 ARTICLE, 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.

(c) No default by the City in observing or performing its obligations under this Article shall comprise a breach of or default under the Ordinance for purposes of any other provisions of this Ordinance.

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

(e) The provisions of this Article 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 (i) the provisions of this Article, as so amended, would have permitted an Underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that

authorizes such an amendment) of the Outstanding Certificates consent 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 interests of the Owners and beneficial owners of the Certificates. The provisions of this Article may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent the Underwriter of the initial public offering of the Certificates from lawfully purchasing or selling Certificates in such offering. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.02 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

ARTICLE XIII

AMENDMENTS TO ORDINANCE

Section 13.01. Amendments of Ordinance.

The City may, without the consent of or notice to the Owners, from time to time and at any time amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of the Owners of a majority in aggregate principal amount of the Certificates then outstanding, amend, add to or rescind any of the provisions of this Ordinance; provided, that, without the consent of the Owners of all Certificates then outstanding, no such amendment, addition, or rescission shall:

- (a) affect the rights of the Owners of less than all of the Certificates then outstanding;
- (b) make any change in the maturities of the Certificates;
- (c) reduce the rate of interest borne by any of the Certificates;
- (d) reduce the amount of the principal payable on the Certificates;
- (e) modify the terms of payment of principal of or interest on the Certificates or impose any conditions with respect to such payment; or
- (f) change the minimum percentage of the principal amount of Certificates necessary for consent to such amendment.

Certificates owned or held by or for the account of or for the benefit of the City shall not be deemed to be outstanding for the purpose of amending this Ordinance.

Section 13.02. Notice and Adoption of Amendment.

If the City desires to amend this Ordinance and such amendment requires the consent of the Owners pursuant to Section 13.01, the City shall cause notice of the proposed amendment to

be given in writing to each Owner of Certificates then outstanding. If, within thirty (30) days, or such longer period as shall be prescribed by the City, following the giving of such notice, the Owners of Certificates then outstanding in the aggregate principal amount required by Section 13.01 shall have consented to the amendment as herein provided, no Owner of a Certificate shall have any right to object to any of the terms and provisions contained therein, or in any manner to question the propriety of the execution thereof, and all the rights of all Owners of Certificates shall thereafter be determined, exercised, and enforced hereunder subject in all respects to such amendment.

Section 13.03. Consent of Owner Irrevocable.

Any consent given by any Owner of a Certificate pursuant to the provisions of this Article shall be irrevocable and binding on all future Owners of the same Certificates from the date of such consent.

Section 13.04. Nonsubstantive Changes.

The Mayor and the City Manager, in consultation with the City's Bond Counsel, is hereby authorized and directed to approve such nonsubstantive changes to this Ordinance as may be required by the Attorney General of Texas in his approval of the Certificates herein authorized.

ARTICLE XIV

EFFECTIVE IMMEDIATELY

Section 14.01. Effective Immediately.

Notwithstanding any provision of the City Charter, this Ordinance shall become effective immediately upon its adoption at this meeting pursuant to Section 1201.028, Texas Government Code.

ARTICLE XV

OPEN TO THE PUBLIC

Section 15.01. Open to the Public. It is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.

PASSED, APPROVED AND ADOPTED this September 15, 2016.

Milton Y. Tate, Jr.
City of Brenham, Texas

ATTEST:

Jeana Bellinger, TRMC, City Secretary
City of Brenham, Texas

EXHIBIT A

DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

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

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Article are as specified (and included in the Appendix or other headings of the Official Statement referred to) below:

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded Fiscal Year.
2. Statistical and financial data set forth in Tables numbered 1 through 4 and 6 through 9, each inclusive.

Accounting Principles

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above.



AGENDA ITEM 10

DATE OF MEETING: September 15, 2016		DATE SUBMITTED: September 6, 2016	
DEPT. OF ORIGIN: Finance		SUBMITTED BY: Carolyn D. Miller	
MEETING TYPE:		CLASSIFICATION:	
<input checked="" type="checkbox"/> REGULAR		<input type="checkbox"/> PUBLIC HEARING	
<input type="checkbox"/> SPECIAL		<input type="checkbox"/> CONSENT	
<input type="checkbox"/> EXECUTIVE SESSION		<input checked="" type="checkbox"/> REGULAR	
		<input type="checkbox"/> WORK SESSION	
ORDINANCE:			
<input checked="" type="checkbox"/> 1 ST READING			
<input type="checkbox"/> 2 ND READING			
<input type="checkbox"/> RESOLUTION			
AGENDA ITEM DESCRIPTION: An Ordinance of the City Council of the City of Brenham, Texas, Authorizing the Issuance and Sale of City of Brenham, Texas, General Obligation Refunding Bonds, Series 2016; Levying a Tax in Payment Thereof; Authorizing the Execution and Delivery of a Purchase Agreement, A Paying Agent/Registrar Agreement and an Escrow Agreement; Calling Certain Outstanding Obligations for Redemption; Approving the Official Statement; and Enacting Other Provisions Relating Thereto			
SUMMARY STATEMENT: Garry Kimball of Specialized Public Finance has presented information related to the opportunity to advance refund a portion of the City’s 2008 Certificates of Obligation Bonds which were used to construct a south side elevated water tower and for expansion/improvements to the water utility system. The City would issue approximately \$4,985,000 in Series 2016 General Obligation Refunding Bonds and would recognize a net savings of over \$557,000. The savings would be realized over a 17 year period at approximately \$40,000 per year or over 9% net present value benefit compared with the face amount being refinanced. Mr. Kimball will be present at the Council meeting to answer any additional questions.			
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):			
A. PROS:			
B. CONS:			
ALTERNATIVES (In Suggested Order of Staff Preference):			
ATTACHMENTS: (1) Preliminary \$4,985,000 General Obligation Refunding Bonds Series 2016 Schedules; and (2) 2016 Refunding Ordinance.			
FUNDING SOURCE (Where Applicable):			

RECOMMENDED ACTION: Approve an Ordinance of the City of Brenham, Texas authorizing the issuance and sale of General Obligation Refunding Bonds, Series 2016.

APPROVALS: Terry K. Roberts

ORDINANCE

AUTHORIZING THE ISSUANCE OF

CITY OF BRENHAM, TEXAS
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2016

Adopted: September 15, 2016

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AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF BRENHAM, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016; LEVYING A TAX IN PAYMENT THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT; CALLING CERTAIN OUTSTANDING OBLIGATIONS FOR REDEMPTION; APPROVING THE OFFICIAL STATEMENT; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, there are presently outstanding certain obligations of the City of Brenham, Texas (the “City”), described on Schedule I attached hereto (the “Refunded Obligations”); and

WHEREAS, the City desires to issue its bonds for the purpose of refunding the Refunded Obligations, as authorized by Chapter 1207, Texas Government Code, as amended (“Chapter 1207”); and

WHEREAS, Chapter 1207 authorizes the City to enter into an escrow agreement with the paying agent for the Refunded Obligations 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; and

WHEREAS, The Bank of New York Mellon Trust Company, National Association, is the paying agent for the Refunded Obligations; and

WHEREAS, the City Council hereby finds and determines that the refunding contemplated in this Ordinance will benefit the City by providing a gross dollar savings of debt service equal to \$_____, realizing a net present value savings of \$_____ or _____% and that such benefit is sufficient consideration for refunding the Refunded Obligations; and

WHEREAS, the City Council has found and determined that it is necessary and in the best interest of the City and its citizens that it authorize by this Ordinance the issuance, sale and delivery of its refunding bonds at this time, and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended;

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

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:

“Bond” means any of the Bonds.

“Bond Date” means the date designated in Section 3.02 as the date of the Bonds.

“Bonds” means the City’s General Obligation Refunding Bonds authorized to be issued by Section 3.01 of this Ordinance.

“Business Day” means any day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office is located are generally authorized or obligated by law or executive order to close.

“City” means the City of Brenham, Texas.

“Closing Date” means the date of the initial delivery of and payment for the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c).

“Dated Date” means the date of the Bonds designated in Section 3.02(a).

“Designated Payment/Transfer Office” means, with respect to the initial Paying Agent/Registrar named herein, its office in Dallas, Texas, or at such other location designated by the Paying Agent/Registrar 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 brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Escrow Agent” means The Bank of New York Mellon Trust Company, National Association, Dallas, Texas.

“Escrow Agreement” means the escrow agreement between the City and the Escrow Agent pertaining to the Refunded Obligations.

“Event of Default” means any event of default as defined in Section 10.01 of this Ordinance.

“Fiscal Year” means such fiscal year as shall from time to time be set by the City Council.

“Initial Bond” means the Initial Bond authorized by Section 3.04 of this Ordinance.

“Interest and Sinking Fund” means the interest and sinking fund established by Section 2.02 of this Ordinance.

“Interest Payment Date” means the date or dates on which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being February 15 and August 15, commencing February 15, 2017.

“MSRB” means the Municipal Securities Rulemaking Board.

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

“Paying Agent/Registrar” means initially The Bank of New York Mellon Trust Company, National Association, Dallas, Texas, or any successor thereto as provided in this Ordinance.

“Purchase Agreement” means the purchase agreement between the City and the Underwriter pertaining to the sale and purchase of the Bonds.

“Record Date” means the last Business Day of the month next preceding an Interest Payment Date.

“Refunded Obligations” means the Refunded Obligations of the City described in Schedule I attached hereto to be refunded with a portion of the proceeds of the Bonds.

“Register” means the bond register specified in Section 3.06(a) of this Ordinance.

“Regulations” means the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“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 Special Payment Date prescribed by Section 3.03(b) of this Ordinance.

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b) of this Ordinance.

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of principal of or interest on the Bonds as the same come due and payable or money set aside for the payment of Bonds duly called for redemption prior to maturity and remaining unclaimed by the Owners of such Bonds after the applicable payment or redemption date.

“Underwriter” means Robert W. Baird & Co. Incorporated, as Underwriter of the Bonds named in the Purchase Agreement.

Section 1.02. 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 1.03. 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 1.04. 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) Any action required to be taken on a date which is not a Business Day shall be taken on the next succeeding Business Day and have the same effect as if taken on the date so required.

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

(d) Article and section references shall mean references to articles and sections of this Ordinance unless otherwise designated.

ARTICLE II

LEVY OF AD VALOREM TAX; SECURITY FOR THE BONDS; INTEREST AND SINKING FUND

Section 2.01. Tax Levy.

(a) Pursuant to the authority granted by the Texas Constitution and the laws of the State of Texas, there shall be levied and there is hereby levied for the current year and for each succeeding year thereafter while any of the Bonds or any interest thereon is outstanding and unpaid, an ad valorem tax on each one hundred dollars valuation of taxable property within the City, at a rate sufficient, within the limit prescribed by law, to pay the debt service requirements of the Bonds, being (i) the interest on the Bonds, and (ii) a sinking fund for their redemption at maturity or a sinking fund of two percent (2%) per annum (whichever amount is greater), when due and payable, full allowance being made for delinquencies and costs of collection.

(b) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the City most recently approved in accordance with law and the money thus collected shall be deposited as collected to the Interest and Sinking Fund.

(c) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Bonds when and as due and payable in accordance with their terms and this Ordinance.

Section 2.02. Interest and Sinking Fund.

(a) The City hereby establishes a special fund or account, to be designated the “City of Brenham, Texas, General Obligation Refunding Bonds Interest and Sinking Fund, Series 2016” (the “Interest and Sinking Fund”), said fund or account to be maintained at an official depository bank of the City separate and apart from all other funds and accounts of the City.

(b) Money on deposit in or required by this Ordinance to be deposited to the Interest and Sinking Fund shall be used solely for the purpose of paying the interest on and principal of the Bonds when and as due and payable in accordance with their terms and this Ordinance.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.01. Authorization.

The City’s bonds, to be designated “City of Brenham, Texas, General Obligation Refunding Bonds, Series 2016” are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including particularly Chapter 1207. The Bonds shall be issued in the aggregate principal amount of \$_____ for the purpose refunding the Refunded Obligations and paying the costs and expenses of issuing the Bonds.

Section 3.02. Date, Denomination, Maturities and Interest.

(a) The Bonds shall be dated September 1, 2016. The Bonds shall be issued in fully registered form, without coupons, in authorized denominations of \$5,000 or any integral multiple thereof, and shall be numbered separately from one (1) upward or such other designation acceptable to the City and the Paying Agent/Registrar, except the Initial Bond, which shall be numbered T-1.

(b) The Bonds shall mature on August 15 in the years and in the principal amounts and shall bear interest at the per annum interest rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2017	\$ _____	_____ %
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		

(c) Interest shall accrue and be paid on each Bond respectively until its maturity or prior redemption, from the later of the Closing Date or the most recent Interest Payment Date to which interest has been paid or provided for at the rates per annum for each respective maturity specified in the schedule contained in the subsection (b) above. Such interest shall be payable on each Interest Payment Date until maturity or prior redemption. Interest on the Bonds shall be calculated on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of and interest on the Bonds shall be paid in lawful money of the United States of America.

(b) Interest on the Bonds shall be payable to each Owner as shown 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 thirty (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 date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) 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 in the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest on each Bond shall be paid by check, dated as of the Interest Payment Date, and mailed on or before such Interest Payment Date, to each Owner, first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each Owner as it appears in the Register, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the Owner; provided, however, that such Owner shall bear all risk and expense of such other customary banking arrangements.

(d) The principal of each Bond shall be paid to the Owner thereof on the due date (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 of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Bonds is not a Business Day, the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

(f) Unclaimed Payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such Unclaimed Payments pertain. Subject to Title 6 of the Texas Property Code, any Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three (3) years after the applicable payment or redemption date shall be applied to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains after the retirement of all outstanding Bonds, such money shall be paid 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 holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to Title 6 of the Texas Property Code.

Section 3.04. Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the City by the Mayor and the City Secretary, 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 those 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 herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory 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 at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, 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 that it 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 all Bonds, payable in stated installments to the Underwriter or its designee, executed by the Mayor and City Secretary of the City by their manual or facsimile signatures, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Underwriter or its designee. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to DTC, on behalf of the Underwriter, one registered definitive Bond for each year of maturity of the Bonds in the aggregate principal amount of all Bonds for such maturity bearing interest at the same per annum rate, registered in the name of Cede & Co., as nominee of 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 as provided herein (except interest shall be paid to the person in whose name such 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 Owner of a Bond 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) The ownership of a Bond may be transferred only upon the presentation and surrender of the Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar

with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any denomination or denominations of any integral multiple of \$5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Bonds presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) Each exchange Bond delivered by the Paying Agent/ Registrar 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 exchange Bond is delivered.

(e) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different denomination of any of the Bonds. The Paying Agent/Registrar, however, may 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 or exchange of a Bond.

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

Section 3.07. Cancellation.

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 cancelled and proper records shall be made regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall dispose of cancelled Bonds in accordance with the record retention policies of the Paying Agent/Registrar.

Section 3.08. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of the City may execute and, upon the City's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and shall authenticate and deliver in exchange therefor Bonds of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar 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 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 to save it and the City 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 additional 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 3.10. Book-Entry Only System.

(a) Notwithstanding any other provision hereof, upon initial issuance of the Bonds, the ownership of the Bonds shall be registered in the name of Cede & Co., as nominee of DTC. The definitive Bonds shall be initially issued in the form of a single separate fully registered certificate for each of the maturities thereof.

(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. 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 such Bonds, for the purpose of all 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 certificate 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., the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

Section 3.11. 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 representations letter of the City to DTC, 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 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 of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. 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 Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.12. 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 DTC's then current operational procedures.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.01. Limitation on Redemption.

The Bonds shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.02. Optional Redemption.

(a) The City reserves the option to redeem Bonds maturing on and after August 15, 20__, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof before their respective scheduled maturity dates, on August 15, 20__, or on any date thereafter, such redemption date or dates to be fixed by the City, at a price equal to the principal amount of the Bonds so called for redemption plus accrued interest to the date of redemption.

(b) If less than all of the Bonds are to be redeemed pursuant to an optional redemption, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Bonds, or portions thereof, within such maturity or maturities and in such principal amounts for redemption.

(c) 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. Mandatory Sinking Fund Redemption.

(a) The Bonds stated to mature on August 15 each of the years 20__, 20__, and 20__ (the “Term Bonds”) are subject to scheduled mandatory redemption and will be redeemed by the City, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on August 15 in the years and in the respective principal amounts as set forth in the following schedule:

Term Bonds Maturing August 15, 20__

Redemption Date (August 15)	Principal Amount
20__*	\$ _____
20__	

* Stated maturity.

Term Bonds Maturing August 15, 20__

Redemption Date (August 15)	Principal Amount
20__*	\$ _____
20__	

* Stated maturity.

Term Bonds Maturing August 15, 20__

Redemption Date (August 15)	Principal Amount
20__*	\$ _____
20__	

* Stated maturity.

(b) At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.05.

(c) The principal amount of the Term Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option

of the City, by the principal amount of any Term Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.04. Partial Redemption.

(a) 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. If such an Bond is to be partially redeemed, 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.

(b) 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, such exchange being without charge, notwithstanding any provision of Section 3.06 to the contrary.

Section 4.05. 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 in the Register at the close of business on the Business Day next preceding the date of mailing such notice.

(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) The City reserves the right to give notice of its election or direction to redeem Bonds under Section 4.02 conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to a conditional notice of redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a conditional notice of redemption, the failure of the City to make moneys and/or

authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

(d) Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the City in the notice, the Bonds called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any obligation or portion thereof has not been surrendered for payment, interest on such obligation or portion thereof shall cease to accrue.

Section 4.06. Payment Upon Redemption.

(a) Before or on each redemption date, the City shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and 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 and shall use such funds solely for the purpose of paying the principal of, and accrued interest on the Bonds being redeemed.

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

Section 4.07. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.05 of this Ordinance, and subject to the provisions of Section 4.05(c), the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City fails to make provision for the payment of the principal thereof 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 the City shall fail to make provision for payment of all sums due on a redemption date, or rescinds the notice of redemption, then any Bond or portion thereof called for redemption shall continue to bear interest at the rate stated on the Bond until due provision is made for the payment of same by the City.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

The Bank of New York Mellon Trust Company, National Association, is hereby appointed as the initial Paying Agent/Registrar for the Bonds.

Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Bonds.

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. The Mayor is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar, in substantially the form presented at this meeting, the form, terms and provisions of which are hereby approved.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement; provided no such resignation shall be effective until a successor Paying Agent/Registrar has accepted the duties of Paying Agent/Registrar for the Bonds.

Section 5.04. Termination.

The City, upon not less than sixty (60) days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination; provided, that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and 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 first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions.

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

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 Certificate of the Comptroller of Public Accounts of the State of Texas to accompany the Initial Bond, the Certificate 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 (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 definitive Bonds shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

(d) The Initial Bond submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 6.02. Form of the Bonds.

The form of the Bond, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, to accompany the Initial Bond, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows:

(a) Form of Bond.

REGISTERED
No. _____

REGISTERED
\$ _____

United States of America
State of Texas

CITY OF BRENHAM, TEXAS
GENERAL OBLIGATION REFUNDING BOND
SERIES 2016

INTEREST RATE	MATURITY DATE	CLOSING DATE	DATED DATE	CUSIP NUMBER
_____ %	August 15, 20__	_____, 2016	September 1, 2016	_____

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

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

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of the Closing Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months, such interest to be paid semiannually on February 15 and August 15 of each year, commencing February 15, 2017, until stated maturity or prior redemption.

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 corporate trust office in Dallas, Texas (the "Designated Payment/Transfer Office"), The Bank of New York Mellon Trust Company, National Association, as Paying Agent/Registrar or, with respect to a successor Paying Agent/Registrar, at the Designated Payment/Transfer Office thereof. Interest on this Bond is payable by check dated as of the interest payment date, and will be 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 arrangement acceptable to the Paying Agent/Registrar and the registered owner; provided, however, such registered owner shall bear all risk and expense of such other banking arrangement. 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.

If the date for the payment of the principal of or interest on this Bond is not a Business Day, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are generally authorized or obligated by law or executive order to close (a “Business Day”), and payment on such date shall for all purposes be deemed to have been 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”), dated as of September 1, 2016, issued pursuant to a certain ordinance of the City (the “Ordinance”), for the purpose of providing funds with which to refund in advance of their maturity certain outstanding obligations of the City, and to pay the costs of issuing the Bonds.

The City has reserved the option to redeem the Bonds maturing on or after August 15, 20__ in whole or in part before their respective scheduled maturity dates, on August 15, 20__ 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 date fixed for redemption. If less than all of the Bonds are to be redeemed, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Bonds, or portions thereof, within such maturity and in such principal amounts, for redemption.

The Bonds stated to mature on August 15 in each of the years 20__, 20__, and 20__ (the “Term Bonds”) are subject to scheduled mandatory redemption and will be redeemed by the City, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on August 15 in the years and in the respective principal amounts as set forth in the Ordinance.

At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed and shall call such Term Bonds for redemption on such scheduled mandatory redemption date.

The principal amount of the Term Bonds required to be redeemed on any mandatory sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Term Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to an optional redemption and not previously credited to a mandatory sinking fund redemption.

Notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than thirty (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.

In the Ordinance, the City reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to a conditional notice of redemption and such redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional notice of redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default. Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the City in the notice, the certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any obligation or portion thereof has not been surrendered for payment, interest on such obligation or portion thereof shall cease to accrue.

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 of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; 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.

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) 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 ad valorem taxes upon all taxable property in the City have been levied for and pledged to the payment of the debt service requirements of the Bonds, within the limit prescribed by law.

IN WITNESS WHEREOF, the City has caused this Bond to be executed by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed or placed in facsimile on this Bond.

City Secretary
City of Brenham, Texas

Mayor
City of Brenham, Texas

(SEAL)

(b) Form of Comptroller's Registration Certificate.

The following Comptroller's Registration Certificate may be deleted from the definitive Bonds if such certificate on the Initial Bond is fully executed.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

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

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of the City of Brenham, Texas, and that this Bond has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, _____.

Comptroller of Public Accounts
of the State of Texas

SEAL

(c) Form of Certificate of Paying Agent/Registrar.

The following Certificate of Paying Agent/Registrar may be deleted from the Initial Bond if the Comptroller's Registration Certificate appears thereon.

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Bond of this series of Bonds was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Bonds referred to in the within-mentioned Ordinance.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, NATIONAL ASSOCIATION
as Paying Agent/Registrar

Dated: _____

By: _____
Authorized Signatory

(d) 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 thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed By:

Authorized Signatory

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.

(e) Initial Bond.

The Initial Bond shall be in the form set forth in paragraphs (a), (b) and (d) of this Section, except for the following alterations:

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" shall be deleted;

B. in the first paragraph the words "on the Maturity Date specified above, the sum of _____ DOLLARS" shall be deleted and the following will be inserted: "on August 15 in the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(Information to be inserted from Section 3.02 of this Ordinance)

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, New York, New York, 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 Bracewell LLP, Bond Counsel, may be attached to or printed on the reverse side of each Bond over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 6.05. Statement of Insurance.

A statement relating to a municipal bond insurance policy, if any, to be issued for the Bonds may be printed on or attached to each Bond.

ARTICLE VII

SALE AND DELIVERY OF BONDS; DEPOSIT OF PROCEEDS; OFFICIAL STATEMENT

Section 7.01. Sale of Bonds.

(a) The Bonds are hereby sold and awarded and shall be delivered to the Underwriter at the price and on the terms specified in the Purchase Agreement. The form, terms and provisions of the Purchase Agreement are hereby approved and the Mayor or Mayor Pro Tem is hereby authorized and directed to execute and deliver such Purchase Agreement. It is hereby found, determined and declared that the terms of this sale are the most advantageous reasonably available. The Bonds shall be initially registered in the name of the Underwriter or its designee.

(b) All officers of the City are authorized to execute such documents, certificates and receipts, and to make such elections with respect to the tax-exempt status of the Bonds, as they may deem appropriate in order to consummate the delivery of the Bonds. Further, in connection with the submission of the record of proceedings for the Bonds to the Attorney General of the State of Texas for examination and approval of such Bonds, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10th of 1% of the principal amount of the Bonds or (ii) \$9,500.

(c) The obligation of the Underwriter to accept delivery of the Bonds is subject to the Underwriter being furnished with the final, approving opinion of Bracewell LLP, Bond Counsel for the City, which opinion shall be dated and delivered on the Closing Date.

Section 7.02. Deposit of Proceeds.

On the Closing Date, an amount equal to \$ _____, representing \$ _____ premium plus \$ _____ transfer from interest and sinking fund for the Refunded Obligations plus \$ _____ of Bond proceeds shall be deposited to the Escrow Fund and applied to refund the Refunded Obligations. The remaining portion of the proceeds of the Bonds shall be applied to the payment of the costs of issuing the Bonds. Any amount remaining after providing for the defeasance of the Refunded Obligations and payment of the costs of issuance shall be deposited to the Interest and Sinking Fund and applied to the payment of debt service on the Bonds.

Section 7.03. 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 Underwriter under and subject to the general supervision and direction of the Mayor, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor or City Secretary is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem and the Assistant City Secretary, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant City Secretary shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor and City Secretary, respectively.

Section 7.04. Official Statement.

The form and substance of the Preliminary Official Statement, and any addenda, supplement or amendment thereto, and the final Official Statement (the "Official Statement") presented to and considered at this meeting, are hereby in all respects approved and adopted, and the Preliminary Official Statement is hereby deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The Mayor and City Secretary of the City are hereby authorized and directed to execute the same and to deliver or cause to be delivered appropriate numbers of copies thereof to the Underwriter. The Official Statement as thus approved and delivered, with such appropriate variations as shall be approved by the Mayor of the City and the Underwriter, may be used by the Underwriter in the public offering and sale thereof. The use and distribution of the Preliminary Official Statement in the public offering of the Bonds by the Underwriter is hereby ratified, approved and confirmed. The City Secretary is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Official Statement and the preliminary public offering of the Bonds by the Underwriter is hereby ratified, approved and confirmed.

ARTICLE VIII

INVESTMENTS

Section 8.01. Investments.

(a) Money in the Interest and Sinking Fund created by this Ordinance, at the City's option, may be invested in such securities or obligations as permitted under applicable law. Money in the Escrow Fund shall be applied as directed in the Escrow Agreement.

(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 8.02. Investment Income.

Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such Fund. Earnings on investments held in the Escrow Fund shall be applied as provided in the Escrow Agreement.

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Bonds.

On or before each Interest Payment Date for the Bonds and 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 such interest on and principal of the Bonds as will accrue or mature on the applicable Interest Payment Date, maturity date or date of prior redemption.

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 and interest on 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, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(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. Provisions Concerning Federal Income Tax Exclusion.

The City intends that the interest on the Bonds be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150 of the Code. The City covenants and agrees not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, would (i) cause the interest on the Bonds to be includable in the gross income, as defined in section 61 of the Code, for federal income tax purposes or (ii) result in the violation of or failure to satisfy any provision of section 103 and 141 through 150 of the Code that is applicable to the Bonds. In particular, the City covenants and agrees to comply with each requirement of Sections 9.03 through 9.13, inclusive; provided, however, that the City will not be required to comply with any particular requirement of this Section 9.03 if the City has received an opinion of nationally recognized bond counsel (“Counsel’s Opinion”) that (i) such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or (ii) compliance with some other requirement will satisfy the applicable requirements of the Code, in which case compliance with such other requirement specified in such Counsel’s Opinion will constitute compliance with the corresponding requirement specified in Sections 9.03 through 9.12, inclusive.

Section 9.04. No Private Use or Payment and No Private Loan Financing.

The City covenants and agrees that it will make such use of the proceeds of the Bonds, including interest or other investment income derived from Bond proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Bonds will not be “private activity bonds” within the meaning of section 141 of the Code. Moreover, the City will certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, the proceeds of the Refunded Obligations have not been and the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be “private activity bonds” within the meaning of section 141 of the Code.

Section 9.05. No Federal Guarantee.

The City covenants and agrees that it has not taken and will not take any action, and has not knowingly omitted and will not knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Bonds to be “federally guaranteed” within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

Section 9.06. No Hedge Bonds.

The City covenants and agrees that it has not and will not take any action, and has not knowingly omitted and will not knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Bonds to be “hedge bonds” within the meaning of section 149(g) of the Code. Moreover, the City will certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, the proceeds of the Refunded Obligations have not been used in a manner that would cause the Refunded Obligations or the Bonds to be “hedge bonds” within the meaning of section 149(g) of the Code.

Section 9.07. No-Arbitrage Covenant.

The City covenants and agrees that it will make such use of the proceeds of the Bonds including interest or other investment income derived from Bond proceeds, regulate investments of proceeds of the Bonds, and take such other and further action as may be required so that the Bonds will not be “arbitrage bonds” within the meaning of section 148(a) of the Code. Moreover, the City will certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, that the proceeds of the Refunded Obligations have not been and the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of section 148(a) of the Code.

Section 9.08. Arbitrage Rebate.

If the City does not qualify for an exception to the requirements of section 148(f) of the Code relating to the required rebate to the United States, the City will take all steps necessary to comply with the requirement that certain amounts earned by the City on the investment of the “gross proceeds” of the Bonds (within the meaning of section 148(f)(6)(B) of the Code) be rebated to the federal government. Specifically, the City will (i) maintain records regarding the investment of the gross proceeds of the Bonds as may be required to calculate the amount earned on the investment of the gross proceeds of the Bonds separately from records of amounts on deposit in the funds and accounts of the City allocable to other bond issue of the County or moneys that do not represent gross proceeds of any bonds of the City, (ii) determine at such times as are required by the Regulations, the amount earned from the investment of the gross proceeds of the Bonds which is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Bonds or on such other dates as may be permitted under the Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm’s length and had the yield on the issue not been relevant to either party.

Section 9.09. Information Reporting.

The City covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, an information statement concerning the Bonds, all under and in accordance with section 149(e) of the Code.

Section 9.10. Record Retention.

The City will retain all pertinent and material records relating to the use and expenditure of the proceeds of the Refunded Obligations and the Bonds until three years after the last Bond is redeemed, or such shorter period as authorized by subsequent guidance issued by the Department

of the Treasury, if applicable. All records will be kept in a manner that ensures their complete access throughout the retention period. For this purpose, it is acceptable that such records are kept either as hardcopy books and records or in an electronic storage and retrieval system, provided that such electronic system includes reasonable controls and quality assurance programs that assure the ability of the City to retrieve and reproduce such books and records in the event of an examination of the Bonds by the Internal Revenue Service.

Section 9.11. Registration.

The Bonds will be issued in registered form.

Section 9.12. Deliberate Actions.

The City will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Bonds to fail to meet any requirement under section 141 of the Code after the issue date of the Bonds unless an appropriate remedial action is permitted by section 1.141-12 of the Regulations, such remedial action is taken, and a Counsel's Opinion is obtained that such remedial action cures any failure to meet the requirements of section 141 of the Code.

Section 9.13. Qualified Tax-Exempt Obligations.

The City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of section 265(b) of the Code. In connection therewith, the City represents (a) that the aggregate amount of tax-exempt obligations issued by the City during calendar year 2016, including the Bonds, that have been designated as "qualified tax-exempt obligations" under section 265(b)(3) of the Code does not exceed \$10,000,000, and (b) that the reasonably anticipated amount of its tax-exempt obligations that will be issued by the City during calendar year 2016, including the Bonds, will not exceed \$10,000,000. For purposes of this Section 9.13, the term "tax-exempt obligations" does not include (i) "private activity bonds" within the meaning of section 141 of the Code, other than "qualified 501(c)(3) bonds" within the meaning of section 145 of the Code or (ii) obligations issued to currently refund any obligation to the extent that the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation. In addition, for purposes of this Section 9.13, the City includes all entities that are aggregated with the City under the Code.

Section 9.14. Continuing Obligation.

Notwithstanding any other provision of this Ordinance, the City's obligations under the covenants and provisions of Sections 9.03 through 9.13, inclusive, will survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the exclusion from gross income of interest on the Bonds for federal income tax purposes.

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:

(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, which default materially and 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 sixty (60) days after notice of such default is given by any Owner to the City.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then 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

Section 11.01. Discharge.

The Bonds may be defeased, discharged or refunded in any manner permitted by applicable law.

ARTICLE XII

CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Annual Reports.

(a) The City shall provide annually to the MSRB, within six (6) months after the end of each Fiscal Year, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the information described in Exhibit A hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit A hereto, and (ii) audited, if the City commissions an audit of such 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 such period, then the City shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable Fiscal Year to the MSRB. Thereafter, when and if audited financial statements become available, the City shall provide such audited financial statements as required to the MSRB.

(b) 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.

(c) 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 (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

Section 12.02. Event Notices.

(a) The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and in not more than 10 business days after the occurrence of the event:

- (i) principal and interest payment delinquencies;
- (ii) nonpayment related defaults, if material;

- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) 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 material events affecting the tax status of the Bonds;
- (vii) modifications to rights of Owners, if material;
- (viii) bond calls, if material and tender offers;
- (ix) defeasance;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of 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; and
- (xiv) appointment of a successor or additional paying agent/registrars or the change of name of a paying agent/registrars, if material.

For these purposes, any event described in the immediately preceding clause (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the.

(b) The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 12.02 of this Ordinance by the time required by such Section.

Section 12.03. Limitations, Disclaimers and Amendments.

(a) The City shall be obligated to observe and perform the covenants specified in this Article 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 Article XI that causes Bonds no longer to be Outstanding.

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Bonds, and nothing in this Article, 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 Article 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 Article 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.

(c) UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE OWNER 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 ARTICLE, 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.

(d) No default by the City in observing or performing its obligations under this Article shall comprise a breach of or default under the Ordinance for purposes of any other provisions of this Ordinance.

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

(a) The provisions of this Article 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 (i) the provisions of this Article, 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 to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes

such an amendment) of the Outstanding Bonds consent 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 interests of the Owners and beneficial owners of the Bonds. The provisions of this Article may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent the Underwriter of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.02 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

ARTICLE XIII

AMENDMENTS TO ORDINANCE

Section 13.01. Amendments of Ordinance.

The City may, without the consent of or notice to the Owners, from time to time and at any time amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of the Owners of a majority in aggregate principal amount of the Bonds then outstanding, amend, add to or rescind any of the provisions of this Ordinance; provided, that, without the consent of the Owners of all Bonds then outstanding, no such amendment, addition, or rescission shall:

- (a) affect the rights of the Owners of less than all of the Bonds then outstanding;
- (b) make any change in the maturities of the Bonds;
- (c) reduce the rate of interest borne by any of the Bonds;
- (d) reduce the amount of the principal payable on the Bonds;
- (e) modify the terms of payment of principal of or interest on the Bonds or impose any conditions with respect to such payment; or
- (f) change the minimum percentage of the principal amount of Bonds necessary for consent to such amendment.

Bonds owned or held by or for the account of or for the benefit of the City shall not be deemed to be outstanding for the purpose of amending this Ordinance.

Section 13.02. Notice and Adoption of Amendment.

If the City desires to amend this Ordinance and such amendment requires the consent of the Owners pursuant to Section 13.01, the City shall cause notice of the proposed amendment to be

given in writing to each Owner of Bonds then outstanding. If, within thirty (30) days, or such longer period as shall be prescribed by the City, following the giving of such notice, the Owners of Bonds then outstanding in the aggregate principal amount required by Section 13.01 shall have consented to the amendment as herein provided, no Owner of a Bond shall have any right to object to any of the terms and provisions contained therein, or in any manner to question the propriety of the execution thereof, and all the rights of all Owners of Bonds shall thereafter be determined, exercised, and enforced hereunder subject in all respects to such amendment.

Section 13.03. Consent of Owner Irrevocable.

Any consent given by any Owner of a Bond pursuant to the provisions of this Article shall be irrevocable and binding on all future Owners of the same Bonds from the date of such consent.

Section 13.04. Nonsubstantive Changes.

The Mayor and the City Manager, in consultation with the City's Bond Counsel, is hereby authorized and directed to approve such nonsubstantive changes to this Ordinance as may be required by the Attorney General of Texas in his approval of the Bonds herein authorized.

ARTICLE XIV

REFUNDED OBLIGATIONS

Section 14.01. Payment of Paying Agent.

Prior to the Closing Date, the City shall ascertain from the paying agent for the Refunded Obligations the amount of all future fees and expenses for its paying agency services with respect to the Refunded Obligations. Concurrently with the sale and delivery of the Bonds, the City shall cause an amount sufficient to pay such future fees and expenses to be paid to such paying agent unless such paying agent agrees in writing to bill the City directly pursuant to its contract for paying agency services and, in no event, make a claim to be paid from the Escrow Fund.

Section 14.02. Escrow Agreement.

The discharge and defeasance of the Refunded Obligations shall be completed pursuant to the terms and provisions of the Escrow Agreement in substantially the form presented herewith, the terms and provisions of which are hereby approved, subject to such insertions, additions and modifications as shall be deemed necessary or appropriate by the City Manager or Chief Financial Officer to carry out the purposes hereof, minimize the City's costs of refunding, comply with all applicable laws and regulations relating to the refunding of the Refunded Obligations. The Mayor is hereby authorized to execute and deliver such Escrow Agreement on behalf of the City in multiple counterparts.

Section 14.03. Redemption of Refunded Obligations.

Following the deposit to the Escrow Fund as herein specified, the Refunded Obligations shall be payable solely from and secured by the cash and securities on deposit in the Escrow Fund and shall cease to be payable from any other source. The Refunded Obligations are hereby

called for redemption prior to maturity on the date set forth in Schedule I hereto at a redemption price equal to the principal amount thereof plus interest accrued thereon to the redemption date therefor. The City Secretary is hereby authorized and directed to cause to be delivered to the paying agent/registrar for the Refunded Obligations a certified copy of this Ordinance and the delivery thereof to such paying agent/registrar shall constitute the giving of notice of redemption to the paying agent/registrar for the Refunded Obligations and such paying agent/registrar is hereby authorized and directed to give notice of redemption to the owners of the Refunded Obligations in accordance with the requirements of the ordinance authorizing the issuance thereof.

Section 14.04. Purchase of Federal Securities.

To assure the purchase of the Federal Securities (as defined in the Escrow Agreement) to be identified in the Escrow Agreement, the City Manager or Chief Financial Officer are each hereby authorized to subscribe for, agree to purchase, and purchase the Federal Securities, in such amounts and maturities and bearing interest at such rates as may be provided for in the Escrow Agreement, 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.

ARTICLE XV

EFFECTIVE IMMEDIATELY

Section 15.01. Effective Immediately. Notwithstanding any provision of the City Charter, this Ordinance shall become effective immediately upon its adoption at this meeting pursuant to Section 1201.028, Texas Government Code.

ARTICLE XVI

OPEN TO THE PUBLIC

Section 16.01. Open to the Public. It is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.

PASSED, APPROVED AND ADOPTED this September 15, 2016.

Milton Y. Tate, Jr.
City of Brenham, Texas

ATTEST:

Jeana Bellinger, TRMC, City Secretary
City of Brenham, Texas

SCHEDULE I

SCHEDULE OF REFUNDED OBLIGATIONS

To be redeemed on August 15, 2018

<u>Issue</u>	<u>Maturities to Be Refunded</u>	<u>Principal Amount to be Refunded</u>
Combination Tax and Revenue	August 15, 2019	\$ 220,000
Certificates of Obligation, Series 2008	August 15, 2020	235,000
	August 15, 2021	240,000
	August 15, 2022	510,000
	August 15, 2024 ⁽¹⁾	1,050,000
	August 15, 2026 ⁽²⁾	1,220,000
	August 15, 2028 ⁽³⁾	1,355,000

⁽¹⁾ Represents Term Bonds maturing in the year 2024

⁽²⁾ Represents Term Bonds maturing in the year 2026

⁽³⁾ Represents Term Bonds maturing in the year 2028

EXHIBIT A

DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

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

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Article are as specified (and included in the Appendix or other headings of the Official Statement referred to) below:

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded Fiscal Year.
2. Statistical and financial data set forth in Tables numbered 1 through 4 and 6 through 9, each inclusive.

Accounting Principles

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above.



AGENDA ITEM 11

DATE OF MEETING: September 15, 2016	DATE SUBMITTED: September 6, 2016	
DEPT. OF ORIGIN: Finance	SUBMITTED BY: Carolyn D. Miller	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Renewal with Texas Municipal League Intergovernmental Risk Pool for General Liability, Law Enforcement Liability, Public Officials Liability, Mobile Equipment, Airport Liability, Property, Auto Liability and Physical Damage, Crime, Animal Mortality and Theft and Workers' Compensation Coverage for the City of Brenham for Fiscal Year 2016-17 and Authorize the Mayor to Execute Any Necessary Documentation		
SUMMARY STATEMENT: See separate memo from ACM-CFO		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS: All coverage and claims processing provided by same vendor; 2% early pay discount allowed.		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Memo from ACM-CFO; and (2) Schedule of recommended coverage		
FUNDING SOURCE (Where Applicable): Sufficient funds have been budgeted in each departmental budget in the FY16-17 Budget to cover required contributions.		
RECOMMENDED ACTION: Approve the renewal with Texas Municipal League Intergovernmental Risk Pool for General Liability, Law Enforcement Liability, Public Officials Liability, Mobile Equipment, Airport Liability, Property, Auto Liability and Physical Damage, Crime, Animal Mortality and Theft and Workers' Compensation coverage for the City of Brenham for Fiscal Year 2016-17 and authorize the Mayor to execute any necessary documentation		
APPROVALS: Terry K. Roberts		



MEMORANDUM

To: Mayor, Council and City Manager

From: Carolyn D. Miller
Assistant City Manager-Chief Financial Officer

Subject: Renewal of Property and Liability Coverage with TML Intergovernmental Risk Pool for FY2016-17

Date: September 6, 2016

As a member of the TML Intergovernmental Risk Pool (TMLIRP) we benefit from the mission statement of the Pool which is to provide a stable source of risk financing. In April, 2016, the TMLIRP Board reviewed recent loss experience, actuarial indications and current rates. The following information is excerpted from the TMLIRP quarterly newsletter and is provided to give an overview of the TMLIRP rate changes for 2016-17.

❖ **General Liability Coverage**

Overall, liability rates for the coming year will change by about 1.7%, but the auto liability continues to experience greater than expected losses. The overall rate increase for auto liability is 5.9%.

❖ **Property Rates and Coverage Changes**

The last few years for the TMLIRP Property Fund have been very active in terms of frequency and severity of losses, due particularly to several significant weather events. Hail claims have specifically generated a considerable amount of loss for the Pool. Due to the increase in losses, there is a 5% increase in property rates for the 2016/17 fund year.

Effective October 1, 2016, the Pool will expand its cyber liability and data breach coverage. The Pool has recognized the need for enhancing this coverage and will be providing this to all members that have general liability or property coverage, for no additional contribution.

❖ **Workers' Compensation Rate Changes**

For the current year, rates were increased for individual classification codes based on loss experience. The City received notification of our workers' comp rates in early June, and the new rates have been included in our proposed FY16-17 personnel budget.

Impact to City of Brenham

Although liability, property, and workers' compensation rates did increase across the Pool's entire membership, the individual member contributions are affected not only by rates, but also the member's loss experience (experience modifier) and/or changes in exposure.

The renewal rates from TMLIRP for FY2016-17 are shown on the attached spreadsheet with a comparison to the FY2015-16 coverage. The overall budget impact is a decrease of over \$51,826. Based on our renewal, the City will experience the following percent changes:

- 22.25% decrease in general liability
- 20.35% increase in property coverage
- 16.86% decrease in workers' compensation rates

When looking at the decrease in liability and workers' compensation rates, a significant reduction in the experience modifier contributed to this favorable renewal. For workers' compensation, the experience modifier is based on a state adopted formula comparing expected losses to actual losses over the previous three years.

The 19% increase in property coverage is due in part to an increase of over \$10 million in new property added for FY2016-17. We added the following capital assets to our coverage:

- Animal Shelter \$2.9 million
- Library \$4.8 million
- Lift Stations \$1.1 million
- 1.25% increase in valuations \$698,673
- Playground Equipment \$367,617
- Skate Park \$150,000
- Old Girl Scout Bldg. \$110,453
- Generators \$110,000
- Shade Canopies \$ 76,550
- Fire Storage Bldg. \$ 40,000
- Other Changes \$ 92,440

The City will receive a 2% reduction in contributions for early payment of the annual costs if paid by October 31 which amounts to \$ 7,527.

Recommendation

We are recommending approval of the TMLIRP renewal rates for liability, property and workers' compensation effective October 1, 2016 at the rates shown on the accompanying schedule.

City of Brenham

Texas Municipal Intergovernmental Risk Pool Renewal
 FY2016-17 Liability/Property/Workers' Compensation
 Contributions Comparison Schedule

Coverage Description	FY2015-16 Limits	FY2016-17 Limits	FY2015-16 Experience Modifier	FY2016-17 Experience Modifier	FY2015-16 Contribution	FY2016-17 Contribution	Difference	Percent Change
General Liability	\$ 5,000,000	\$ 5,000,000	0.76	0.56	\$ 24,538	\$ 18,913	\$ (5,625)	-22.92%
Law Enforcement Liability	\$ 5,000,000	\$ 5,000,000	0.76	0.56	\$ 30,321	\$ 18,633	\$ (11,688)	-38.55%
Errors & Omissions Liability	\$ 5,000,000	\$ 5,000,000	0.76	0.56	\$ 51,529	\$ 33,162	\$ (18,367)	-35.64%
Automobile Liability	\$ 5,000,000	\$ 5,000,000	0.76	0.56	\$ 34,547	\$ 27,931	\$ (6,616)	-19.15%
Automobile Physical Damage	Actual Cash Value	Actual Cash Value			\$ 44,279	\$ 45,442	\$ 1,163	2.63%
Aviation	\$ 5,000,000	\$ 5,000,000			\$ 2,657	\$ 1,992	\$ (665)	-25.03%
Subtotal Liability					\$ 187,871	\$ 146,073	\$ (41,798)	-22.25%
Real & Personal Property	\$ 55,893,872	\$ 66,290,823	1.00	1.00	\$ 59,607	\$ 76,204	\$ 16,597	27.84%
Mobile Equipment	\$ 4,689,312	\$ 4,621,833	1.00	1.00	\$ 18,021	\$ 19,022	\$ 1,001	5.55%
Crime - Public Employee Dishonesty	\$ 50,000	\$ 50,000			\$ 1,504	\$ 1,660	\$ 156	10.37%
Crime - Forgery & Alteration	\$ 250,000	\$ 250,000			\$ 341	\$ 376	\$ 35	10.26%
Crime - Computer Fraud	\$ 1,000,000	\$ 1,000,000			\$ 312	\$ 345	\$ 33	10.58%
Animal Mortality and Theft	As Scheduled	As Scheduled			\$ 2,140	\$ 990	\$ (1,150)	-53.74%
Subtotal Property					\$ 81,925	\$ 98,597	\$ 16,672	20.35%
Workers' Compensation	Statutory	Statutory	0.55	0.44	\$ 158,390	\$ 131,690	\$ (26,700)	-16.86%
Total All Coverage					\$ 428,186	\$ 376,360	\$ (51,826)	-12.10%
Early Pay Discount 2%						\$ (7,527)	\$ (7,527)	
Net FY2016-17 Contribution					\$ 428,186	\$ 368,833	\$ (59,353)	-13.86%

Note: There are no changes in deductibles from FY2015-16 to FY2016-17.



AGENDA ITEM 12

DATE OF MEETING: September 15, 2016	DATE SUBMITTED: September 6, 2016	
DEPT. OF ORIGIN: Finance	SUBMITTED BY: Carolyn D. Miller	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon the Renewal of City of Brenham Group Health Plan with TML Multistate Intergovernmental Employee Benefits Pool and Establishment of Funding Rates for Calendar Year 2017 and Authorize the Mayor to Execute Any Necessary Documentation		
SUMMARY STATEMENT: See separate memo from ACM-CFO		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Memo from ACM-CFO; and (2) TML Rate Options spreadsheet		
FUNDING SOURCE (Where Applicable): Funds are budgeted in each departmental budget for FY16-17.		
RECOMMENDED ACTION: Approve the renewal for City of Brenham Group Health Plan with TML Multistate Intergovernmental Employee Benefits Pool, establish funding rates for calendar year 2017 and authorize the Mayor to execute any necessary documentation		
APPROVALS: Terry K. Roberts		



MEMORANDUM

To: Mayor, Council and City Manager

From: Carolyn D. Miller
Assistant City Manager-Chief Financial Officer

Subject: Renewal of Fully-Funded Group Medical Plan with TML MultiState
Intergovernmental Employee Benefits Pool and Approval of Funding Rates for
Calendar Year 2017

Date: September 6, 2016

The timeline for developing the personnel budget occurs several months before the City receives the rerate for group health coverage. In developing the FY16-17 personnel budget, a key priority was holding the City's portion of insurance costs at the current level. This would be achieved by: (1) identifying changes to our group medical plan to mitigate any premium increases for the City; (2) continue the transition to equalize the City contribution for dependent coverage by shifting the cost share percentage from 70/30 to 65/35 (65% City and 35% employee); and (3) hopefully with plan changes, our employees would not be impacted by the shift in cost share for dependent premiums.

Underwriting Assumptions

In August, we met with our TML IEBP benefit service specialist to review the 2016-17 rerate and underwriting assumptions. Based on these underwriting assumptions, overall, a 4.6% increase in contributions was needed from the Pool members, with the City of Brenham facing a 4% increase for calendar year 2017. The increase for Pool members is shown below.

- 11% of members received a decrease in rates
- 16% of members did not get a rate increase
- 43% of members had an increase under 5%
- 12% of members had an increase between 5-10%
- 5% of members had an increase between 11-15%
- 13% of members had an increase over 15%

Plan Changes by TML IEBP

The factors used to calculate the Pool’s funding requirements are identified below and based on the pharmacy trends a benefit change is being made by TML IEBP (the carrier) which is applicable to all Pool members.

Underwriting factors

- 3% medical trend
- 2.16% non-specialty Rx trend
- 18% specialty Rx trend
- 15% reinsurance trend

Stabilization of Prescription Costs – To provide rate stabilization, the copays have increased by \$5.00 on many of the categories within the medication therapy management program:

<u>Category</u>	<u>From</u>	<u>To</u>
• Most generic drugs	\$0	\$5
• Best brand drugs	\$38	\$43
• Non-best brand drugs	\$60	\$65
• Cost share drugs	no change from \$120	
• Biosimilar/specialist drugs	no change from \$75	
• Biotech/specialty drugs	no change from \$100	

Plan Changes Recommended by City of Brenham

If you recall, last year we were facing a 3% increase in total premiums before any plan changes, and with plan modifications, we experienced a 5% decrease. Knowing that we were facing a 4% increase in premiums, we asked TML IEBP for plan change options that we could consider this year to circumvent any increase. These are the plan changes we are recommending.

Office Visit Copays

- increase from \$25 to \$35 for each visit

Out of Pocket Costs

- Out of pocket increase from \$2,500 to \$3,500 for an individual and from \$5,000 to \$7,000 for employee and dependents

Deductible

- No change in deductible
- In 2016 we changed from \$600 to \$1,200 for an individual and from \$1,200 to \$2,400 for employee and dependents

If Council approves these plan changes, our total premiums will decrease 1.28% as compared to a 4% increase if we do not make any changes. We did review an option for a \$3,000 out of pocket, but the minimal decrease in rates (.31%) did not get us to a break-even point with the proposed FY16-17 budget. As a side note, as of August 2016, only five (5) covered individuals had met the current \$2,500 out of pocket.

Cost Share for Dependent Premiums

The accompanying schedule shows the monthly premiums and the cost share for (1) the current plan, (2) recommended plan, (3) COBRA rates and (4) retiree rates. If you look at the section for the recommended plan, you will notice the cost share amounts with the monthly and annual change in employee contributions and City contributions.

Employee contributions

Although we discussed moving to a 65/35 cost share percentage, we are not recommending that shift. With the increase in copays for prescriptions and office visits, and the increase in out of pocket, we are holding the employee contribution at a fixed level of 30%. We did “round up” the amounts to even dollars for ease in open enrollment and in reconciling the monthly billing.

City Contributions

With the recommended plan changes, the City contributions for employee and dependent premiums decreased in every tier of coverage.

Recommendation

After careful review and deliberation by the city manager, assistant city managers and the human resource manager, we are recommending adoption of the proposed group medical plan with a \$35 office visit copay, \$1,200 individual/\$2,400 family deductible and \$3,500 individual/\$7,000 family out of pocket maximum plan effective January 1, 2017 at the rates shown on the accompanying schedule.

TML IEBP \$35 COPAY & \$3,500 OUT OF POCKET PLAN

CURRENT PLAN						
Tier	Premium	EE Total	EE Dependent	City EO	City Dependent	Total
EMP ONLY	\$ 631.30	\$ 29.38	\$ -	\$ 601.92	\$ -	\$ 631.30
SPOUSE	883.70	29.38	265.11	601.92	618.59	1,515.00
CHILD	487.54	29.38	146.26	601.92	341.28	1,118.84
FAMILY	1,234.08	29.38	370.22	601.92	863.86	1,865.38

RECOMMENDED FUNDING SCHEDULE EFF. JANUARY 1, 2017
Increased Employee Contribution to \$30.00 and Fixed Employee Share

Tier	Premium	EE Total	EE Dependent	City EO	City Dependent	Total	Monthly Emp Change	Monthly City Change	Annual Emp. Change	Annual City Change
EMP ONLY	\$ 623.20	\$ 30.00	\$ -	\$ 593.20	\$ -	\$ 623.20	\$ 0.62	\$ (8.72)	\$ 7.44	\$ (104.64)
SPOUSE	872.36	30.00	265.00	593.20	607.36	1,495.56	0.51	(19.95)	6.12	(239.40)
CHILD	481.28	30.00	146.00	593.20	335.28	1,104.48	0.36	(14.72)	4.30	(176.62)
FAMILY	1,218.22	30.00	370.00	593.20	848.22	1,841.42	0.40	(24.36)	4.75	(292.27)

COBRA RATES			
Tier	Premium	2% Admin Fee	Total Premium
EMP ONLY	\$ 623.20	\$ 12.46	\$ 635.66
EMP & SP	1,495.56	29.91	1,525.47
EMP & CHILD	1,104.48	22.09	1,126.57
EMP & FAM	1,841.42	36.83	1,878.25

RETIREE RATES			
Tier	Premium	Subsidy	Net Premium
EMP ONLY	\$ 623.20	\$ (100.00)	\$ 523.20
EMP & SP	1,495.56	(200.00)	1,295.56
EMP & CHILD	1,104.48	(200.00)	904.48
EMP & FAM	1,841.42	(200.00)	1,641.42



AGENDA ITEM 13

DATE OF MEETING: Sept. 15, 2016	DATE SUBMITTED: Sept. 9, 2016	
DEPT. OF ORIGIN: Police Department	SUBMITTED BY: Craig Goodman	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Canine Transfer Agreement Between the City of Brenham and Mark Pierce for the Transfer of K9 Sammy and Authorize the Mayor to Execute Any Necessary Documentation		
SUMMARY STATEMENT: The City has owned 9-year-old K9 Sammy for since 2010 and wishes to retire him. Mark Pierce has been the designated handler of K9 Sammy from March 5, 2010 to September 15, 2016. During this timeframe, Officer Pierce has participated in a substantial amount of training with K9 Sammy and has developed a strong bond with him.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS: Transferring ownership of K9 Sammy to Mark Pierce will ensure the canine is cared for the remainder of Sammy's life.		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Canine Transfer Agreement with Exhibit		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: Approve a Canine Transfer Agreement between the City of Brenham and Mark Pierce for the transfer of K9 Sammy and authorize the Mayor to execute any necessary documentation		
APPROVALS: Terry K. Roberts		

2. The Transferee agrees to do the following:
- a) **Possession:** Accept transfer of possession and ownership of the aforesaid K9 Sammy from the City and assume all rights, liabilities, and responsibilities of ownership including but not limited to all costs and expenses associated with veterinary care, food and shelter for K9 Sammy.
 - b) **Payment:** Transferee shall pay to the City a one-time fee of one dollar (\$1.00) for the transfer of possession and ownership of K9 Sammy.
 - c) **Indemnification:** TRANSFEREE SHALL DEFEND, PROTECT AND KEEP THE CITY FOREVER HARMLESS AND INDEMNIFIED AGAINST AND FROM ANY PENALTY, OR ANY DAMAGE, OR CHARGE, IMPOSED FOR ANY VIOLATION OF ANY LAW, ORDINANCE, RULE OR REGULATION ARISING OUT OF THE TRANSFER AND OWNERSHIP OF K9 SAMMY, WHETHER OCCASIONED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE TRANSFEREE. TRANSFEREE SHALL AT ALL TIMES DEFEND, PROTECT AND INDEMNIFY THE CITY, AND HOLD THE CITY HARMLESS, AGAINST AND FROM ANY AND ALL LOSS, COST, DAMAGE, OR EXPENSE, INCLUDING ATTORNEY'S FEES, ARISING OUT OF OR FROM ANY ACCIDENT OR OTHER OCCURRENCE RELATED TO THE TRANSFER, OWNERSHIP AND BEHAVIOR OF K9 SAMMY RESULTING IN PERSONAL INJURY, DEATH OR DAMAGE TO ANY PERSON(S) OR PROPERTY. TRANSFEREE SHALL AT ALL TIMES DEFEND, PROTECT, INDEMNIFY AND HOLD THE CITY HARMLESS AGAINST AND FROM ANY AND ALL LOSS, COST, DAMAGE, OR EXPENSE, INCLUDING ATTORNEY'S FEES ARISING OUT OF OR FROM ANY AND ALL CLAIMS OR CAUSES OF ACTION RESULTING FROM THE TRANSFEREE'S POSSESSION OR USE OF K9 SAMMY AND FOR ANY FAILURE OF TRANSFEREE TO COMPLY WITH AND PERFORM ALL THE REQUIREMENTS AND PROVISIONS HEREOF.
 - d) **Secondary Transfer or Sale:** Transferee shall not transfer or sell K9 Sammy to any individual or entity (public or private) without first obtaining the express written consent of the City.
 - e) **Financial gain:** Transferee shall not use K9 Sammy for future employment opportunities, compensation or any kind of financial gain.
 - f) **Assignability:** Unless otherwise permitted herein, neither party shall assign this Agreement without the express written consent of the other party.
 - g) **Severability:** In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of the Agreement which shall remain in full force and effect and enforceable in accordance with its terms.

- h) **No warranties:** The Parties recognize and agree that the City makes no warranties, expressed or implied, as to the fitness and reliability of said K9 Sammy and specifically disclaims any warrant of merchantability, fitness and suitability for a particular use or purpose, or the fitness or suitability of the aforesaid K9 Sammy for any specific application, performance, result or use. The Transferee agrees that he is accepting transfer of possession and ownership of said K9 Sammy in “as is” condition. Furthermore, the Parties agree that the City expressly denies any further responsibility for the care, maintenance and/or behavior of said animal but that henceforth Transferee shall be fully and solely responsible for the care, maintenance and behavior of said animal.
- i) **Governing law:** This Agreement is governed by the laws of the State of Texas; and exclusive venue for any action, lawsuit, claim, dispute or other legal proceeding shall be in a court of competent jurisdiction in Washington County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.
- j) **Binding effect:** This Agreement shall be binding upon and inure to the benefit of the executing parties and their respective successors and assigns.
- k) **Entire agreement:** This Agreement embodies the entire agreement between the parties and supersedes all prior agreements, understandings, if any, relating to K9 Sammy and the matters addressed herein and may be amended or supplemented only by written instrument, executed by the party against whom enforcement is sought.
- l) **Recitals:** The recitals to this Agreement are incorporated herein by reference.

EXECUTED this the _____ day of _____, 2016.

CITY OF BRENHAM

Date: _____

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary

TRANSFEE:

Date: _____

Mark Pierce

EXHIBIT "A"

<u>Date of Purchase</u>	<u>Asset Description</u>	<u>Purchase Price</u>
4/8/2010	10' x 6.5' Kennel with concrete slab	\$ 788.01
4/1/2010	Igloo dog house	\$ 120.00

NOTE: All of these items for K9 Sammy were donated by local citizens or businesses.



AGENDA ITEM 14

DATE OF MEETING: Sept. 15, 2016	DATE SUBMITTED: Sept. 9, 2016	
DEPT. OF ORIGIN: Police Department	SUBMITTED BY: Craig U. Goodman	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input checked="" type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-16-025 Authorizing the Acceptance of TxDOT's Selective Traffic Enforcement Program (STEP) Grant for Speed Enforcement During the Specific Period of October 1, 2016 to September 30, 2017		
SUMMARY STATEMENT: This grant provides funding for officers to work overtime to enforce the speed limits at selected sites within the City limits.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
<p>A. PROS: The funds make it possible for this department to be proactive in reducing the number of speed-related traffic crashes. The total amount the City will be reimbursed for is \$15,000. The required match is being met through administrative salaries and mileage.</p> <p>B. CONS:</p>		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Resolution No. R-16-025; and (2) STEP Grant Contract		
FUNDING SOURCE (Where Applicable): STEP Grant		
RECOMMENDED ACTION: Approve Resolution accepting the STEP Grant in the amount of \$15,000 for the Police Department and authorize the Mayor to execute any necessary documentation.		
APPROVALS: Terry K. Roberts		

RESOLUTION NO. R-16-025

A RESOLUTION OF THE CITY OF BRENHAM, TEXAS AUTHORIZING THE ACCEPTANCE OF TXDOT'S SELECTIVE TRAFFIC ENFORCEMENT PROGRAM (STEP) GRANT FOR SPEED ENFORCEMENT FROM OCTOBER 1, 2016 TO SEPTEMBER 30, 2017 FOR THE POLICE DEPARTMENT AND AUTHORIZING THE MAYOR TO EXECUTE ANY NECESSARY DOCUMENTATION.

WHEREAS, the Texas Department of Transportation (TxDOT) works together with local law enforcement agencies to decrease automobile accidents and the resulting fatalities and injuries; and

WHEREAS, Selective Traffic Enforcement Programs (STEPS) grants are provided by TxDOT to law enforcement agencies to reduce the number of speed-related accidents; and

WHEREAS, TxDOT is providing \$15,000.00 in funding with a 30% match provided by the Brenham Police Department through administrative salaries and mileage to be used for overtime for officers' participating in the Selective Traffic Enforcement Program (STEP).

BE IT RESOLVED BY THE CITY OF BRENHAM, TEXAS that the Mayor is authorized to execute all documents necessary for the acceptance of the grant funding provided through the STEP program.

PASSED and APPROVED this the 15th day of September, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary

Texas Traffic Safety eGrants

Fiscal Year 2017

Organization Name: City of Brenham - Police Department

Legal Name: City of Brenham

Payee Identification Number: 17460004041004

Project Title: STEP Speed

ID: 2017-Brenham-S-1YG-0092

Period: 10/01/2016 to 09/30/2017

TEXAS TRAFFIC SAFETY PROGRAM GRANT AGREEMENT

THE STATE OF TEXAS
THE COUNTY OF TRAVIS

THIS AGREEMENT IS MADE BY and between the State of Texas, acting by and through the Texas Department of Transportation, hereinafter called the Department and the, **City of Brenham** hereinafter called the Subgrantee, and becomes effective then fully executed by both parties. For the purpose of this agreement, the Subgrantee is designated as a(n) **Local Government/Transit District**.

AUTHORITY: Texas Transportation Code, Chapter 723, the Traffic Safety Act of 1967, and the Highway Safety Performance Plan for the Fiscal Year 2017.

Name of the Federal Agency: **National Highway Traffic Safety Administration**

CFDA Number: **20.600**
CFDA Title: **State and Community Highway Safety Grant Program**
Funding Source: Section **402**
DUNS: **939864294**
FAIN: **18X9204020TX17**

Project Title: **STEP Speed**
Description:
This project is **Not Research and Development**

Grant Period: This Grant becomes effective on **10/01/2016** or on the date of final signature of both parties, whichever is later, and ends on **09/30/2017** unless terminated or otherwise modified.

Total Awarded: **\$27,675.25**
Amount Eligible for Reimbursement by the Department: **\$14,946.75**
Match Amount provided by the Subgrantee: **\$12,728.50**

TEXAS TRAFFIC SAFETY PROGRAM GRANT AGREEMENT

The signatory of the Subgrantee hereby represents and warrants that she/he is an officer of the organization for which she/he has executed this agreement and that she/he has full and complete authority to enter into this agreement on behalf of the organization.

THE SUBGRANTEE

THE STATE OF TEXAS

City of Brenham

[Legal Name of Agency]

Executed for the Executive Director and
Approved for the Texas Transportation
Commission for the purpose and effect of
activating and/or carrying out orders, established
policies or work programs approved and
authorized by the Texas Transportation
Commission

By:

By:

[Authorized Signature]

[District Engineer Texas Department of
Transportation]

[Name]

[Name]

[Title]

[Title]

Date: _____

Date: _____

Under the authority of Ordinance or
Resolution Number (for local government)
(If Applicable)

By:

Director, Traffic Operations Division Texas
Department of Transportation (Not required for
local project grants under \$100,000.00)

[Resolution Number]

Date: _____

GRANT AGREEMENT GENERAL TERMS AND CONDITIONS

Definitions: For purposes of these Terms and Conditions, the "Department" is also known as the "State" and the "prospective primary participant" and the "Subgrantee" is also known as the "Subrecipient" and "prospective lower tier participant"

ARTICLE 1. COMPLIANCE WITH LAWS

The Subgrantee shall comply with all federal, state, and local laws, statutes, codes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this agreement, including, without limitation, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, nondiscrimination laws and regulations, and licensing laws and regulations. When required, the Subgrantee shall furnish the Department with satisfactory proof of compliance.

ARTICLE 2. STANDARD ASSURANCES

The Subgrantee assures and certifies that it will comply with the regulations, policies, guidelines, and requirements, including 2 CFR, Part 200; and the Department's Traffic Safety Program Manual, as they relate to the application, acceptance, and use of federal or state funds for this project. Also, the Subgrantee assures and certifies that:

- A. It possesses legal authority to apply for the grant; and that a resolution, motion, or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained in the application, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide any additional information that may be required.
- B. It and its subcontractors will comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352), as amended, and in accordance with that Act, no person shall discriminate, on the grounds of race, color, sex, national origin, age, religion, or disability.
- C. It will comply with requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970, as amended; 42 USC (United States Code) §§4601 et seq.; and United States Department of Transportation (USDOT) regulations, "Uniform Relocation and Real Property Acquisition for Federal and Federally Assisted Programs," 49 CFR, Part 24, which provide for fair and equitable treatment of persons displaced as a result of federal and federally assisted programs.
- D. It will comply with political activity (Hatch Act) (applies to subrecipients as well as States). The State will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508) which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
- E. It will comply with the federal Fair Labor Standards Act's minimum wage and overtime requirements for employees performing project work.
- F. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for

themselves or others, particularly those with whom they have family, business, or other ties.

- G. It will give the Department the access to and the right to examine all records, books, papers, or documents related to this Grant Agreement.
- H. It will comply with all requirements imposed by the Department concerning special requirements of law, program requirements, and other administrative requirements.
- I. It recognizes that many federal and state laws imposing environmental and resource conservation requirements may apply to this Grant Agreement. Some, but not all, of the major federal laws that may affect the project include: the National Environmental Policy Act of 1969, as amended, 42 USC §§4321 et seq.; the Clean Air Act, as amended, 42 USC §§7401 et seq. and sections of 29 USC; the Federal Water Pollution Control Act, as amended, 33 USC §§1251 et seq.; the Resource Conservation and Recovery Act, as amended, 42 USC §§6901 et seq.; and the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 USC §§9601 et seq. The Subgrantee also recognizes that the U.S. Environmental Protection Agency, USDOT, and other federal agencies have issued, and in the future are expected to issue, regulations, guidelines, standards, orders, directives, or other requirements that may affect this Project. Thus, it agrees to comply, and assures the compliance of each contractor and each subcontractor, with any federal requirements that the federal government may now or in the future promulgate.
- J. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, 42 USC §4012a(a). Section 102(a) requires, on and after March 2, 1975, the purchase of flood insurance in communities where that insurance is available as a condition for the receipt of any federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any form of direct or indirect federal assistance.
- K. It will assist the Department in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 USC 470 et seq.), Executive Order 11593, and the Antiquities Code of Texas (National Resources Code, Chapter 191).
- L. It will comply with Chapter 573 of the Texas Government Code by ensuring that no officer, employee, or member of the Subgrantee's governing board or the Subgrantee's subcontractors shall vote or confirm the employment of any person related within the second degree of affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise that person. This prohibition shall not apply to the employment of a person described in Section 573.062 of the Texas Government Code.
- M. It will ensure that all information collected, assembled, or maintained by the applicant relative to this project shall be available to the public during normal business hours in compliance with Chapter 552 of the Texas Government Code, unless otherwise expressly provided by law.
- N. If applicable, it will comply with Chapter 551 of the Texas Government Code, which requires all regular, special, or called meetings of governmental bodies to be open to the public,

except as otherwise provided by law or specifically permitted in the Texas Constitution.

ARTICLE 3. COMPENSATION

- A. The method of payment for this agreement will be based on actual costs incurred up to and not to exceed the limits specified in the Project Budget. The amount included in a Project Budget category will be deemed to be an estimate only and a higher amount can be reimbursed, subject to the conditions specified in paragraph B of this Article. If the Project Budget specifies that costs are based on a specific rate, per-unit cost, or other method of payment, reimbursement will be based on the specified method.
- B. All payments will be made in accordance with the Project Budget.
1. The Subgrantee's expenditures may overrun a budget category (I, II, or III) in the approved Project Budget without a grant (budget) amendment, as long as the overrun does not exceed a total of five (5) percent of the maximum amount eligible for reimbursement (TxDOT) in the attached Project Budget for the current fiscal year. This overrun must be off-set by an equivalent underrun elsewhere in the Project Budget.
 2. If the overrun is five (5) percent or less, the Subgrantee must provide written notification to the Department, through the TxDOT Electronic Grants Management System (eGrants), prior to the Request for Reimbursement being approved. The notification must indicate the amount, the percent over, and the specific reason(s) for the overrun.
 3. Any overrun of more than five (5) percent of the amount eligible for reimbursement (TxDOT) in the attached Project Budget requires an amendment of this Grant Agreement.
 4. The maximum amount eligible for reimbursement shall not be increased above the Grand Total TxDOT Amount in the approved Project Budget, unless this Grant Agreement is amended, as described in Article 5 of this agreement.
 5. For Selective Traffic Enforcement Program (STEP) grants only: In the Project Budget, Subgrantees are not allowed to use underrun funds from the TxDOT amount of (100) Salaries, Subcategories A, "Enforcement," or B, "PI&E Activities," to exceed the TxDOT amount listed in Subcategory C, "Other." Also, Subgrantees are not allowed to use underrun funds from the TxDOT amount of (100) Salaries, Subcategories A, "Enforcement," or C, "Other," to exceed the TxDOT amount listed in Subcategory B, "PI&E Activities." The TxDOT amount for Subcategory B, "PI&E Activities," or C, "Other," can only be exceeded within the five (5) percent flexibility, with underrun funds from Budget Categories II or III.
- C. To be eligible for reimbursement under this agreement, a cost must be incurred in accordance with the Project Budget, within the time frame specified in the Grant Period of this Grant Agreement, attributable to work covered by this agreement, and which has been completed in a manner satisfactory and acceptable to the Department.
- D. Federal or TxDOT funds cannot supplant (replace) funds from any other sources. The term "supplanting," refers to the use of federal or TxDOT funds to support personnel or an activity already supported by local or state funds.
- E. Payment of costs incurred under this agreement is further governed by the cost principles

outlined in 2 CFR Part 200.

- F. The Subgrantee agrees to submit monthly Requests for Reimbursement, as designated in this Grant Agreement, within thirty (30) days after the end of the billing period. The Request for Reimbursement and appropriate supporting documentation must be submitted through eGrants.
- G. The Subgrantee agrees to submit the final Request for Reimbursement under this agreement within forty-five (45) days of the end of the grant period.
- H. Payments are contingent upon the availability of appropriated funds.
- I. Project agreements supported with federal or TxDOT funds are limited to the length of this Grant Period specified in this Grant Agreement. If the Department determines that the project has demonstrated merit or has potential long-range benefits, the Subgrantee may apply for funding assistance beyond the initial agreement period.

Preference for funding will be given to projects based on (1) proposed cost sharing and (2) demonstrated performance history.

ARTICLE 4. LIMITATION OF LIABILITY

Payment of costs incurred under this agreement is contingent upon the availability of funds. If at any time during this Grant Period, the Department determines that there is insufficient funding to continue the project, the Department shall notify the Subgrantee, giving notice of intent to terminate this agreement, as specified in Article 11 of this agreement. If at the end of a federal fiscal year, the Department determines that there is sufficient funding and performance to continue the project, the Department may notify the Subgrantee to continue this agreement.

ARTICLE 5. AMENDMENTS

This agreement may be amended prior to its expiration by mutual written consent of both parties, utilizing the Grant Agreement Amendment in eGrants. Any amendment must be executed by the parties within the Grant Period, as specified in this Grant Agreement.

ARTICLE 6. ADDITIONAL WORK AND CHANGES IN WORK

- A. If the Subgrantee is of the opinion that any assigned work is beyond the scope of this agreement and constitutes additional work, the Subgrantee shall promptly notify the Department in writing through eGrants. If the Department finds that such work does constitute additional work, the Department shall advise the Subgrantee and a written amendment to this agreement will be executed according to Article 5, Amendments, to provide compensation for doing this work on the same basis as the original work. If performance of the additional work will cause the maximum amount payable to be exceeded, the work will not be performed before a written grant amendment is executed.
- B. If the Subgrantee has submitted work in accordance with the terms of this agreement but the Department requests changes to the completed work or parts of the work which involve changes to the original scope of services or character of work under this agreement, the Subgrantee shall make those revisions as requested and directed by the Department. This will be considered as additional work and will be paid for as specified in this Article.

- C. If the Subgrantee submits work that does not comply with the terms of this agreement, the Department shall instruct the Subgrantee to make any revisions that are necessary to bring the work into compliance with this agreement. No additional compensation shall be paid for this work.
- D. The Subgrantee shall make revisions to the work authorized in this agreement that are necessary to correct errors or omissions, when required to do so by the Department. No additional compensation shall be paid for this work.
- E. The Department shall not be responsible for actions by the Subgrantee or any costs incurred by the Subgrantee relating to additional work not directly associated with or prior to the execution of an amendment.

ARTICLE 7. REPORTING AND MONITORING

- A. Not later than thirty (30) days after the end of each reporting period, the Subgrantee shall submit a performance report through eGrants. Reporting periods vary by project duration and are defined as follows:
 - 1. For short term projects, the reporting period is the duration of the project. Subgrantee shall submit a performance report within 30 days of project completion.
 - 2. For longer projects, the reporting period is monthly. Subgrantee shall submit a performance report within 30 days of the completion of each project month and within 30 days of project completion.
 - 3. For Selective Traffic Enforcement Program (STEP) Wave projects, the reporting period is each billing cycle. Subgrantee shall submit a performance report within 30 days of the completion of each billing cycle.
- B. The performance report will include, as a minimum: (1) a comparison of actual accomplishments to the objectives established for the period, (2) reasons why established objectives and performance measures were not met, if appropriate, and (3) other pertinent information, including, when appropriate, an analysis and explanation of cost underruns, overruns, or high unit costs.
- C. The Subgrantee shall promptly advise the Department in writing, through eGrants, of events that will have a significant impact upon this agreement, including:
 - 1. Problems, delays, or adverse conditions, including a change of project director or other changes in Subgrantee personnel, that will materially affect the ability to attain objectives and performance measures, prevent the meeting of time schedules and objectives, or preclude the attainment of project objectives or performance measures by the established time periods. This disclosure shall be accompanied by a statement of the action taken or contemplated and any Department or federal assistance needed to resolve the situation.
 - 2. Favorable developments or events that enable meeting time schedules and objectives sooner than anticipated or achieving greater performance measure output than originally projected.

- D. The Subgrantee shall submit the Final Performance Report through eGrants within thirty (30) days after completion of the grant.

ARTICLE 8. RECORDS

The Subgrantee agrees to maintain all reports, documents, papers, accounting records, books, and other evidence pertaining to costs incurred and work performed under this agreement (called the "Records"), and shall make the Records available at its office for the time period authorized within the Grant Period, as specified in this Grant Agreement. The Subgrantee further agrees to retain the Records for four (4) years from the date of final payment under this agreement, until completion of all audits, or until pending litigation has been completely and fully resolved, whichever occurs last.

Duly authorized representatives of the Department, the USDOT, the Office of the Inspector General, Texas State Auditor, and the Comptroller General shall have access to the Records. This right of access is not limited to the four (4) year period but shall last as long as the Records are retained.

ARTICLE 9. INDEMNIFICATION

- A. To the extent permitted by law, the Subgrantee, if other than a government entity, shall indemnify, hold, and save harmless the Department and its officers and employees from all claims and liability due to the acts or omissions of the Subgrantee, its agents, or employees. The Subgrantee also agrees, to the extent permitted by law, to indemnify, hold, and save harmless the Department from any and all expenses, including but not limited to attorney fees, all court costs and awards for damages incurred by the Department in litigation or otherwise resisting claims or liabilities as a result of any activities of the Subgrantee, its agents, or employees.
- B. To the extent permitted by law, the Subgrantee, if other than a government entity, agrees to protect, indemnify, and save harmless the Department from and against all claims, demands, and causes of action of every kind and character brought by any employee of the Subgrantee against the Department due to personal injuries to or death of any employee resulting from any alleged negligent act, by either commission or omission on the part of the Subgrantee.
- C. If the Subgrantee is a government entity, both parties to this agreement agree that no party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds, as well as the acts and deeds of its contractors, employees, representatives, and agents.

ARTICLE 10. DISPUTES AND REMEDIES

This agreement supersedes any prior oral or written agreements. If a conflict arises between this agreement and the Traffic Safety Program Manual, this agreement shall govern. The Subgrantee shall be responsible for the settlement of all contractual and administrative issues arising out of procurement made by the Subgrantee in support of work under this agreement. Disputes concerning performance or payment shall be submitted to the Department for settlement, with the Executive Director or his or her designee acting as final referee.

ARTICLE 11. TERMINATION

- A. This agreement shall remain in effect until the Subgrantee has satisfactorily completed all services and obligations described in this agreement and these have been accepted by the Department, unless:
1. This agreement is terminated in writing with the mutual consent of both parties; or
 2. There is a written thirty (30) day notice by either party; or
 3. The Department determines that the performance of the project is not in the best interest of the Department and informs the Subgrantee that the project is terminated immediately.
- B. The Department shall compensate the Subgrantee for only those eligible expenses incurred during the Grant Period specified in this Grant Agreement that are directly attributable to the completed portion of the work covered by this agreement, provided that the work has been completed in a manner satisfactory and acceptable to the Department. The Subgrantee shall not incur nor be reimbursed for any new obligations after the effective date of termination.

ARTICLE 12. INSPECTION OF WORK

- A. The Department and, when federal funds are involved, the USDOT, or any of their authorized representatives, have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this agreement and the premises in which it is being performed.
- B. If any inspection or evaluation is made on the premises of the Subgrantee or its subcontractor, the Subgrantee shall provide and require its subcontractor to provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. All inspections and evaluations shall be performed in a manner that will not unduly delay the work.

ARTICLE 13. AUDIT

The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under this agreement or indirectly through a subcontract under this agreement. Acceptance of funds directly under this agreement or indirectly through a subcontract under this agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

ARTICLE 14. SUBCONTRACTS

A subcontract in excess of \$25,000 may not be executed by the Subgrantee without prior written concurrence by the Department. Subcontracts in excess of \$25,000 shall contain all applicable terms and conditions of this agreement. No subcontract will relieve the Subgrantee of its responsibility under this agreement.

ARTICLE 15. GRATUITIES

- A. Texas Transportation Commission policy mandates that employees of the Department shall not accept any benefit, gift, or favor from any person doing business with or who, reasonably speaking, may do business with the Department under this agreement. The only exceptions allowed are ordinary business lunches and items that have received the advanced written approval of the Department's Executive Director.
- B. Any person doing business with or who reasonably speaking may do business with the Department under this agreement may not make any offer of benefits, gifts, or favors to Department employees, except as mentioned here above. Failure on the part of the Subgrantee to adhere to this policy may result in termination of this agreement.

ARTICLE 16. NONCOLLUSION

The Subgrantee warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Subgrantee, to solicit or secure this agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this agreement. If the Subgrantee breaches or violates this warranty, the Department shall have the right to annul this agreement without liability or, in its discretion, to deduct from the agreement price or consideration, or otherwise recover the full amount of such fee, commission, brokerage fee, contingent fee, or gift.

ARTICLE 17. CONFLICT OF INTEREST

The Subgrantee represents that it or its employees have no conflict of interest that would in any way interfere with its or its employees' performance or which in any way conflicts with the interests of the Department. The Subgrantee shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the Department's interests.

ARTICLE 18. SUBGRANTEE'S RESOURCES

- A. The Subgrantee certifies that it presently has adequate qualified personnel in its employment to perform the work required under this agreement, or will be able to obtain such personnel from sources other than the Department.
- B. All employees of the Subgrantee shall have the knowledge and experience that will enable them to perform the duties assigned to them. Any employee of the Subgrantee who, in the opinion of the Department, is incompetent or whose conduct becomes detrimental to the work, shall immediately be removed from association with the project.
- C. Unless otherwise specified, the Subgrantee shall furnish all equipment, materials, supplies, and other resources required to perform the work.

ARTICLE 19. PROCUREMENT AND PROPERTY MANAGEMENT

The Subgrantee shall establish and administer a system to procure, control, protect, preserve, use, maintain, and dispose of any property furnished to it by the Department or purchased

pursuant to this agreement in accordance with its own procurement and property management procedures, provided that the procedures are not in conflict with (1) the Department's procurement and property management standards and (2) the federal procurement and property management standards provided by 2 CFR §§ 200.310-.316, 200.318-.324.

ARTICLE 20. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

Upon completion or termination of this Grant Agreement, whether for cause or at the convenience of the parties, all finished or unfinished documents, data, studies, surveys, reports, maps, drawings, models, photographs, etc. prepared by the Subgrantee, and equipment and supplies purchased with grant funds shall, at the option of the Department, become the property of the Department. All sketches, photographs, calculations, and other data prepared under this agreement shall be made available, upon request, to the Department without restriction or limitation of their further use.

- A. Intellectual property consists of copyrights, patents, and any other form of intellectual property rights covering any databases, software, inventions, training manuals, systems design, or other proprietary information in any form or medium.
- B. All rights to Department. The Department shall own all of the rights (including copyrights, copyright applications, copyright renewals, and copyright extensions), title and interests in and to all data, and other information developed under this contract and versions thereof unless otherwise agreed to in writing that there will be joint ownership.
- C. All rights to Subgrantee. Classes and materials initially developed by the Subgrantee without any type of funding or resource assistance from the Department remain the Subgrantee's intellectual property. For these classes and materials, the Department payment is limited to payment for attendance at classes.

ARTICLE 21. SUCCESSORS AND ASSIGNS

The Department and the Subgrantee each binds itself, its successors, executors, assigns, and administrators to the other party to this agreement and to the successors, executors, assigns, and administrators of the other party in respect to all covenants of this agreement. The Subgrantee shall not assign, sublet, or transfer interest and obligations in this agreement without written consent of the Department through eGrants.

ARTICLE 22. CIVIL RIGHTS COMPLIANCE

- A. Compliance with regulations: The Subgrantee shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the United States Department of Transportation (USDOT): 49 CFR, Part 21; 23 CFR, Part 200; and 41 CFR, Parts 60-74, as they may be amended periodically (called the "Regulations"). The Subgrantee agrees to comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 and as supplemented by the U.S. Department of Labor regulations (41 CFR, Part 60).
- B. Nondiscrimination: (applies to subrecipients as well as States) The State highway safety agency and Subgrantee will comply with all Federal statutes and implementing regulations relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), which prohibits discrimination on the basis of race,

- color or national origin (and 49 CFR Part 21); (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683 and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), and the Americans with Disabilities Act of 1990 (Pub. L. 101-336), as amended (42 U.S.C. 12101, et seq.), which prohibits discrimination on the basis of disabilities (and 49 CFR Part 27); (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination on the basis of age; (e) the Civil Rights Restoration Act of 1987 (Pub. L. 100-259), which requires Federal-aid recipients and all subrecipients to prevent discrimination and ensure nondiscrimination in all of their programs and activities; (f) the Drug Abuse Office and Treatment Act of 1972 (Pub. L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (g) the comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (Pub. L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (h) Sections 523 and 527 of the Public Health Service Act of 1912, as amended (42 U.S.C. 290dd-3 and 290ee-3), relating to confidentiality of alcohol and drug abuse patient records; (i) Title VIII of the Civil Rights Act of 1968, as amended (42 U.S.C. 3601, et seq.), relating to nondiscrimination in the sale, rental or financing of housing; (j) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (k) the requirements of any other nondiscrimination statute(s) which may apply to the application.
- C. Solicitations for subcontracts, including procurement of materials and equipment: In all solicitations either by competitive bidding or negotiation made by the Subgrantee for work to be performed under a subcontract, including procurements of materials and leases of equipment, each potential subcontractor or supplier shall be notified by the Subgrantee of the Subgrantee's obligations under this agreement and the regulations relative to nondiscrimination on the grounds of race, color, sex, national origin, age, religion, or disability.
- D. Information and reports: The Subgrantee shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Department or the USDOT to be pertinent to ascertain compliance with the Regulations or directives. Where any information required of the Subgrantee is in the exclusive possession of another who fails or refuses to furnish this information, the Subgrantee shall certify that to the Department or the USDOT, whichever is appropriate, and shall set forth what efforts the Subgrantee has made to obtain the requested information.
- E. Sanctions for noncompliance: In the event of the Subgrantee's noncompliance with the nondiscrimination provision of this agreement, the Department shall impose such sanctions as it or the USDOT may determine to be appropriate.
- F. Incorporation of provisions: The Subgrantee shall include the provisions of paragraphs A. through E. in every subcontract, including procurements of materials and leases of equipment, unless exempt by the regulations or directives. The Subgrantee shall take any action with respect to any subcontract or procurement that the Department may direct as a means of enforcing those provisions, including sanctions for noncompliance. However, in the event a Subgrantee becomes involved in, or is threatened with litigation with a subcontractor or supplier as a result of such direction, the Subgrantee may request the Department to enter into litigation to protect the interests of the state; and in addition, the Subgrantee may request the United States to enter into such litigation to protect the

interests of the United States.

ARTICLE 23. DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM

- A. The parties shall comply with the DBE Program requirements established in 49 CFR Part 26.
- B. The Subgrantee shall adopt, in its totality, the Department's federally approved DBE program.
- C. The Subgrantee shall set an appropriate DBE goal consistent with the Department's DBE guidelines and in consideration of the local market, project size, and nature of the goods or services to be acquired. The Subgrantee shall have final decision-making authority regarding the DBE goal and shall be responsible for documenting its actions.
- D. The Subgrantee shall follow all other parts of the Department's DBE program referenced in TxDOT Form 2395, Memorandum of Understanding Regarding the Adoption of the Texas Department of Transportation's Federally-Approved Disadvantaged Business Enterprise by Entity and attachments found at web address <http://www.txdot.gov/business/partnerships/dbe.html>
- E. The Subgrantee shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any USDOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Subgrantee shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of USDOT-assisted contracts. The Department's DBE program, as required by 49 CFR Part 26 and as approved by USDOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Subgrantee of its failure to carry out its approved program, the Department may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and the Program Fraud Civil Remedies Act of 1986 (31 USC 3801 et seq.).
- F. Each contract the Subgrantee signs with a contractor (and each subcontract the prime contractor signs with a sub-contractor) must include the following assurance: The contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of USDOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this agreement, which may result in the termination of this agreement or such other remedy as the recipient deems appropriate.

ARTICLE 24. CERTIFICATION REGARDING DEBARMENT AND SUSPENSION (applies to subrecipients as well as States)

Instructions for Primary Certification

- 1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms *covered transaction*, *debarred*, *suspended*, *ineligible*, *lower tier covered transaction*, *participant*, *person*, *primary covered transaction*, *principal*, *proposal*, and *voluntarily excluded*, as used in this clause, have the meaning set out in the Definitions and coverage sections of 49 CFR Part 29. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the list of Parties Excluded from Federal Procurement and Non-procurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system

of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters-Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of record, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or Local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Lower Tier Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or

debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms *covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded*, as used in this clause, have the meanings set out in the Definition and Coverage sections of 49 CFR Part 29. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions. (See below)

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

ARTICLE 25. CERTIFICATION REGARDING FEDERAL LOBBYING (applies to subrecipients as well as States)

Certification for Contracts, Grants, Loans, and Cooperative Agreements

In executing this agreement, each signatory certifies to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

ARTICLE 26. CHILD SUPPORT CERTIFICATION

Under Section 231.006, Texas Family Code, the Subgrantee certifies that the individual or business entity named in this agreement is not ineligible to receive the specified grant, loan, or payment and acknowledges that this agreement may be terminated and payment may be withheld if this certification is inaccurate. If the above certification is shown to be false, the

Subgrantee is liable to the state for attorney's fees and any other damages provided by law or the agreement. A child support obligor or business entity ineligible to receive payments because of a payment delinquency of more than thirty (30) days remains ineligible until: all arrearages have been paid; the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency; or the court of continuing jurisdiction over the child support order has granted the obligor an exemption from Subsection (a) of Section 231.006, Texas Family Code, as part of a court-supervised effort to improve earnings and child support payments.

ARTICLE 27. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT REQUIREMENTS

- A. Any recipient of funds under this agreement agrees to comply with the Federal Funding Accountability and Transparency Act and implementing regulations at 2 CFR Part 170, including Appendix A. This agreement is subject to the following award terms:
<http://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf> and
<http://edocket.access.gpo.gov/2010/pdf/2010-22706.pdf>.
- B. The Subgrantee agrees that it shall:
1. Obtain and provide to the State a System for Award Management (SAM) number (48 CFR subpt. 4.11) if this award provides for more than \$25,000 in Federal funding. The SAM number may be obtained by visiting the SAM web-site at: <https://www.sam.gov>
 2. Obtain and provide to the State a Data Universal Numbering System (DUNS) number, a unique nine-character number that allows the Federal government to track the distribution of federal money. The DUNS number may be requested free of charge for all businesses and entities required to do so by visiting the Dun & Bradstreet (D&B) on-line registration website <http://fedgov.dnb.com/webform>; and
 3. Report the total compensation and names of its top five (5) executives to the State if:
 - i. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25,000,000; and
 - ii. The compensation information is not already available through reporting to the U.S. Securities and Exchange Commission.

ARTICLE 28. SINGLE AUDIT REPORT

- A. The parties shall comply with the requirements of the Single Audit Act of 1984, P.L. 98-502, ensuring that the single audit report includes the coverage stipulated in 2 CFR Part 200.
- B. If threshold expenditures of \$750,000 or more are met during the Subgrantee's fiscal year, the Subgrantee must submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Audit Office, 125 East 11th Street, Austin, TX 78701 or contact TxDOT's Audit Office at singleaudits@txdot.gov
- C. If expenditures are less than \$750,000 during the Subgrantee's fiscal year, the Subgrantee must submit a statement to TxDOT's Audit Office as follows: "We did not meet the \$750,000 expenditure threshold and therefore, are not required to have a single audit

performed for FY ____."

- D. For each year the project remains open for federal funding expenditures, the Subgrantee will be responsible for filing a report or statement as described above. The required annual filing shall extend throughout the life of the agreement, unless otherwise amended or the project has been formally closed out and no charges have been incurred within the current fiscal year.

ARTICLE 29. BUY AMERICA ACT (applies to subrecipients as well as States)

The State and Subgrantee will comply with the provisions of the Buy America Act (49 U.S.C. 5323(j)), which contains the following requirements:

Only steel, iron and manufactured products produced in the United States may be purchased with Federal funds unless the Secretary of Transportation determines that such domestic purchases would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. Clear justification for the purchase of non-domestic items must be in the form of a waiver request submitted to and approved by the Secretary of Transportation.

ARTICLE 30. RESTRICTION ON STATE LOBBYING (applies to subrecipients as well as States)

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

ARTICLE 31. NONGOVERNMENTAL ENTITY'S PUBLIC INFORMATION

[This article applies only to non-profit entities.]

The Subgrantee is required to make any information created or exchanged with the Department pursuant to this Grant Agreement and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the Department. [SB-1368, 83rd Texas Legislature, Regular Session, Effective 9/1/13]

RESPONSIBILITIES OF THE SUBGRANTEE

- A. Carry out all performance measures established in the grant, including fulfilling the law enforcement objectives by implementing the Operational Plan contained in this Grant Agreement.
- B. Submit all required reports to the Department (TxDOT) fully completed with the most current information, and within the required times, as defined in Article 3 and Article 7 of the General Terms and Conditions of this Grant Agreement. This includes reporting to the Department on progress, achievements, and problems in monthly Performance Reports and attaching necessary source documentation to support all costs claimed in Requests for Reimbursement (RFR).
- C. Attend grant related training as requested by the Department.
- D. Attend meetings according to the following:
 - 1. The Department will arrange for meetings with the Subgrantee to present status of activities and to discuss problems and the schedule for the following quarter's work.
 - 2. The project director or other appropriate qualified persons will be available to represent the Subgrantee at meetings requested by the Department.
- E. Support grant enforcement efforts with public information and education (PI&E) activities. Salaries being claimed for PI&E activities must be included in the budget.
- F. When applicable, all newly developed PI&E materials must be submitted to the Department for written approval, through the TxDOT Electronic Grants Management System (eGrants) system messaging, prior to final production. Refer to the Traffic Safety Program Manual regarding PI&E procedures.
- G. For out of state travel expenses to be reimbursable, the Subgrantee must have obtained the written approval of the Department, through eGrants system messaging, prior to the beginning of the trip. Grant approval does not satisfy this requirement.
- H. Maintain verification that all expenses, including wages or salaries, for which reimbursement is requested is for work exclusively related to this project.
- I. Ensure that this grant will in no way supplant (replace) funds from other sources. Supplanting refers to the use of federal funds to support personnel or any activity already supported by local or state funds.
- J. Ensure that each officer working on the STEP project will complete an officer's daily report form. The form should include at a minimum: name, date, badge or identification number, type of grant worked, grant site number, mileage (including starting and ending mileage), hours worked, type of citation issued or arrest made, officer and supervisor signatures.
- K. All STEP agencies must provide the following provision in all daily activity report forms:

"I understand that this information is being submitted to support a claim against a federally-funded grant program. False statements on this form may be prosecutable under 18 USC 1001. This information on this form is true, correct, and complete to the best of my knowledge and ability."

- L. Ensure that no officer above the rank of Lieutenant (or equivalent title) will be reimbursed for enforcement duty, unless the Subgrantee received specific written authorization from the Department, through eGrants system messaging, prior to incurring costs.
- M. Subgrantee may work additional STEP enforcement hours on holidays or special events not covered under the Operational Plan. However, additional work must be approved in writing by the Department, through eGrants system messaging, prior to enforcement. Additional hours must be reported in the Performance Report for the time period for which the additional hours were worked.
- N. If an officer makes a STEP-related arrest during the shift, but does not complete the arrest before the shift is scheduled to end, the officer can continue working under the grant to complete that arrest.
- O. Subgrantees with a traffic unit will utilize traffic personnel for this grant, unless such personnel are unavailable for assignment.
- P. Prior to conducting speed enforcement, the Subgrantee must select and survey enforcement sites that comply with existing state mandated speed limits in accordance with the Texas Transportation Code, Sections 545.352 through 545.356.
- Q. Officers assigned to speed sites should be trained in the use of radar or laser speed measurement devices.
- R. The Subgrantee should have a safety belt use policy. If the Subgrantee does not have a safety belt use policy in place, a policy should be implemented, and a copy maintained for verification during the grant year.
- S. Officers working DWI enforcement must be trained in the National Highway Traffic Safety Administration/International Association of Chiefs of Police Standardized Field Sobriety Testing (SFST). In the case of a first year subgrantee, the officers must be trained, or scheduled to be SFST trained, by the end of the grant year. For second or subsequent year grants, all officers working DWI enforcement must be SFST trained.
- T. The Subgrantee should have a procedure in place for contacting and using drug recognition experts (DREs) when necessary.
- U. The Subgrantee is encouraged to use the DWI On-line Reporting System available through the Buckle Up Texas Web site at www.buckleuptexas.com.

RESPONSIBILITIES OF THE DEPARTMENT

- A. Monitor the Subgrantee's compliance with the performance obligations and fiscal requirements of this Grant Agreement using appropriate and necessary monitoring and inspections, including but not limited to:
 - 1. review of periodic reports
 - 2. physical inspection of project records and supporting documentation
 - 3. telephone conversations
 - 4. e-mails and letters
 - 5. quarterly review meetings
 - 6. eGrants

- B. Provide program management and technical assistance.

- C. Attend appropriate meetings.

- D. Reimburse the Subgrantee for all eligible costs as defined in the project budget. Requests for Reimbursement will be processed up to the maximum amount payable as indicated in the project budget.

- E. Perform an administrative review of the project at the close of the grant period to:
 - 1. Ascertain whether or not the project objectives were met
 - 2. Review project accomplishments (performance measures completed, targets achieved)
 - 3. Account for any approved Program Income earned and expended
 - 4. Identify exemplary performance or best practices

PROGRAM ELEMENT SELECTION

YEAR LONG

DWI	DWI: Driving While Intoxicated
X Speed	Speed: Speed Enforcement
OP	OP: Occupant Protection (Safety Belt and Child Safety Seat)
ITC	ITC: Intersection Traffic Control
DD	DD: Distracted Driving

WAVE

DWI	Jurisdiction wide (DWI enforcement effort must be focused at locations where there is an over-representation of alcohol-related crashes and/or DWI arrests)
Speed	Jurisdiction wide (Speed enforcement should be focused on areas where there is at least a 50% noncompliance with the posted speed limits and/or a higher number of speed-related crashes)
OP	Jurisdiction wide
DD	Jurisdiction wide

CMV

Speed,OP&HMV	CMV: Commercial Motor Vehicle; HMV: Hazardous Moving Violations
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GOALS AND STRATEGIES

Goal: To increase effective enforcement and adjudication of traffic safety-related laws to reduce crashes, fatalities, and injuries.

Strategies: Increase and sustain high visibility enforcement of traffic safety-related laws.
Increase public education and information campaigns regarding enforcement activities.

Goal: To reduce the number of speed-related crashes, injuries, and fatalities.

Strategy: Increase and sustain high visibility enforcement of speed-related laws.

Goal: To reduce Distracted Driving motor vehicle crashes, injuries, and fatalities.

Strategies: Increase and sustain high visibility enforcement of state and local ordinances on cellular and texting devices.

Increase public information and education on Distracted Driving related traffic issues.

I agree to the above goals and strategies.

BASELINE INFORMATION

Baseline Year (12 months) From 1/1/2015 to 12/31/2015

Baseline Measure	Baseline Number
Number of speed citations	2723
Number of Distracted Driving Citations	11

	Baseline Number	Month/Year of Survey
Percentage of speed compliance	47 %	01/2016

LAW ENFORCEMENT OBJECTIVE/PERFORMANCE MEASURE

Objective/Performance Measure	Target Number
1. Number and type citations/arrests to be issued under STEP	
a. Increase speed citations by	1000
b. Increase Distracted Driving citations by	
2. Proposed total number of traffic related crashes	
a. Reduce the number of speed-related crashes to	50
3. Increase speed compliance	
a. Increase the speed compliance rate to	50%
4. Number of Enforcement Hours	375
Step Indicator	2.67

Note: Nothing in this agreement shall be interpreted as a requirement, formal or informal, that a peace officer issue a specified or predetermined number of citations in pursuance of the Subgrantee's obligations hereunder. Department and Subgrantee acknowledge that Texas Transportation Code Section 720.002 prohibits using traffic-offense quotas and agree that nothing in this Agreement is establishing an illegal quota.

In addition to the STEP enforcement activities, the subgrantee must maintain baseline non-STEP funded citation and arrest activity due to the prohibition of supplanting.

PI&E OBJECTIVE/PERFORMANCE MEASURE

Objectives/Performance Measure	Target Number
Support Grant efforts with a public information and education (PI&E) program	
a. Conduct presentations	4
b. Conduct media exposures (e.g. news conferences, news releases, and interviews)	8
c. Conduct community events (e.g. health fairs, booths)	2
d. Produce the following number of public information and education materials	0
e. Number of public information and education materials distributed	500

Operational Plan

Page Title: Operational Plan

<u>Site Number</u>	<u>Type (Speed, OP, ITC)</u>	<u>Site Description (include Miles Per Hour)</u>	<u>Survey Results (Compliance Percentage)</u>	<u>Enforcement Period (Days & Times)</u>
1.1	SPEED	2100 BLOCK STATE HWY 36 N SOUTHBOUND TO CITY LIMITS .6 MILES SPEED LIMIT 60 MPH	47%	0600-2400 MONDAY - SUNDAY
2.2	SPEED	300 BLOCK US 290 EAST WESTBOUND TO CITY LIMITS 1 MILE SPEED LIMIT 65 MPH	48%	0600-2400 MONDAY - SUNDAY
3.			%	
4.			%	
5.5			%	
6.6			%	Y
7.			%	

BUDGET SUMMARY

Budget Category		TxDOT	Match	Total
Category I - Labor Costs				
(100)	Salaries:	\$14,946.75	\$7,924.56	\$22,871.31
(200)	Fringe Benefits:	\$0	\$3,137.94	\$3,137.94
	Sub-Total:	\$14,946.75	\$11,062.50	\$26,009.25
Category II - Other Direct Costs				
(300)	Travel:	\$0	\$1,666.00	\$1,666.00
(400)	Equipment:	\$0	\$0	\$0
(500)	Supplies:	\$0	\$0	\$0
(600)	Contractual Services:	\$0	\$0	\$0
(700)	Other Miscellaneous:	\$0	\$0	\$0
	Sub-Total:	\$0	\$1,666.00	\$1,666.00
Total Direct Costs:		\$14,946.75	\$12,728.50	\$27,675.25
Category III - Indirect Costs				
(800)	Indirect Cost Rate:	\$0	\$0	\$0
Summary				
	Total Labor Costs:	\$14,946.75	\$11,062.50	\$26,009.25
	Total Direct Costs:	\$0	\$1,666.00	\$1,666.00
	Total Indirect Costs:	\$0	\$0	\$0
Grand Total		\$14,946.75	\$12,728.50	\$27,675.25
	Fund Sources (Percent Share):	54.01%	45.99%	
Salary and cost rates will be based on the rates submitted by the Subgrantee in its grant application in Egrants.				



AGENDA ITEM 15

DATE OF MEETING: September 15, 2016	DATE SUBMITTED: September 9, 2016	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Terry Roberts	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Recommendation for the Appointment of Alternate Members to the Board of Adjustment		
SUMMARY STATEMENT: Under the City’s policy for advisory board appointments, persons interested in serving must fill out an application of appointment. According to the City’s policy, the Mayor and City Manager are to review the board appointments and offer a recommendation to the City Council. Our recommendations are shown below: <u>Board of Adjustment:</u> There were two additional alternate positions recently approved by City Council. Staff has received two applications to fulfill those positions. They are Lynette Sheffield and John Pledger. Both of these positions will expire December 31, 2017.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Summary page for board		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: Approve the appointment of Lynette Sheffield and John Pledger as alternates to the Board of Adjustment		
APPROVALS: Milton Y. Tate, Jr.		

BOARD OF ADJUSTMENTS

Term of Office: Two Years
Meeting Schedule: Monthly, 2nd Monday @ 5:15 p.m.
Responsible Staff Member: Erik Smith

Position	Board Member	Term Expiration
1	MaLisa Hampton	December, 2017
2	Arlen Thielemann	December, 2017
3	Jon Hodde	December, 2016
4	Walt Schoenvogel	December, 2016
5	Mike Haywood	December, 2016

Position	Alternate Member	Term Expiration
A-1	Richard Heiges	December, 2016
A-2	Jarvis Van Dyke	December, 2016
A-3	Lynette Sheffield	December, 2017
A-4	John Pledger	December, 2017



REQUEST FOR APPOINTMENT TO CITY OF BRENHAM BOARDS AND COMMISSIONS

Name of Board or Commission in which you have an interest:

- Checkboxes for various boards: Airport Advisory Board, Brenham Community Development Corp., Building Standards Commission, Library Advisory Board, Parks & Recreation Board, Board of Adjustments, Brenham Housing Authority, Hotel Occupancy Tax Board, Main Street Board, Planning & Zoning Board (CURRENTLY ON)

(Composition, terms, duties and responsibilities are outlined on the Attachment)

Name: SHEFFIELD, LYNNETTE (Last, First, Middle)

Residence Address: 1506 CHAPPELL HILL ST. BRENHAM, TX 77833 (Street, City, State, Zip)

Mailing Address: (If different from above) (Street, City, State, Zip)

Preferred Phone and Fax: 979 830-3927 (Phone, Fax)

Email Address: LYNNETTE@WASHINGTONCOUNTYREALESTATE.COM

Occupation: REAL ESTATE BROKER/DEVELOPER

Employer: SELF

Are you a registered voter in Washington County? Yes No

Are you a resident of the City of Brenham? Yes No Length of residency:

Are you a resident of Washington County? Yes No Length of residency:

Do you, your spouse or your employer have any financial interest, directly or indirectly, in matters that might come before the Board to which you seek appointment?

Yes No If yes, explain: DEVELOPER OF OAK ALEY SUBDIVISION

Applicant Name: LYNETTE SHEFFIELD

BACKGROUND

Education/Training: GRADUATE B.S., B.S. DEGREE TEXAS TECH UNIV.

Areas of Interest: FRIENDS, COMMUNITY, ENTERTAINING, "MY BRUCEY BOY"

Current or Past Volunteer Experience/Community Service:

Please specify current or past volunteer experience/community service, if any, on Boards, Commissions, Corporations, Non-Profit Entities, Agencies, or other Entities. Additional information may be attached.

Organization: P&Z COMMISSIONER

Organization: PAST PRESIDENT, V.P. SOUTH CENTRAL BOARD

Organization: BOARD OF DIRECTORS, TEXAS ASSN. OF REALTORS

Organization: VOLUNTEER SERVICE, BRENHAM STATE SCHOOL
VARIOUS VOLUNTEER COMMITTEES IN BRENHAM

Reasons for seeking appointment: Please attach a brief narrative outlining your interests and qualifications for seeking this appointment. You may also add a resume or any additional documentation.

I have read and understand the instructions and appointment process. I certify that all statements that I have made on this application and other supplementary materials are true and correct. I acknowledge that any false statement or misrepresentation on this application or supplementary materials will be cause for refusal of appointment or immediate dismissal at any time during the period of my appointment.

L.S. Lynette Sheffield
Signature

7/12/16
Date

FILE THIS COMPLETED APPLICATION FORM WITH CITY SECRETARY'S OFFICE ON OR BEFORE 5:00 P.M. ON OCTOBER 1ST

City of Brenham - City Secretary
P. O. Box 1059
Brenham, Texas 77834-1059
Phone: 979-337-7567
Fax: 979-337-7568

(Original copy will be kept on file in the City Secretary's office for 12 months from the date of submission)



**REQUEST FOR APPOINTMENT TO
CITY OF BRENHAM
BOARDS AND COMMISSIONS**

Name of Board or Commission in which you have an interest:

- | | |
|--|--|
| <input type="checkbox"/> Airport Advisory Board | <input checked="" type="checkbox"/> Board of Adjustments |
| <input type="checkbox"/> Brenham Community Development Corp. | <input type="checkbox"/> Brenham Housing Authority |
| <input type="checkbox"/> Building Standards Commission | <input type="checkbox"/> Hotel Occupancy Tax Board |
| <input type="checkbox"/> Library Advisory Board | <input type="checkbox"/> Main Street Board |
| <input type="checkbox"/> Parks & Recreation Board | <input type="checkbox"/> Planning & Zoning Board |

(Composition, terms, duties and responsibilities are outlined on the Attachment)

Name: Pledger John E. III
(Title) (Last) (First) (Middle)

Residence Address: 1905 Rosenbaum Dr. Brenham Tx 77833
(Street) (City) (State) (Zip)

Mailing Address: (If different from above) same
(Street) (City) (State) (Zip)

Preferred Phone and Fax: 979-830-7786 —
(Phone) (Fax)

Email Address: jepledger3@gmail.com

Occupation: Retired Engineer / Land Surveyor

Employer: n/a

Are you a registered voter in Washington County? Yes ___ No

Are you a resident of the City of Brenham? Yes ___ No Length of residency: 11 months

Are you a resident of Washington County? Yes ___ No Length of residency: 11 months

Do you, your spouse or your employer have any financial interest, directly or indirectly, in matters that might come before the Board to which you seek appointment?

Yes ___ No If yes, explain: Un-divided % of ownership of property in Scenic Estates that remains unsold. 15-20%.

Applicant Name: John E. Pledger, III

BACKGROUND

Education/Training: BSCE '74 TAMU ME '74 Civil Eng. TAMU

Areas of Interest: Engineering, land surveying, real estate.

Current or Past Volunteer Experience/Community Service:

Please specify current or past volunteer experience/community service, if any, on Boards, Commissions, Corporations, Non-Profit Entities, Agencies, or other Entities. Additional information may be attached.

Organization: Brenham City Council - 3 yrs 2004-2006?

Organization: Brenham State Supported Living Center VSC

Organization: _____

Organization: _____

Reasons for seeking appointment: Please attach a brief narrative outlining your interests and qualifications for seeking this appointment. You may also add a resume or any additional documentation.

I have read and understand the instructions and appointment process. I certify that all statements that I have made on this application and other supplementary materials are true and correct. I acknowledge that any false statement or misrepresentation on this application or supplementary materials will be cause for refusal of appointment or immediate dismissal at any time during the period of my appointment.

John E. Pledger III
Signature

7-18-16
Date

FILE THIS COMPLETED APPLICATION ALONG WITH THE CONSENT FOR FELONY BACKGROUND HISTORY FORM WITH CITY SECRETARY'S OFFICE ON OR BEFORE 5:00 P.M. ON OCTOBER 1ST

City of Brenham - City Secretary
P. O. Box 1059
Brenham, Texas 77834-1059
Phone: 979-337-7567
Fax: 979-337-7568

(Original copy will be kept on file in the City Secretary's office for 12 months from the date of submission)



AGENDA ITEM 16

DATE OF MEETING: September 15, 2016	DATE SUBMITTED: September 9, 2016	
DEPT. OF ORIGIN: Public Works	SUBMITTED BY: Kim Hodde	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon the Approval of the Routine Airport Maintenance Program (RAMP) Grant Agreement No. M1717BRENM with TxDOT for FY2017 and Authorize the Mayor to Execute Any Necessary Documentation		
SUMMARY STATEMENT: Included on the Agenda for Thursday's Council meeting is consideration of a grant agreement with TxDOT for participation in the Routine Airport Maintenance Program (RAMP) for September 1, 2016 through August 31, 2017. As in the prior years, this agreement allows us to be reimbursed for 50% of the cost of our monthly AWOS monitoring (AviMet Data Link connection fees and continued scheduled maintenance), annual AWOS Maintenance Contract, as well as 50% of our replacement lamps for the airport lighting system, herbicides, general maintenance, and a contingency for emergency repairs. The maximum for this grant is \$100,000 total (50/50 match) for the fiscal year; however, we have budgeted funds of \$30,000 and with TxDOT's match of \$30,000, this will enable us to do \$60,000 worth of maintenance at half the cost.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS: 50% of the routine maintenance items would be reimbursed by TxDOT		
B. CONS: The City of Brenham would pay 100% of all maintenance costs		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) 2017 RAMP agreement		
FUNDING SOURCE (Where Applicable): Budgeted funds		
RECOMMENDED ACTION: Approve the Routine Airport Maintenance Program (RAMP) Grant, Agreement No. M1717BRENM with TxDOT for FY2017 and authorize the Mayor to execute any necessary documentation		
APPROVALS: Terry K. Roberts		

**TEXAS DEPARTMENT OF TRANSPORTATION
GRANT FOR ROUTINE AIRPORT MAINTENANCE PROGRAM**

(State Assisted Airport Routine Maintenance)

TxDOT Project ID: M1717BREN

Part I - Identification of the Project

TO: The City of Brenham, Texas

FROM: The State of Texas, acting through the Texas Department of Transportation

This Grant is made between the Texas Department of Transportation, (hereinafter referred to as the "State"), on behalf of the State of Texas, and the City of Brenham, Texas, (hereinafter referred to as the "Sponsor").

This Grant Agreement is entered into between the State and Sponsor shown above, under the authority granted and in compliance with the provisions of the Transportation Code Chapter 21.

The project is for **airport maintenance** at the Brenham Municipal Airport.

Part II - Offer of Financial Assistance

1. For the purposes of this Grant, the annual routine maintenance project cost, Amount A, is estimated as found on Attachment A, Scope of Services, attached hereto and made a part of this grant agreement.

State financial assistance granted will be used solely and exclusively for airport maintenance and other incidental items as approved by the State. Actual work to be performed under this agreement is found on Attachment A, Scope of Services. State financial assistance, Amount B, will be for fifty percent (50%) of the eligible project costs for this project or \$50,000.00, whichever is less, per fiscal year and subject to availability of state appropriations.

Scope of Services, Attachment A, of this Grant, may be amended, subject to availability of state funds, to include additional approved airport maintenance work. Scope amendments require submittal of an Amended Scope of Services, Attachment A.

Services will not be accomplished by the State until receipt of Sponsor's share of project costs.

Only work items as described in Attachment A, Scope of Services of this Grant are reimbursable under this grant.

Work shall be accomplished by August 31, 2017, unless otherwise approved by the State.

2. The State shall determine fair and eligible project costs for work scope. Sponsor's share of estimated project costs, Amount C, shall be as found on Attachment A and any amendments.

It is mutually understood and agreed that if, during the term of this agreement, the State determines that there is an overrun in the estimated annual routine maintenance costs, the State may increase the grant to cover the amount of the overrun within the above stated percentages and subject to the maximum amount of state funding.

The State will not authorize expenditures in excess of the dollar amounts identified in this Agreement and any amendments, without the consent of the Sponsor.

3. Sponsor, by accepting this Grant certifies and, upon request, shall furnish proof to the State that it has sufficient funds to meet its share of the costs. The Sponsor grants to the State the right to audit any books and records of the Sponsor to verify expended funds.

Upon execution of this Agreement and written demand by the State, the Sponsor's financial obligation (Amount C) shall be due in cash and payable in full to the State. State may request the Sponsor's financial obligation in partial payments. Should the Sponsor fail to pay their obligation, either in whole or in part, within 30 days of written demand, the State may exercise its rights under Paragraph V-3. Likewise, should the State be unwilling or unable to pay its obligation in a timely manner, the failure to pay shall be considered a breach and the Sponsor may exercise any rights and remedies it has at law or equity.

The State shall reimburse or credit the Sponsor, at the financial closure of the project, any excess funds provided by the Sponsor which exceed Sponsor's share (Amount C).

4. The Sponsor specifically agrees that it shall pay any project costs which exceed the amount of financial participation agreed to by the State. It is further agreed that the Sponsor will reimburse the State for any payment or payments made by the State which are in excess of the percentage of financial assistance (Amount B) as stated in Paragraph II-1.
5. Scope of Services may be accomplished by State contracts or through local contracts of the Sponsor as determined appropriate by the State. All locally contracted work must be approved by the State for scope and reasonable cost. Reimbursement requests for locally contracted work shall be submitted on forms provided by the State and shall include copies of the invoices for materials or services. Payment shall be made for no more than 50% of allowable charges.

The State will not participate in funding for force account work conducted by the Sponsor.

6. This Grant shall terminate upon completion of the scope of services.

Part III - Sponsor Responsibilities

1. In accepting this Grant, if applicable, the Sponsor guarantees that:
 - a. it will, in the operation of the facility, comply with all applicable state and federal laws, rules, regulations, procedures, covenants and assurances required by the State in connection with this Grant; and
 - b. the Airport or navigational facility which is the subject of this Grant shall be controlled by the Sponsor for a period of at least 20 years; and
 - c. consistent with safety and security requirements, it shall make the airport or air navigational facility available to all types, kinds and classes of aeronautical use without discrimination between such types, kinds and classes and shall provide adequate public access during the period of this Grant; and
 - d. it shall not grant or permit anyone to exercise an exclusive right for the conduct of aeronautical activity on or about an airport landing area. Aeronautical activities include, but are not limited to scheduled airline flights, charter flights, flight instruction, aircraft sales, rental and repair, sale of aviation petroleum products and aerial applications. The landing area consists of runways or landing strips, taxiways, parking aprons, roads, airport lighting and navigational aids; and
 - e. it shall not enter into any agreement nor permit any aircraft to gain direct ground access to the sponsor's airport from private property adjacent to or in the immediate area of the airport. Further, Sponsor shall not allow aircraft direct ground access to private property. Sponsor shall be subject to this prohibition, commonly known as a "through-the-fence operation," unless an exception is granted in writing by the State due to extreme circumstances; and
 - f. it shall not permit non-aeronautical use of airport facilities without prior approval of the State; and
 - g. the Sponsor shall submit to the State annual statements of airport revenues and expenses when requested; and
 - h. all fees collected for the use of the airport shall be reasonable and nondiscriminatory. The proceeds from such fees shall be used solely for the development, operation and maintenance of the airport or navigational facility; and
 - i. an Airport Fund shall be established by resolution, order or ordinance in the

treasury of the Sponsor, or evidence of the prior creation of an existing airport fund or a properly executed copy of the resolution, order, or ordinance creating such a fund, shall be submitted to the State. The fund may be an account as part of another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole. All fees, charges, rents, and money from any source derived from airport operations must be deposited in the Airport Fund and shall not be diverted to the general revenue fund or any other revenue fund of the Sponsor. All expenditures from the Airport Fund shall be solely for airport purposes. Sponsor shall be ineligible for a subsequent grant or loan by the State unless, prior to such subsequent approval of a grant or loan, Sponsor has complied with the requirements of this subparagraph; and

- j. the Sponsor shall operate runway lighting at least at low intensity from sunset to sunrise; and
 - k. insofar as it is reasonable and within its power, Sponsor shall adopt and enforce zoning regulations to restrict the height of structures and use of land adjacent to or in the immediate vicinity of the airport to heights and activities compatible with normal airport operations as provided in Tex. Loc. Govt. Code Ann. Sections 241.001 et seq. (Vernon and Vernon Supp.). Sponsor shall also acquire and retain aviation easements or other property interests in or rights to use of land or airspace, unless sponsor can show that acquisition and retention of such interest will be impractical or will result in undue hardship to Sponsor. Sponsor shall be ineligible for a subsequent grant or loan by the State unless Sponsor has, prior to subsequent approval of a grant or loan, adopted and passed an airport hazard zoning ordinance or order approved by the State.
 - l. mowing services will not be eligible for state financial assistance. Sponsor will be responsible for 100% of any mowing services.
2. The Sponsor, to the extent of its legal authority to do so, shall save harmless the State, the State's agents, employees or contractors from all claims and liability due to activities of the Sponsor, the Sponsor's agents or employees performed under this agreement. The Sponsor, to the extent of its legal authority to do so, shall also save harmless the State, the State's agents, employees or contractors from any and all expenses, including attorney fees which might be incurred by the State in litigation or otherwise resisting claim or liabilities which might be imposed on the State as the result of those activities by the Sponsor, the Sponsor's agents or employees.
 3. The Sponsor's acceptance of this Offer and ratification and adoption of this Grant shall be evidenced by execution of this Grant by the Sponsor. The Grant shall comprise a contract, constituting the obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the project and the operation and maintenance of the airport.

If it becomes unreasonable or impractical to complete the project, the State may void this agreement and release the Sponsor from any further obligation of project costs.

4. Upon entering into this Grant, Sponsor agrees to name an individual, as the Sponsor's Authorized Representative, who shall be the State's contact with regard to this project. The Representative shall receive all correspondence and documents associated with this grant and shall make or shall acquire approvals and disapprovals for this grant as required on behalf of the Sponsor, and coordinate schedule for work items as required.
5. By the acceptance of grant funds for the maintenance of eligible airport buildings, the Sponsor certifies that the buildings are owned by the Sponsor. The buildings may be leased but if the lease agreement specifies that the lessee is responsible for the upkeep and repairs of the building no state funds shall be used for that purpose.
6. Sponsor shall request reimbursement of eligible project costs on forms provided by the State. All reimbursement requests are required to include a copy of the invoices for the materials or services. The reimbursement request will be submitted no more than once a month.
7. The Sponsor's acceptance of this Agreement shall comprise a Grant Agreement, as provided by the Transportation Code, Chapter 21, constituting the contractual obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the airport maintenance and compliance with the assurances and conditions as provided. Such Grant Agreement shall become effective upon the State's written Notice to Proceed issued following execution of this agreement.

PART IV - Nomination of the Agent

1. The Sponsor designates the State as the party to receive and disburse all funds used, or to be used, in payment of the costs of the project, or in reimbursement to either of the parties for costs incurred.
2. The State shall, for all purposes in connection with the project identified above, be the Agent of the Sponsor. The Sponsor grants the State a power of attorney to act as its agent to perform the following services:
 - a. accept, receive, and deposit with the State any and all project funds granted, allowed, and paid or made available by the Sponsor, the State of Texas, or any other entity;
 - b. enter into contracts as necessary for execution of scope of services;
 - c. if State enters into a contract as Agent: exercise supervision and direction of the project work as the State reasonably finds appropriate. Where there is an

irreconcilable conflict or difference of opinion, judgment, order or direction between the State and the Sponsor or any service provider, the State shall issue a written order which shall prevail and be controlling;

- d. receive, review, approve and pay invoices and payment requests for services and materials supplied in accordance with the State approved contracts;
- e. obtain an audit as may be required by state regulations; the State Auditor may conduct an audit or investigation of any entity receiving funds from TxDOT directly under this contract or indirectly through a subcontract under this contract. Acceptance of funds directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.
- f. reimburse sponsor for approved contract maintenance costs no more than once a month.

PART V - Recitals

- 1. This Grant is executed for the sole benefit of the contracting parties and is not intended or executed for the direct or incidental benefit of any third party.
- 2. It is the intent of this grant to not supplant local funds normally utilized for airport maintenance, and that any state financial assistance offered under this grant be in addition to those local funds normally dedicated for airport maintenance.
- 3. This Grant is subject to the applicable provisions of the Transportation Code, Chapters 21 and 22, and the Airport Zoning Act, Tex. Loc. Govt. Code Ann. Sections 241.001 et seq. (Vernon and Vernon Supp.). Failure to comply with the terms of this Grant or with the rules and statutes shall be considered a breach of this contract and will allow the State to pursue the remedies for breach as stated below.
 - a. Of primary importance to the State is compliance with the terms and conditions of this Grant. If, however, after all reasonable attempts to require compliance have failed, the State finds that the Sponsor is unwilling and/or unable to comply with any of the terms of this Grant, the State, may pursue any of the following remedies: (1) require a refund of any financial assistance money expended pursuant to this Grant, (2) deny Sponsor's future requests for aid, (3) request the Attorney General to bring suit seeking reimbursement of any financial assistance money expended on the project pursuant to this Grant, provided however, these remedies shall not limit the State's authority to enforce its rules, regulations or

orders as otherwise provided by law, (4) declare this Grant null and void, or (5) any other remedy available at law or in equity.

- b. Venue for resolution by a court of competent jurisdiction of any dispute arising under the terms of this Grant, or for enforcement of any of the provisions of this Grant, is specifically set by Grant of the parties in Travis County, Texas.
4. The State reserves the right to amend or withdraw this Grant at any time prior to acceptance by the Sponsor. The acceptance period cannot be greater than 30 days after issuance unless extended by the State.
5. This Grant constitutes the full and total understanding of the parties concerning their rights and responsibilities in regard to this project and shall not be modified, amended, rescinded or revoked unless such modification, amendment, rescission or revocation is agreed to by both parties in writing and executed by both parties.
6. All commitments by the Sponsor and the State are subject to constitutional and statutory limitations and restrictions binding upon the Sponsor and the State (including Sections 5 and 7 of Article 11 of the Texas Constitution, if applicable) and to the availability of funds which lawfully may be applied.

Part VI - Acceptances

Sponsor

The City of Brenham, Texas, does ratify and adopt all statements, representations, warranties, covenants, agreements, and all terms and conditions of this Grant.

Executed this _____ day of _____, 20__.

The City of Brenham, Texas
Sponsor

Witness Signature

Sponsor Signature

Witness Title

Sponsor Title

Certificate of Attorney

I, _____, acting as attorney for the City of Brenham, Texas, do certify that I have fully examined the Grant and the proceedings taken by the Sponsor relating to the acceptance of the Grant, and find that the manner of acceptance and execution of the Grant by the Sponsor, is in accordance with the laws of the State of Texas.

Dated at _____, Texas, this _____ day of _____, 20__.

Witness Signature

Attorney's Signature

Witness Title

Acceptance of the State

Executed by and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs and grants heretofore approved and authorized by the Texas Transportation Commission.

STATE OF TEXAS
TEXAS DEPARTMENT OF TRANSPORTATION

By: _____

Date: _____

**Attachment A
Scope of Services
TxDOT Project ID: M1717BREN**

Eligible Scope Item:	Estimated Costs Amount A	State Share Amount B	Sponsor Share Amount C
GENERAL MAINTENANCE	\$100,000.00	\$50,000.00	\$50,000.00
Special Project	\$0.00	\$0.00	\$0.00
Special Project	\$0.00	\$0.00	\$0.00
Special Project	\$0.00	\$0.00	\$0.00
Special Project	\$0.00	\$0.00	\$0.00
Special Project	\$0.00	\$0.00	\$0.00
TOTAL	\$100,000.00	\$50,000.00	\$50,000.00

Accepted by: The City of Brenham, Texas

Signature

Title: _____

Date: _____

GENERAL MAINTENANCE: As needed, Sponsor may contract for services/purchase materials for routine maintenance/improvement of airport pavements, signage, drainage, AWOS systems, approach aids, lighting systems, utility infrastructure, fencing, herbicide/application, sponsor owned and operated fuel systems, hangars, terminal buildings and security systems; professional services for environmental compliance, approved project design. Special projects to be determined and added by amendment.

Only work items as described in Attachment A, Scope of Services of this Grant are reimbursable under this grant.

CERTIFICATION OF AIRPORT FUND

TxDOT Project ID: M1717BREN

The City of Brenham does certify that an Airport Fund has been established for the Sponsor, and that all fees, charges, rents, and money from any source derived from airport operations will be deposited for the benefit of the Airport Fund and will not be diverted for other general revenue fund expenditures or any other special fund of the Sponsor and that all expenditures from the Fund will be solely for airport purposes. The fund may be an account as part of another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole.

The City of Brenham, Texas
(Sponsor)

By: _____

Title: _____

Date: _____

Certification of State Single Audit Requirements

I, _____, do certify that the City of Brenham will comply with all
(Designated Representative)

requirements of the State of Texas Single Audit Act if the City of Brenham spends or receives more than the threshold amount in any grant funding sources during the most recently audited fiscal year. And in following those requirements, the City of Brenham will submit the report to the audit division of the Texas Department of Transportation. If your entity did not meet the threshold in grant receivables or expenditures, please submit a letter indicating that your entity is not required to have a State Single Audit performed for the most recent audited fiscal year.

Signature

Title

Date

DESIGNATION OF SPONSOR'S AUTHORIZED REPRESENTATIVE

TxDOT Project ID: M1717BREN

The City of Brenham designates, _____
(Name, Title)

as the Sponsor's authorized representative, who shall receive all correspondence and documents associated with this grant and who shall make or shall acquire approvals and disapprovals for this grant as required on behalf of the Sponsor.

The City of Brenham, Texas
(Sponsor)

By: _____

Title: _____

Date: _____

DESIGNATED REPRESENTATIVE

Mailing Address: _____

Overnight Mailing Address: _____

Telephone/Fax Number: _____

Email address: _____



AGENDA ITEM 17

DATE OF MEETING: September 15, 2016	DATE SUBMITTED: August 30, 2016	
DEPT. OF ORIGIN: Fire Department	SUBMITTED BY: Brent Sauble	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending Chapter 8, Fire Protection and Prevention, Sec. 8-3, Possession, Selling, Etc. of Fireworks, of the Code of Ordinances of the City of Brenham, Texas, Regarding the Sale of Fireworks		
SUMMARY STATEMENT: Looking back through the 2015 Legislative changes, we noticed that nothing was ever done to update our ordinance based on the passage of Senate Bill 1593 that said “a home rule city may not define and prohibit as a nuisance the sale of fireworks or similar materials within the 5,000 foot nuisance zone outside the city limits”. This law went into effect on September 1, 2015 and we have not been enforcing the current ordinance since the new law went into effect. This change we are proposing will bring our current ordinance in compliance with State Law.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Ordinance; and (2) Redline of Ordinance showing changes		
FUNDING SOURCE (Where Applicable): N/A		
RECOMMENDED ACTION: Approve an Ordinance on its first reading amending Chapter 8, Fire Protection and Prevention, Sec. 8-3, Possession, Selling, Etc. of Fireworks, of the Code of Ordinances of the City of Brenham, Texas, regarding the sale of fireworks		
APPROVALS: Terry K. Roberts		

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BRENHAM, TEXAS, AMENDING CHAPTER 8, FIRE PROTECTION AND PREVENTION, SECTION 8-3, FIREWORKS – POSSESSING, SELLING, ETC., OF THE CODE OF ORDINANCES OF THE CITY OF BRENHAM, TEXAS; PROVIDING FOR A REPEALER AND SAVINGS CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR PROPER NOTICE AND OPEN MEETINGS

WHEREAS, pursuant to Texas Local Government Code, Section 51.001, the City has the authority to adopt ordinances and regulations that are for good government, peace and order of the City; and

WHEREAS, in order to enhance, promote, and protect the health, safety, and general welfare of the citizens of Brenham, Texas, the City Council must from time to time amend and/or adopt new regulations; and

WHEREAS, with the passage of Senate Bill 1593, which went into effect on September 1, 2015, mandating that a home rule city may not define and prohibit as a nuisance the sale of fireworks or similar materials within the 5,000 foot nuisance zone outside the city limits; and

WHEREAS, the City Council must amend Chapter 8 of Code of Ordinances to ensure it meets the requirements of State Law; and

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

SECTION 1.

Chapter 8, Subsections 8-3 (a) and (d), of the Code of Ordinances of the City of Brenham is hereby amended to read as follows:

Sec. 8-3. – Fireworks - Possessing, selling, etc.

- (a) The transporting, storing, possession or presence of any fireworks (except for the purpose of offering fireworks for sale in the territorial jurisdiction of the city), including types covered by Texas Occupation Code Chapter 2154, within the city or the territorial jurisdiction of the city, being the area immediately adjacent and contiguous to the city limits and extending outside the city limits for a distance of five thousand (5,000) feet in all directions, unless such area is within the corporate limits of another municipality, is hereby declared to be a nuisance. The offering for sale of any fireworks within the city limits is hereby declared to be a nuisance; however, the offering for sale of any fireworks in the territorial jurisdiction of the city shall not be considered a nuisance.

- (d) Notwithstanding any penal provisions hereof, the city attorney is authorized to file suit on behalf of the city for such injunctive relief as may be necessary to prevent unlawful storage, transportation, keeping or using of fireworks within the city limits or the territorial jurisdiction of the city, and to prevent any person from interfering with the seizure and destruction of such fireworks; provided, however:
- (1) That it shall not be necessary to obtain such injunctive relief as a prerequisite to such seizure and destruction.
 - (2) That any member of the fire department is hereby authorized to enter any building, in accordance with applicable laws governing the right to entry, search and seizure, where the unlawful presence of fireworks is suspected in order to inspect the same for the presence of such fireworks.
 - (3) That in any instance, where the fire chief or any of his duly authorized assistants have probable cause to believe that fireworks are being stored in a building, they shall, in accordance with applicable laws governing the right to entry, search and seizure, promptly enter the building for the purpose of inspection.

SECTION 2.
SAVINGS CLAUSE

All provisions of any ordinance, resolution or other action of the City in conflict with this Ordinance are hereby repealed to the extent they are in conflict. Any remaining portions of said ordinances, resolutions or other actions shall remain in full force and effect.

SECTION 3.
SEVERABILITY

Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentences and clauses and phrases remaining should any provision be declared unconstitutional or invalid.

SECTION 4.
REPEALER

Any other ordinance or parts of ordinances in conflict with this Ordinance are hereby expressly repealed.

SECTION 5.
EFFECTIVE DATE

This Ordinance shall become effective upon adoption and publication as required by law.

SECTION 6.
PROPER NOTICE AND MEETINGS

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

PASSED AND APPROVED on its first reading this the ____ day of _____,
2016.

PASSED AND APPROVED on its second reading this the ____ day of _____,
2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary

CHAPTER 8 – FIRE PROTECTION AND PREVENTION

Sec. 8-3. - Fireworks—Possessing, selling, etc.

- (a) The transporting, storing, possession or presence of any fireworks (except for the purpose of offering fireworks for sale in the territorial jurisdiction of the city), including types covered by Texas Occupation Code Chapter 2154, within the city or the territorial jurisdiction of the city, being the area immediately adjacent and contiguous to the city limits and extending outside the city limits for a distance of five thousand (5,000) feet in all directions, unless such area is within the corporate limits of another municipality, is hereby declared to be a nuisance. The offering for sale of any fireworks within the city limits is hereby declared to be a nuisance; however, the offering for sale of any fireworks in the territorial jurisdiction of the city shall not be considered a nuisance.
- (d) Notwithstanding any penal provisions hereof, the city attorney is authorized to file suit on behalf of the city for such injunctive relief as may be necessary to prevent unlawful storage, transportation, keeping or using of fireworks within the city limits of the territorial jurisdiction of the city, and to prevent any person from interfering with the seizure and destruction of such fireworks; provided, however:
- (1) That it shall not be necessary to obtain such injunctive relief as a prerequisite to such seizure and destruction.
 - (2) That any member of the fire department is hereby authorized to enter any building, in accordance with applicable laws governing the right to entry, search and seizure, where the unlawful presence of fireworks is suspected in order to inspect the same for the presence of such fireworks.
 - (3) That in any instance, where the fire chief or any of his duly authorized assistants have probable cause to believe that fireworks are being stored in a building, they shall, in accordance with applicable laws governing the right to entry, search and seizure, promptly enter the building for the purpose of inspection.

Deleted: offering for sale.



AGENDA ITEM 18

DATE OF MEETING: September 15, 2016	DATE SUBMITTED: September 7, 2016	
DEPT. OF ORIGIN: Engineering	SUBMITTED BY: Lori Lakatos	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on Its First Reading for the Abandonment of a Portion of Day Street Right-of-Way		
SUMMARY STATEMENT: Matt Stolz has requested that a portion of the unimproved Day Street right-of-way (ROW) be abandoned. He submitted a ROW abandonment application in July 2016 and the adjacent property owners have agreed to the abandonment. Once the City abandons the ROW, the property owners will convey the ROW as they have agreed.		
This ordinance is being presented to abandon the portion of Day Street as shown in the exhibit by metes and bounds with exhibit. The abandonment of this ROW does not create an undue burden on traffic.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference): N/A		
ATTACHMENTS: (1) Ordinance with Exhibit; and (2) Map of area		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: Approve an Ordinance on its first reading abandoning a portion of Day Street right-of-way		
APPROVALS: Terry K. Roberts		

ORDINANCE NO. _____

AN ORDINANCE PROVIDING FOR THE ABANDONMENT OF A PORTION OF DAY STREET RIGHT-OF-WAY BOUNDED ON THE NORTH BY PEABODY STREET, BOUNDED ON THE EAST BY THE MATTHEW C. STOLZ CALLED 0.088 ACRE TRACT, ALSO BOUNDED ON THE EAST BY LOT 5 OF THE CITY ADDITION, BEING BOUNDED ON THE SOUTH BY THE BURLINGTON NORTHERN AND SANTA FE RAILROAD, AND BEING BOUNDED ON THE WEST BY THE BRENHAM DESIGN & CONSTRUCTION INC., CALLED 17600 SQ. FT. TRACT, SITUATED IN WASHINGTON COUNTY, TEXAS, BEING OUT OF THE A. HARRINGTON SURVEY, ABSTRACT NO. 55, IN THE CITY OF BRENHAM

WHEREAS, the City of Brenham has ownership of the Day Street right-of-way bounded on the north by Peabody Street, bounded on the east by the Matthew C. Stolz called 0.088 acre tract, also bounded on the east by Lot 5 of the City Addition, being bounded on the south by the Burlington Northern and Santa Fe Railroad, and being bounded on the west by the Brenham Design & Construction, Inc., called 17600 sq. ft. tract, situated in Washington County, Texas, being out of the A. Harrington Survey, Abstract No. 55, in the City of Brenham; and

WHEREAS, an adjoining property owner has requested the abandonment and closing of a portion of Day Street right-of-way; and

WHEREAS, the adjoining property owner requesting the abandonment of a portion of Day Street owns an adjoining 0.088 acre tract; and

WHEREAS, the abandonment and closing of the portion of Day Street right-of-way as shown on Exhibit "A," attached hereto and incorporated herein for all purposes, will not create an undue burden on traffic; and

WHEREAS, the City of Brenham has no need or use for the portion of Day Street as shown on Exhibit "A" as a public thoroughfare, and said portion of the Day Street right-of-way remains undeveloped, unimproved and unused; and

WHEREAS, the City Council of the City of Brenham desires to abandon and close the portion of the Day Street right-of-way as shown on Exhibit "A" as a public thoroughfare, said closure and abandonment being in the best interest of the citizens of Brenham; and

NOW, THEREFORE BE IT ORDAINED by the City Council of the City of Brenham, Texas:

SECTION I.

That the portion of the Day Street right-of-way as shown on Exhibit “A” is hereby abandoned and closed as a public thoroughfare.

SECTION II.

This street right-of-way to be closed and abandoned is currently undeveloped and unimproved, and any existing or future maintenance by the City of Brenham will cease.

SECTION III.

The Mayor of the City of Brenham is hereby authorized to execute any documents necessary for the conveyance of the portion of Day Street right-of-way as shown on Exhibit “A,” attached hereto and incorporated herein for all purposes, to the adjoining property owners.

SECTION IV.

This Ordinance shall take full force and effect immediately from and after its passage and approval on second reading and approval by the Planning and Zoning Commission of a replat of the abandoned right-of-way parcels into conforming lots.

PASSED and **APPROVED** on its first reading this the __ day of _____, 2016.

PASSED and **APPROVED** on its second reading this the __ day of _____, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary

cm = control monument
 c = concrete
 sw = sidewalk
 pp = power (utility) pole
 OHE = overhead electric line

Notes:

The subject tracts shown hereon do not lie within the Special Flood Hazard Area according to the FEMA Flood Insurance Rate Map for Washington County, Texas, Map Number 48477C0295C, effective date August 16, 2011.

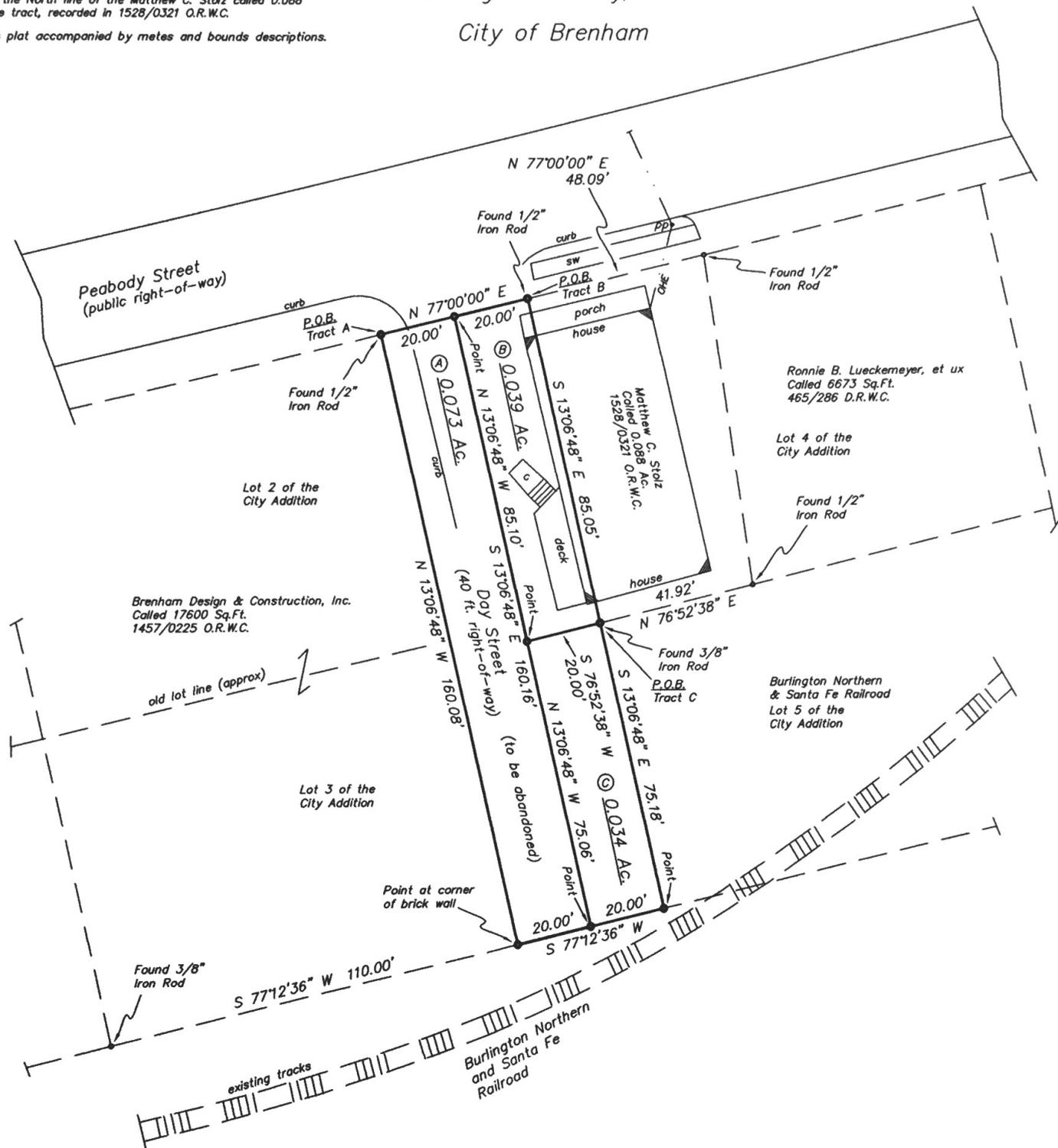
A current title commitment or report was not available or provided to the undersigned surveyor as of the date of this survey, and the undersigned surveyor did not abstract the subject tract.

Bearings shown hereon are based on the record bearing for the North line of the Matthew C. Stolz called 0.088 acre tract, recorded in 1528/0321 O.R.W.C.

This plat accompanied by metes and bounds descriptions.

Scale 1" = 30'

A. Harrington Survey
 Abstract No. 55
 Washington County, Texas
 City of Brenham



Survey Map

Showing a division of 0.147 acres, being a portion of Day Street, being bounded on the North by Peabody Street (public right-of-way), bounded on the East by the Matthew C. Stolz called 0.088 acre tract, also bounded on the East by Lot 5 of the City Addition, being bounded on the South by the Burlington Northern and Santa Fe Railroad, and being bounded on the West by the Brenham Design & Construction Inc., called 17600 Sq.Ft. tract, situated in Washington County, Texas, being out of the A. Harrington Survey, Abstract No. 55, in the City of Brenham.

I, Michael J. Blakey, Registered Professional Land Surveyor, do hereby certify that the plat shown hereon represents the results of an on the ground survey made by me on April 28, 2016, and all corners are as shown. There are no conflicts or protrusions apparent on the ground except as shown. This survey was made without the benefit of a current title report which may indicate easements or other encumbrances of record not apparent on the ground.

Michael J. Blakey
 Michael J. Blakey
 Registered Professional Land Surveyor No. 5935

W.O.#2016-2324

Blakey Land Surveying

RPLS 4052  RPLS 5935

4650 Wilhelm Lane
 Burton, Texas 77835

(979) 289-3900

Blakey Land Surveying

4650 Wilhelm Lane
Burton, Texas 77835-5794

Telephone/Fax 979-289-3900

PORTION OF DAY STREET
TRACT A – 0.073 ACRES

ALL THAT TRACT OR PARCEL OF LAND containing 0.073 acres, situated in Washington County, Texas, being out of the A. Harrington Survey, Abstract No. 55, in the City of Brenham, and being a portion of Day Street (40 ft. right-of-way), being bounded on the North by Peabody Street (public right-of-way), bounded on the West by the Brenham Design & Construction Inc., called 17600 Sq.Ft. tract (Volume 1457, Page 0225, Official Records of Washington County, Texas), bounded on the East by a 0.039 acre tract (surveyed this date, designated Tract B), also bounded on the East by a 0.034 acre tract (surveyed this date, designated Tract C), and being bounded on the South by the Burlington Northern and Santa Fe Railroad, said 0.073 acre tract being more particularly described as follows:

BEGINNING at a found ½ inch iron rod, lying in the South margin of Peabody Street (public right-of-way), marking the Northeast corner of the Brenham Design & Construction Inc., called 17600 Sq.Ft. tract, and the Northwest corner of the herein described tract;

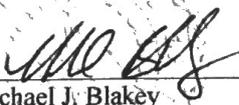
THENCE along the South margin of Peabody Street, with the North line of the herein described tract, N 77deg 00min 00sec E, 20.00 ft., to a point, marking the Northwest corner of said 0.039 acre tract (Tract B), and the Northeast corner of the herein described tract;

THENCE departing said street margin, along the West line of said 0.039 acre tract (Tract B), and along the West line of said 0.034 acre tract (Tract C), with the East line of the herein described tract, S 13deg 06min 48sec E, 160.16 ft., to a point, lying in the North line of said Burlington Northern and Santa Fe Railroad, marking the Southwest corner of said 0.034 acre tract (Tract C), and the Southeast corner of the herein described tract;

THENCE along the North line of said Burlington Northern and Santa Fe Railroad, with the South line of the herein described tract, S 77deg 12min 36sec W, 20.00 ft., to a point at the corner of a brick wall, marking the Southeast corner of the aforementioned Brenham Design & Construction Inc., called 17600 Sq.Ft. tract, and the Southwest corner of the herein described tract;

THENCE along the East line of said Brenham Design & Construction Inc., called 17600 Sq.Ft. tract, with the West line of the herein described tract, N 13deg 06min 48sec W, 160.08 ft., to the **PLACE OF BEGINNING** and containing 0.073 acres of land.

April 28, 2016
W.O.#2016-2324



Michael J. Blakey
Registered Professional Land Surveyor No. 5935

Plat prepared and made a part of this description.

Blakey Land Surveying

4650 Wilhelm Lane
Burton, Texas 77835-5794

Telephone/Fax 979-289-3900

PORTION OF DAY STREET
TRACT B – 0.039 ACRES

ALL THAT TRACT OR PARCEL OF LAND containing 0.039 acres, situated in Washington County, Texas, being out of the A. Harrington Survey, Abstract No. 55, in the City of Brenham, and being a portion of Day Street (40 ft. right-of-way), being bounded on the North by Peabody Street (public right-of-way), bounded on the West by a 0.073 acre tract (surveyed this date, designated Tract A), bounded on the East by the Matthew C. Stolz called 0.088 acre tract (Volume 1528, Page 0321, Official Records of Washington County, Texas), and bounded on the South by a 0.034 acre tract (surveyed this date, designated Tract C), said 0.039 acre tract being more particularly described as follows:

BEGINNING at a found ½ inch iron rod, lying in the South margin of Peabody Street (public right-of-way), marking the Northwest corner of the Matthew C. Stolz called 0.088 acre tract, and the Northeast corner of the herein described tract;

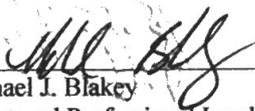
THENCE departing said street margin, along the West line of said Stolz tract with the East line of the herein described tract, S 13deg 06min 48sec E, 85.05 ft., to a found 3/8 inch iron rod, marking the Northeast corner of said 0.034 acre tract (Tract C), and the Southeast corner of the herein described tract;

THENCE along the North line of said 0.034 acre tract (Tract C), with the South line of the herein described tract, S 76deg 52min 38sec W, 20.00 ft., to a point, lying in the East line of said 0.073 acre tract (Tract A), marking the Northwest corner of said 0.034 acre tract (Tract C), and the Southwest corner of the herein described tract;

THENCE along a portion of the East line of said 0.073 acre tract, with the West line of the herein described tract, N 13deg 06min 48sec W, 85.10 ft., to a point, lying in the South margin of the aforementioned Peabody Street, marking the Northeast corner of said 0.073 acre tract (Tract A), and the Northwest corner of the herein described tract;

THENCE along the South margin of Peabody Street, with the North line of the herein described tract, N 77deg 00min 00sec E, 20.00 ft., to the **PLACE OF BEGINNING** and containing 0.039 acres of land.

April 28, 2016
W.O.#2016-2324



Michael J. Blakey
Registered Professional Land Surveyor No. 5935

Plat prepared and made a part of this description.

Blakey Land Surveying

4650 Wilhelm Lane
Burton, Texas 77835-5794

Telephone/Fax 979-289-3900

PORTION OF DAY STREET
TRACT C – 0.034 ACRES

ALL THAT TRACT OR PARCEL OF LAND containing 0.034 acres, situated in Washington County, Texas, being out of the A. Harrington Survey, Abstract No. 55, in the City of Brenham, and being a portion of Day Street (40 ft. right-of-way), being bounded on the North by a 0.039 acre tract (surveyed this date, designated Tract B), bounded on the West by a 0.073 acre tract (surveyed this date, designated Tract A), bounded on the East by the Burlington Northern and Santa Fe property (Lot 5 of the City Addition), and being bounded on the South by the Burlington Northern and Santa Fe Railroad, said 0.034 acre tract being more particularly described as follows:

BEGINNING at a found 3/8 inch iron rod, marking the Southwest corner of the Matthew C. Stolz called 0.088 acre tract (Volume 1528, Page 0321, Official Records of Washington County, Texas), the Northwest corner of Lot 5 of the City Addition, marking the Southeast corner of said 0.039 acre tract (Tract B), and the Northeast corner of the herein described tract;

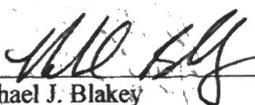
THENCE along the West line of Lot 5 of the City Addition, with the East line of the herein described tract, S 13deg 06min 48sec E, 75.18 ft., to a point, lying in the North line of the Burlington Northern and Santa Fe Railroad, marking the Southwest corner of Lot 5 of the City Addition, and the Southeast corner of the herein described tract;

THENCE along the North line of said Burlington Northern and Santa Fe Railroad, with the South line of the herein described tract, S 77deg 12min 36sec W, 20.00 ft., to a point, marking the Southeast corner of said 0.073 acre tract (Tract A), and the Southwest corner of the herein described tract;

THENCE along a portion of the East line of said 0.073 acre tract, with the West line of the herein described tract, N 13deg 06min 48sec W, 75.06 ft., to a point, marking the Southwest corner of said 0.039 acre tract (Tract B), and the Northwest corner of the herein described tract;

THENCE along the South line of said 0.039 acre tract (Tract B), with the North line of the herein described tract, N 76deg 52min 38sec E, 20.00 ft., to the **PLACE OF BEGINNING** and containing 0.034 acres of land.

April 28, 2016
W.O.#2016-2324



Michael J. Blakey
Registered Professional Land Surveyor No. 5935

Plat prepared and made a part of this description.



City of
BRENHAM

0 25 50 feet
ROW Abandonment
Day St.



AGENDA ITEM 19

DATE OF MEETING: September 15, 2016	DATE SUBMITTED: September 9, 2016	
DEPT. OF ORIGIN: Public Utilities	SUBMITTED BY: Lowell Ogle	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-16-026 Authorizing the Acceptance of a Grant from the Texas Department of Agriculture for the 2016 Community Development Fund (CD) Grant In The Amount of \$275,000 for the Rehabilitation of the Church Street Water Tower		
SUMMARY STATEMENT: On February 19, 2015 Resolution R-15-005 was passed authorizing Public Management, Inc. to submit a grant to the Texas Department of Agriculture for potential funding to be used for the Church Street Water Tower Rehabilitation Project. The City of Brenham, with assistance from Public Management, Inc. obtained a \$275,000 grant from the Texas Department of Agriculture for the rehabilitation of the tower. The matching funds contribution by the City will be a minimum of 20% of the grant amount or \$55,000. Final contribution by the City will be based on bids received.		
<p>During the rehabilitation process, the City of Brenham must request funds from the State of Texas on specified forms. This resolution will designate the following City of Brenham City of Brenham representations to act as signatories on those forms:</p> <p style="text-align: center;">Terry K. Roberts, City Manager Lowell Ogle, Assistant City Manager-Public Utilities Carolyn Miller, Assistant City Manager-Chief Financial Officer</p> <p>We ask that council approve the above designees as signatories on any and all documents associated with the Church Street Water Tower Rehabilitation Project as requested funds are obtained from State of Texas agencies.</p>		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS: Funds to provide the much needed work on the Church St Water Tower.		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		

ATTACHMENTS: (1) Resolution No. R-16-026; (2) Award Notification Letter dated August 31, 2016; and (3) Agreement Between the Texas Department of Agriculture and the City of Brenham, Contract No. 7216059

FUNDING SOURCE (Where Applicable): Grant Funds and 163-805.00

RECOMMENDED ACTION: Approve Resolution No. R-16-026 authorizing the acceptance of a grant from the Texas Department of Agriculture for the 2016 Community Development Fund (CD) Grant in the amount of \$275,000 for the rehabilitation of the Church Street water tower

APPROVALS: Terry K. Roberts

RESOLUTION NO. R-16-026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS, AUTHORIZING THE ACCEPTANCE OF A GRANT IN THE AMOUNT OF \$275,000 FROM THE TEXAS DEPARTMENT OF AGRICULTURE FOR THE CHURCH STREET WATER TOWER REHABILITATION PROJECT

WHEREAS, on July 14, 2016 the City Council of the city of Brenham approved a Consulting Services Contract with Public Management, Inc. to render services to the City of Brenham for the implementation of the 2016 Texas Community Development Block Grant Program (TXCDBG); and

WHEREAS, the City of Brenham, with assistance from Public Management, Inc. obtained a \$275,000 grant from the Texas Department of Agriculture for the Church Street Water Tower Rehabilitation Project; and

WHEREAS, the matching funds contribution by the City will be a minimum of 20% of the grant or \$55,000; and

WHEREAS, the City of Brenham must request funds from the State of Texas on specified forms with signatures from persons authorized to sign those forms; and

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

Section 1. That said grant is hereby accepted and the following persons are hereby authorized to sign and submit funding documents related to this grant:

Terry K. Roberts, City Manager
Lowell Ogle, Assistant City Manager-Public Utilities
Carolyn D. Miller, Assistant City Manager-Chief Financial Officer

PASSED AND APPROVED on its second reading this the 15th day of September, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

August 31, 2016

The Honorable Milton Tate
Mayor, City of Brenham
PO Box 1059
Brenham, Texas 77834

Dear Mayor Tate,

I am pleased to inform you that the Texas Department of Agriculture (TDA) has approved a Community Development Fund (CD) award for the City of Brenham in the amount of \$275,000.00 in support of water improvements. This project will be funded through the Texas Community Development Block Grant (TxCDBG) Program as Contract No. 7216059.

The contract is being drafted and should be emailed to you shortly after you receive this letter. The contract must be signed and returned within 30 days of receipt. Costs incurred on or after the start date listed in your contract may be considered eligible if all other federal, state, and program requirements have been met.

In an effort to ensure funds are spent in a timely manner, TDA requires any issues related to the approved project or threshold requirements related to administrative capacity or satisfactory performance to be addressed within 90 days after the date of this award letter (4 T.A.C. 30.31(b)). Any issues TDA brings to your attention must be addressed within this 90-day period so that the contract can be written and funding for the project secured.

Thank you for your efforts on behalf of the citizens of City of Brenham. Please feel free to contact Trenton Engledow at 512-936-7894 should you have any questions about this award.

Sincerely yours,

Suzanne Barnard
Office of Rural Affairs

SB/ELG/cp

**AGREEMENT BETWEEN THE TEXAS DEPARTMENT OF AGRICULTURE
AND
THE CITY OF BRENHAM
CONTRACT NO. 7216059
FOR
THE COMMUNITY DEVELOPMENT FUND**

SECTION 1. PARTIES TO CONTRACT

This contract and agreement is made and entered into by and between the Texas Department of Agriculture (herein referred to as the "Department"), an agency of the State of Texas, and the City of Brenham (herein referred to as "Contractor"). The parties to this contract agree to the mutual obligations and performance of the tasks described herein.

SECTION 2. CONTRACT PERIOD

This contract and agreement shall commence on September 15, 2016, and shall terminate on September 14, 2018, unless otherwise specifically provided by the terms of this contract.

SECTION 3. PURPOSE

The Department has been designated as the state agency to administer, and the United States Government has awarded the Department funds for, the Texas Community Development Block Grant ("TxCDBG") Program under Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 et seq.), herein referred to as the "HCD Act." Contractor has submitted, and the Department has approved, Contractor's application for a TxCDBG award to undertake eligible community and/or economic development activities in a non-entitlement area (herein referred to as the "Application"). This contract sets forth the obligations of the parties along with the terms and conditions under which the Department will provide funds to Contractor.

SECTION 4. CONTRACTOR PERFORMANCE

A. Contractor shall conduct the activities approved under this award in a manner satisfactory to the Department and consistent with any standards required as a condition of providing these funds. The authorized use of TxCDBG funds is premised upon, and conditioned on, Contractor fulfilling a CDBG national objective as a result of the TxCDBG-assisted activities. Contractor shall perform all activities in accordance with the terms of the Performance Statement (Exhibit A); Budget (Exhibit B); Project Implementation Schedule (Exhibit C); Special Conditions (Exhibit D); Applicable Laws and Regulations (Exhibit E); Certifications (Exhibit F); and with all other terms, provisions, and requirements set forth in this contract. The Application, in addition to any certifications, assurances, information and documentation required to meet award conditions, are hereby incorporated into this contract.

B. Contractor shall ensure that the national program objective identified in the Performance Statement has been met and that the persons expected to benefit from the activities performed under this contract are receiving such benefit before submitting the Project Completion Report to the Department. If Contractor fails to meet a national program objective, Contractor must repay to the Department any associated disallowed costs as specified by the Department.

C. Contractor shall adhere to the Project Implementation Schedule timelines for key project activities. As described in the TxCDBG Project Implementation Manual and policy directives, the Department may require Contractor to submit written justification and take remedial action for any contract activity that is not completed by the date specified on the Project Implementation Schedule.

SECTION 5. DEPARTMENT OBLIGATIONS

A. Payment for Allowable Costs. In consideration of full and satisfactory performance of the activities referred to in Section 4 of this contract, the Department shall be liable for actual and reasonable costs incurred by Contractor during the contract period subject to the limitations set forth in this Section.

1. The parties agree that the Department's obligations under this contract are contingent upon the actual receipt of adequate state or federal funds to meet the Department's liabilities under this contract. If adequate funds are not available to make payments under this contract, the Department shall notify Contractor in writing within a reasonable time after such fact is determined. In such event, the Department shall terminate this contract and will not be liable for failure to make payments to Contractor under this contract.

2. The Department shall not be liable to Contractor for any costs incurred by Contractor which are not allowable costs, as set forth in Section 7 of this contract. Expenses paid by or financed from other funding sources are not allowable costs under this contract.

3. The Department shall not be liable to Contractor for any costs incurred by Contractor or for any performances rendered by Contractor which are not in accordance with the terms of this contract.

4. The Department shall not be liable for costs incurred or performances rendered by Contractor before commencement of this contract or after termination of this contract. The Department may reimburse allowable administrative and engineering costs incurred by Contractor prior to this contract's execution date, if prior to the award Contractor requested and received written approval from the Department, and Contractor complied with all requirements for the release of such funds.

5. The Department shall not be liable to Contractor for any costs incurred by Contractor in the performance of this contract which have not been submitted to the Department by Contractor within 60 days following termination of this contract, with the exception of administrative costs for preparation of a Single Audit. Administration funds reserved on the Certificate of Expenditures for audit costs and eligible for reimbursement shall be billed to the Department within nine (9) months after the end of Contractor's fiscal year that follows the termination date of this contract. The Department shall deobligate all funds not requested under this paragraph.

B. Excess Payments. Contractor shall refund to the Department any sum of money which has been paid to Contractor by the Department which the Department determines has resulted in overpayment to Contractor, or which the Department determines has not been spent by Contractor in accordance with the terms of this contract. Such refund shall be made by Contractor to the Department within 30 calendar days after such refund is requested by the Department.

C. Limit of Liability. Notwithstanding any other provision of this contract, it is expressly agreed and understood that the total amount to be paid by the Department to Contractor for allowable expenses incurred under this contract shall not exceed Two Hundred Seventy-five Thousand and No/100 Dollars (\$275,000).

SECTION 6. GENERAL CONDITIONS

A. General Compliance. Contractor agrees to comply with the requirements of Title 24 of the Code of Federal Regulations (CFR) Part 570 (the U.S. Housing and Urban Development [HUD] regulations concerning CDBG), in particular Subparts I and K. Contractor also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies as now in effect and as may be amended from time to time, including those specified in the Applicable Laws and Regulations attached to this contract. Contractor further agrees to utilize funds available under this contract to supplement rather than supplant funds otherwise available.

B. Independent Contractor. Nothing contained in this contract is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties to this contract. Contractor shall at all times remain an "independent contractor" with respect to the services to be performed under this contract.

C. Indemnification. Contractor agrees, to the extent allowed by law, to hold harmless, defend and indemnify the Department from any and all claims, actions, suits, charges and judgments whatsoever that arise out of Contractor's performance or nonperformance of the activities, services or subject matter called for in this contract.

D. Department Recognition

1. Public buildings, facilities, and centers, including infrastructure visible to the general public, constructed with funds provided under this contract shall have permanent signage placed in a prominent visible public area with the wording provided below.

2. Other construction projects, e.g., water transmission lines, sewer collection lines, drainage, roadways, housing rehabilitation, etc., utilizing funds provided under this contract shall have temporary signage erected in a prominent location at the construction project site or along a major thoroughfare within the locality as directed by the owner.

3. Size and Formatting. The signage must be legible from a distance of at least three feet and comply with the size and formatting requirements set forth in the TxCDBG Project Implementation Manual.

4. Project Sign Wording: "This project is funded by the Office of Rural Affairs of the Texas Department of Agriculture with funds allocated by the United States Department of Housing and Urban Development through the Community Development Block Grant Program."

E. Changes and Amendments

1. Except as specifically provided otherwise in this contract or the TxCDBG Project Implementation Manual, any alterations, additions, or deletions to the terms of this contract shall be by amendment in writing and executed by both parties to this contract. Such amendments shall not invalidate this contract, nor release the Department or Contractor from its obligations under this contract, except as specifically set out therein.

2. A request for an extension must be supported by documentation of extenuating circumstances beyond Contractor's control which prevented completion of the project within the contract period.

3. A request to extend the contract period should be submitted in writing to the Department as soon as a delay is foreseen. Contract extension requests must be submitted to the Department approximately 60 days but no later than 30 days prior to the expiration of the contract and include a revised implementation schedule showing when major milestones will be completed for each activity. A request for an exception to the requirements specified in this paragraph will be evaluated in accordance with the applicable section of the TxCDBG Project Implementation Manual.

4. It is understood and agreed by the parties that performances under this contract must be rendered in accordance with the HCD Act; the policies, procedures and regulations of the Department; assurances and certifications made to the Department by Contractor; and assurances and certifications made to HUD by the State of Texas with regard to the operation of the TxCDBG Program. Based on these considerations, and in order to ensure the legal and effective performance of this contract by both parties, it is agreed by the parties that performance is subject to and governed by the provisions of the TxCDBG Project Implementation Manual and any amendments thereto. Further, the Department may from time to time during the period of performance of this contract issue policy directives which serve to establish, interpret, or clarify performance requirements under this contract. Such policy directives shall be promulgated by the Department in the form of TxCDBG issuances, shall have the effect of qualifying the terms of this contract and shall be binding upon the Contractor, as if written herein, provided, however, that the policy directives and any amendments to the TxCDBG Project Implementation Manual shall not alter the terms of this contract so as to release the Department from any obligation specified in Section 5 of this contract to reimburse costs incurred by the Contractor prior to the effective date of such amendments or policy directives.

5. Any alterations, additions, or deletions to the terms of this contract which are required by changes in Federal or State laws or regulations are automatically incorporated into this contract without written amendment and shall become effective on the date designated by such law or regulation.

F. Remedies for Noncompliance. The Department may take one or more corrective or remedial actions as specified in this contract and 2 CFR 200.338, "Remedies for Noncompliance."

1. Suspension or Termination

a. The Department may suspend or terminate this contract, in whole or in part, if Contractor materially fails to comply with any term of this contract, including but not limited to:

(1) Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;

(2) Failure, for any reason, of Contractor to fulfill its obligations under this contract within the timeframes and manner as specified by the Department;

(3) Failure to complete activities in accordance with the Project Implementation Schedule;

(4) Failure to submit to the Department, within the timeframes and manner as specified by the Department, any report required by this contract;

(5) Submission of reports to the Department that are incorrect or incomplete in any material respect; or

(6) Misuse or improper use of funds provided under this contract.

b. Knowingly making false statements or providing false information on a grant application, certification, or report submitted to the Department is grounds for termination of the contract award.

c. The contract may also be terminated for convenience, in whole or in part, only as follows:

(1) by the Department with the consent of Contractor in which case the two parties shall agree upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated; or

(2) by Contractor upon written notification to the Department, setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, if, in the case of a partial termination, the Department determines that the remaining portion of the award will not accomplish the purposes for which the award was made, the Department may terminate the award in its entirety.

d. Upon termination or receipt of notice to terminate, whichever occurs first, Contractor shall cancel, withdraw, or otherwise terminate any outstanding orders or subcontracts related to the performance of this contract or the portion of this contract to be terminated, as applicable, and shall cease to incur costs thereunder. The Department shall not be liable to Contractor for costs incurred after termination of this contract.

e. Notwithstanding any exercise by the Department of its right of suspension or termination as provided in this Section, Contractor shall not be relieved of any liability to the Department for damages due to the Department by virtue of any breach of this contract by Contractor. The Department may withhold payments

to Contractor until such time as the exact amount of damages due to the Department from Contractor is agreed upon or is otherwise determined.

2. If Contractor materially fails to comply with any term of the award, whether stated in a federal or state statute or regulation, an assurance, in a state plan or application, a notice of award, or elsewhere, the Department, until it is satisfied that there is no longer any such failure to comply, will take one or more of the following actions, or impose other sanctions, as appropriate in the circumstances:

- a. Terminate payments to Contractor under this contract;
- b. Temporarily withhold payments pending correction of the deficiency by Contractor;
- c. Reduce the grant award or disallow all or part of the cost of the activity or action not in compliance;
- d. Wholly or partly suspend or terminate the current award;
- e. Withhold further awards for the program; or
- f. Take other remedies that may be legally available.

3. Reduction of Payments. In addition to, or in lieu of, any other right or remedy specified in this contract, as determined by the Department, in its sole discretion, violations or breaches by the Contractor of certain contractual and TxCDBG program requirements will result in the reduction of Administration funds awarded under this contract in accordance with the Administrative Penalty Matrixes set out in the TxCDBG Project Implementation Manual.

4. Withholding of Payments. In addition to any other remedy specified in this contract, if Contractor fails to submit to the Department in a timely and satisfactory manner any report required by this contract, the Department shall, at its sole option and in its sole discretion, withhold any or all payments otherwise due or requested by Contractor. If the Department withholds such payments, it shall notify Contractor in writing of its decision and the reasons therefore. Payments withheld pursuant to this section may be held by the Department until such time as the delinquent obligations for which funds are withheld are fulfilled by Contractor.

5. Ineligibility Period

a. Delinquent audit. If Contractor fails to comply with the single audit requirements specified in this contract and fails to submit an acceptable audit report within 90 days after the receipt of notice by the Department that the audit is past due, Contractor shall be ineligible to receive other TxCDBG grant funding opportunities for a period of one year after the 90-day period.

b. Delinquent debt. If the Department requests or requires Contractor to repay funds to the Department as a result of Contractor's noncompliance with contractual or TxCDBG program requirements and Contractor fails to repay the funds by such date as specified by the Department, Contractor shall be ineligible to receive any future TxCDBG grant funding until Contractor has repaid the entire obligation to the Department.

6. Opportunity to cure. The Department shall give Contractor an opportunity to cure a breach of contract as follows:

- a. Department shall provide written notice to Contractor, detailing all elements of the breach or noncompliance.
- b. Contractor must commence cure within 30 days of the Department's notice.
- c. Contractor must notify the Department in writing within 30 days that cure has begun and provide detailed explanation of the steps being made to cure the breach or noncompliance.
- d. Contractor must complete the cure within 90 days of the Department's notice.
- e. Failure to commence cure within 30 days, or failure to complete cure within 90 days, will result in the Department's right to immediately terminate this contract or take other remedial action that may be legally available.

SECTION 7. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Uniform Administrative Requirements and Accounting Standards. Except as specifically modified by law or the provisions of this contract, the Contractor shall comply with applicable uniform requirements in 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," as described in 24 CFR 570.502, and, to the extent applicable, the standards promulgated by the Office of the Comptroller under the Uniform Grant and Contract Management Act (Tex. Gov't. Code Chapter 783, referred to as "UGCMS"). Contractor agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.
2. Cost Principles. The allowability of costs incurred for performances rendered under this contract shall be determined in accordance with 2 CFR Part 200 subpart E, "Cost Principles," UGCMS, and this contract.

B. Documentation and Record Keeping

1. Records to be Maintained. Contractor shall maintain all records required by the Federal regulations specified in 24 CFR 570.490 that are pertinent to the activities to be funded under this contract. Such records shall include but are not limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with TxCDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program (Such records must include data on the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the funds provided under this contract);
- f. Financial records, including but not limited to source documentation; invoices; records pertaining to obligations, expenditures, and drawdowns;
- g. Records documenting compliance with labor standards and environmental review; and
- h. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Audits & Inspections/Access to Records

- a. Contractor shall give HUD, the Inspector General, the General Accounting Office, the Auditor of the State of Texas, an authorized office or agency of the State of Texas, and the Department, or any of their representatives or successors, access to all books, accounts, records, reports, files, and other papers or property pertaining to the administration, receipt and use of TxCDBG funds as may be necessary to facilitate review and audit of the Contractor's administration and use of TxCDBG funds received under this contract. Such rights to access shall continue as long as the records are retained by Contractor. Contractor agrees to maintain such records in an accessible location and to provide citizens reasonable access to such records consistent with the Texas Public Information Act (Tex. Gov't. Code, Chapter 552). Contractor shall include the substance of this clause concerning the authority to audit funds and the requirement to cooperate in all subcontracts it awards.
- b. Any deficiencies noted in audit reports must be fully cleared by Contractor within 30 days after receipt by Contractor. Failure of Contractor to comply with the audit requirements will constitute a violation of this contract and will result in Contractor's ineligibility to receive other TxCDBG funding opportunities for a period of one year as provided in Section 6 of this contract.

c. Contractor understands and agrees that it shall be liable to the Department for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this contract. Contractor further understands and agrees that reimbursement to the Department of such disallowed costs shall be paid by Contractor from funds which were not provided or otherwise made available to Contractor under this contract.

3. Records Retention. Contractor shall retain all financial and programmatic records, supporting documents, statistical records, and all other records required to be maintained in accordance with 24 CFR 570.490, 2 CFR 200.333, and this contract for the greater of: (i) three years after close-out of the grant from HUD to the State of Texas (not the closeout of this contract); (ii) the period required by other applicable laws and regulations described in 24 CFR 570.487 and 570.488; or (iii) other record retention obligations specific to Contractor's contract or project. Contractor may be required to meet record retention requirements greater than those specified in this Section until audit issues are resolved to the Department's satisfaction and all other pending matters are closed. The Department posts a list on its website of contracts that HUD has closed out with the State of Texas. These contracts are listed by closed Program Year, updated once a year or as needed. In the event Contractor has a question regarding the record retention requirements under this contract, it should contact the Department. Contractor shall include the substance of this clause in all subcontracts it awards.

4. Close-outs. Contractor's obligation to the Department shall not end until all close-out requirements are completed. Activities during this close-out period shall include but are not limited to: making final payments, disposing of program assets (including the return of all unspent funds, program income balances, and accounts receivable to the Department), and determining the custodianship of records. Contractor shall submit all required close-out reports to the Department, in a format prescribed by the Department, no later than 60 days after the contract termination date or at the conclusion of all contract activities as determined by the Department. Notwithstanding the foregoing, the terms of this contract shall remain in effect during any period that Contractor has control over TxCDBG funds, including program income.

C. Reporting and Payment Procedures

1. Program Income. In the same manner as required for all other funds under this contract, Contractor shall maintain records of the receipt, accrual, and disposition of all program income (as defined at 24 CFR 570.489(e)) generated by activities carried out with TxCDBG funds made available under this contract. The use of program income by Contractor shall comply with the requirements set forth at 24 CFR 570.489(e). Contractor shall use such income during the contract period for activities permitted under this contract prior to requesting additional funds from the Department. Contractor shall provide reports of program income to the Department with each payment request form submitted by Contractor in accordance with the payment procedures described herein, and at the termination of this contract. All unexpended program income shall be returned to the Department at the end of the contract period, unless otherwise specifically provided within this contract.

2. Payment Procedures

a. The Department shall pay Contractor based upon information submitted by Contractor, consistent with the approved budget and Department policy concerning payments. Payments shall be made for allowable costs actually incurred by Contractor, not to exceed actual, properly documented, cash expenditures. Payments will be adjusted by the Department in accordance with program income balances available in Contractor accounts.

b. The Department shall not be liable to Contractor for any costs incurred by Contractor under this contract until Contractor submits to the Department a properly completed Form A202, Depository/Authorized Signatories Designation Form, found in Chapter 2 of the TxCDBG Project Implementation Manual.

c. Contractor shall submit to the Department at its offices in Austin, Texas, a properly completed Request for Payment form as specified by the Department. Contractor should submit a request for payment under each budget line item, or a written justification for the delay in drawdown of funds, at least annually or as

directed by the Department. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in the Budget and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in the Budget and in accordance with performance. The Department shall determine the reasonableness of each amount requested and shall not make disbursement of any such payment until the Department has reviewed and approved such Request.

d. Notwithstanding the provisions of clauses C.2.a to C.2.c of this Section, it is expressly understood and agreed by the parties to this contract that payments under this contract are contingent upon Contractor's full and satisfactory performance of its obligations under this contract.

3. Progress Reports. Contractor shall submit regular Progress Reports to the Department in the form, content, and frequency as required by the Department. Contractor shall comply with all reporting and submission requirements of the Federal Funding Accountability and Transparency Act (Public Law 109-282, as amended by section 6202 of Public Law 110-252), as well as the reporting and submission requirements of HUD as prescribed by the Department.

D. Procurement. Unless specified otherwise within this contract, Contractor shall procure all materials, property, and services in accordance with: (1) current Department policy concerning procurements, (2) the procurement standards in 2 CFR Part 200 Subpart D, and (3) Chapter 252 or 262 of the Texas Local Government Code, as applicable. Contractor shall ensure that all purchase orders and contracts include all applicable references to statutes, implementing regulations and executive orders. In addition, Contractor shall maintain records of all materials, property, and services as may be procured with funds provided herein.

E. Use and Reversion of Assets. The use and disposition of real property and equipment acquired or improved in whole or in part using TxCDBG funds shall be in compliance with the requirements of 2 CFR 200.311 and 200.313, and 24 CFR 570.489(j).

SECTION 8. PERFORMANCE MONITORING

A. The Department shall monitor the performance of Contractor against the goals stated in the Performance Statement and the milestones listed in the Project Implementation Schedule. The Department reserves the right to perform periodic on-site monitoring of Contractor's compliance with the terms and conditions of this contract, and of the adequacy and timeliness of Contractor's performances under this contract. After each monitoring visit, the Department shall provide Contractor with a written report of the monitor's findings. If the monitoring reports note deficiencies in Contractor's performances under the terms of this contract, the monitoring report shall include requirements for the timely correction of such deficiencies by Contractor. Failure by Contractor to take action specified in the monitoring report may be cause for suspension or termination of this contract, as provided in Section 6 of this contract, or the Department may withhold other grant awards.

B. As stipulated in Section 4.B. of this contract, if the contract ends without any project beneficiaries resulting from the use of contract funds, Contractor shall reimburse to the Department all contract funds disbursed to Contractor, including but not limited to funds disbursed for administration and engineering services. Contractor shall be required to repay the funds within the timeframe specified by the Department.

SECTION 9. SUBCONTRACTS

A. Except for subcontracts to which the federal labor standards requirements apply, Contractor may subcontract for performances described in this contract without obtaining the Department's prior written approval. Contractor shall only subcontract for work to which the federal labor standards requirements apply after Contractor has verified the subcontractor's eligibility under the federal System for Award Management and has followed the subcontracting requirements in the TxCDBG Project Implementation Manual. Contractor, in subcontracting for any performances described in this contract, expressly understands that in entering into such subcontracts, the Department is in no way liable to the subcontractor(s).

B. Selection Process

1. Contractor shall insure that all subcontracts are awarded as a result of fair and open competition in accordance with applicable procurement requirements.
2. Documentation concerning the selection process, including evidence of competitive procurement as specified in the TxCDBG Project Implementation Manual, must be submitted to the Department prior to drawdown of funds relating to the appropriate subcontract.
3. Executed copies of all subcontracts shall be forwarded to the Department upon request.

C. Contractor shall ensure that the applicable prevailing wage rate is included in the advertising and solicitation of bids in accordance with the TxCDBG Project Implementation Manual.

D. Monitoring. Contractor shall monitor all subcontracted services on a regular basis to assure contract compliance. In no event shall any provision of this Section be construed as relieving Contractor of the responsibility for ensuring that all subcontracts comply with all terms of this contract, as if performed by Contractor. The Department's approval under this Section does not constitute adoption, ratification, or acceptance of Contractor's or subcontractor's performance. The Department maintains the right to insist upon Contractor's full compliance with the terms of this contract, and by the act of approval under this Section, the Department does not waive any right of action which may exist or which may subsequently accrue to the Department under this contract.

E. Content. Contractor shall insert appropriate clauses in all subcontracts to bind subcontractors to the terms and conditions of this contract insofar as they are applicable to the work of subcontractors.

F. Bonding. Contractor shall comply with the bonding requirements of Chapter 2253 of the Texas Government Code and 2 CFR 200.325, as applicable.

G. Contractor shall retain five percent (5%) of each construction or rehabilitation subcontract entered into by Contractor until the Department determines that the Federal labor standards requirements applicable to each such subcontract have been satisfied.

SECTION 10. LEGAL AUTHORITY

A. Contractor assures and guarantees that Contractor possesses the legal authority to enter into this contract, receive funds authorized by this contract, and perform the services it has obligated itself to perform.

B. The person or persons signing and executing this contract on behalf of Contractor hereby warrant and guarantee that he, she or they have been duly authorized by Contractor to execute this contract and have authority to validly and legally bind the Contractor to all terms, performances, and provisions set forth herein.

C. The Department shall have the right to suspend or terminate this contract if there is a dispute as to the legal authority of either Contractor, the person signing this contract, or the party rendering services under the contract. Contractor is liable to the Department for any money it has received from the Department pursuant to this contract, if the Department has suspended or terminated this contract for reasons stated in this Section.

SECTION 11. LITIGATION AND CLAIMS

Contractor shall give the Department immediate notice in writing of (1) any action, including any proceeding before an administrative agency, filed against Contractor arising out the performance of any subcontract; and (2) any claim against Contractor, the cost and expense of which Contractor may be entitled to be reimbursed by the Department. Except as otherwise directed by the Department, Contractor shall furnish immediately to the Department copies of all pertinent papers received by Contractor with respect to such action or claim. Contractor shall provide a notice to the Department within 30 days upon filing under any bankruptcy or financial insolvency provision of law.

SECTION 12. AUDIT

A. Audits shall be conducted in accordance with applicable federal, state and local laws, policies and regulations, including 2 CFR Part 200 Subpart F, "Audit Requirements," and the audit requirements set forth in the TxCDBG Project Implementation Manual.

B. Audit Certification. Within 60 days after the end of each fiscal year in which Contractor has an open contract with the Department, Contractor shall submit an Audit Certification Form (ACF) in accordance with the requirements of the current TxCDBG Project Implementation Manual. Failure by Contractor to submit a complete ACF by the required due date will adversely affect funding for all existing contracts, eligibility to apply for assistance under the TxCDBG Program, and the issuance of new contracts for funding awards.

C. Single Audit Report. If Contractor expends \$750,000 or more in Federal awards, including TxCDBG funds or other Federal financial assistance received indirectly from pass-through entities, during a fiscal year, Contractor shall be responsible for obtaining an audit in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and other applicable federal regulations. The audit shall be made by an independent auditor in accordance with generally accepted government auditing standards covering financial audits.

19. Contractor shall submit required audit documentation (single audit package), as specified in the TxCDBG Project Implementation Manual, to the Department within 30 days after completion of the audit, but no later than nine (9) months after the end of the audit period (i.e., after Contractor's fiscal year end).

20. Contractor shall ensure that the audit report is made available for public inspection within 30 days after completion of the audit.

21. Failure by Contractor to submit a completed single audit package as described in the audit requirements by the required due date will adversely affect funding for all existing contracts, eligibility to apply for assistance under the TxCDBG Program, and the issuance of new contracts for funding awards.

D. Contractor shall take such action to facilitate the performance of such audit or audits conducted pursuant to this Section and Section 7 as the Department may require of Contractor. Contractor shall establish written standard operating procedures and internal controls to include the timely procurement of a CPA firm to start and complete the year end single audit report if applicable, in order to comply with contractual and regulatory requirements. The Department shall not release any funds for any costs incurred by Contractor under this contract until the Department has received a copy of any audit report required by this Section.

SECTION 13. ENVIRONMENTAL REVIEW REQUIREMENTS

A. Contractor understands and agrees that it is responsible for environmental review, decision-making, and action under 42 U.S.C. 5304(g), the National Environmental Policy Act of 1969 (NEPA) [42 U.S.C. 4321 et seq.], and other provisions of law which further the purposes of NEPA, as specified in 24 CFR 58.5. Contractor shall comply with the environmental review procedures set forth in 24 CFR Part 58, the TxCDBG Project Implementation Manual, and all other applicable federal, state, and local laws insofar as they apply to the performance of this contract. Contractor must certify that it has complied with the requirements that would apply under the laws and authorities cited in 24 CFR 58.5 and must consider the criteria, standards, policies and regulations of these laws and authorities. In addition, Contractor must comply with the requirements specified in 24 CFR 58.6.

Contractor shall be responsible for complying with all applicable requirements; for issuing public notifications; for submitting a request for release of funds and related certifications, when required; and for ensuring the Environmental Review Record is complete.

B. Limitations on Activities Pending Clearance

1. Neither Contractor nor any participant in the development process, or any of their contractors, may commit TxCDBG funds on an activity or project, or execute a legally binding agreement for property acquisition, rehabilitation, conversion, repair or construction pertaining to a specific site, until Contractor has completed the 24 CFR Part 58 environmental review process and the Department has authorized use of grant funds or approved the Contractor's request for release of funds and related certification. In addition, until Contractor's request for release of funds and related certification have been approved, neither the Contractor nor any participant in the development process may commit non-TxCDBG funds on or undertake an activity or project if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives.

2. If an activity is exempt under 24 CFR 58.34, or is categorically excluded (except in extraordinary circumstances) under 24 CFR 58.35(b), a request for release of funds is not required but Contractor must document its determination as required in 24 CFR 58.34(b) and 58.35(d). Contractor shall comply with the requirements and procedures in the current TxCDBG Project Implementation Manual, and shall submit to the Department a Determination of Exemption or Determination of Categorical Exclusion, as applicable, and other required environmental compliance documentation as specified in the Implementation Manual. Contractor shall also comply with other applicable requirements, as specified in 24 CFR 58.6, regardless of whether the activity is exempt under 24 CFR 58.34 or categorically excluded under 24 CFR 58.35(b).

C. In accordance with 24 CFR 58.77(b), Contractor shall handle inquiries and complaints from persons and agencies seeking redress in relation to environmental reviews covered by approved certifications.

SECTION 14. CITIZEN PARTICIPATION REQUIREMENTS

A. Contractor shall provide for and encourage citizen participation, particularly by low and moderate income persons who reside in slum or blighted areas and areas in which the funds provided under this contract are used, in accordance with 24 CFR 570.486 and this contract.

B. Contractor shall hold a public hearing concerning any activities proposed to be added, deleted, or substantially changed, as determined by the Department, from the activities specified in the Application or the Performance Statement.

C. Prior to the programmatic closure of this contract, Contractor shall hold a public hearing to review its performance under this contract.

D. For each public hearing scheduled and conducted by Contractor under this Section, Contractor shall comply with the hearing requirements specified in the TxCDBG Project Implementation Manual.

E. Notwithstanding the provisions of Section 7 of this contract, Contractor shall retain documentation of public hearing notices, a list of the attendees at each hearing, and minutes of each hearing held in accordance with this section for a period of three (3) years after the termination of this contract. Contractor shall make such records available to the public in accordance with Texas Government Code, Chapter 552.

F. Complaint Procedures. Contractor shall maintain written citizen complaint procedures that provide a timely written response to complaints and grievances. Such procedures shall comply with the Department's requirements. Contractor shall ensure that its citizens are aware of the location and hours at which they may obtain a copy of the written procedures and the address and phone number for submitting complaints.

SECTION 15. DEBARMENT

By signing this contract, Contractor certifies that it is not debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 and 2 CFR Part 2424. Contractor is required to immediately report to the Department if it is debarred, suspended or otherwise excluded

from or ineligible for participation in federal assistance programs. Additionally, Contractor certifies that it will not award any funds provided under this contract to any party which is debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs. Contractor shall verify the eligibility status of each proposed subcontractor under this contract and its principals and retain documentation in the local files.

SECTION 16. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights and Anti-discrimination

1. Contractor agrees to ensure that no person shall on the grounds of race, color, national origin, religion, sex, age, or disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity assisted in whole or in part with TxCDBG funds.
2. Contractor agrees to comply with all federal, state and local civil rights laws and ordinances, including but not limited to Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*), as amended; the Fair Housing Act (42 U.S.C. 3601 *et seq.*), as amended; Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(b) and 24 CFR Part 6, respectively), as amended; Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.*); the Architectural Barriers Act of 1968 (42 U.S.C. 4151 *et seq.*); the Age Discrimination Act of 1975 (42 U.S.C., 6101 *et seq.*); and Executive Order 11063 (Equal Opportunity in Housing), as amended by Executive Order 12259.
3. Contractor agrees to comply with the non-discrimination laws, regulations, and executive orders referenced in 24 CFR 570.607 in employment and contracting opportunities.
4. Contractor shall include the terms and conditions of this civil rights clause in every subcontract or purchase order so that these terms and conditions will be binding upon each subcontractor or vendor.

B. Employment Restrictions

1. Prohibited Activity. Contractor agrees that no funds provided, nor personnel employed, under this contract shall be used for: political activities or to further the election or defeat of any candidate for public office; lobbying; inherently religious activities; political patronage; and nepotism activities.
2. Labor Standards
 - a. Contractor agrees to comply with the requirements of the U.S. Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 3141 *et seq.*) as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 3701 *et seq.*), and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract.
 - b. Contractor agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*; 40 U.S.C. 3145) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 3. Contractor shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Department for review upon request.
 - c. Contractor agrees that, except with respect to the rehabilitation of residential property containing less than eight (8) units, all subcontractors engaged under contracts in excess of \$2,000 for construction, alteration or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Department pertaining to such contracts and with the applicable requirements of the regulations of the U.S. Department of Labor, under 29 CFR Parts 1, 3, and 5 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve Contractor of its obligation, if any, to require payment of the higher wage.

Contractor shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. “Section 3” Clause

a. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). Section 3 requires that, to the greatest extent feasible, opportunities for training, employment, contracting and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3 be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

b. The parties to this contract will comply with HUD’s regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

c. Contractor agrees to send to each labor organization or representative of workers with which Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers’ representative of Contractor’s commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

d. Contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. Contractor will not subcontract with any entity where Contractor has notice or knowledge that the entity has been found in violation of the regulations in 24 CFR Part 135.

e. Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after Contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent Contractor’s obligations under 24 CFR Part 135.

f. Noncompliance with HUD’s regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

C. Conflict of Interest. Contractor agrees to abide by the provisions of Chapter 171, Texas Local Government Code, 2 CFR 200.318-200.319, and 24 CFR 570.489, which include but are not limited to the following:

1. Contractor shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by TxCDBG funds.

2. No employee, officer or agent of Contractor shall participate in the selection, or in the award, or administration of, a contract supported by TxCDBG funds if a conflict of interest, real or apparent, would be involved.

3. No covered persons who exercise or have exercised any functions or responsibilities with respect to TxCDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the TxCDBG-assisted activity, or with respect to the proceeds from the TxCDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this

paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Department, the Contractor, or any designated public agency.

4. Contractor shall include in all subcontracts any necessary provisions to eliminate or neutralize conflicts of interest.

D. Lobbying

13. No funds provided under this contract shall be used to pay any person to communicate with (a) a member of the legislative or executive branch of state government, as defined in Chapter 305 of the Texas Government Code, which includes a member-elect, officer-elect, officer or employee of the legislature or a legislative committee, and officer or employee of any state agency, department or office in the executive branch; (b) a Member of Congress; or (c) an officer or employee of Congress or a federal agency, to influence legislation or administrative action.

14. The following activities are excepted from the coverage of paragraph 1: technical and factual presentations on topics directly related to the performance of this contract in response to a documented request made by the Department.

SECTION 17. FRAUD, ABUSE, AND MISMANAGEMENT

Contractor must take steps, as directed by the Department, to avoid or mitigate occurrences of fraud, abuse, and mismanagement especially with respect to the financial management of this contract and procurements made under this contract. Upon the discovery of such alleged or suspected fraud or any incident of misapplication of TxCDBG funds associated with this contract, Contractor shall immediately notify the Department and appropriate law enforcement authorities, if necessary, of the theft of any assets provided for under this contract, malfeasance, abuse of power or authority, kickbacks, or the embezzlement or loss of any funds under this contract.

SECTION 18. EFFECTIVE DATE

This contract is not effective unless signed by the Commissioner of the Department or by his authorized designee.

SECTION 19. WAIVER

Any right or remedy provided for in this contract shall not preclude the exercise of any other right or remedy under this contract or under any provision of law, nor shall any action taken by the Department in the exercise of any right or remedy be deemed a waiver of any other rights or remedies. The Department's failure to act with respect to a breach by Contractor does not waive its right to act with respect to subsequent or similar breaches. The failure of the Department to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

SECTION 20. ORAL AND WRITTEN AGREEMENTS

A. All oral and written agreements between the parties to this contract relating to the subject matter of this contract that were made prior to the execution of this contract have been reduced to writing and are contained in this contract.

B. The attachments specified in Section 4.A. above are hereby made a part of this contract and constitute promised performances by Contractor in accordance with Section 4 of this contract.

SECTION 21. VENUE

For purposes of litigation pursuant to this contract, venue shall lie in Travis County, Texas.

Signed:

Milton Tate, Jr., Mayor
City of Brenham

Date

Approved and accepted on behalf of the Texas Department of Agriculture.

Jason Fearneyhough, Deputy Commissioner
Texas Department of Agriculture

Date

EXHIBIT A

PERFORMANCE STATEMENT

CITY OF BRENHAM

All activities funded with TxCDBG funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income (LMI) persons, aid in the prevention or elimination of slums or blight, or meet community development needs having a particular urgency.

Contractor shall carry out the following activities in the target area identified in the Application. The Contractor shall ensure that the amount of funds expended for each activity described does not exceed the amount specified for such activity in the Budget.

CURRENT NEED

The City of Brenham has an elevated storage tank that is aged and deteriorated, resulting frequent maintenance issues and potential failure.

The Contractor certifies that the activity (ies) carried out under this contract will meet the National Objective of benefitting LMI persons with at least 51% of the beneficiaries qualifying as LMI.

ACTIVITIES

Water Improvements Contractor shall rehabilitate the elevated storage tank to prevent frequent maintenance issues and potential failure. Contractor shall rehabilitate one (1) elevated storage tank to include recoating the interior and exterior, installation of one (1) roof hatch and curb, one (1) roof vent, safety climb devices, and all associated appurtenances. Construction shall take place at the corner of Church Street and Houston Street.

These activities shall benefit twelve thousand four hundred thirty-five (12,435) persons, of which six thousand eight hundred seventy (6,870) or fifty-five percent (55%) are of low- to moderate-income.

Engineering

Contractor shall ensure that the amount of Department funds expended for all eligible project-related engineering services, including preliminary and final design plans and specifications, all interim and final inspections, and all special services does not exceed the amount specified for engineering in the Budget.

General Administration

Contractor shall ensure that the amount of Department funds expended for all eligible project-related administration activities, including the required annual program compliance and fiscal audit does not exceed the amount specified for administration in the Budget.

EXHIBIT B

BUDGET

CITY OF BRENHAM

<u>Project Activities</u>	<u>Contract Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
03J_W Water Improvements - Total	\$250,000	\$55,000	\$305,000
Water Improvements-Construction	\$212,100	\$55,000 ¹	\$267,100
Water Improvements-Engineering	\$37,900	\$0	\$37,900
21A General Program Administration - Total	\$25,000	\$0	\$25,000
TOTALS	\$275,000	\$55,000	\$330,000

Source of Other Funds:

1 – City of Brenham, Utility Fund

EXHIBIT C

PROJECT IMPLEMENTATION SCHEDULE

CITY OF BRENHAM

CONTRACT START DATE
September 15, 2016

CONTRACT END DATE
September 14, 2018

If Contractor fails to meet milestones in accordance with this schedule, the Department will withhold payments to Contractor until such milestone has been completed.

Activity To Be Completed by Date Specified:		Milestone Date
Procurement of Professional Services Completed	Month 2	11/15/2016
4-Month Conference Call / Meeting Completed ⁽¹⁾	Month 4	1/15/2017
Plans and Specifications Completed	Month 6	3/15/2017
Plans and Specifications Submitted for Approval (as required ¹)	Month 6	3/15/2017
Environmental Review Completed	Month 6	3/15/2017
Clearance of Pre-Construction Special Conditions	Month 8	5/15/2017
Wage Rate 10-Day Confirmation	Month 8	5/15/2017
Construction Contract Awarded & Executed	Month 9	6/15/2017
Construction - 50% TxCDBG project complete	Month 14	11/15/2017
Construction - 75% TxCDBG project complete	Month 17	2/15/2018
Construction - 90% TxCDBG project complete	Month 19	4/15/2018
Construction & Final Inspections Completed	Month 20	5/15/2018
End Date of Contract	Month 24	9/14/2018
Close-out documents submitted to Department (60 days after End Date)	Month 26	11/13/2018

⁽¹⁾ See TxCDBG Project Implementation Manual

EXHIBIT D
COMMUNITY DEVELOPMENT FUND
SPECIAL CONDITIONS
CITY OF BRENHAM

A. Special Conditions for Release of Construction Funds

Funds for construction activities under this contract will not be released to Contractor by the Department until the following special conditions for release of funds are met. These special conditions must be satisfactorily completed no later than twelve (12) months after the contract start date. In accordance with Section 6 of the contract, the Department may terminate this contract twelve (12) months after the commencement date specified in Section 2 if these special conditions are not met by such date. Contractor shall submit to the Department:

1. Documentation evidencing Contractor's completion of its responsibilities for environmental review and decision-making pertaining to the project as required by Section 13 (Environmental Review) of this contract, and its compliance with NEPA and other provisions of law as specified in 24 CFR 58.5.
2. Certification that Contractor has received all required pre-construction permits or approvals from the appropriate federal, state, or local entity or regulatory agency prior to beginning construction activities under this contract.
3. Other documentation required by the Department for release of construction funds as specified in Chapter 2 of the TxCDBG Project Implementation Manual.

EXHIBIT E

APPLICABLE LAWS AND REGULATIONS

Contractor shall comply with the HCD Act; laws and regulations specified in this contract; and with all other federal, state, and local laws and regulations insofar as they apply to the performance of this contract, including but not limited to the laws and regulations specified in this Exhibit.

I. LEAD-BASED PAINT

Any construction or rehabilitation of residential structures with assistance provided under this contract shall be subject to the Lead-Based Paint laws cited in 24 CFR 570.608, and implementing regulations at 24 CFR Part 35.

II. ENVIRONMENTAL LAW AND AUTHORITIES

- A. Council on Environmental Quality regulations contained in 40 CFR parts 1500 through 1508
- B. Historic Properties
 - National Historic Preservation Act of 1966, as amended (54 U.S.C. 300101 *et seq.*)
 - Executive Order 11593, Protection and Enhancement of the Cultural Environment
 - Federal historic preservation regulations at 36 CFR part 800
 - Reservoir Salvage Act of 1960 as amended by the Archeological and Historic Preservation Act of 1974 (54 U.S.C. 312501-312508), as amended
- C. Floodplain management and wetland protection - Executive Order 11988, Floodplain Management; Executive Order 11990, Protection of Wetlands; and HUD regulations at 24 CFR part 55
- D. Coastal Zone Management Act of 1972 (16 U.S.C. 1451 *et seq.*), as amended
- E. Water systems
 - Safe Drinking Water Act of 1974 (42 U.S.C. 300f *et seq.*) as amended
 - Sole Source Aquifers (Environmental Protection Agency - 40 CFR part 149)
- F. Endangered Species Act of 1973 (16 U.S.C. 1531 *et seq.*) as amended
- G. Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 *et seq.*) as amended
- H. Air quality
 - Clean Air Act (42 U.S.C. 7401 *et seq.*) as amended
 - Determining Conformity of General Federal Actions to State or Federal Implementation Plans (Environmental Protection Agency - 40 CFR parts 6, 51, and 93)
- I. Farmland Protection Policy Act of 1981 (7 U.S.C. 4201 *et seq.*), and implementing regulations at 7 CFR part 658
- J. HUD environmental criteria and standards at 24 CFR part 51
- K. Executive Order 12898, Environmental Justice in Minority Populations and Low-Income Populations

III. ACQUISITION/RELOCATION

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. 4601 *et seq.*, and HUD regulations at 24 CFR Part 42 and 24 CFR 570.606

IV. FAITH-BASED ACTIVITIES

Executive Order 13279, Equal Protection of the Laws for Faith-Based and Community Organizations, as amended by Executive Order 13559, Fundamental Principles and Policymaking Criteria for Partnerships with Faith-Based and Other Neighborhood Organizations, and HUD regulations at 24 CFR 570.200(j)

V. OTHER UNIFORM ADMINISTRATIVE REQUIREMENTS

- M. English Language - 2 CFR 200.111
- N. Mandatory Disclosures - 2 CFR 200.113

EXHIBIT F
CERTIFICATIONS

NOTE: Certain of these certifications and assurances may not be applicable to Contractor's project or program.

As the duly authorized representative of the City of Brenham, I certify that:

Affirmatively Further Fair Housing -- It will comply with the Fair Housing Act (42 U.S.C. 3601 *et seq.*), as amended, and HUD's implementing regulations at 24 CFR Part 100; and it will affirmatively further fair housing, as specified by the Department.

Anti-discrimination Laws -- It will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*) and HUD's implementing regulations at 24 CFR Part 1; Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and HUD's implementing regulations at 24 CFR Part 8; and the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107), as amended, and HUD's implementing regulations at 24 CFR Part 146.

Anti-displacement and Relocation Plan -- It will minimize displacement of persons as a result of activities assisted with TxCDBG funds; it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR Part 24 and 24 CFR 42 Subpart A; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with TxCDBG funding.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraphs 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105 and the Department.

Environmental Review -- It will comply with environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*) and related Federal authorities prior to the commitment or expenditure of funds for property acquisition and physical development activities subject to implementing regulations at 24 CFR Parts 50 or 58.

Excessive Force -- It has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations, and a

policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Use of Funds (Special Assessments) -- It will not attempt to recover any capital costs of public improvements assisted in whole or part with CDBG funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (A) such funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from other revenue sources; or (B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the jurisdiction certifies that it lacks sufficient CDBG funds to comply with the requirements of subclause (A).

Compliance with Laws -- It will comply with applicable laws.

Milton Tate, Jr., Mayor
City of Brenham

Date

These certifications are material representations of fact upon which the Department can rely when entering into and executing this contract. If it is later determined that City of Brenham knowingly made an erroneous certification, it may be subject to criminal prosecution. The Department may also terminate the award and take other available remedies.



AGENDA ITEM 20

DATE OF MEETING: September 15, 2016		DATE SUBMITTED: September 8, 2016
DEPT. OF ORIGIN: Administration		SUBMITTED BY: Kacey Weiss
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Request for a Noise Variance from St. Mary's Immaculate Conception Catholic Church for a Fundraiser to be Held on September 18, 2016 from 8:00 a.m. – 4:00 p.m. at 701 Church Street and Authorize the Mayor to Execute Any Necessary Documentation		
SUMMARY STATEMENT: Sister Alicia Garcia with St. Mary's Immaculate Conception Catholic Church is requesting a Noise Variance for a fundraiser to be held on September 18, 2016 from 8:00 a.m – 4:00 p.m. at 701 Church Street. They will be using a sound amplification system. The Brenham Police Department and the Brenham Fire Department have approved the noise variance request; therefore, I ask the City Council to approve the noise variance request.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Noise Variance Request form		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: Approve a request for a noise variance from St. Mary's Immaculate Conception Catholic Church for a fundraiser to be held on September 18, 2016 from 8:00 a.m. – 4:00 p.m. at 701 Church Street and authorize the Mayor to execute any necessary documentation		
APPROVALS: Terry K. Roberts		

NOISE VARIANCE REQUEST

Application Fee \$10.00

1. Name of sponsoring organization: St. Mary Immaculate Conception Catholic Church

2. Name and address of individual making application on behalf of sponsoring organization: Sister Alicia Garcia, P.C.I.

3. Purpose of the Event: To raise money for our Church. (St. Mary's Church).

4. Location of Event: 701 Church St. Brenham, Tx 77833

5. Date of the event: Sunday, September 18, 2014

6. Time of Event: 8:00 A.M.

7. Event Set-up: From: 7:00 A.M. To: 8:30 A.M.

Event Clean-up: From: 4:00 P.M. To: 5:00 P.M.

8. You are required to describe the following:

a) Types of Activities Planned and any additional information specific to this event: _____

Food Sale, Water Slide, Music

b) Bands/Musical Instruments: One D.J. - (Mexican Music) No Musical Instruments

c) Sound amplification equipment: 5 Speakers, 1 microphone

d) Cleanup provisions: NA

Sister Alicia Garcia, P.C.I.
Name of Applicant (Printed or Typed)

Date: Sept. 8, 2014

Sister Alicia Garcia, P.C.I.
Applicant or Authorized Person's Signature

Phone: 361-271-8454

Have you ever been found guilty of a criminal offense involving crimes against property, moral turpitude, and/or a felony by any Court? Yes No. If "Yes", please identify the offense, State of conviction and penalty imposed (attach additional sheets if necessary):

NA.

pd 09/08/14
Cash \$10.00
kw