City Council

520 E Ocean Blvd.

Regular Meeting

Los Fresnos, TX 78566 http://citylf.cloudaccess.net/en//

~ Agenda ~

Tuesday, November 8, 2022

6:00 PM

City Hall

NOTICE IS HEREBY GIVEN THAT THE CITY COUNCIL OF THE CITY OF LOS FRESNOS PURSUANT TO CHAPTER 551, TITLE 5 OF THE TEXAS GOVERNMENT CODE, THE TEXAS OPEN MEETINGS ACT, WILL MEET ON TUESDAY, NOVEMBER 8, 2022 AT 6:00 PM AT CITY HALL, 520 EAST OCEAN BLVD., LOS FRESNOS, TX 78566.

I. AGENDA

- A. Call meeting to order
- B. Invocation and Pledge of Allegiance
- C. Public Hearing
 - 1. Public Hearing to receive comments from property owners concerning the appeal of the Planning and Zoning Commissions decision to deny a variance request on rear yard setback requirements from 25 feet to 10 feet for The Woods of Los Fresnos Subdivision.
- D. Visitors remarks-To speak you must sign in with the City Secretary prior to the meeting you have a limit of 5 minutes to speak.
- E. Consent Agenda (All matters listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the City Council. The item may subsequently be removed from the Consent Agenda to be considered separately.)
 - 1. Consideration and ACTION to approve the minutes from October 11, 2022.
 - 2. Consideration and ACTION to excuse the absence of Andres Lopez from the October 11, 2022 City Council meeting.
 - 3. Consideration and ACTION to excuse the absence of Alberto Escobedo from the October 3, 2022 Community Development Corporation Meeting.
 - 4. Consideration and ACTION to approve the Quarterly Investment Portfolio Report ended as of September 30, 2022.
 - 5. Consideration and ACTION to approve the second reading of ordinance 543 to rezone Fresno Land & Irrigation CO Subdivision 0.583 acres out of Lot 32 Block 171, and Los Fresnos Industrial Subdivision #1 lot 1, City of Los Fresnos, Cameron county, Texas from C4 Heavy Commercial District to C2 Highway Commercial District.

- 6. Consideration and ACTION to approve Resolution 9-2022 of the submission of a grant application for the Local Border Star Security Program for the City of Los Fresnos to the to the Office of the Governor.
- 7. Consideration and ACTION to approve Resolution 10-2022 accepting the work under contract with Ferguson Service Systems, Inc. as being complete and in accordance with the plans, specifications, and all approved change orders.
- 8. Approval or rejection of Resolution 11-2022 adopting a comprehensive policy of guidelines and criteria for governing tax abatement incentives within the City of Los Fresnos and its extraterritorial jurisdiction.

F. Action Items

- Consideration and ACTION to appeal of the Planning and Zoning Commissions decision to deny a variance request on rear yard setback requirements from 25 feet to 10 feet for The Woods of Los Fresnos Subdivision.
- 2. Consideration and ACTION to accept a Petition for Annexation by Land Owner for a 17.238 acre tract of land located on the north west side of the City of Los Fresnos and set a date and time for a public hearing.
- 3. Consideration and ACTION to approve a Service Agreement with The University of Texas Health Science Center.
- 4. Consideration and approval of a resolution approving an engagement agreement for bond counsel legal services with Norton Rose Fulbright US LLP; and other matters in connection therewith.
- 5. Consideration and ACTION to approve the proposals received for Financial Advisor for the Clean Water State Revolving Fund project and approve the agreement with Estrada Hinojosa according to TWDB guidelines.
- 6. Discussion and possible action to select engineering firm to provide planning, design and construction management engineering services associated with the design and construction of various drainage improvement projects that may be funded through the Texas Water Development Board.
- 7. Consideration and ACTION to approve the first and second reading of an ordinance authorizing the issuance of "City of Los Fresnos, Texas combination tax and subordinate lien revenue certificates of obligation, series 2022 (Clean Water State Revolving Fund)"; providing for the payment of said certificates by the levy of an ad valorem tax upon all taxable property within the city and further securing said certificates by a subordinate and inferior lien on and pledge of the net revenues of the system on a parity with certain currently outstanding subordinate lien obligations; and providing an effective date.

- 8. Consideration and approval of a resolution approving the principal forgiveness agreement Clean Water State Revolving Fund in the amount of \$843,704 and an escrow agreement relating thereto; authorizing the Mayor, City Manager, and City Secretary, or their designees, to execute any and all documents related thereto; and other matters in connection therewith.
- 9. Presentation and discussion on the history of annexations in Los Fresnos and the surrounding communities and the current annexation laws.

G. Acknowledgement of City Manager's Report

City Manager Report A. Waste Water Collection System & Upgrade B. Water Treatment Plant Expansion C. Hike & Bike Trails D. Drainage E. Whipple Road F. COVID-19 G. TxDot Highway 100 H. East 10th & East 5th Street Sewer I. Projects Discussed But Not Funded J. Street Repairs K. Drought Contingency Plan & Rio Grande River Water Levels

H. Acknowledgement of Department Head Reports

- 1. Fire Marshal's Report 1. Monthly Report
- 2. Library Report 1. Monthly Report
- 3. Municipal Court 1. City Monthly Report-September 2. Linebarger Monthly Report-September
- 4. Police Department 1. Calls-By Type 2. Calls-By Date & Time 3. Incidents-By Violation 4. Arrests-By Type 5. Accidents-By Streets & Intersection
- 5. Public Works Report 1. Water and Wastewater Activity 2. Calls for Service 3. Building Permits 4. Recycling 5. Waste Water Treatment Plant Discharge Monitoring Report
- 6. Financial Report 1. Monthly 2. Year to Date 3. Sales Tax

I. Closed Session

- 1. Closed Session in accordance to Section 551.071, the Texas Open Meetings Act Consultation with Attorney to deliberate pending or contemplated litigation.
- J. Open Session Deliberation and possible action regarding the following:
 - 1. Open Session in accordance to Section 551.071, the Texas Open Meetings Act. Deliberation and possible ACTION regarding consultation with Attorney on pending or contemplated litigation.

K. Adjournment

This is to certify that I, <u>Jacqueline Moya</u>, posted this agenda on the front bulletin board of the City Hall on <u>November 4, 2022</u> on or before <u>5:30</u> p.m. and it shall remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

Jacqueline Moya, City Secretary

Persons with any disabilities that would like to attend meetings must notify City Secretary 24 hours in advance so that the City can make arrangements for that disabled person.

1.C.1

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Public Hearing Prepared By: Jacqueline Moya

> Initiator: Jacqueline Moya Sponsors:

> > DOC ID: 4655

ACTION ITEM (ID # 4655)

Public Hearing to receive comments from property owners concerning the appeal of the Planning and Zoning Commissions decision to deny a variance request on rear yard setback requirements from 25 feet to 10 feet for The Woods of Los Fresnos Subdivision.

This is to allow the public to express their opinion concerning this request. The Woods Subdivision is the area north of Highway 100, east of Las Palmas Housing Authority and just west of FM 803.

From: <u>Victor Trevino</u>

To: <u>Jacqueline Moya</u>; <u>Julio Cerda</u>

Cc: <u>Daniel Garcia</u>

Subject: RE: Request for Appeal Ordinance

Date: Friday, September 23, 2022 2:27:30 PM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Good afternoon Jacqueline,

The developer would like to appeal the decision of the planning and zoning commission on September 19, 2022, in regards to the rear set back variance for The Woods at Los Fresnos Subdivision.

Let me know if there is anything else we have to do to continue with the appeal.

Thank you!

Victor Treviño, PE, SIT Project Engineer



900 S. Stewart, Suite 13 Mission, Texas 78752

Office: (956) 424-3335 ext. 305

Cell:(956) 560-3415

From: Jacqueline Moya < jmoya@citylf.us>
Sent: Tuesday, September 20, 2022 1:49 PM
To: 'Julio Cerda' < julio@southtexasig.com>

Cc: Victor Trevino < <u>victor@southtexasig.com</u>>; Daniel Garcia < <u>daniel@southtexasig.com</u>>

Subject: RE: Request for Appeal Ordinance

An email is ok.

Jacqueline Moya City Secretary



520 E Ocean Blvd., **\$\display\$** Los Fresnos, TX 78566 Phone: 956-233-5768 **\$\display\$** Fax: 956-233-9879

www.cityoflosfresnos.com

From: Julio Cerda [mailto:julio@southtexasig.com]
Sent: Tuesday, September 20, 2022 12:12 PM
To: Jacqueline Moya < imoya@citylf.us>

Cc: Victor Trevino < <u>victor@southtexasig.com</u>>; Daniel Garcia < <u>daniel@southtexasig.com</u>>

Subject: Re: Request for Appeal Ordinance

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello Jacqueline,

Is an email sufficient for the appeal or letter is necessary?

Sincerely,
Julio C. Cerda, P.E.
South Texas Infrastructure Group, L.L.C.
R.O.W. Surveying Services, L.L.C.
900 S. Stewart Road, Suite 13
Mission, Texas 78572

Phone: (956) 424-3335 Fax: (956) 424-3132 Mobile: (956) 451-2670 julio@southtexasig.com

On Tue, Sep 20, 2022 at 8:12 AM Jacqueline Moya < imoya@citylf.us > wrote:

Good morning,

This is the link to the section of our ordinance listing the procedures for an appeal https://library.municode.com/tx/los_fresnos/codes/code_of_ordinances?
nodeld=PTIICOOR_CH48ZO_ARTIIDIRE_DIV1GE_S48-26COUS. If you have any questions, please let me know.

Thank you,

Jacqueline Moya City Secretary



520 E Ocean Blvd., Los Fresnos, TX 78566 Phone: 956-233-5768 Fax: 956-233-9879

www.cityoflosfresnos.com

August 11, 2022

Mr. Mark W. Milum, City Manager City of Los Fresnos 520 E. Ocean Blvd. Los Fresnos, Texas 78566

Re: The Woods at Los Fresnos Subdivision Setback Variance

Dear Mr. Milum:

Mr. Rufino Garza and Ramiro Jaime Flores, developers of The Woods at Los Fresnos, are requesting a variance on the setback minimum depth of rear yard. Our current zoning rules (R1) say that we need a 25 ft minimum rear yard depth; we respectfully request to change the rear setback to 10 ft.

As developers in de Cameron and Hidalgo County area, we have seen these setbacks to be a bit different in other neighboring communities. For example:

City of McAllen R-1 minimum rear setback = 10 ft

- Code of Ordinances City of McAllen, Texas, Sec. 138-356. - Table of height and yard requirements (see attachment A).

City of Brownsville R-1 minimum rear setback = 5 ft

- Unified Development Code City of Brownsville, Texas, Article 4.3.1C (see attachment B).

City of Harlingen R-1 minimum rear setback = 10 ft

- Code of Ordinances City of Harlingen, Texas, Sec. 111-119. - Yard setback regulations (see attachment C).

City of Mission R-1 minimum rear setback = 10 ft

Unified Development Code City of Mission, Texas, Article 1.371 (see attachment D).

As you can see, our request is consistent with neighboring communities and will be consistent with our master plan community The Woods at Los Fresnos. Please see attachment E for plat examples for the above mentioned cities.

We appreciate the opportunity to work with you on this project. Please do not hesitate to contact our office should you have any questions.

Sincerely

Rufino Garza

CC: Julio Cerda, P.E., South Texas Infrastructure Group

Appendix A

Packet Pg. 10

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8/12/22, 1:58 PM

character of a given use district, and to protect the health, safety and general welfare othe residents of that district. All uses of property must meet the required minimurlot The table of height and yard requirements set out in this section has been establisheds the minimum regulatory criteria to conserve and enhance the environment and size, width, and front, side and rear dimensions and/or must not exceed the maximumeight, building coverage or density per gross acre as required in this section.

Table of Height and Yard Requirements

District	Minimum Lot Area ¹	Minimum Y	Minimum Yard Requirements ⁸	nents ⁸	Maximum Height Lot Width Along Front		Maximum Building Coverage as a Percent of Total Lot Area	Maximum Number of Dwelling Units per Gross	Minimum Parking Required in Accordance with Off-street Parking Ordinance
		Front	Each/Total Side	Rear					
A-O Agricultural open space	5 acres	501	201,2	201	25 1, 9	165′	I	0.2	2 per d.u.
R-1 ^{7, 14} Single-family	5,000	25	6/12 ²	10	25 9	50	ı	∞	2 per d.u.
R-2 Duplex	2,600	20	6/12 ^{2, 3}	10 2	25 9	50	ı	16	See footnote
Triplex	6,700	20	6/12 ^{2,3}	10 2	25 9	50	I	20	no. 6
Quadplex	7,800	20	6/12 ^{2,3}	10 2	25 9	50	ı	22	
R-3A and R-3C ⁵	7,000 12								See

Appendix B

C. Residential Single-Family (R-1)

GENERAL DESCRIPTION	and the second s				
The R-1 District is intended for the development of single-family detached residential uses in a suburban setting. It accommodates single-family houses as well as accessory dwellings. It is also intended to maintain existing single-family residential neighborhoods in the city.					
LOT SIZE AND DENSITY					
LOT AREA (MIN.)	5,000 sq.ft.				
LOT WIDTH (MIN.)	50 feet				
LOT DEPTH (MIN.)	70 feet				
NET DENSITY (DU/AC) (MAX.)	8 DU/Acre				
LOT COVERAGE (MAX.)	50% (Including all accessory buildings on the lot)				
PRIMARY BUILDING SETBACKS (MIN.)					
FRONT (PRIMARY STREET)	25'				
FRONT (SECONDARY STREET) (CORNER LOT)	20'				
SIDE PROPERTY LINE	5'				
REAR PROPERTY LINE	5'				
REAR OR SIDE (ALLEY)	5'				
ACCESSORY BUILDING SETBACKS (MIN.)					
SETBACK FROM PRIMARY BUILDING	10'				
SETBACK FROM ANY OTHER ACCESSORY BUILDING	5' (Shall meet any fire separation standards based on the construction type and use)				
SIDE PROPERTY LINE	5'				
REAR PROPERTY LINE	5'				
REAR OR SIDE (ALLEY)	5'				
PARKING PLACEMENT AND ACCESS					
PARKING PLACEMENT	Off-street parking spaces shall NOT be located in the front setback area along an street frontage Exception to the above may be made in the case of porte-cocheres and				
	driveways located in the front setback area				
BUILDING HEIGHT					
PRIMARY BUILDING	35'				
STREETSCAPE STANDARDS	· 图:图:10 字: 2.25 字条:2 字:10 字:17 字:17 :12 1				
ALL STREETS	See Table 3.4-20. Zoning Districts and Streetscaping Requirements				
ADDITIONAL REQUIREMENTS WITHIN THE ZONING REGULATIONS					
4.4.3 Permitted Use Chart	4.6.5 Residential Adjacency				
4.6.1 Building Design	4.6.6 Innovative Residential Design				
4.6.2 Parking	4.6.7 Lighting				
4.6.3 Landscaping	4.6.8 Accessory Buildings				
4.6.4 Fencing and Screening	4.6.9 Wireless Transmission				

Appendix C

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and roof eaves projecting not to exceed 36 inches into the equired side yard. Shrubs, air conditioners, and fencing shall be permitted in thaide yard.

- family dwellingin excess of two units shall not be less than 15 feet and no balcony or porch of angortion of the building may extend into such Multiple-family building overhangs and multiple-family building on a corner loOn a corner lot, a side yard adjacent to a street for a multiplerequired side yard except that a roofmay overhang such side yard not to exceed four feet. و.
- indicated in section 111-581. On a corner lot used for one-family or two-family dwellings there shall be a setback the side street of ten feet on Single-family dwellings on a corner lot.On a corner lot, no residential or nonresidential structure may be erected withithe sight triangle as all lots platted after the effective date of thordinance from which this article is derived
- Planned developments. The minimum side yard requirements in a planned development district shall be establishedn the site plan which shall be made a part of the amending ordinance. ö
- NS, GR, LI, and HI districtsexcept where a commercial, retail, or industrial or other nonresidential use abutapon a district boundary line dividing height to a maximum of40 inches starting at the more restrictive zone at a three to one ratio. Landscapingnay be used in lieu of dividing fence if Requirements for district dividing lines between residential and nonresidential districtslo side yard is specified for nonresidential use in the O, otherwise in this article. However, if the screening fence is extended into the frontard, the fence must taper down from a minimum six feet in district. However, the owner, developer, renter, and/or user shaprovide and permanently and adequately maintain a solid screening fence of herein. The requirement of the fenceshall be required every time there is a change in occupancy and/or the building islear to be re-energized. The building must be set back no less than ten feet from abutting property line, such screen shall set back that distance unless provided all plants used for landscape screens areplanted in a dense pattern and shall, upon reaching maturity, be not less than sikeet in height. Initial such districts from a residential district in which event a minimum ten-foot side yard shall be provided on the side adjacento such residential redwood and/or cedar, not less than six feet in height in the side yards of the property dividinghe district from any residential district listed landscape height shall be no less than 40 inches. Landscapecreening shall be installed at the same time as the building construction.
- Townhouses. Townhouses may have no side yard requirement, except as specified in subsection (b)(5) of this section.
- (c) Rear yard. No building or structure shall hereafter be located, erected, or altered to have rear yard smaller than herein required.
- (1) No main residential building may be constructed nearer than ten feet from the regaroperty line, except in the R-PH Zone where the minimum rear setback shall be fivefeet.
- (2) Where a building line has been established by plat or ordinance and such line requires greater or lesser rear yard setback than is prescribed by this article for the districtin which the building line is located, the rear yard shall comply with the buildingne so established by such plat or ordinance.
- required every time there is a change in occupancyand/or the building is clear to be re-energized. A minimum rear yard of not less thaten feet shall adequately maintain a solidscreening fence not less than six feet in height in the rear yard of the property. The requirement of the fence shall be No rear yard setback requirement for O, NS, GR, LI and HI districts; however, thewner and/or developer shall provide and permanently and be provided in O, NS, GR, Ll and HI districts, dividing the districfrom any of the residential districts listed herein. 3

Appendix D

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Section 1.371. - R-1 single-family residential district.

- [Purpose:] The single-family residential district is established for the following purposes:
- To provide sufficient space in appropriate locations for residential development to meet the present and future housing needs of the city, with allowance for a diversity of sites
- b. To protect residential areas against pollution, environmental hazards, and other objectionable influences.
- To protect residential areas, as far as possible, against heavy and through traffic.
- street parking spaces; and by providing open areas for rest and recreation and to break the monotony of continuous building bulk, thus providing a To protect residential areas against congestion, as far as possible, by managing the density of population in and around them; by providing for offmore desirable environment for urban living ö
- To provide for privacy and access of light and air to windows, as far as possible, through controls over the spacing and height of buildings and other structures
- f. To promote the most desirable use of land and direction of building development not in conflict with the comprehensive plan of the City of Mission; to promote stability of residential development; to protect the character of the district; to conserve the value of land and buildings; and to protect the city's tax base.
- g. To promote the most efficient use of city facilities and services.

Permitted uses: ۲.

- a. One single-family dwelling per lot, and accessory uses.
- b. See <u>chapter 86</u>, signs.

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One portable building not more than three percent of the lot's net square footage used for either storage, hobby or other similar accessory uses.

- An accessory use customarily related to a principal use authorized in this district. Furthermore, any non-living accessory structure, such as a carport or shall not exceed the primary structure's total height, as measured to the top of its roof. However, if the primary structure's living area totals less than a garage, whether as an addition or as a detached building, shall not exceed a maximum size equal to 40% of the primary structure's living area; and 2,000 square feet, the accessory structure may be constructed to a maximum size of 800 square feet. No carport, whether temporary or not, shall have a roof composed of tarp, canvas, or other similar fabric-like material ö
- Churches and related amenities.
- Temporary sales office for the sale of lots.
- Conditional uses (require use permits, see article X): ന്

a. Planned unit developments, excluding industrial uses.

b. Home occupations.

- c. Associated recreation.
- d. Guesthouses, or separate servant quarters.
- e. A mobile home on an unsubdivided tract of five acres or more.
- Portable buildings larger than three percent of the affected lot's net square footage. No second "portable building" shall be permitted without obtaining a conditional use permit. ب
- Facilities for railroads or those utilities holding a franchise under the City of Mission.
- h. Parking facilities for nonresidential uses; also other nonresidential facilities such as internal sidewalks, benches, and gazebos.
- i. Amusement parks, circus and carnival grounds, commercial amusement or recreation developments, or tents or other temporary structures used for temporary purposes.
- Bed and breakfast facility.
- k. A replacement mobile home for a particular applicant. Once ownership changes, any awarded CUP is null and void.
- Prohibited uses:
- a. Any building erected or land used for other than one or more of the preceding specified uses.
- b. On- and off-premises signs, portable signs, animated or illuminated signs.
- Any use of property that does not meet the required minimum lot size; front, side and rear yard dimension; and/or lot width; or exceeds the maximum height, building coverage or density per gross acre as required
- A recreational vehicle, which includes travel trailers, pickup coaches, motor homes, dependent trailers, or self-contained trailers, that are 34 feet or longer shall not be parked or stored within the front yard area inclusive of any paved driveway; it is further asserted that such recreational vehicles shall not be parked alongside any public or private street unless it is for temporary loading or unloading which must be completed within 48 continuous hours. ö
- 5. Area requirements:
- a. Minimum lot area:
- (1) Internal lot: 6,000 square feet.
- (2) Corner lot: 7,000 square feet.
- b. Maximum number of single-family dwellings per lot: one.
- c. Minimum lot frontage on a public street:
- (1) Internal lot: 60 feet.
- (2) Corner lot: 65 feet.
- d. Minimum lot depth: 100 feet.

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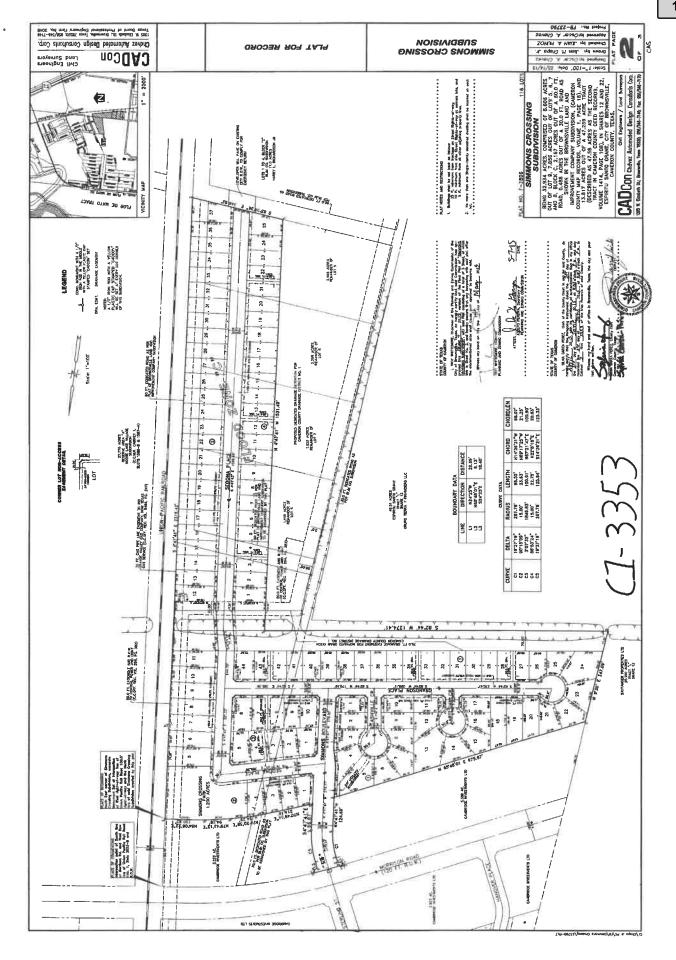
- e. Minimum depth of front setback: 20 feet.
- f. Minimum depth of rear setback: ten feet.
- g. Minimum width of side setback:
- (1) Internal lot: six feet.
- (2) Corner lot: ten feet.
- h. Minimum distance from the public right-of-way to the entrance to a garage or enclosecarport, unless otherwise approved by the zoning board of adjustments: 18 feet.
- i. Maximum building coverage as a percentage of lot area: N/A.
- Maximum height of structures: 35 feet.*

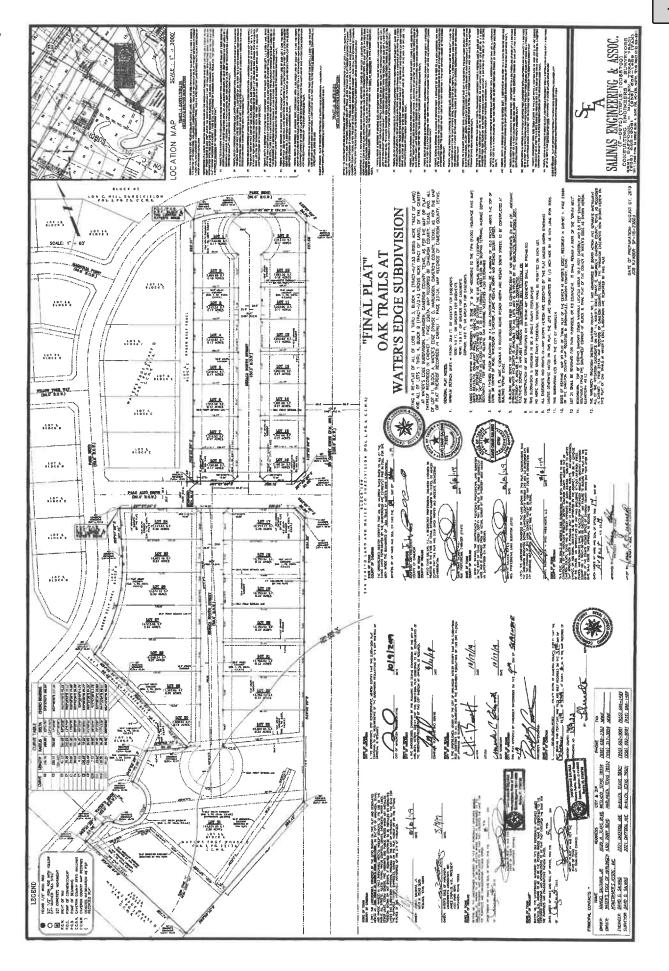
*Where a structure exceeds 25 feet in height, it shall be set back one additionabot for each foot above 25 feet, not to exceed the 35-foot maximum.

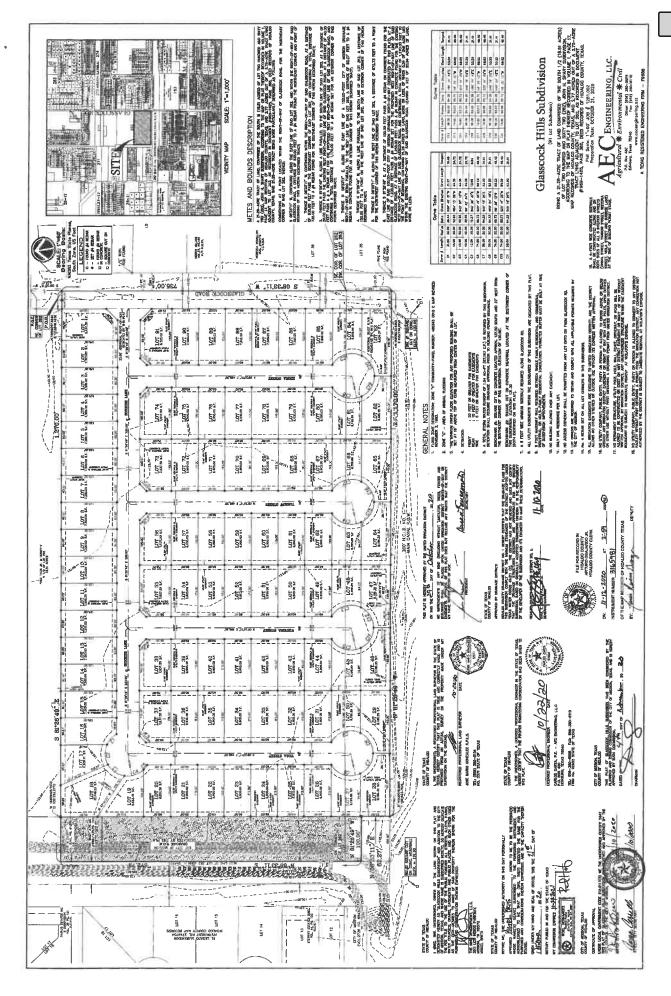
- k. Minimum number of off-street parking spaces required for:
- (1) One single-family dwelling unit: two.
- (2) All other uses: see off-street parking ordinance.
- See article XIII, section 1.59 for further clarification, and exceptions and modifications. See contingency protocologicy in the exceptions and modifications provision for possible situational setbackadjustment(s).

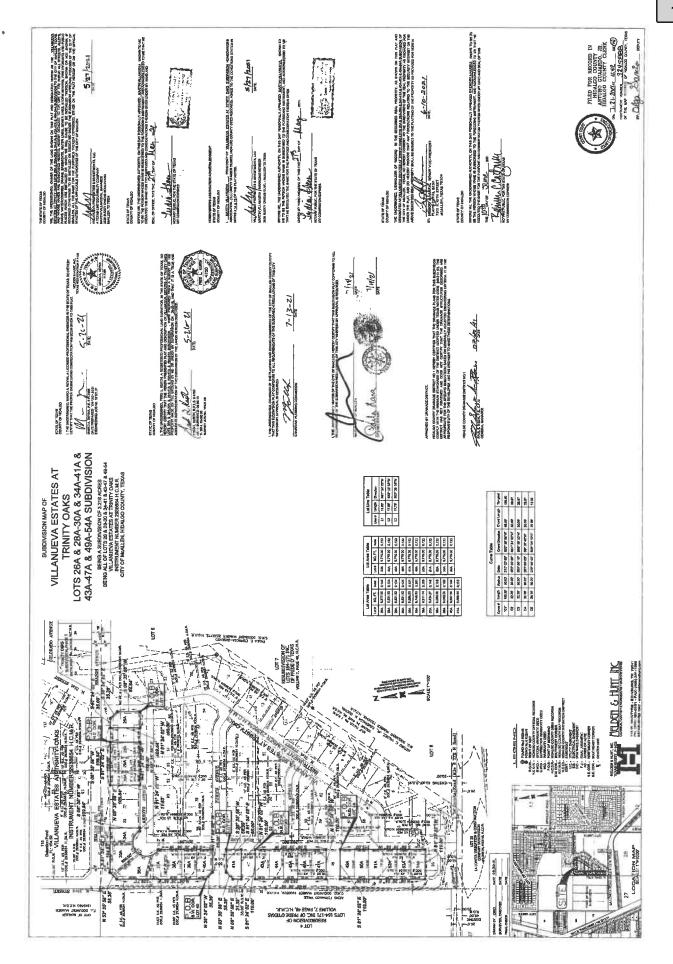
No. 1934, § 2, 2-13-1995; Ord. No. 2190, § 2, 3-31-1997; Ord. No. 2385, § 2, 1-11-199\$Ord. No. 2406, § 1, 3-8-1999; Ord. No. 2729, §§ 1, 2, 2-25-2002; Ord. No. 2774, No. 3800, § 1, 7-23-2012;Ord. No. 3804, § 3, 8-13-2012; Ord. No.4044, § 1, 12-16-2013; Ord. No.4046, § 1, 1-13-2014; Ord. No.4849, § 1, 10-14-2019; Ord. No.4962 (Ord. No. 1390, §§ 5, 6, 1-26-1987; Ord. No. 1428, §§ 4, 5, 11-9-1987; Ord. No. 1636, 1, 9-9-1991; Ord. No. 1661, § 1, 3-23-1992; Ord. No. 1727, § 2, 4-12-1993; Ord. 8-26-2002; Ord. No. 2811, § 1, 2-10-2003; Ord. No. 2961, § 1, 9-27-2004; Ord. No. 3557, 4-26-201@rd. No. 3574, § 1, 8-23-2010; Ord. No. 3663, § 1, 8-8-2011; Ord. § 1, 10-26-2020; Ord. No.5080, § 1, 9-13-2021)

Appendix E









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Packet Pg. 24



September 7, 2022

TO: PROPERTY OWNERS ON STATE HIGHWAY 100 AND ORIVE BLVD.

FROM: CITY OF LOS FRESNOS

SUBJECT: PUBLIC HEARING FOR A VARIANCE REQUEST ON REAR YARD

SETBACK REQUIREMENTS FROM 25 FEET TO 10 FEET.

The Los Fresnos Planning and Zoning Commission will hold a public hearing at City Hall, 520 E Ocean Blvd., Los Fresnos, TX 78566, to receive comments from residents concerning a variance request on rear yard setback requirements from 25 feet to 10 feet for the future Woods Subdivision.

The public hearing will be held at the Planning and Zoning Commission meeting on Monday, September 19, 2022 at 6:00 p.m.

If you have any questions concerning the above, please contact Jacqueline Moya, City Secretary or Mark Milum, City Manager at (956) 233-5768.

1.E.1

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Minutes Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4653

ACTION ITEM (ID # 4653)

Consideration and ACTION to approve the minutes from October 11, 2022.

I recommend approval.

City Council

520 E Ocean Blvd.

Regular Meeting

Los Fresnos, TX 78566 http://citylf.cloudaccess.net/en//

~ Minutes ~

Tuesday, October 11, 2022

6:00 PM

City Hall

Agenda

A. Call meeting to order

The meeting was called to order at 6:00 PM by Mayor Alejandro Flores.

B. Invocation and Pledge of Allegiance

Chad Bresson gave invocation and led the audience in the Pledge of Allegiance.

Presentation

<u>Consideration and ACTION to approve a proclamation recognizing Los Fresnos CISD</u> <u>Superintendent, Dr. Gonzalo Salazar.</u>

The Mayor, council, City Manager and members of the audience spoke. The congratulated Dr. Salazar for being elected as President of TASA and for his hard work as LFCISD Superintendent.

Motion was made and seconded to approve a proclamation recognizing Los Fresnos CISD Superintendent, Dr. Gonzalo Salazar.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez. Councilwoman

SECONDER: Luis Gonzalez. Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Public Hearing

<u>Public Hearing to receive comments from the property owners concerning the re-zoning of two properties on West Ocean Blvd.</u>

Public hearing opened at 6:39 PM.

Mayor Flores asked the public if there were any comments about the public hearing. There were none.

Public hearing closed at 6:39 PM.

RESULT: NO ACTION

<u>Visitors remarks-To speak you must sign in with the City Secretary prior to the meeting you have a limit of 5 minutes to speak.</u>

There were none.

<u>Consent Agenda (All matters listed are considered to be routine by the City Council and</u> will be enacted by one motion. There will be no separate discussion of these items unless

Tuesday, October 11, 2022

6:00 PM

requested by a member of the City Council. The item may subsequently be removed from the Consent Agenda to be considered separately.)

Mayor Flores asked the council if there were any consent agenda action items they would like to pull for further discussion. There were none.

Consideration and ACTION to approve the minutes from September 9 & 13, 2022.

Motion was made and seconded to approve the minutes from September 9 & 13, 2022.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

<u>Consideration and ACTION to approve a Proclamation declaring November 7-11, 2022 as</u> Municipal Court Week.

Motion was made and seconded to approve a Proclamation declaring November 7-11, 2022 as Municipal Court Week.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Consideration and ACTION to excuse the absence of Andres Lopez from the September 13, 2022 City Council meeting.

Motion was made and seconded to excuse the absence of Andres Lopez from the September 13, 2022 City Council Meeting.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Consideration and action to approve action taken by the Los Fresnos Community

Development Corporation for funding to remove trees or similar items in the right-of-way blocking visibility of businesses or visibility of intersections causing safety concerns including updating plants in the planters.

Motion was made and seconded to approve action taken by the Los Fresnos Community Development Corporation for funding to remove trees or similar items in the right-of-way blocking visibility of businesses or visibility of intersections causing safety concerns including updating plants in the planters.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Consideration and ACTION to approve the second reading ordinance 540 of the City Council of the City of Los Fresnos, Texas, authorizing the Mayor to close, vacate and abandon Missouri street a 0.75 acre tract located within the Original Townsite of Los Fresnos in block 167 Fresnos Land and Irrigation Company Subdivision.

Motion was made and seconded to approve the second reading ordinance 540 of the City Council of the City of Los Fresnos, Texas, authorizing the Mayor to close, vacate and abandon Missouri street a 0.75 acre tract located within the Original Townsite of Los Fresnos in block 167 Fresnos Land and Irrigation Company Subdivision.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Consideration and ACTION to approve Resolution 6-2022 of the City Council of the City Of Los Fresnos, Texas adopting the goal of ending deaths and severe injuries on county roadways.

Motion was made and seconded to approve Resolution 6-2022 of the City Council of the city of Los Fresnos, Texas adopting the goal of ending deaths and severe injuries on county roadways.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

<u>Consideration and ACTION to approve the preliminary plat for Jacquelene Subdivision Section Two.</u>

Motion was made and seconded to approve the preliminary plat for Jacquelene Subdivision Section Two.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

<u>Consideration and ACTION to approve a Chemical Agreement for Brenntag Southwest,</u> Inc.

Regular Meeting

Tuesday, October 11, 2022

6:00 PM

Motion was made and seconded to approve a Chemical Agreement for Brenntag Southwest, Inc.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

<u>Consideration and ACTION to approve Resolution 8-2022 adopting the Investment Policy and Strategies for fiscal year 2022/2023.</u>

Motion was made and seconded to approve Resolution 8-2022 adopting the Investment Policy and Strategies for fiscal year 2022/2023.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Action Items

Consideration and ACTION to approve the first reading of ordinance 543 to rezone Fresno Land & Irrigation CO Subdivision 0.583 acres out of Lot 32 Block 171, and Los Fresnos Industrial Subdivision #1 lot 1, City of Los Fresnos, Cameron county, Texas from C4 Heavy Commercial District to C2 Highway Commercial District.

Mr. Milum explained where the property was located and answered questions from the board.

Motion was made and seconded to approve the first reading of Ordinance 543 to rezone Fresno Land & Irrigation CO Subdivision 0.583 acres out of Lot 32 Block 171, and Los Fresnos Industrial Subdivision #1 lot 1, City of Los Fresnos, Cameron county, Texas from C4 Heavy Commercial District to C2 Highway Commercial District.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Luis Gonzalez, Councilman

SECONDER: Gabriela Fernandez, Councilwoman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

<u>Consideration and ACTION to approve or reject any or all proposals received for group life insurance.</u>

Mayor Flores asked the board if they had any questions or comments. Mr. Milum explained the options and recommended option 3, Mutual of Omaha with Greer & Associates.

Motion was made and seconded to approve the proposal received for group life insurance by Mutual of Omaha with Greer & Associates.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Luis Gonzalez, Councilman

SECONDER: Gabriela Fernandez, Councilwoman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

<u>Consideration and ACTION to approve or reject any or all proposals received for group health insurance.</u>

Mr. Milum explained the renewal and the 3 options available. He recommended the renewal from United Health with Greer & Associates.

Motion was made and seconded to approve the proposal received for group health insurance, from United Health with Greer & Associates.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

<u>Consideration and ACTION to approve or reject any or all proposals received for supplemental insurance.</u>

Mayor Flores asked the council if they had any questions or comments. Mr. Milum explained the supplemental insurance is paid by the employee not the city. He recommended Mutal of Omaha with Greer & Associates.

Motion was made and seconded to approve or reject any or all proposals received for supplemental insurance.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Luis Gonzalez, Councilman
SECONDER: Juan Munoz, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

<u>Consideration and ACTION to approve Resolution 7-2022 approval of the Hazard</u> Mitigation Plan Update.

Mr. Milum explained the plan identifies possible risks in the city due to natural disasters and what can be done to prevent them. As grants become available the city can apply for them as long as they are listed in our Hazard Mitigation Plan. Mr. Milum answered questions from the council.

Motion was made and seconded to approve Resolution 7-2022 approval of the Hazard Mitigation Plan Update.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Acknowledgement of City Manager's Report

City Manager Report A. Waste Water Collection System & Upgrade B. Water Treatment Plant Expansion C. Hike & Bike Trails D. Drainage E. Whipple Road F. COVID-19 G. TxDot Highway 100 H. East 10th & East 5th Street Sewer I. Projects Discussed But Not Funded J. Street Repairs K. Drought Contingency Plan & Rio Grande River Water Levels L. Recycling M. Boys & Girls Club Quarterly Report

The council and Mr. Milum discussed recycling, drought contingency plan, dog kennels, canal behind 10th Street, and Whipple Road.

Motion was made and seconded to acknowledge City Manager Report.

RESULT: ADOPTED [3 TO 1]

MOVER: Luis Gonzalez, Councilman

SECONDER: Gabriela Fernandez, Councilwoman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez

NAYS: Juan Munoz ABSENT: Andres Lopez

Acknowledgement of Department Head Reports

Mayor Flores asked the council if they had any questions on the department head reports. Mayor Flores and Council member Luis Gonzalez asked questions about the library report.

Financial Report 1. Monthly 2. Year to Date 3. Sales Tax

Motion was made and seconded to acknowledge the Financial Report.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Luis Gonzalez, Councilman

SECONDER: Gabriela Fernandez, Councilwoman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

<u>Public Works Report 1. Water and Wastewater Activity 2. Calls for Service 3. Building</u> Permits 4. Recycling 5. Waste Water Treatment Plant Discharge Monitoring Report

Motion was made and seconded to acknowledge the Public Works Report.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Luis Gonzalez, Councilman

SECONDER: Gabriela Fernandez, Councilwoman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Police Department 1. Calls-By Type 2. Calls-By Date & Time 3. Incidents-By Violation 4.

Arrests-By Type 5. Accidents-By Streets & Intersection

Motion was made and seconded to acknowledge the Police Department report.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Luis Gonzalez, Councilman

SECONDER: Gabriela Fernandez, Councilwoman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Municipal Court 1. City Monthly Report-August 2. Linebarger Monthly Report-August

Motion was made and seconded to acknowledge the Municipal Court report.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Luis Gonzalez, Councilman

SECONDER: Gabriela Fernandez, Councilwoman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Library Report 1. Monthly Report

Motion was made and seconded to acknowledge the Library report.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Luis Gonzalez, Councilman

SECONDER: Gabriela Fernandez, Councilwoman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Fire Marshal's Report 1. Monthly Report

Motion was made and seconded to acknowledge the Fire Marshal's report.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Luis Gonzalez, Councilman

SECONDER: Gabriela Fernandez, Councilwoman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

EMS Report 1. Quarterly report

Motion was made and seconded to acknowledge the EMS report.

Regular Meeting

Tuesday, October 11, 2022

6:00 PM

RESULT: ADOPTED [UNANIMOUS]
MOVER: Luis Gonzalez, Councilman

SECONDER: Gabriela Fernandez, Councilwoman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Closed Session

Closed Session - Deliberation pursuant to Section 551.074, Title 5 of the Texas Government Code, the Texas Open Meetings Act regarding the following: Evaluation, and duties of City Manager, Public Works Director, IT Director, Chief of Police, Librarian, Finance Director and City Secretary.

Mayor Flores recessed the meeting at 7:21 p.m.

RESULT: NO ACTION

<u>Open Session – Deliberation and possible action regarding the following:</u>

Open Session - Deliberation and possible action on the following: Evaluation and duties of City Manager, Public Works Director, IT Director, Chief of Police, Librarian, Finance Director and City Secretary.

Mayor Flores open the meeting at 8:08.

No action was taken.

RESULT: NO ACTION

Consideration and ACTION to approve a Budget Amendment to the general fund.

Motion was made and seconded to approve a Budget Amendment to the general fund.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Luis Gonzalez, Councilman

AYES: Alejandro Flores, Gabriela Fernandez, Luis Gonzalez, Juan Munoz

ABSENT: Andres Lopez

Consideration and ACTION to approve a Budget Amendment to the utility fund.

Motion was made and seconded to approve a Budget Amendment to the utility fund.

RESULT: ADOPTED [3 TO 0]

MOVER: Gabriela Fernandez, Councilwoman

SECONDER: Alejandro Flores, Mayor

AYES: Alejandro Flores, Gabriela Fernandez, Juan Munoz

ABSTAIN: Luis Gonzalez
ABSENT: Andres Lopez

H. Adjournment

The meeting was closed at 8:10 PM.

egular Meeting	Tuesday, October 1	1, 2022	6:00 PM
		Presiding Officer of the Council	
Recorder			

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Acknowledgments Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4675

ACTION ITEM (ID # 4675)

Consideration and ACTION to excuse the absence of Andres Lopez from the October 11, 2022 City Council meeting.

Mr. Lopez was preparing for a medical procedure.

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Acknowledgments Prepared By: Jacqueline Moya

Initiator: Jacqueline Moya Sponsors:

ACTION ITEM (ID # 4674) DOC ID: 4674 A

Consideration and ACTION to excuse the absence of Alberto Escobedo from the October 3, 2022 Community Development Corporation Meeting.

Mr. Escobedo had a work commitment that prevented him from attending the meeting.

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

ACTION ITEM (ID # 4665)

Meeting: 11/08/22 06:00 PM
Department: City Secretary

Category: Report Prepared By: Jacqueline Moya

Initiator: Jacqueline Moya Sponsors:

DOC ID: 4665 A

Consideration and ACTION to approve the Quarterly Investment Portfolio Report ended as of September 30, 2022.

Interest rates are rising.

I recommend approval.

Updated: 11/1/2022 3:25 PM by Mark Milum A



Investment Portfolio Summary

For the Quarter Ended As of September 30, 2022

Quarterly Investment Report Investment Officer's Certification For the Quarter Ended As of September 30, 2022

transactions for all funds covered by this chapter for the reporting period." This report, which covers the quarter ended September 30, 2022 is signed by the This report is prepared for the City of Los Fresnos in accordance with Chapter 2256 of the Public Funds Investment Act (PFIA). Section 2256.03(a) of the PFIA states that "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment City of Los Fresnos Investment Officer and the Investment Committee members and includes the disclosures required in the PFIA. The investment portfolio complied with the PFIA and the City of Los Fresnos' approved Investment Policy and Strategy throughout the quarter. All investment transactions made in the City's portfolio during this quarter were made on behalf of the City and were in full compliance with PFIA and the City's approved Investment Policy.

Mark W. Milum

Investment Officer/Finance Director

Patolo A. Garza

City Manager/ Investment Committee

Mayor/Investment Committee

Alejandro Flores

~

Quarterly Investment Report
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For the Quarter Ended
As of September 30, 2022

4 Detail of Security Holdings
5 Portfolio Summary
6 Yield Summary
7 Quarterly Asset Reconciliation
8 Purchase/Sale Maturity

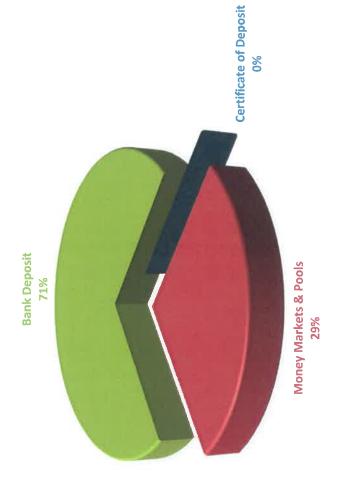
DETAIL OF SECURITY HOLDINGS September 30, 2022

Security Description	Security CUSIP	Yield/ Coupon	Settlement Date	Maturity	Par Value	Purchase Price	Purchase Cost	Book Value	Market	Accrued	Market Value	Days to	Yield to
General Fund												i	Matunty
Lone Star Investment Pool-Emergency Reserve	First Public	2.677					866,694	866,694	100		866,652		1.194
FCB- Debit Cards	FCB	2.					2,000	2,000	100		2,000		•
FCB-General Fund (Operating)	FCB	0.250					660,300	660,300	100		006'099		0.250
CO-Collision Description interest (DD column Eurole)	£ 5	0.250					15,080	15,080	100		15,080		0.250
FCB-Forfeited Property (PD Seizure Funds)	2 5	0.250					706	40b	100		706		
ECB-Pavroll	3 5	0.250					5,234	5,254	100		5,254		0.250
10.60	2	067:0					1,742,093	1,742,093	00T	•	1,742,051	1	0.250
Water & Sewer Fund													
Lone Star Investment Pool-Emergency Reserve	First Public	2.677					1,090,764	1,090,764	100		1,090,723		1.194
FCB- Debit Cards	FGB	28					5,000	5,000	100		2,000		
FCB-Water & Sewer (Operating)	FCB	0.250					577,121	577,121	100		577,121		0.250
FCB-Water & Sewer (Meter Deposits LS)	FCB	0.250					241,909	241,909	100		241,909		0.250
FCB-W&S Rev Bonds S84-84A I&S	FCB	0.250					47	47	100		47		0.250
FCB-W&S Rev Bonds S84-84A (Reserved Funds)	97. 80.	0.250					85,034	85,034	100		85,034		0.250
FCB-Water & Sewer (Emergency Reserve)	FCB	0.250					61	61	100		19		0.250
FCB-Utility Expansion (Purchase Water Rights/Utility Improvements	FCB	0.250					3,559	3,559	100	•	3,559	1	0.250
							2,003,495	2,003,495			2,003,454	•	
Debt Service													
FCB-Debt Servcie (Bond Payments)	FCB	0.250					66,855	9922	100		66,855		0.25
							66,855	66,855		'	66,855	1	
Canital Projects													
ECB-2016CDRG Grant Contract 7216300 (Streets)	EC8								100				
FCB-TPW 50-000461 Nature Park	£ £						103 149	103 149	9 5		102 140		
FCB-USDA (Water Distribution System Project)	5	,					CLT/COT	CHT'COT	8 5		103,149		
FCB-Valley Legacy Foundation Grant (Hike & Bike Trail)	5 5	0.250					ų	i u	3 5				
FCB-CO SR 2014 (Lopez LS, Land, Sewer Ext. Evergreen St	5 5						97 180	97 180	8 10		02 100		0.230
FCB-TWDB-DWSRF NO. 62627 (Egineering)	5	141					030	DOY'S	100		09T'/E		
FCB-TWDB-CWSRF CO 2009 (Collection System/WWTP)	FCB	•					50.630	50.630	100		020 630		
FCB-Tax Increment Reinvestment Zones (TIRZ)	FCB	0.250					163,351	163,351	100		163,351		0.250
FCB-TWDB-CWSRF NO. 73687 (Egineering)	FCB	96					::	24	100				
FCB-CO SR 2017 (Streets & City Hall)	FC8						110,397	110,397	100		110,397		
FCB- Tax Note Series 2018 (City Hall)	FCB	0.250					100	ž	100				0.250
Child Safety Fee Credit	53	0.250					9,718	9,718	100		9,718		0.250
TWDB- DWSRF 2020	FCB	0.250					1,261	1,261	100		1,261		0.250
TWDB- CWSRF 2020	FCB	0.250					31,059	31,059	100		31,059		0.250
Park Dedication Fee	FC8	0.250					24,910	24,910	100		24.910		0.250
Coronavirus Relief Fund	FC8	0.250					1,943,817	1,943,817	100		1,943,817		0.250
							2,535,479	2,535,479			2,535,479	1	
Community Development Corp													
FCB-CDC (Operating)	FCB	0.250					443.303	443.303	100		843 303		0.35.0
							443,303	443,303	}	,	443,303	1	0.230
DTAL PORTFOLIO					-		\$ 6.791 234	£ 6.701.12A	•	Ì	200. 3	'	35.0
nck						(57)		ı				II	0.330
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Packet Pg. 43

PORTFOLIO SUMMARY SEPTEMBER 30, 2022



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YIELD SUMMARY As of September 30, 2022

Security Description	Security	Settlement Date	Maturity Date	Par Value	Market Value	Percent of Assets	Days to Maturity	Weighted Average Maturity	Yield to Maturity
Bank Deposit First Community Bank	FCB				4,833,767	71%			0.25
Money Markets & Pools Lone Star Investments	First Public				1,957,374	29%			2.68
Certificate of Deposit First Community Bank	FCB				1	%0		1	ı
TOTAL PORTFOLIO				· •	\$ 6,791,141	100%			2.93

MARKET VALUE ASSET RECONCILIATION FROM 07-01-2022 TO 09-30-2022

Bank Deposit First Community Bank Money Markets & Pools	07-01-2022 4,833,767	Additions Purchases	Withdrawls Sales	Realized Gains	Onrealized Gains	Interest Gains	Market Value 09-30-2022 4,833,767
Lone star investments Certificate of Deposit First Community Bank	1,946,359	1	1 (1	11,16/	1,957,526
TOTAL PORTFOLIO	\$ 6,780,126	\$	\$	√	\$	\$ 11,167	\$ 6,791,293

		_	PURCHASE AND SALE MATURITY FROM 07-01-2022 TO 09-30-2022		
Trade Date	Settlement Date	Quantity	Security	Unit Price	Amount
PURCHASES					
SALES/MATURITIES					

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Ordinances
Prepared By: Jacqueline Moya
Initiator: Jacqueline Moya
Sponsors:

DOC ID: 4654 A

ACTION ITEM (ID # 4654)

Consideration and ACTION to approve the second reading of ordinance 543 to rezone Fresno Land & Irrigation CO Subdivision 0.583 acres out of Lot 32 Block 171, and Los Fresnos Industrial Subdivision #1 lot 1, City of Los Fresnos, Cameron county, Texas from C4 Heavy Commercial District to C2 Highway Commercial District.

The Planning & Zoning Commission held a public hearing on this on September 19 at their meeting. No one spoke to oppose this actions. The Planning & Zoning Commission approved this action at their meeting so now it comes to the Council for consideration.

The Council approved this on the first reading at the meeting on October 11.

This area is along Ocean Boulevard and Brazil Street. I'm sure the though was the area along the Railroad would potentially be Heavy Commercial due to the access of the tracks and so it was zoned that way. However, that is not the case and to have a facility that would need Heavy Commercial is probably not something we would want in the center of town. The uses have always bee that of similar nature to the businesses along Ocean Boulevard in the area. We would like to formally recognize that with changing the zoning to reflect what is actually being done instead of having to ask for a Conditional Use each time a new business goes into these locations.

I recommend approval.



September 1, 2022

TO: PROPERTY OWNERS ON PORTIONS OF W OCEAN BLVD, W 3RD

STREET, N. BRAZIL, S BRAZIL, W 6TH STREET, W 5TH STREET &

OLMO STREET.

FROM: CITY OF LOS FRESNOS

SUBJECT: REQUEST TO RE-ZONE PROPERTY ON W OCEAN BLVD

You are being notified of a proposed zoning change near your property. The City is required to notify all property owners within 200 of the property being re zoned.

The properties listed below are currently zoned C4 Heavy Commercial District and will change, if approved to C2 Highway Commercial District

- 1. Corner of N Brazil St. & W Ocean Blvd.
 - a. Fresno Land & Irrigation CO Subdivision 0.583 Acres out of Lot 32 Block 171
- 2. Corner of S Brazil St. & W Ocean Blvd.
 - a. Los Fresnos Industrial Subdivision #1 Lot 1

The <u>Planning and Zoning Commission</u> will hold a public hearing on <u>Monday</u>, <u>September 19, 2022 at 6:00 p.m. in City Hall, 520 E Ocean Blvd., Los Fresnos, TX. 78566</u> to receive comments from the property owners concerning the rezoning request.

If the request is granted by the Planning and Zoning Commission, the <u>City Council</u> of the City of Los Fresnos will hold a public hearing on <u>Tuesday</u>, October 11, 2022 at 6:00 p.m. in City Hall, 520 E Ocean Blvd., Los Fresnos, TX. 78566 to receive comments from the property owners concerning the rezoning request.

If you have any questions concerning the above, please contact Jacqueline Moya, City Secretary or Mark Milum, City Manager at (956) 233-5768.

ORDINANCE NO 543

AN ORDINANCE TO REZONE FRESNO LAND & IRRIGATION CO SUBDIVISION 0.583 ACRES OUT OF LOT 32 BLOCK 171, AND LOS FRESNOS INDUSTRIAL SUBDIVISION #1 LOT 1, CITY OF LOS FRESNOS, CAMERON COUNTY, TEXAS FROM C4 HEAVY COMMERCIAL DISTRICT TO C2 HIGHWAY COMMERCIAL DISTRICT. AMENDING THE OFFICIAL ZONING MAP TO REFLECT THE NEW ZONING; AND PROVIDING AN EFFECTIVE DATE FOR THE IMPLEMENTATION OF THIS ORDINANCE.

This ordinance was introduced and submitted to the City Coureading of the Ordinance. After presentation and discussion	on of the	Ordinance, a n	notion was made by
adopted in accordance with the City's Home Rule	Charter.	The motion	was seconded by
Mayor Alejandro Flores	For	Against	Abstained
		Against	
Councilmember VACANT	For _	Against	Abstained
Mayor Pro-Tem Gabriela Fernandez	For _	Against	Abstained
		Against	
		Against	
SECTION 1. In accordance with Ordinance 235, Section 3, set forth and described as Fresno Land & Irrigation CO Suband Los Fresnos Industrial Subdivision #1 lot 1, City of Lot Heavy Commercial District to C2 Highway Commercial Zoning Map. SECTION 2. The Official Zoning Map is amended to relattached Exhibit "A". SECTION 3. This ordinance shall take effect immediately unitarity in the commercial and APPROVED on the first reading this APPROVED and PASSED on the second and final reading	sub-section division 0 os Fresnos District. flect the zampon approximately 11th day of the sub-section approximat	on 3.0 Official 2.583 acres out of s, Cameron could and incorporate zoning as description of October, 202	Zoning Map, the area of Lot 32 Block 171, anty, Texas from C4 ed into the Official ribed and shown on
		Flores, Mayor	

Jacqueline Moya, City Secretary

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Resolutions Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4658 A

ACTION ITEM (ID # 4658)

Consideration and ACTION to approve Resolution 9-2022 of the submission of a grant application for the Local Border Star Security Program for the City of Los Fresnos to the to the Office of the Governor.

This is a standard grant the city participates in with other cities and the county to cover overtime for officers to spend some time working traffic along the main highways and other areas in the county looking for illegal activity. We have been participating in this for many years. It provides \$30,000 to the Police Department specifically for this use.

I recommend approval.

CITY OF LOS FRESNOS RESOLUTION NO. 9-2022

A RESOLUTION FOR THE SUBMISSION OF A GRANT APPLICATION FOR THE CITY OF LOS FRESNOS TO THE OFFICE OF THE GOVERNOR.

This Resolution was introduced and submitted to the C	•		•	
presentation and discussion of the Resol				y
and adopted in accordance with the City's Home Ru	that	The metic	ion be finally passe	a
- · · · · · · · · · · · · · · · · · · ·		by the follow		y
	_ and carried	by the follow	wing vote.	
Mayor Alejandro Flores	For _	Against	Abstained	
Councilmember Andres Lopez		Against		
Councilmember VACANT	For _	Against	Abstained	
Mayor Pro-Tem Gabriela Fernandez	For _	Against	Abstained	
Councilmember Luis Gonzalez		Against		
Councilmember Juan Munoz		Against		
WHEREAS, the City of Los Fresnos finds it in the best interes for Local Border Security Program be submitted; and				
WHEREAS the City of Los Fresnos agrees to provide applicate by the EGRANT grant application; and	ole matching f	funds for the sa	aid project as required	
WHEREAS , the City of Los Fresnos agrees that in the event of funds, City of Los Fresnos assures that the funds will be returned				
WHEREAS , the City of Los Fresnos designates Mark W. Milu official. The authorized official is given the power to apply for behalf of the applicant agency.				
NOW THEREFORE, BE IT RESOLVED BY THE CITY OF TEXAS:	COUNCIL O	F THE CITY	OF LOS FRESNOS	١,
That the City of Los Fresnos approves submission of the grant a Program to the Office of the Governor.	application fo	r the Local Bo	order Star Security	
PASSED AND APPROVED this 8^{TH} day of November, 2 Grant Number: 2992408	022.			
	Alejandro I	Flores, Mayor		
ATTEST:				
Jacqueline Mova, City Secretary				
Jacquellie Mova, City Secretary				

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Resolutions
Prepared By: Jacqueline Moya
Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4659 A

ACTION ITEM (ID # 4659)

Consideration and ACTION to approve Resolution 10-2022 accepting the work under contract with Ferguson Service Systems, Inc. as being complete and in accordance with the plans, specifications, and all approved change orders.

All work is complete and approved by engineers, staff and TWDB. Plant is functioning as required.

I recommend approval.



Hanson Professional Selection 189 E. Washington St. Brownsville, Texas 78520 (956) 541-1155 Fax (615) 871-8013

www.hanson-inc.com

October 28, 2022

Mark Milum 520 East Ocean Boulevard Los Fresnos, Texas 78566

RE: Engineers Certification for completion of the City of Los Fresnos Headworks Improvements Project TWDB No. 72160

Mr. Milum:

This letter certifies that Hanson Professional Services has monitored the construction of the Headworks Improvements at the Los Fresnos wastewater treatment plant and that the improvements have been constructed according to the Design Plans and Specifications for the project.

The Headworks improvements and machinery have been inspected, tested, and found to be working as designed. All deficiencies found during final inspection have been corrected by the contractor.

Should you have any questions or require any additional information, please do not hesitate to contact us.

Sincerely,

Hanson Professional Services Inc.

Richard A. Riggins, P.E.

Project Engineer



Hanson Professional Services Inc 789 E. Washington St. Brownsville, Texas 78520 (956) 541-1155 Fax (615) 871-8013

www.hanson-inc.com

October 28, 2022

Mark Milum 520 East Ocean Boulevard Los Fresnos, Texas 78566

RE: Engineers Recommendation for Acceptance of the City of Los Fresnos Headworks **Improvements Project TWDB No. 72160**

Mr. Milum:

The City of Los Fresnos Headworks Improvements Project, TWDB No. 72160 has been completed, inspected and the deficiencies listed on the punchlist have corrected and replaced.

Hanson Professional Services has monitored the construction of the Headworks Improvements at the Los Fresnos wastewater treatment plant and certifies that the improvements have been constructed according to the Design Plans and Specifications for the project.

The Headworks improvements and machinery have been inspected, tested, and found to be working as designed. All deficiencies found during final inspection have been corrected by the contractor.

Hanson Professional Services, Inc., recommends that the Headworks Improvements be accepted and approved for final payment to the contractor.

Should you have any questions or require any additional information, please do not hesitate to contact us.

Sincerely,

Hanson Professional Services Inc.

Richard A. Riggins, P.E.

Project Engineer

CITY OF LOS FRESNOS RESOLUTION 10-2022

A RESOLUTION OF THE CITY OF LOS FRESNOS CITY COUNCIL ACCEPTING THE WORK UNDER CONTRACT WITH FERGUSON SERVICE SYSTEMS, INC., AS BEING COMPLETE AND IN ACCORDANCE WITH THE PLANS, SPECIFICATIONS, AND ALL APPROVED CHANGE ORDERS.

This Reso		on was introd cussion	luced a	nd su		to the C Resoluti	•	a	mo	tion	V	vas		made	by
adopted	in	accordance	with		•	Home			r.	The	moti	on v	was	-	sed and ded by
Councilm Councilm Mayor Pr Councilm	nemb nemb ro-Te nemb	dro Flores per Andres Lo per VACANT per Gabriela F per Luis Gonz per Juan Mun	Fernanc zalez	dez				For For For For For For For	_ Aga Aga Aga Aga Aga	ainst _ ainst _ ainst _ ainst _	Al Al Al	bstaii bstaii bstaii bstaii	ned ned ned ned		
	r the	City of Los Fr construction													
		project consisment and addi								sociat	ed pipi	ing, d	ewate	ering ed	quipment,
		City of Los Fr									prises,	LLC	for th	e const	ruction of
WHEREA:		have receive	d an Ei	nginee	er's Certi	ficate of	Construc	ction Con	npletic	on that	the w	ork h	as be	en sat	isfactorily
		guson Service e date of this r	•		c is oblig	ated to pr	ovide a	one-year	· warra	anty on	the w	ork co	omple	ted tha	it shall go
NOW, THI	EREF	FORE, BE IT R	RESOLV	/ED B	Y THE C	ITY OF L	OS FRE	SNOS C	ITY C	OUNC	IL:				
H	EAD\	re accept the NORKS IMPR	OVEMI	ENTS	FOR TH	E CITY (OF LOS	FRESNO	OS PR	OJEC					
PASSED	AN]	D APPROVE	ED this	<u>8TH</u> c	lay of N	ovember	<u>r</u> , 2022.								
							Al	ejandro	Flore	s, Ma <u>y</u>	yor				
ATTEST	` :														
Jacquelin	ne Mo	oya, City Sec	retary												

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Resolutions Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4660 B

ACTION ITEM (ID # 4660)

Approval or rejection of Resolution 11-2022 adopting a comprehensive policy of guidelines and criteria for governing tax abatement incentives within the City of Los Fresnos and its extraterritorial jurisdiction.

The city has offered tax abatements for businesses that locate in the city. The abatement is approved according to the policy and amounts set in the policy. The policy also allows for the city to deviate from it if the city feels it is in the best interest. Additionally, just because there is a tax abatement policy doesn't mean it is automatically approved. The advantages and disadvantages will be considered. This is the same policy that has been in effect for over 20 years except we recommend we adjust the amounts of capital investment, which are found on page 2 since costs have risen substantially over the last 20 years. The changes are indicated below. The policy is for 2 years.

Column with \$100,000 to \$249,999 was changed from \$50,000 and up. Column with \$250,000 to \$499,999 was changed from \$100,000 and up. Column with \$500,000 to \$749,999 was changed from \$250,000 and up. Column with \$750,000 to \$999,999 was changed from \$500,000 and up.

I recommend approval.

Updated: 11/1/2022 4:48 PM by Mark Milum B

CITY OF LOS FRESNOS RESOLUTION NO. <u>11-2022</u>

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS FRESNOS, TEXAS, ADOPTING A COMPREHENSIVE POLICY OF GUIDELINES AND CRITERIA FOR GOVERNING TAX ABATEMENT INCENTIVES, WITHIN THE CITY OF LOS FRESNOS AND ITS EXTRATERRITORIAL JURISDICTION.

This Resolution was introduced and submitted adoption. After presentation and discussion of t	the Resolution	n, a motion	
finally passed and adopted in accordance with motion was seconded by carried by the following vote:	the City's I	Home Rule	Charter. The
Mayor Alejandro Flores Councilmember Andres Lopez Councilmember VACANT Mayor Pro-Tem Gabriela Fernandez Councilmember Luis Gonzalez Councilmember Juan Munoz	For For For	Against Against Against Against	_ Abstained _ Abstained _ Abstained _ Abstained _ Abstained _ Abstained
WHEREAS , the City Council desires to promote and	economic de	velopment w	ithin the City;
WHEREAS, the provision of certain economic de prospective businesses and companies to locate in companies to expand; and	-		•
WHEREAS, the establishment of specific guidelinecessary to insure that tax abatement incentives a and;		-	

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

area may be established as a reinvestment zone.

WHEREAS, the adoption of guidelines and criteria are required by State law before an

SECTION 1. That the City of Los Fresnos hereby established certain guidelines and criteria governing tax abatement incentives within the City of Los Fresnos and its extraterritorial jurisdiction hereby attached as "Exhibit A", and such guidelines and criteria shall expressly govern all subsequent tax abatement agreements.

SECTION 2. That such guidelines and criteri the date of adoption and may only be amended of the City Council.	` * •
PASSED AND APPROVED this the 8th day of	of November, 2022.
Ā	Alejandro Flores, Mayor
ATTEST:	
Jacqueline Moya, City Secretary	

"EXHIBIT A" CITY OF LOS FRESNOS, TEXAS POLICY ON TAX ABATEMENT INCENTIVES

I. PURPOSE AND OBJECTIVE

The City of Los Fresnos is committed to the promotion of quality development in all parts of the city and to an on going improvement in the quality of life for its citizens. Insofar as these objectives are generally served by the enhancement and expansion of the local economy, the City of Los Fresnos will, on a case-by-case basis, give consideration to providing tax abatement incentives as stimulation for economic development in Los Fresnos. It is the policy of the City of Los Fresnos that said consideration will be provided in accordance with the procedures and criteria outlined in this document. However, nothing herein shall imply or suggest that the City of Los Fresnos is under obligation to provide any incentive to any applicant. All applicants shall be considered on a case-by-case basis.

II. CRITERIA FOR TAX ABATEMENT INCENTIVES

The following threshold criteria shall be used to determine whether any tax abatement incentives shall be granted.

Tax abatements are available to companies that locate within the designated reinvestment zone within the city limits of Los Fresnos. To qualify, the business must:

- (1) be located wholly within the zone
- (2) be making or maintaining a long-term capital investment that increases the taxable value (land, building, equipment) within the zone;
- (3) be committed to creating or retaining two or more jobs;
- (4) be committed, when possible, to hiring local people for new jobs;
- (5) be and remain on the payment of any and all taxes, of any nature, owed to the Federal government, the State of Texas, Cameron County, City of Los Fresnos, and the Los Fresnos Consolidated Independent School District; and
- (6) be able to meet acceptable criteria in such other areas as company leadership, financing, marketing, and planning.

In addition to the minimum requirements stated above, the following subjective criteria shall be considered prior to granting any tax abatement incentive:

- (7) The project meets all relevant zoning requirements.
- (8) Is the project consistent with the comprehensive plan of the City of Los Fresnos?
- (9) What types and cost of public improvements and services (water and sewer main extension, streets, and alleys, etc.) will be required of the City? What types and values of public improvements, if any, will be made by the applicant?

III. TYPES OF INCENTIVES

It is the intent of the City of Los Fresnos to customize the offering of tax abatement incentives on a case-by-case basis. This individualized design is intended to allow maximum flexibility in addressing the unique concerns of each applicant while enabling the City to better respond to the changing needs of the community.

The criteria outlined in Section II above will be used to determine whether it is in the best interest of the City of Los Fresnos to provide any tax abatement incentives to a particular applicant. The degree to which the specified project furthers the goals and objectives of the City of Los Fresnos and the relative impact of the specific project will be used to determine the total value of the tax abatement incentives provided. As a general rule, no tax abatement will be provided to any applicant in an amount exceeding the value of the following:

The actual abatements	will be been	d on the following	schadula of canita	l invactment.
The actual abatements	will be based	i on me tonowing	Schedule of Cabita	u mvesunem.

		Inv	estments		
YEARS	\$100,000	\$250,000	\$500,000	\$750,000	\$1,000,000
	\$249,999	\$499,999	\$749,999	\$999,999	up
1	100%	100%	100%	100%	100%
2	50%	75%	100%	100%	100%
3-4		50%	75%	100%	100%
5-6			50%	75%	100%
7-8				50%	75%
9-10					50%

^{**} Capital investments of \$2,000,000 and up will be considered on the same ratio as the above example as determined by the taxing authorities.

IV. <u>APPLICATION PROCEDURES</u>

Any person, organization or corporation desiring that the City of Los Fresnos provide tax abatement incentives to encourage their location or expansion of operations within the city limits or the extraterritorial jurisdiction of the City of Los Fresnos shall be required to comply with the following application procedures. However, nothing within these guidelines shall imply or suggest that the City is under any obligation to provide any incentive to any applicant.

Any applicant desiring tax abatement incentives shall file an application request, which shall include at least the following information:

- (1) A plat showing the precise location of the property, all roadways within 200 feet of the site, and all existing zoning and land uses within 200 feet of the site.
- (2) If the property is described by metes and bounds, a complete legal description should be provided.
- (3) A brief description of the proposed improvements or expansion and its projected cost; the type of business operation proposed; the number and type of jobs created, including information pertaining to anticipated job transfers, the projected date of operation; and the type and value of any economic development incentives requested.
- (4) Any other information about the proposed project as may be required by the City of Los Fresnos or as deemed desirable.

Once the application has been received, the information submitted will be reviewed by the Community Development Staff for completeness and accuracy. The Community Development Board will then ask the Community Development staff for an internal review and comments. Following board review, copies of the complete application package and board comments will be provided to the City Council and to other taxing entities that may be willing to participate in offering tax abatement incentives. Generally, the Community Development Board, staff and applicant will discuss the proposed application at a work session prior to formal consideration by the City Council. Following the work session, the Community Development staff may be requested to obtain other information prior to further consideration of the application.

At a regular City Council meeting, the application for any tax abatement incentive may be considered. The City will comply with certain public notice and hearings that are required as mandated by State law under the Property Redevelopment and Tax Abatement Act prior to the designation of a reinvestment zone and execution of a tax abatement agreement. Prior to final approval, all legal documents to effect such reinvestment zone(s) and tax abatement agreements shall be approved by the City Attorney.

Should the City Council determine that it is in the best interest of the City of Los Fresnos to provide tax abatement incentives to a particular applicant, a resolution shall be adopted declaring that under the guidelines and criteria established herein, the applicant is eligible for tax abatement and that the Mayor is authorized to execute a contract with the applicant, enumerating the type of incentives and governing any conditions applicable to it. Any agreement so adopted must include at least the following specific items:

- (1) Description of the type of tax abatement to be provided and its duration.
- (2) Legal description of the property to be designated as a reinvestment zone.
- (3) Detailed information regarding the type, number, location, and cost of planned improvements.
- (4) A statement granting the access to and inspection of the property and proposed improvements by city inspectors and officials to ensure that the improvements or repairs are made according to specifications and conditions of the agreement.

- (5) A statement limiting the uses of the property consistent with the general purposes of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect, and
- (6) A statement providing for the recapturing of property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement.

V. AMENDMENTS TO THESE GUIDELINES AND CRITERIA

The guidelines and criteria adopted herein shall not be amended or repealed except by three-fourths (3/4) vote of the City Council.

VI. EFFECTIVE DATE

These guidelines and criteria adopted herein shall be effective from the date of passage and remain effective for two (2) years from such date of adoption, unless otherwise repealed by a three-fourths (3/4) vote of the City Council.

PASSED AND APPROVED this 8th day of November 2022.

	Alejandro Flores, Mayor	
ATTEST:		
Jacqueline Moya, City Se	cretary	

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Variances
Prepared By: Jacqueline Moya
Initiator: Jacqueline Moya
Sponsors:

DOC ID: 4656 A

ACTION ITEM (ID # 4656)

Consideration and ACTION to appeal of the Planning and Zoning Commissions decision to deny a variance request on rear yard setback requirements from 25 feet to 10 feet for The Woods of Los Fresnos Subdivision.

The Planning & Zoning Commission held a public hearing and discussed this at their September 19 meeting. They denied this request.

The developer has the right to appeal their decision according to our ordinance.

The Woods Subdivision is the area north of Highway 100, east of Las Palmas Housing Authority and just west of FM 803. They are requesting that we change the set backs for the entire subdivision from our required setback in the rear yard from 25 feet to 10 feet. In other subdivisions we have allowed the setback to be 10 feet less in the cul-de-sac areas only since the lots are strange sizes. We have had complaints with neighbors in these areas with noise and the houses being too close 15 each rear so 30 feet in total. If this was granted, that would leave only 20 feet from the back door of one home to the back door of the house behind it. That is way too close. With the standard 25 feet setback, the back doors are 50 feet and noise becomes a problem there as well. Additionally, this would leave no room for a shed or storage room or auxiliary building causing problems in the future when the developer is gone and we have to deal with that. We would have folks coming to us to grant a setback variance for the shed or storage room or auxiliary building to zero to try to make it fit. This is not fair to the other neighbor. All of these problems present themselves to the city and we have to deal with them, not the developer. I believe we need to stay strict an not allow this variance and continue to develop great subdivisions and neighborhoods that we all would like to live in.

Other cities have bee doing this, allowing 10 and 15 feet setbacks. People that live in these places don't like it and really don't understand the problems that they will face until after they purchase the home and then it is too late. I think Los Fresnos needs to continue to stand above and beyond promoting good development for our residents. To do this we need to stay with the 25 feet setback.

I recommend to deny this appeal and confirm the decision of the Planning & Zoning Commission to not allow this variance.

From: <u>Victor Trevino</u>

To: <u>Jacqueline Moya</u>; <u>Julio Cerda</u>

Cc: <u>Daniel Garcia</u>

Subject: RE: Request for Appeal Ordinance

Date: Friday, September 23, 2022 2:27:30 PM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Good afternoon Jacqueline,

The developer would like to appeal the decision of the planning and zoning commission on September 19, 2022, in regards to the rear set back variance for The Woods at Los Fresnos Subdivision.

Let me know if there is anything else we have to do to continue with the appeal.

Thank you!

Victor Treviño, PE, SIT Project Engineer



900 S. Stewart, Suite 13 Mission, Texas 78752

Office: (956) 424-3335 ext. 305

Cell:(956) 560-3415

From: Jacqueline Moya < jmoya@citylf.us>
Sent: Tuesday, September 20, 2022 1:49 PM
To: 'Julio Cerda' < julio@southtexasig.com>

Cc: Victor Trevino < <u>victor@southtexasig.com</u>>; Daniel Garcia < <u>daniel@southtexasig.com</u>>

Subject: RE: Request for Appeal Ordinance

An email is ok.

Jacqueline Moya City Secretary



520 E Ocean Blvd., **Los Fresnos**, TX 78566 Phone: 956-233-5768 **Fax**: 956-233-9879

www.cityoflosfresnos.com

From: Julio Cerda [mailto:julio@southtexasig.com]
Sent: Tuesday, September 20, 2022 12:12 PM
To: Jacqueline Moya < imoya@citylf.us>

Cc: Victor Trevino < <u>victor@southtexasig.com</u>>; Daniel Garcia < <u>daniel@southtexasig.com</u>>

Subject: Re: Request for Appeal Ordinance

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello Jacqueline,

Is an email sufficient for the appeal or letter is necessary?

Sincerely,
Julio C. Cerda, P.E.
South Texas Infrastructure Group, L.L.C.
R.O.W. Surveying Services, L.L.C.
900 S. Stewart Road, Suite 13
Mission, Texas 78572

Phone: (956) 424-3335 Fax: (956) 424-3132 Mobile: (956) 451-2670 julio@southtexasig.com

On Tue, Sep 20, 2022 at 8:12 AM Jacqueline Moya < imoya@citylf.us > wrote:

Good morning,

This is the link to the section of our ordinance listing the procedures for an appeal https://library.municode.com/tx/los_fresnos/codes/code_of_ordinances? nodeld=PTIICOOR_CH48ZO_ARTIIDIRE_DIV1GE_S48-26COUS . If you have any questions, please let me know.

Thank you,

Jacqueline Moya City Secretary



520 E Ocean Blvd., Los Fresnos, TX 78566 Phone: 956-233-5768 Fax: 956-233-9879

www.cityoflosfresnos.com

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Annexation
Prepared By: Jacqueline Moya
Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4657 A

ACTION ITEM (ID # 4657)

Consideration and ACTION to accept a Petition for Annexation by Land Owner for a 17.238 acre tract of land located on the north west side of the City of Los Fresnos and set a date and time for a public hearing.

The developer of this project is requesting the city annex this property. It is located on the west side of FM 803 between Whipple Road and Henderson Road. It is contiguous to our city limits. It is where the Mauro residence was and indicated on the map in red. They are proposing larger than normal lots, totaling 22 of them.

The approval is to accept the petition for annexation and set a public hearing on December 13, 2022 to allow resident so express their opinions and then take action on the request.

Updated: 11/1/2022 5:01 PM by Mark Milum A

PETITION REQUESTING ANNEXATION BY LAND OWNER

TO THE MAYOR OF THE CITY OF LOS FRESNOS, TEXAS:

The undersigned owner of the hereinafter described tract of land, which is vacant and without residents, or on which fewer than three qualified voters reside, hereby waive the requirement to be offered a development agreement pursuant to Section 43.035 and petition your honorable body to extend the present city limits

So as to include as part of the City of Los Fresnos, Texas, the following described territory, to wit:

METES AND BOUNDS DESCRIPTION

Being 17.238 Acres of land, more or less, out of Partition Share 15 and also a portion out of the N. T. Guernsey Tract, out of Share 12, Espiritu Santo Grant, Cameron County, Texas and being the same tract of land described as Tract 1 (15.73 Acres) and Tract II (1.508 Acres) conveyed from Douglas Dominic Mauro, Independent Executor of the Estate of Steve J. Mauro, deceased to RG4 Development, LLC by Warranty Deed with Vendor's Lien dated June 9, 2022 and recorded under Document #2022-54784 of the Cameron County Official Records; said 17.238 Acre Tract being more particularly located and described as follows:

COMMENCING at a point on the centerline of Henderson Road (40 ft. original r.o.w.) for the southwest corner of Block 138, Fresnos Land and Irrigation Company Subdivision as recorded in Volume 3, Pages 9 and 9A of the Cameron County Map Records; THENCE, along the centerline of Henderson Road, N 83°31' W a distance of 20.80 feet to a point; THENCE, S 22°22' W a distance of 296.10 feet to a point; THENCE, S 64°52' W a distance of 440.00 feet to a ½ inch iron pin found on the northerly extension of the centerline of F.M. 803 (Olmito North Road) (60 ft. r.o.w.) for the POINT OF BEGINNING of this 17.238 Acre Tract;

THENCE, along said extension of F.M. 803, S 06°59'00" W, at 42.01 feet a 1/2 inch iron pin with a plastic cap stamped "AMAYA" set on the north r.o.w line of F.M. 803, a total distance of 939.92 feet to a point for the northeast corner of an 8.16 Acre Tract (Document #2021-44182, Official Records) and for the southeast corner of this tract;

THENCE, along the north line of said 8.16 Acre Tract, N 88°41′00″ W, at 30.15 feet a spindle found in an asphalt drive on the west right-of-way line of F.M. 803, at 960.10 feet a ½ inch iron pin found for the northwest corner of said 8.16 Acre Tract, for the southwest corner of said Tract I and the southeast corner of said Tract II, a total distance of 994.91 feet to a point for the southwest corner of said Tract II and for the southwest corner of this tract;

THENCE, along the west line of said Tract II, the following courses: N 02°43' E a distance of 152.49
N 01°01' W a distance of 66.85 feet;

Page 1 of 2

N 09°29' E a distance of 97.10 feet;

N 27°08' E a distance of 218.92 feet;

N 51°33' E a distance of 130.60 feet;

N 57°15' E a distance of 95.95 feet;

N 63°42' E a distance of 120.09 feet;

N 66°10' E a distance of 170.66 feet;

N 74°01' E a distance of 122.86 feet;

N 81°02' E a distance of 170.85 feet;

N 70°10' E a distance of 121.29 feet;

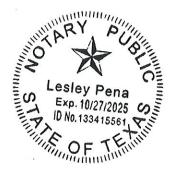
N 62°20' E a distance of 95.86 feet;

and N 54°33' E a distance of 73.44 feet to a point on the northerly extension of F.M. 803 for the northeast corner of said Tract II and for the northeast corner of this tract;

THENCE, along the east line of said Tract II and along the northerly extension of F.M. 803, S 06°59'00" W. at 49.72 feet a ½ inch iron pin found for the northeast corner of said Tract I, a total distance of 93.75 feet to the POINT OF BEGINNING.

Containing 17.238 Acres of land, more or less.

I certify that the above-described tract of land is contiguous and adjacent to the City of Los Fresnos, Texas, is not more than one-half mile in width, and that this petition is signed and duly acknowledged by each and every person or entity having an interest in said land.



LANDOWNER

RG4 Development, LLC, a Texas limited liability

company

BY: Ramiro Gonzalez, President

Date

STATE OF TEXAS
COUNTY OF CAMERON

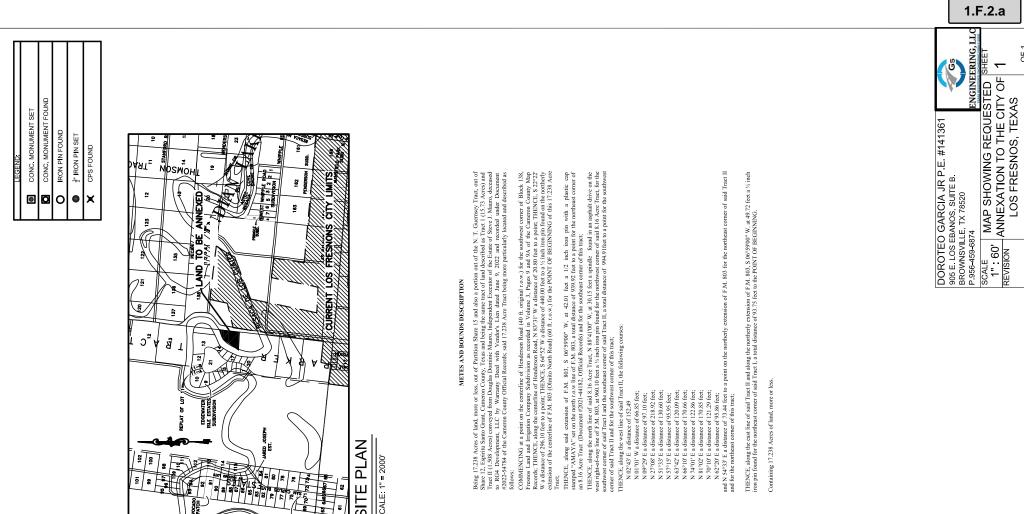
BEFORE ME, THE UNDERSIGNED AUTHORITY, PERSONALLY APPEARED RAMIRO GONZALEZ, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED IN THE ABOVE AND FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSE AND CONSIDERATIONS THEREIN STATED.

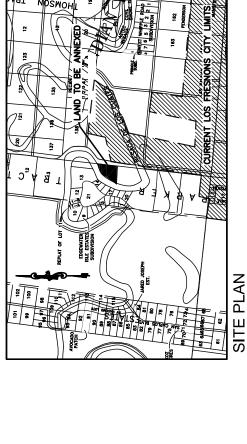
GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 25 DAY OF OCTOBER, 2012.

NOTARY PUBLIC, CAMERON COUNTY, TEXAS

Page 2 of 2

PETITION REQUESTING ANNEXATION BY AREA LANDOWNER (17.238 Acres)





SCALE 1" = 60"

METES AND BOUNDS DESCRIPTION

SCALE: 1" = 2000'

Set 1/2" Iron Pin-with a plastic cap stamped "AMAYA"

N 66°09'49" E

9

8.16 Acres (Document #2021-44182, Official Records)
N 88°41'00" W 960.10'
929.95'

Set 1/2" Iron Pin with a plastic cap stamped "AMAYA" N 63°42'23" E

N 57° 14'00" E 286.10'

PROPERTY REQUESTING ANNEXATION

N 57°14'34" E

N 51°32'42', E

open of the field of the field

CUA TES RESACA

N 02°42'59" E 152.49' 66.85' N 09°29'15" 37.10'

N 88° 1'00 34.82'

on the second

Found 1/2" Iron Pin

N 69°20'00" E 291.54'

N 74°00'43" E

COUNTY OF A STATE THE THE THE OF THE STATE THE CONTROL OF THE STATE THE THE COUNTY OF THE STATE THE STATE THE COUNTY OF THE STATE THE

CUATES RESACA

5,73.Acres

N 81°01'55" E 170.85'

N 78°50'04" E 264.06'

Set 1/2" Iron Pin with a plastic cap stamped "AMAYA"

THENCE, along the east line of said Tract II and along the northerly extension of F.M. 803. S.06°5900" W. at 49.72 feet a ½ inchion pin found for the northeast corner of said Tract I, a total distance of 93.75 feet to the POINT OF BEGINNING.

Containing 17.238 Acres of land, more or less

N 70°10'02" E N 62°19'43" E N 54°33'06" FA

Set 1/2" Iron Pin with a plastic cap stamped "AMAYA"

685.70

Set 1/2" Iron Pin with a plastic cap R=470.74" L=168.97.

3.00 Acres (Volume 23443, Page 211, Official

Set 1/2" Iron Pin with a plastic cap stamped "AMAYA"

POINT OF
BEGINNING
Found 1/2"
Iron Pin

8.425 Acres (Volume 4794, Page 279, Official Records)

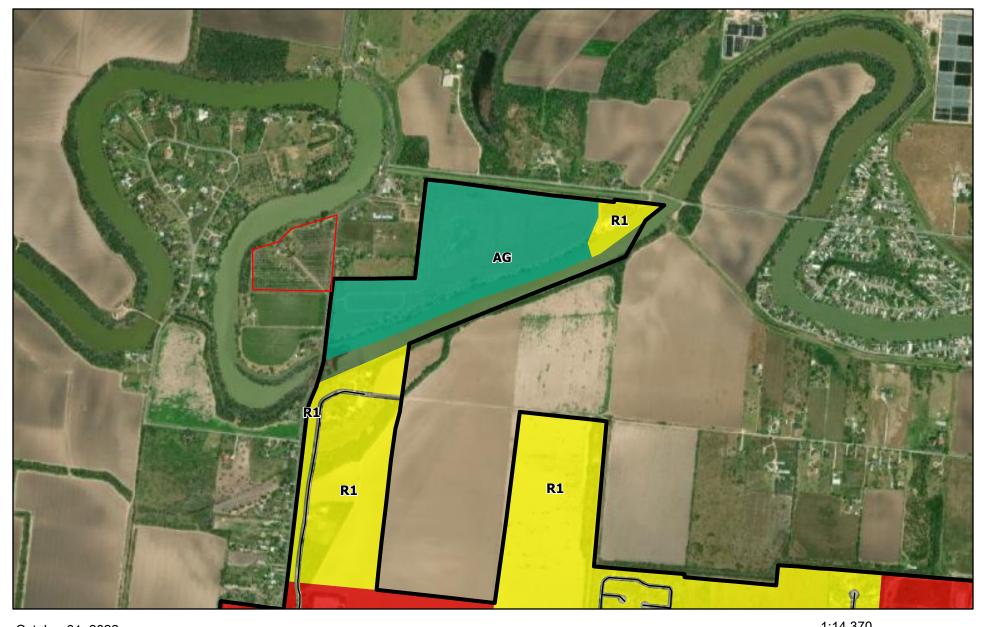
4.93 Acres .94 Acres per Volume 1350, Page 241, Deed Records) (5 Acres per Volume 461, Page 141, Deed Records)

-E F.M. 803 Olmito North Road) (60 ft. FO.W.)

939.921

N ..00.65.90 S

City of Los Fresnos





City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Agreement
Prepared By: Jacqueline Moya
Initiator: Jacqueline Moya

Sponsors: DOC ID: 4669

ACTION ITEM (ID # 4669)

Consideration and ACTION to approve a Service Agreement with The University of Texas Health Science Center.

This is the extension of the Community Health Program we are a part of. The contract is for \$60,000 which is the same as it was the last few years and what you approved in the budget. This remains a terrific program for the City. Our area residents support it tremendously and Los Fresnos' program is a model for all the other cities.

I recommend approval.

Updated: 11/2/2022 12:06 PM by Jacqueline Moya

SERVICES AGREEMENT

This Services Agreement ("Agreement") is entered into on this 1st day of October 2022, by and between The University of Texas Health Science Center at Houston on behalf of its Department of Brownsville Regional Campus ("University"), an agency of the State of Texas and governed by the Board of Regents of The University of Texas System ("System"), and the City of Los Fresnos ("Contractor").

RECITALS

WHEREAS, University desires to engage the services of Contractor; and,

WHEREAS, Contractor is competent to provide such services and desires to work with University;

NOW, THEREFORE, University and Contractor agree that the following terms, conditions and limitations shall govern this Agreement:

1. <u>Scope of Work:</u> Contractor will perform the scope of the work to the satisfaction of University as described below:

Staff, Equipment, and Training

- Contractor will employ a community health worker (CHW) to carry out the Tu Salud ¡Si Cuenta! (TSSC) program activities in their municipality, which include the promotion of SNAP Ed (Supplemental Nutrition Education Program- Education). Contractor will oversee the CHW duties. If the CHW is replaced, contractor will ensure that the new CHW, if not already a certified community health worker by the Texas Department of State Health Services, receives the 160-hour course and becomes certified. This should be completed within 4 months of being hired. During that time, the CHW-in-training may conduct CHW duties, but only under the direct supervision of a TSSC certified CHW in order to protect the contractor and participant.
- Contractor is responsible for purchasing and maintaining the following equipment required by the program: a laptop computer, projector, a scale, and a stadiometer. Specifications for these equipment items will be provided by University.
- Contractor will ensure that the CHW has a workspace, including venues to host exercise classes, DPP classes, and The Happy Kitchen/La Cocina Alegre™ classes, in order to implement TSSC program services. All programs must be offered in safe locations and at times convenient to participants. Contractor is expected to comply with University policies and regulations for COVID-19 safety procedures.

Participation in Program Meetings

- Contractor municipal leadership representatives will participate in a minimum of 2 semiannual meetings or seminars organized by University between October 1, 2022 and September 30, 2023.
- Contractor will ensure CHW participates in monthly meetings and seminars organized by University. A maximum of 2 excused absences will be allowed during the agreement period.

If two excused absences have been used and CHW is unable to attend a monthly meeting, a representative is required to attend in place of the CHW.

 Contractor and University will meet as needed to discuss progress in meeting the services listed in this agreement.

Coalition

- Contractor will ensure participation in an established local community coalition; if one does
 not exist, the Contractor will create a local community coalition. The purpose of this coalition
 is to help give contractor insight into additional strategies for creating a healthy community
 by involving community members and organizations to provide feedback and concerns.
 Contractor and community actions or improvements related to items discussed during the
 meetings should be documented.
 - Contractor municipal leadership representative must attend or host a minimum of 4 coalition meetings by September 30, 2023. Contractor municipal leadership representative will be expected to contribute towards resolving issues identified in the coalition meetings. CHW can provide support with all coalition efforts.
 - Contractor must submit agendas, sign-in sheets, and minutes to document contractor's attendance and participation in coalition meetings. Documentation must be submitted to University within 15 business days after the coalition meeting was held.
 - Contractor will work with the following partners in an effort to avoid the duplication of efforts: UTHealth, the Lower Rio Grande Valley Area Health Education Center (AHEC), the UTRGV Office of Community Engagement & Economic Development, Brownsville Wellness Coalition, and Texas A&M affiliates. Contractor will communicate regularly with the aforementioned partners to facilitate communication and provide any timely updates.

Program Implementation

Contractor will implement all TSSC components during the contract period, which are comprised of: mass media, social support, risk factor screening, education, and infrastructure change supporting health outcomes. The following program services pertaining to the TSSC components should be implemented during the agreement period:

- Risk Factor Screening and Follow-up
 - Contractor will ensure that at least 265 individuals with risk factors for chronic disease are enrolled in the TSSC program between October 1, 2022 and September 30, 2023. Contractor will follow all TSSC components with enrolled participants and document participant changes as prescribed by University.
 - 25% of 265 may be reactivated from previous years if Federal Fiscal Year (FFY) 2022 reactivation limit was achieved, contractor may negotiate with University for a higher reactivation percentage by December 15, 2022.
 - Participants enrolled or reactivated in FFY 2023 must have a minimum of 2 follow-up visits, in addition to the enrollment visit, in which TSSC content modules are delivered.
 - The University set up a referral process to support individuals who are at risk of or living with chronic disease in the respective municipality to more quickly access lifestyle change support from the trained CHW. Contractor will work with the University to accept these referrals and deploy their CHW to support health improvements.

- Contractor will work with University representatives to improve the percentage of participants who meet physical activity recommendations (per HHSC specifications) as part of the TSSC program. A minimum of 45% of TSSC participants who receive a follow-up must report increased physical activity. Follow-up must be conducted by September 30, 2023.
- Contractor will work with University representatives to improve the percentage of participants who meet fruit and vegetable consumption recommendations (per HHSC specifications) as part of the TSSC program. A minimum of 35% of TSSC participants who receive a follow-up must report increased fruit and vegetable consumption and/or increased intention to eat fruits and vegetables. Follow-up must be conducted by September 30, 2023.
- o 75% of newly enrolled participants will be required to have the enrollment visit plus a minimum of 3 total visits in which TSSC educational modules are shared. In order to accomplish this, all participants will need to be enrolled in the first two quarters of the contract year to allow adequate time for follow-up. The modules can be delivered in group or individual settings, but must be documented by individual in order to receive credit for the delivery.

Mass Media

- Contractor will ensure CHW utilizes the monthly TSSC newsletter provided by University as part of enrollment and follow-up visit procedures. The newsletters should be provided to enrolled participants and relevant sections should be discussed with participants (e.g. role model, recipe, tips, upcoming events).
- Contractor and CHW will identify TSSC participants for University to highlight as role models in media efforts (newsletter, weekly television segment, social media, TSSC website, etc.).
- Contractor will ensure CHW submits an accurate exercise class schedule to University on a monthly basis to be posted on various University-run platforms.

Social Support for Lifestyle Change

- Contractor will secure a minimum of 3 venues for group exercise offerings starting
 October 1, 2022 and maintain group exercise offerings at 3 venues until September 30, 2022.
- Contractor will ensure that a minimum of 12 free exercise classes per week are implemented by October 1, 2022. Contractor will maintain the availability of 12 classes per week until September 30, 2023. The free exercise classes must be those taught by or coordinated by the CHW. All exercise classes should include nutritional information according to directions outlined by University and in accordance with SNAP-Ed funding. The class types and locations will be coordinated with University to ensure that maximum geographical coverage is achieved across all cities partnering on this project and maximum opportunity for promotion of the classes. Any changes to the exercise and nutrition class schedule, including additions and cancellations, must be approved by University. Contractor is expected to abide by University recommendations for adjusting method of class delivery in response to changing COVID-19 rates in the region. This includes moving to virtual platforms or returning to in-person indoor or outdoor venues.
- Contractor will actively promote and participate in The Challenge 2023 activities including the initial weigh-in events (January), midpoint weigh-in events (March), and weigh-out events (April). Participation includes ensuring that the CHW attends at least one event or provides measurement tools and data entry supplies for University

to utilize at these events. If The Challenge 2023 is moved to a virtual event only participation will be expected virtually.

Education

- Contractor will implement one The Happy Kitchen/La Cocina Alegre[™] session (6 classes) in collaboration with University and Brownsville Wellness Coalition. CHW will be responsible for assisting with recruitment, preparation, and facilitation of classes.
- Contractor will participate in planning for region-wide options for implementation of Diabetes Prevention Program (DPP) Classes using an approved CDC curriculum, typically the Group Lifestyle Balance™ (GLB) curriculum or Prevent T2.
 - Contractor will ensure CHW is certified in the approved DPP curriculum, to be determined by University.
 - Contractor should initiate or assist with one DPP offering with a certified DPP coach by September 30, 2023.
 - Contractor will invoice a specified amount, to be determined, upon initiation of DPP class by CHW to a pre-assigned PO number specific to DPP class dictated by University. The specified amount will be deducted from the total value of this agreement. If DPP class is not initiated, the total value of the contract will be less the specified amount of DPP classes.
 - The certified DPP coach is required to shadow at least 3 DPP class sessions prior to launching their own or assisting with a DPP program.
 - Metrics must adhere to external DPP grant, as stipulated by the evaluation staff.
 - Contractor will track specific metrics such as physical activity, fruit and vegetable consumption, weight, and waist circumference using standardized forms and procedures delineated by University.
 - The contractor must agree to and the CHW must participate in observations of the delivery of course content for monitoring purposes.
 - Data gathered through the program must be de-identified and shared with University for monitoring and reporting purposes at least quarterly.

Infrastructure Change

 Contractor will participate in CaraCara Trails-related meetings coordinated by cdcb | come dream. come build. or University.

Tracking Participant Data and Program Information

- Contractor will work with University to ensure the CHW is trained to use the My Own Med database system.
- Contractor will ensure that the CHW enters all required data into the My Own Med data system on a weekly basis, including:
 - Information about participants enrolled in the TSSC program.
 - o Information about participant's insurance status and financial income.
 - Information on the participants who received the follow-up visit (including, but not limited to, physical activity levels, level of consumption of fruits and vegetables, other referrals, and personal goals).

- Contractor will ensure the My Own Med data system containing their municipality's
 participant data is accurate. Any information that is found to be inaccurate will not count
 toward the aforementioned goal of reaching 265 enrolled participants.
 - Information collected as part of this project should be maintained in accordance with The HIPAA Privacy Rule. This rule mandates that federal protections are in place for personal health information held by covered entities and gives patients an array of rights with respect to that information. As such, any personal health information collected as part of the TSSC program should not be stored on personal computers or devices and should not be shared via email or cloud services. Any paper files containing personal health information need to be stored in a locked cabinet or drawer.

Other information may be required in order to track implementation and improvement of the project. The contractor will receive written notice of any new and additional information required for data entry.

- Contractor will ensure CHW submits all exercise class attendance sheets every Monday before 3pm to the assigned University staff member. Attendance sheets must be clear and organized according to University standards.
- Contractor will ensure CHW submits any and all changes to the exercise class schedule by the 15th day of every month to the assigned University staff member.
- Contractor will submit the Project Status Form to University on a monthly basis to document progress towards metrics.
- Contractor will participate in UTHealth's evaluation of municipal activities related to the TSSC program. Evaluation activities include but are not limited to: module delivery by individual, implementation audits and key informant interviews, evaluation of exercise classes, monitoring and observation of classes and screening, and follow-up visit outcomes.
- Contractor will submit documentation of all other TSSC-related items including, but not limited to, partnerships with local businesses and organizations, newspaper articles, etc.

Any expenses not listed in the Scope of Work above, but relating to the TSSC program, must be submitted in writing to the TSSC Program Manager for prior approval.

Time is of the essence in connection with this Agreement. University will have no obligation to accept late performance or waive timely performance by Contractor.

- 2. <u>Duration of Agreement:</u> This Agreement shall be effective 10/1/2022 and shall terminate on 09/30/2023.
- 3. <u>Compensation:</u> University shall compensate Contractor as tasks are completed to the satisfaction of University's authorized representative Dr. Belinda Reininger.

All invoices are paid 'Net 30 Days' from receipt of invoice.

Reimbursement will occur based on the following tiered structure.

Note: Goal is to recruit 265 participants within FFY 23.

Tiers	Goal Achievement Range	Enrollees (min)	Reimbursement
100%	100% +	265	\$60,000.00
75%	75 - 99%	199	\$45,000.00
50%	50 – 74%	133	\$30,000.00
25%	25- 49%	67	\$15,000.00
0%	0-24%	0	\$0.00

Contractor must demonstrate fulfillment of these services to receive payment. If contractor does not invoice for a minimum of \$30,000 by April 15, 2023, University may choose to terminate this Agreement.

The total value of this Agreement shall not exceed \$60,000.00.

- 4. <u>Independent Contractor:</u> It is understood and expressly agreed upon by the parties that Contractor is acting as an independent contractor in performing the services hereunder. Neither Contractor nor its employees shall hold themselves out as employees or agents of University. Neither Contractor nor its employees shall make any statements, representations, or commitments of any kind, or to take any action which shall be binding upon the University, except as may be expressly provided for herein or authorized in writing. University shall not pay any contributions to Social Security, unemployment insurance, federal or state withholding taxes, nor provide any other contributions or benefits that might be expected in an employer-employee relationship.
- 5. <u>Assignment:</u> This Agreement is entered into in reliance upon and in consideration of the singular skill and qualifications of Contractor. Contractor shall therefore not voluntarily or by operation of law assign or otherwise transfer its rights or obligations pursuant to the terms of this Agreement to any party without the prior written consent of University. Any attempted assignment or transfer by Contractor of its rights or obligations without such consent shall be void. Furthermore, Contractor shall not subcontract any of the services to be provided hereunder to another entity without the prior written consent of University.
- 6. <u>Amendment: This Agreement may not be changed or modified in any respect except by means of a written document executed by both parties.</u>
- 7. Ownership and Use of Work Material.
 - 7.1 All drawings, specifications, plans, computations, sketches, data, photographs, tapes, renderings, models, publications, statements, accounts, reports, studies, and other materials prepared by Contractor or any subcontractors in connection with the Work (collectively, "Work Material"), whether or not accepted or rejected by University, are the sole property of University and for its exclusive use and reuse at any time without further compensation and without any restrictions.

- 7.2 Contractor grants and assigns to University all rights and claims of whatever nature and whether now or hereafter arising in and to the Work Material and will cooperate fully with University in any steps University may take to obtain or enforce patent, copyright, trademark or like protections with respect to the Work Material.
- 7.3 Contractor will deliver all Work Material to University upon expiration or termination of this Agreement. University will have the right to use the Work Material for the completion of the Work or otherwise. University may, at all times, retain the originals of the Work Material. The Work Material will not to be used by any person other than University on other projects unless expressly authorized by University in writing.
- 7.4 The Work Material will not be used or published by Contractor or any other party unless expressly authorized by University in writing. Contractor will treat all Work Material as confidential.
- 7.5 All title and interest in the Work Material will vest in University and will be deemed to be a work made for hire and made in the course of the Work rendered under this Agreement. To the extent that title to any Work Material may not, by operation of law, vest in University or Work Material may not be considered works made for hire, Contractor hereby irrevocably assigns, conveys and transfers to University and its successors, licensees and assigns, all rights, title and interest worldwide in and to the Work Material and all proprietary rights therein, including all copyrights, trademarks, service marks, patents, trade secrets, moral rights, all contract and licensing rights and all claims and causes of action with respect to any of the foregoing, whether now known or hereafter to become known. In the event Contractor has any rights in the Work Material which cannot be assigned, Contractor agrees to waive enforcement worldwide of the rights against University, its successors, licensees, assigns, distributors and customers or, if necessary, to exclusively license the rights, worldwide to University with the right to sublicense. These rights are assignable by University.
- 8. Provisions of Law: This Agreement is subject to and shall be governed by the laws of the State of Texas, without regard to its choice of law provisions. Venue for any dispute arising out of this Agreement shall lie exclusively in Harris County, Texas. Any earnings derived from services rendered by Contractor are subject to income taxes; such earnings shall be reported to the government at the end of each calendar year by the University's accounting department. It is understood that Contractor is responsible for paying all applicable federal or state taxes on the compensation paid to Contractor by University.
- 9. <u>Notices:</u> Notices, correspondence, billings, payments, and all other communications shall be addressed as follows:

To University:

To Contractor:

The University of Texas
Health Science Center at Houston
P.O. Box 20036

City of Los Fresnos 520 East Ocean Blvd Los Fresnos, Texas 78566 Houston, Texas 77225

- 10. <u>Indemnification:</u> Not Applicable.
- 11. Responsibility for Individuals Performing Work; Criminal Background Checks: Each individual who is assigned to perform the Work under this Agreement will be an employee of Contractor or an employee of a subcontractor engaged by Contractor. Contractor is responsible for the performance of all individuals performing the Work under this Agreement. Prior to commencing the Work, Contractor will have an appropriate criminal background screening performed on all the individuals. Contractor will determine on a case-by-case basis whether each individual assigned to perform the Work is qualified to provide the services. Contractor will not knowingly assign any individual to provide services on University's campus who has a history of criminal conduct unacceptable for a university campus or healthcare center, including violent or sexual offenses.

By signing this Agreement, Contractor certifies compliance with this Section. Contractor shall notify University when there is a change in the individuals assigned to perform the Work due to unsatisfactory background check results.

- 12. Compliance: Contractor certifies:
- that it and its employees comply with all federal and state laws and regulations, including without limitation, Medicare and Medicaid regulations and the Immigration Reform and Control Act of 1986; and
- That neither it nor its employee have been or are presently excluded from participating in, or have been sanctioned by, any federal or state healthcare program; and
- That it has conducted criminal background checks for prior convictions on its employees performing services hereunder.

Contractor agrees to immediately report to University if it becomes aware of the following: (1) A violation of any federal or state healthcare law, regulation or policy by Contractor, its employees or agents; (2) an inquiry or investigation by the government of Contractor, its employees or agents; or (3) if Contractor or its employees or agents are excluded from, or otherwise sanctioned by, any federal or state healthcare plan.

- 13. <u>Nondiscrimination:</u> In the conduct of activities under this agreement, each party shall not unlawfully discriminate against any person on a basis prohibited by applicable law, including but not limited to race, color, national origin, religion, sex, age, veteran status, or disability.
- 14. <u>Dispute Resolution:</u> To the extent that Chapter 2260 of the *Texas Government Code*, as it may be amended from time to time ("<u>Chapter 2260</u>"), is applicable to this Agreement and is not preempted by other applicable law, the dispute resolution process provided for in Chapter 2260 shall be used, as further described herein, by University and Contractor to attempt to resolve any claim for breach of contract made by Contractor:
 - (A) Contractor's claims for breach of this Agreement that the parties cannot resolve

pursuant to other provisions of this Agreement or in the ordinary course of business shall be submitted to the negotiation process provided in subchapter B of Chapter 2260. To initiate the process, Contractor shall submit written notice, as required by subchapter B of Chapter 2260, to University in accordance with the notice provisions in this Agreement. Contractor's notice shall specifically state that the provisions of subchapter B of Chapter 2260 are being invoked, the date and nature of the event giving rise to the claim, the specific Agreement provision that University allegedly breached, the amount of damages Contractor seeks, and the method used to calculate the damages. Compliance by Contractor with subchapter B of Chapter 2260 is a required prerequisite to Contractor's filing of a contested case proceeding under subchapter C of Chapter 2260. The Executive Vice President for Administration and Business Affairs of University, or such other officer of University as may be designated from time to time by University by written notice thereof to Contractor in accordance with the notice provisions in this Agreement, shall examine Contractor's claim and any counterclaim and negotiate with Contractor in an effort to resolve such claims.

- (B) If the parties are unable to resolve their disputes under subparagraph (A) of this section, the contested case process provided in subchapter C of Chapter 2260 is Contractor's sole and exclusive process for seeking a remedy for any and all of Contractor's claims for breach of this Agreement by University.
- (C) Compliance with the contested case process provided in subchapter C of Chapter 2260 is required prerequisite to seeking consent to sue from the Legislature under Chapter 107 of the Texas Civil Practices and Remedies Code. The parties hereto specifically agree that (i) neither the execution of this Agreement by University nor any other conduct, action or inaction of any representative of University relating to this Agreement constitutes or is intended to constitute a waiver of University's or the state's sovereign immunity to suit and (ii) University has not waived its right to seek redress in the courts.
 - (1) The submission, processing and resolution of Contractor's claim is governed by the published rules adopted by the Texas Attorney General pursuant to Chapter 2260, as currently effective, hereafter enacted or subsequently amended.
 - (2) Neither the occurrence of an event giving rise to a breach of contract claim nor the pendency of a claim constitute grounds for the suspension of performance by Contractor, in whole or in part. University and Contractor agree that any periods set forth in this Agreement for notice and cure of defaults are not waived, delayed, or suspended by Chapter 2260 or this section.
- 15. <u>Termination:</u> University may, without cause, terminate this Agreement at any time upon giving seven (7) days' advance written notice to Contractor. Upon termination pursuant to this Section, Contractor will be entitled to payment of an amount that will compensate Contractor for the Work satisfactorily performed from the time of the last payment date to the termination date in accordance with this Agreement; <u>provided, that,</u> Contractor has delivered all Work Material to University. Notwithstanding any provision in this Agreement to the contrary, University will not be required to pay or reimburse Contractor

for any services performed or for expenses incurred by Contractor after the date of the termination notice that could have been avoided or mitigated by Contractor.

- 16. Loss of Funding: University performance of its duties and obligations under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the "Legislature") and/or allocation of funds by the Board of Regents of The University of Texas System (the "Board") and/or other non-state Granting Authority ("Authority"). If the Legislature fails to appropriate or allot the necessary funds, or the Board or the Authority fails to allocate the necessary funds, then University will issue written notice to Contractor and University may terminate this Agreement without further duty or obligation hereunder. Contractor acknowledges that appropriation, allotment, and allocation of funds are beyond the control of University.
- 17. Force Majeure: Neither party hereto will be liable or responsible to the other for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including, but not limited to, acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character ("Force Majeure Occurrence").

 Provided, however, in the event of a Force Majeure Occurrence, Contractor agrees to use its best efforts to mitigate the impact of the occurrence so that University may continue to provide services during the occurrence.
- 18. Confidentiality: All information owned, possessed or used by University that is communicated to, learned, developed or otherwise acquired by Contractor in the performance of services for University, that is not generally known to the public, will be confidential and Contractor will not, beginning on the date of first association or communication between University and Contractor and continuing through the term of this Agreement and any time thereafter, disclose, communicate or divulge, or permit disclosure, communication or divulgence, to another or use for Contractor's own benefit or the benefit of another, any confidential information, unless required by law. Contractor will not make any press releases, public statements, or advertisement regarding this Agreement or to the services to be provided hereunder without the prior written approval of University. To the extent Contractor is permitted to subcontract services it shall ensure that the subcontractor complies with the provisions of this Agreement. Contractor shall employ encryption to mitigate the risk of disclosure of University information in-storage and in-transit. Encryption implementation and strength should be sufficient to protect University information from disclosure until such time as disclosure poses no material risk.
- 19. <u>Limitation of Liability:</u> Except for University's obligation (if any) to pay Contractor certain fees and expenses University will have no liability to Contractor or to anyone claiming through or under Contractor by reason of the execution or performance of this Agreement. Notwithstanding any duty or obligation of University to Contractor or to anyone claiming through or under Contractor, no present or future affiliated enterprise, subcontractor, agent, officer, director, employee, representative, attorney or regent of University, or System, or anyone claiming under University has or will have any personal liability to Contractor or to anyone claiming through or under Contractor by reason of the execution or performance of this Agreement.
- 20. Representations and Warranties by Contractor: If Contractor is a corporation or a limited

liability company, Contractor warrants, represents, covenants, and agrees that it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary power and has received all necessary approvals to execute and deliver this Agreement, and the individual executing this Agreement on behalf of Contractor has been duly authorized to act for and bind Contractor.

- 21. <u>Franchise Tax Certification:</u> If Contractor is a corporate or limited liability company Contractor certifies that it is not currently delinquent in the payment of any Franchise Taxes due under Chapter 171 of the Texas Tax Code, or that it is exempt from the payment of such taxes, or that it is an out-of-state corporation or limited liability company that is not subject to the Texas Franchise Tax, whichever is applicable.
- 22. <u>Eligibility Certification:</u> Pursuant to Section 2155.004, Texas Government Code, Contractor certifies that the individual or business entity named in this Agreement is not ineligible to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment withheld if this certification is inaccurate.
- 23. Payment of Debt or Delinquency to the State: Pursuant to Sections 2107.008 and 2252.903, Texas Government Code, Contractor agrees that any payments owing to Contractor under this Agreement may be applied directly toward any debt or delinquency that Contractor owes the State of Texas or any agency of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.
- 24. <u>Texas Family Code Child Support Certification:</u> Pursuant to Section 231.006, Texas Family Code, Contractor certifies that it is not ineligible to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.
- 25. Access by Individuals with Disabilities. Contractor represents and warrants (the "EIR Accessibility Warranty") that the electronic and information resources and all associated information, documentation, and support that it provides to University under the Agreement (collectively, the "EIRs") comply with the applicable requirements set forth in Title 1, Chapter 213 of the Texas Administrative Code and Title 1, Chapter 206, Rule §206.70 of the Texas Administrative Code (as authorized by Chapter 2054, Subchapter M of the Texas Government Code.) To the extent Contractor becomes aware that the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Contractor represents and warrants that it will, at no cost to University, either (1) perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty or (2) replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty. In the event that Contractor fails or is unable to do so, then University may terminate the Agreement and Contractor will refund to University all amounts University has paid under the Agreement within thirty (30) days after the termination date.
- 26. <u>Work Laws</u>: Contractor shall comply with all labor and employment laws and regulations applicable to Contractor and its employees who will be performing services under this Agreement, including all laws and regulations pertaining to immigration, work status and

eligibility (collectively, "Work Laws"). Contractor certifies that Contractor and Contractor's employees who will be performing services under this Agreement are, as of the effective date hereof, lawfully eligible to do so under applicable Work Laws.

- 27. Export Controls: Contractor shall comply with all applicable laws and regulations pertaining to export controls and the export of controlled technology or data in connection with its activities pursuant to this Agreement, including the Export Control Administration Regulations ("EAR") and the International Traffic in Arms Regulations ("ITAR"). For purposes of this Agreement, "controlled technology or data" means items, commodities, technology, software or information requiring federal agency approval under U.S. government laws and regulations before being exported to restricted foreign countries, persons and/or entities. The EAR and ITAR require U.S. Government approval before University releases controlled technology or data to foreign persons in the United States. In accordance with the foregoing, the following shall apply:
 - (A) Contractor shall promptly notify University in the event that Contractor or any of Contractor's employees who will be performing services under this Agreement or have access to University technology or data is a foreign national or is otherwise restricted under U.S. export controls laws from receiving controlled technology or data.
 - (B) If a license is required from any U.S. government agency to release any technology or data to the Contractor or any Contractor employee in connection with the Agreement, University may, at its discretion: (1) restrict Contractor's access to such technology and/or data until a license or other authorization is obtained, (2) narrow the scope of the services to be provided by Contractor under this Agreement, or (3) terminate this Agreement upon notice to Contractor.
 - (C) In the event that University exercises option (1) or (2) above, the term of the Agreement and scope of work may be adjusted as necessary.
 - (D) In the event that University exercises option (1) above, Contractor shall, promptly upon receipt of an invoice from University therefor, reimburse University's costs for obtaining a license or other authorization.
 - (E) In no event shall University be liable to Contractor or any of Contractor's employees for exercising any of its rights set forth in this section 23, except for any lawfully permissible payment for services rendered by Contractor in accordance with the terms of this Agreement.
- 28. Health Insurance Portability and Accountability Act: Notwithstanding anything to the contrary in this Agreement, if applicable to the Scope of Work to be provided by Contractor hereunder, Contractor agrees to treat all individually identifiable health information in accordance with all applicable laws governing the confidentiality and privacy of individually identifiable health information, including without limitation, the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and any regulation and official guidelines promulgated thereunder.

29. <u>Integration:</u> This Agreement supersedes any and all other discussions, negotiations, and representations of any kind and represents the entire agreement of the parties hereinabove mentioned.

THIS AGREEMENT WILL BE IN EFFECT UPON FULL EXECUTION BY BOTH PARTIES. UNIVERSITY WILL NOT BE RESPONSIBLE FOR ANY PAYMENTS FOR SERVICES PERFORMED OR PRODUCTS DELIVERED BY CONTRACTOR PRIOR TO THE EFFECTIVE DATE OF THIS AGREEMENT.

In Witness Whereof, the parties have caused this Agreement to be executed as of the date first set forth above.

CITY OF LOS FRESNOS		THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON	
Ву:	Signature	Ву:	Signature (Authorized Purchasing Agent)
	Typed Name		Typed Name
	Title		Title
	Date		Date
			PO Number

1.F.4

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Resolutions Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4666 A

ACTION ITEM (ID # 4666)

Consideration and approval of a resolution approving an engagement agreement for bond counsel legal services with Norton Rose Fulbright US LLP; and other matters in connection therewith.

Norton Rose Fulbright has served as the Bond Counsel for the city for many years. We advertised for proposals and received only 1, from Norton Rose Fulbright for the drainage project and funding we are receiving from TWDB. This is the agreement and follows the standard guidelines and is approved by TWDB. They will act as our legal representative in this transaction as is required by law. They do a great job.

I recommend approval.

RESOLUTION

A RESOLUTION APPROVING AN ENGAGEMENT AGREEMENT FOR BOND COUNSEL LEGAL SERVICES WITH _____; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City Council (the *Governing Body*) of the City of Los Fresnos, Texas (the *City*) anticipates accessing the public or private markets from time to time to issue public securities to finance certain capital improvement projects within the City or to refinance public securities previously issued by the City, which will require the City to comply with the applicable laws and administrative rules of the State of Texas (the *State*) and federal securities and federal tax laws related thereto; and

WHEREAS, the Governing Body requires legal counsel which specializes in public finance matters and is well versed in State and federal securities and federal tax laws and applicable administrative procedures to provide bond counsel and disclosure counsel legal services pertaining to the City's issuance of public securities;

WHEREAS, the payment of such legal services shall be contingent on the City's successful issuance of public securities pertaining thereto and shall be payable from such public securities proceeds; and

WHEREAS, _____ will provide the City with bond counsel and disclosure counsel legal services on all of the City's publicly offered or privately placed public securities and has provided the City with one or more engagement agreements for bond counsel legal services pertaining to the City's anticipated future issuances of public securities (the *Engagement Agreement*, attached hereto as Exhibit A); and

WHEREAS, House Bill No. 2826, 86th Leg., R.S, effective September 1, 2019 (*HB 2826*), requires that a political subdivision of the State, including the City, enter into a contingent fee contract for legal services only after: (i) the governing body of the political subdivision has provided written notice to the public stating certain provisions enumerated within HB 2826; (ii) the governing body of the political subdivision approved such contract in an open meeting called for the purposes of considering such contract; (iii) the governing body of the political subdivision has stated in writing certain findings made by the governing body upon the approval of such contract, and (iv) the Texas Attorney General need not approve the Engagement Agreement pursuant to the exception provided by Section 2254.102(e) of HB 2826; and

WHEREAS, the Governing Body caused notice of this resolution (the *Resolution*), this meeting, and the following provisions enumerated within HB 2826 to be provided to the public in accordance with the Texas Open Meetings Act and HB 2826:

1. The Governing Body of the City intends to engage _______ to provide the City with bond counsel legal services pertaining to the City's issuance of public securities on the public or private market, including advising the City on any "official statement" to potential investors pursuant to federal securities laws and issuing a legal opinion as to the foregoing;

- as a result of a competitive process of bond counsel firms, has demonstrated to the City its competence, qualifications, and experience as an industry leader in public finance matters through the provision of bond counsel and disclosure counsel legal services, the representation of multiple advisors, issuers, and other parties in United States Securities and Exchange Commission enforcement actions, the publication of disclosure policies and the representation of State agencies and political subdivisions within the State of Texas on public securities related issues;
- 3. Accessing the public or private markets through the issuance of public securities and providing an "official statement" of the City to potential investors is governed by State and federal securities and federal tax laws and requires the advice of legal advisors that specialize in public finance matters that are well versed in public finance legal matters;
- 4. Engaging an attorney in private practice who specializes in public finance matters and is well versed in State and federal securities and federal tax laws pursuant to an hourly fee arrangement would likely result in higher fees to be paid by the City, and such fees incurred would be payable by the City by amounts on deposit in the City's General Fund, whether or not the public securities are issued;
- 5. Fees for legal services in public finance matters, including bond counsel and disclosure counsel legal services, have traditionally been paid pursuant to a contingent fee contract, where such fees become payable only upon the successful issuance of the public securities and are payable solely out of the proceeds of the public securities;
- 6. Entering into a contract for bond counsel and disclosure counsel legal services with _______ (a firm that specializes in public finance matters and is well versed in State and federal securities and federal tax laws) payment of which is contingent on the City's successful issuance of public securities and payable out of public securities proceeds provides the City a superior level of bond counsel and disclosure counsel legal services and fee(s) payable under the contract are reasonable in the public finance market and would likely be less than if such services were conducted pursuant to an hourly rate contract with an attorney specializing in public finance matters;
- 7. For each of the reasons state above, the execution of contingent fee engagement contracts with ______ is in the best interest of the residents of the City; and

WHEREAS, the meeting at which this Resolution is being considered is an open meeting called, in part, for the purposes of considering (i) the need for obtaining the bond counsel and disclosure counsel legal services that are the subject of the Engagement Agreement, (ii) the terms

133233161.3 -2-

of the Engagement Agreement, (iii) the competence, qualifications, and experience of ______, and (iv) the reasons the Engagement Agreement is in the best interest of the residents of the City and in compliance with HB 2826; and

WHEREAS, the Governing Body hereby finds and determines that the adoption of this Resolution is in the best interests of the residents of the City; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOS FRESNOS, TEXAS THAT:

SECTION 1. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Governing Body.

SECTION 2. The Governing Body hereby finds that: (i) there is a substantial need for the bond counsel and disclosure counsel legal services that are the subject of the Engagement Agreement with ______; (ii) the City does not currently employ attorneys and supporting personnel qualified to provide bond counsel and disclosure counsel legal services; (iii) the bond counsel and disclosure counsel legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the matter for which the bond counsel and disclosure counsel legal services will be obtained and because, until the issuance of a public security, the City will not have funds to pay the estimated amounts required under a contract providing only for the payment of hourly fees which is not contingent on the issuance of the public securities; and (iv) the relationship between the City or the Governing Body and ______ is not improper and would not appear improper to a reasonable person.

SECTION 3. Based on the findings by the Governing Body described above, the Governing Body hereby approves the City entering into the Engagement Agreement with _____ and authorizes the Mayor or the City Manager to execute the Engagement Agreement.

SECTION 4. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, so that the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 6. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Governing Body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 7. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject

133233161.3 -3-

matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 8. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

[The remainder of this page intentionally left blank.]

133233161.3 -4-

PASSED, ADOPTED AND APPROVED on this the 8th day of November, 2022.

CITY OF LOS FRESNOS, TEXAS

ATTEST:	Mayor	
City Secretary		
(CITY SEAL)		

133233161.3 S-1

EXHIBIT A

Engagement Agreement

133233161.3 A-1

November 8, 2022

Mr. Mark Milum City Manager City of Los Fresnos, Texas 520 East Ocean Boulevard Los Fresnos, Texas 78566

NORTON ROSE FULBRIGHT

Norton Rose Fulbright US LLP 98 San Jacinto Boulevard, Suite 1100 Austin, Texas 78701-4255 United States

Stephanie Leibe
Partner
Direct line +1 512 536 2420
Stephanie.leibe@nortonrosefulbright.com

Tel +1 512 474 5201 Fax +1 512 536 4598 nortonrosefulbright.com

Re: City of Los Fresnos, Texas – Engagement for Bond Counsel Services

Dear Mr. Milum:

This letter confirms that Norton Rose Fulbright US LLP (the "Firm") will represent the City of Los Fresnos, Texas (the "City") in connection with the issuance of its Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2022 (Clean Water State Revolving Fund), in the approximate principal amount of \$860,000 (the "Obligations"), anticipated to be sold to the Texas Water Development Board (the "TWDB") or any other debt (the "Debt") to be issued by the City (the "Matter"). Our acceptance of that representation (the "Representation") becomes effective upon the execution of the enclosed copy of this letter.

Terms of Engagement

This letter sets out the terms of our engagement in the Representation. Certain of those terms are included in the body of this letter, and additional terms are contained in the attached document, entitled *Additional Terms of Engagement*. That document is expressly incorporated into this letter, and it should be read carefully. The execution and return of the enclosed copy of this letter constitutes an unqualified agreement to all the terms set forth in this letter and in the attached *Additional Terms of Engagement*.

It is understood and agreed that our engagement is limited to the Representation. We are not being retained as general counsel, and our acceptance of this engagement does not imply any undertaking to provide legal services other than those set forth in this letter.

Our Personnel Who Will Be Working on the Matter

Matt Lee, Chris Guevara, and I will be working on the Matter and you may call, write, or e-mail us whenever you have any questions about the Representation. Other Firm personnel, including Firm lawyers and paralegals, will participate in the Representation if, in our judgment, their participation is necessary or appropriate.

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NORTON ROSE FULBRIGHT

Mr. Mark Milum November 8, 2022 Page 2

Our Legal Fees and Other Charges

Our fees are based on the time spent by the attorneys and the paralegal personnel who work on the Matter. We will charge for all time spent in representing your interests, including, by way of illustration, telephone and office conferences with you and your representatives, opposing counsel, and others; conferences among our attorneys and paralegal personnel; factual investigation if needed; legal research; responding to your requests for us to provide information to you or your auditors; drafting letters and other documents and travel if needed.

In addition to our fees for rendering professional services, our statement will include other charges for expenses and services incurred incident to the performance of our legal services, such as photocopying, delivery charges, travel expenses, overtime for secretaries and other nonlegal staff, Texas Attorney General filing fee that we will pay on behalf of the City, specialized computer applications such as computerized legal research and filing fees. A copy of our current recharge schedule, which is subject to change from time to time, is attached hereto as Exhibit A.

As an accommodation to the City, we have agreed to cap our Firm's fees for the issuance of Obligations to an amount not to exceed \$_____, plus expenses of \$1,500, plus the Texas Attorney General Filing fee.

Conflicts of Interest

Before accepting the Representation, we have undertaken reasonable and customary efforts to determine whether there are any potential conflicts of interest that would bar our Firm from representing the City in the Matter. Based on the information available to us, we are not aware of any potential disqualification. We reviewed that issue in accordance with the rules of professional responsibility adopted in Texas. We believe that those rules, rather than the rules of any other jurisdiction, are applicable to the Representation; and the execution and return of the enclosed copy of this letter by you represents an express agreement to the applicability of those rules.

Conclusion

This letter and the attached *Additional Terms of Engagement* constitute the entire terms of the engagement of Norton Rose Fulbright US LLP in the Representation. These written terms of engagement are not subject to any oral agreements or understandings, and they can be modified only by further written agreement signed both by you and Norton Rose Fulbright US LLP. Unless expressly stated in these terms of engagement, no obligation or undertaking shall be implied on the part of either the City or Norton Rose Fulbright US LLP.

Please carefully review this letter and the attached *Additional Terms of Engagement*. If there are any questions about these terms of engagement, or if these terms are inaccurate in any way, please let me know immediately. If both documents are acceptable, please sign and return the enclosed copy of this letter so that we may commence the Representation.

NORTON ROSE FULBRIGHT

Mr. Mark Milum November 8, 2022 Page 3

We are pleased to have the opportunity to be of continued service to the City with respect to this Matter. If you need any further information from us concerning this Matter, please do not hesitate to contact me.

Very truly yours,
Sulahe
Stephanie V. Leibe
SVL/lc Enclosures cc: Mr. Matt Lee (Firm) Mr. Chris Guevara (Firm)
The City of Los Fresnos, Texas Agrees to and Accepts this Letter and the Attached Terms of Engagement:
CITY OF LOS FRESNOS, TEXAS
By: Mr. Mark Milum City Manager
Date:

NORTON ROSE FULBRIGHT US LLP

Additional Terms of Engagement

This is a supplement to our engagement letter dated November 8, 2022. The purpose of this document is to set out additional terms of our agreement to provide the Representation described in our engagement letter concerning the Matter. Because these additional terms of engagement are a part of our agreement to provide legal services, the City should review them carefully and should promptly communicate to us any questions concerning this document. We suggest that the City retain this statement of additional terms along with our engagement letter and any related documents.

The Scope of the Representation

We will perform all usual, customary, and necessary legal services as Bond Counsel. Specifically, we will prepare and direct legal proceedings and perform other necessary legal services with reference to the incurrence of Debt, including, but not limited to, the following:

- 1. Prepare all instruments pursuant to which the Debt will be authorized, issued, secured, sold, and delivered in consultation with the City's staff, the City Council, and other officials and consultants of the City.
- 2. Attend meetings of or with the City Council, and City staff to the extent required or requested.
- Cooperate with the City and its consultants in the preparation of official statements, or other securities laws disclosure documents, if any, including review of the information therein describing the Debt, the security therefor, and the federal income tax status thereof, if applicable.
- 4. Attend meetings with prospective lenders and Debt purchasers, and meetings with any rating agencies or credit enhancers to the extent requested or required.
- 5. Supervise the printing, execution, and delivery of the Debt to the purchasers.
- Provide legal advice on the use of Debt proceeds, before and after incurrence of the Debt.

As lawyers, we undertake to provide representation and advice on the legal matters for which we are engaged. It is important for our clients to have a clear understanding of the legal services that we have agreed to provide. Thus, if there are any questions about the scope of the Representation that we are to provide in the Matter, please raise those questions promptly, so that we may resolve them at the outset of the Representation.

Any expressions on our part concerning the outcome of the Representation, or any other legal matters, are based on our professional judgment and are not guarantees. Such expressions, even when described as opinions, are necessarily limited by our knowledge of the facts and are based on our views of the state of the law at the time they are expressed.

Upon accepting this engagement on the City's behalf, the Firm agrees to do the following: (1) provide legal counsel in accordance with these terms of engagement and the related engagement letter, and in reliance upon information and guidance provided by the City; and (2) keep the City reasonably informed about the status and progress of the Representation.

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To enable us to provide effective representation, the City agrees to do the following: (1) disclose to us, fully and accurately and on a timely basis, all facts and documents that are or might be material or that we may request, (2) keep us apprised on a timely basis of all developments relating to the Representation that are or might be material, (3) attend meetings, conferences, and other proceedings when it is reasonable to do so, and (4) otherwise cooperate fully with us.

Our Firm has been engaged to provide legal services in connection with the Representation in the Matter, as specifically defined in our engagement letter. After completion of the Representation, changes may occur in the applicable laws or regulations that could affect the City's future rights and liabilities in regard to the Matter. Unless we are actually engaged after the completion of the Representation to provide additional advice on such issues, the Firm has no continuing obligation to give advice with respect to any future legal developments that may pertain to the Matter.

It is our policy and the City's agreement that the person or entity that we represent is the one identified in our engagement letter, and that our attorney-client relationship does not include any related persons or entities. For example, if a corporation, partnership, or other organization is identified as our client in our engagement letter referenced above, we do not represent any related parent companies, subsidiaries, affiliates, employees, officers, directors, shareholders, partners, members, commonly owned corporations or partnerships, or other such persons, entities, or affiliates, whether becoming such by virtue of merger, dissolution, acquisition, or any other means. Accordingly, it is understood that we may represent another client with interests adverse to any such affiliated or related person or entity without first obtaining consent from the City.

It is further agreed that the attorney-client relationship terminates upon our completion of the services for which we have been retained in the Representation.

Who Will Provide the Legal Services

As our engagement letter confirms, the Firm will represent the City in the Matter. The Firm is a registered limited liability partnership under Chapter 152 of the Texas Business Organizations Code.

Although our Firm will be providing legal services, each client of the Firm customarily has a relationship principally with one attorney, or perhaps a few attorneys, such attorneys for this Representation are as set forth in the engagement letter. At the same time, however, the work required in the Representation, or parts of it, may be performed by other Firm personnel, including lawyers and paralegals. Such delegation may be for the purpose of involving other Firm personnel with experience in a given area or for the purpose of providing services on an efficient and timely basis.

Our Relationships With Others

Our law Firm represents many companies and individuals. In some instances, the applicable rules of professional conduct may limit our ability to represent clients with conflicting or potentially conflicting interests. Those rules of conduct often allow us to exercise our independent judgment in determining whether our relationship with one client prevents us from representing another. In other situations, we may be permitted to represent a client only if the other clients consent to that representation.

Rules concerning conflicts of interest vary with the jurisdiction. In order to avoid any uncertainty, it is our policy that the governing rules will be those applicable to the particular office of our Firm that prepares the engagement letter for a particular matter. The acceptance by the City of our

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engagement letter constitutes an express agreement with that policy, unless the engagement letter specifically states that some other rules of professional responsibility will govern our attorney-client relationship.

From time to time, our Firm may concurrently represent one client in a particular case or matter and, at the same time, our Firm may be asked to represent an adversary of that same client in an unrelated case or matter. We would consider doing so only if it is our professional judgment that the Firm could undertake the concurrent representation impartially and without any adverse effect on the responsibilities that the Firm has to either client.

Specifically, it is possible that, during the Representation, some of our present or future clients will have disputes with you. By accepting these terms of engagement, it is expressly understood and agreed that we may continue to represent, or may undertake in the future to represent, existing or new clients in any matter that is not substantially related to the Representation, even if the interests of such clients in those other matters are directly adverse to you. We agree, however, that the prospective consent to conflicting representation contained in the preceding sentence shall not apply if, as a result of the Representation, we have obtained proprietary or other confidential information of a non-public nature that, if known to the other client, could be used in that matter by that client with the result of any material disadvantage to you.

In addition to our representation of other companies and individuals, we also regularly represent lawyers and law firms. As a result, opposing counsel in the Matter may be a lawyer or law firm that we may represent now or in the future. Likewise, opposing counsel in the Matter may represent our Firm now or in the future. Further, we have professional and personal relationships with many other attorneys, often because of our participation in bar associations and other professional organizations. It is our professional judgment that such relationships with other attorneys do not adversely affect our ability to represent any client. The acceptance of these terms of engagement represents an unqualified consent to any such relationships between our Firm and other lawyers or law firms, except with regard to counsel who is representing a party that is adverse to the City in the Matter that is the subject of this engagement.

Communications and Confidentiality

We have available Internet communication procedures that allow our attorneys to use e-mail for client communications in many instances. Accordingly, unless the City specifically directs us otherwise, we may use unencrypted e-mail sent on the Internet to communicate with the City and to send documents we have prepared or reviewed.

We recognize our obligation to preserve the confidentiality of attorney-client communications as well as client confidences, as required by the governing rules of professional responsibility. If the Matter involves transactions, litigation or administrative proceedings or like proceedings in which our Firm appears as counsel of record for the City in publicly available records, we reserve the right to inform others of the fact of our representation of the City in the Matter and (if likewise reflected of record in publicly available records) the results obtained, unless the City specifically directs otherwise.

Norton Rose Fulbright US LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright Canada LLP and Norton Rose Fulbright South Africa (incorporated as Deneys Reitz Inc.), each of which is a separate legal entity, are member firms in Norton Rose Fulbright Verein, a Swiss verein organization that does not itself provide legal services to anyone. Norton Rose Fulbright US LLP and the other member firms in the verein share non-privileged information about our respective clients for research, practice management, training and administrative purposes as a means of enhancing the quality and breadth of the services we are

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able to provide our clients; and, unless you direct us otherwise, we will share non-privileged information about you with those other member firms. Confidentiality agreements among the firms are in place to ensure maintenance of confidentiality with respect to such shared information.

Disclaimer

The Firm has made no promises or guarantees to the City about the outcome of the Representation or the Matter, and nothing in these terms of engagement shall be construed as such a promise or guarantee.

Termination

Our representation may be terminated prior to the conclusion of the Matter by either of us by written notice to the other party.

We are subject to the codes or rules of professional responsibility for the jurisdictions in which we practice. There are several types of conduct or circumstances that could result in our withdrawing from representing a client, including, for example, the following: non-payment of fees or charges; misrepresentation or failure to disclose material facts; fraudulent or criminal conduct; action contrary to our advice; and conflict of interest with another client. The right of either party to termination of the Representation is in addition to any rights created by statute or recognized by the governing rules of professional conduct. Further, a failure by either party to meet any obligations under these terms of engagement shall entitle the other party to terminate the Representation. The parties agree to try to identify in advance and discuss any situation that may lead to termination.

Termination of the Representation will not affect the City's obligation to pay for legal services rendered and expenses and charges incurred before termination, as well as additional services and charges incurred in connection with an orderly transition of the Matter. Further, in the event of termination of the Representation, you will take all steps necessary to release Norton Rose Fulbright US LLP of any further obligations in the Representation or the Matter, including without limitation the execution of any documents necessary to effectuate our withdrawal from the Representation or the Matter.

Billing Arrangements and Terms of Payment

Our engagement letter specifically explains our fees for services in the Matter and the limitations with respect to the Obligations. We will bill on a regular basis, normally each month, for fees and expenses and charges. It is agreed that the City will make full payment within 30 days of receiving our statement. We will give notice if an account becomes delinquent, and it is further agreed that any delinquent account must be paid upon the giving of such notice. If the delinquency continues and the City does not arrange satisfactory payment terms, we may withdraw from the Representation and pursue collection of our account.

Document Retention

At the close of any matter, we send our files in that matter to a storage facility for storage at our expense. The attorney closing the file will maintain the files in storage in accordance with all applicable government record retention laws, rules, and regulations. After that time, we will destroy the documents in the stored files.

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At the conclusion of the Representation, we return to the client any documents that are specifically requested to be returned. As to any documents so returned, we may elect to keep a copy of the documents in our stored files.

Charges for Other Expenses and Services

Typically, our invoices will include amounts, not only for legal services rendered, but also for other expenses and services. Examples include charges for photocopying, Texas Attorney General filing fees, real estate closing fees, UCC filings, travel and conference expenses, messenger deliveries, and computerized research. In addition, we reserve the right to send to the City for direct payment any invoices delivered to us by others, including experts and any vendors.

In situations where we can readily determine the exact amount of expenses for products and services provided by third parties to be charged to the City's account, our invoices will reflect the cost to us of the products and services. In many situations, however, the precise total cost of providing a product or service is difficult to establish, in which case we will use our professional judgment on the charges to be made for such product or service, which charges may vary from or exceed our direct cost of such product or service. In some situations, we can arrange for ancillary services to be provided by third parties with direct billing to the client. Attached is a copy of our current recharge schedule for expenses and services, which is subject to change from time to time.

Standards of Professionalism and Attorney Complaint Information

Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we are to advise our clients of the contents of the Texas Lawyer's Creed, a copy of which is attached. In addition, we are to advise clients that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. A brochure entitled *Attorney Complaint Information* is available at all of our Texas offices and is likewise available upon request. A client that has any questions about State Bar's disciplinary process should call the Office of the General Counsel of the State Bar of Texas at 1-800-932-1900 toll free.

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THE TEXAS LAWYER'S CREED — A MANDATE FOR PROFESSIONALISM

The Texas Supreme Court and the Texas Court of Criminal Appeals adopted this Creed, with the requirement that lawyers advise their clients of its contents when undertaking representation.

I am a lawyer; I am entrusted by the People of Texas to preserve and improve our legal system. I am licensed by the Supreme Court of Texas. I must therefore abide by the Texas Disciplinary Rules of Professional Conduct, but I know that Professionalism requires more than merely avoiding the violation of laws and rules. I am committed to this Creed for no other reason than it is right.

I. OUR LEGAL SYSTEM. A lawyer owes to the administration of justice personal dignity, integrity, and independence. A lawyer should always adhere to the highest principles of professionalism. I am passionately proud of my profession. Therefore, "My word is my bond." I am responsible to assure that all persons have access to competent representation regardless of wealth or position in life. I commit myself to an adequate and effective pro bono program. I am obligated to educate my clients, the public, and other lawyers regarding the spirit and letter of this Creed. I will always be conscious of my duty to the judicial system.

II. LAWYER TO CLIENT. A lawyer owes to a client allegiance, learning, skill, and industry. A lawyer shall employ all appropriate means to protect and advance the client's legitimate rights, claims, and objectives. A lawyer shall not be deterred by any real or imagined fear of judicial disfavor or public unpopularity, nor be influenced by mere self-interest. I will advise my client of the contents of this Creed when undertaking representation. I will endeavor to achieve my client's lawful objectives in legal transactions and in litigation as quickly and economically as possible. I will be loyal and committed to my client's lawful objectives, but I will not permit that loyalty and commitment to interfere with my duty to provide objective and independent advice. I will advise my client that civility and courtesy are expected and are not a sign of weakness. I will advise my client of proper and expected behavior. I will treat adverse parties and witnesses with fairness and due consideration. A client has no right to demand that I abuse anyone or indulge in any offensive conduct. I will advise my client that we will not pursue conduct which is intended primarily to harass or drain the financial resources of the opposing party. I will advise my client that we will not pursue tactics which are intended primarily for delay. I will advise my client that we will not pursue any course of action which is without merit. I will advise my client that I reserve the right to determine whether to grant accommodations to opposing counsel in all matters that do not adversely affect my client's lawful objectives. A client has no right to instruct me to refuse reasonable requests made by other counsel. I will advise my client regarding the availability of mediation, arbitration, and other alternative methods of resolving and settling disputes.

III. LAWYER TO LAWYER. A lawyer owes to opposing counsel, in the conduct of legal transactions and the pursuit of litigation, courtesy, candor, cooperation, and scrupulous observance of all agreements and mutual understandings. III feelings between clients shall not influence a lawyer's conduct, attitude, or demeanor toward opposing counsel. A lawyer shall not engage in unprofessional conduct in retaliation against other unprofessional conduct. I will be courteous, civil, and prompt in oral and written communications. I will not quarrel over matters of form or style, but I will concentrate on matters of substance. I will identify for other counsel or parties all changes I have made in documents submitted for review. I will attempt to prepare documents which correctly reflect the agreement of the parties. I will not include provisions which have not been agreed upon or omit provisions which are necessary to reflect the agreement of the parties. I will notify opposing counsel, and, if appropriate, the Court or other persons, as soon as practicable.

when hearings, depositions, meetings, conferences or closings are canceled. I will agree to reasonable requests for extensions of time and for waiver of procedural formalities, provided legitimate objectives of my client will not be adversely affected. I will not serve motions or pleadings in any manner that unfairly limits another party's opportunity to respond. I will attempt to resolve by agreement my objections to matters contained in pleadings and discovery requests and responses. I can disagree without being disagreeable. I recognize that effective representation does not require antagonistic or obnoxious behavior. I will neither encourage nor knowingly permit my client or anyone under my control to do anything which would be unethical or improper if done by me. I will not, without good cause, attribute bad motives or unethical conduct to opposing counsel nor bring the profession into disrepute by unfounded accusations of impropriety. I will avoid disparaging personal remarks or acrimony towards opposing counsel, parties and witnesses. I will not be influenced by any ill feeling between clients. I will abstain from any allusion to personal peculiarities or idiosyncrasies of opposing counsel. I will not take advantage, by causing any default or dismissal to be rendered, when I know the identity of an opposing counsel, without first inquiring about that counsel's intention to proceed. I will promptly submit orders to the Court. I will deliver copies to opposing counsel before or contemporaneously with submission to the court. I will promptly approve the form of orders which accurately reflect the substance of the rulings of the Court. I will not attempt to gain an unfair advantage by sending the Court or its staff correspondence or copies of correspondence. I will not arbitrarily schedule a deposition, Court appearance, or hearing until a good faith effort has been made to schedule it by agreement. I will readily stipulate to undisputed facts in order to avoid needless costs or inconvenience for any party. I will refrain from excessive and abusive discovery. I will comply with all reasonable discovery requests. I will not resist discovery requests which are not objectionable. I will not make objections nor give instructions to a witness for the purpose of delaying or obstructing the discovery process. I will encourage witnesses to respond to all deposition questions which are reasonably understandable. I will neither encourage nor permit my witness to quibble about words where their meaning is reasonably clear. I will not seek Court intervention to obtain discovery which is clearly improper and not discoverable. I will not seek sanctions or disqualification unless it is necessary for protection of my client's lawful objectives or is fully justified by the circumstances.

IV. LAWYER AND JUDGE. Lawyers and judges owe each other respect, diligence, candor, punctuality, and protection against unjust and improper criticism and attack. Lawyers and judges are equally responsible to protect the dignity and independence of the Court and the profession. I will always recognize that the position of judge is the symbol of both the judicial system and administration of justice. I will refrain from conduct that degrades this symbol. I will conduct myself in court in a professional manner and demonstrate my respect for the Court and the law. I will treat counsel, opposing parties, the Court, and members of the Court staff with courtesy and civility. I will be punctual. I will not engage in any conduct which offends the dignity and decorum of proceedings. I will not knowingly misrepresent, mischaracterize, misquote or miscite facts or authorities to gain an advantage. I will respect the rulings of the Court. I will give the issues in controversy deliberate, impartial and studied analysis and consideration. I will be considerate of the time constraints and pressures imposed upon the Court, Court staff and counsel in efforts to administer justice and resolve disputes.

EXHIBIT A

NORTON ROSE FULBRIGHT US LLP (Austin)

Expenses and Services Summary

EXPENSE/SERVICE	CHARGE	
Binding	N/A (Pricing varies in other office locations)	
Deliveries Overnight/Express Outside Courier In-House Courthouse Messengers	Direct Cost Direct Cost N/A (Pricing varies in other office locations) \$40.00/Hour plus Transportation (Pricing varies in other office locations)	
Document Scanning	\$.12 per page – Direct Cost	
Duplicating Photocopy Color photocopy Microfilm/Microfiche Videography (duplication)	\$0.15 per page \$0.85 per page \$0.50 per page \$5.00/tape plus \$20.00/duplication	
Electronic Mail (via Internet)	No Charge	
Weekend & Late Evening Air Conditioning	N/A (Pricing varies in other office locations)	
Postage	Direct Cost on any item or group of items which cost \$1.00 or more	
Facsimile (Outgoing)	No Charge	
Telephone Long Distance (Domestic) Long Distance (International)	No Charge No Charge	
File Storage Retrieval	N/A (Pricing varies in other office locations)	
Firm hosting of on-site document review performed by outside contract attorneys	\$10.00 per hour	

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1.F.5

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

ACTION ITEM (ID # 4663)

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Bid
Prepared By: Jacqueline Moya

Initiator: Jacqueline Moya Sponsors:

DOC ID: 4663 B

Consideration and ACTION to approve the proposals received for Financial Advisor for the Clean Water State Revolving Fund project and approve the agreement with Estrada Hinojosa according to TWDB guidelines.

This is for the drainage projects we have received funding for through a zero percent loan and a grant. These projects include Whipple Road Drainage, Valle Alto Drainage, Resaca Escondida Drainage and a drainage study for the city.

Estrada Hinojosa submitted the only proposal. They have been our Financial Advisors for many years. They have always provided quality information and guidance. They have already provided guidance for this project because initially TWDB said we could use our normal city Financial Advisors. At the last minute they changed and required us to solicit proposals which we did.

I recommend to approve Estrada Hinojosa as Financial Advisors as the city Financial Advisors and Financial Advisors for this project.

Updated: 11/3/2022 9:38 AM by Mark Milum B

AGREEMENT FOR FINANCIAL ADVISORY SERVICES By and Between

CITY OF LOS FRESNOS, TEXAS (Hereinafter referred to as the "Issuer")

And

ESTRADA HINOJOSA & COMPANY, INC. (Hereinafter referred to as "EH")

It is understood that the Issuer will have under consideration from time to time the authorization and issuance of indebtedness in amounts and forms which cannot be determined and that in connection with the authorization, sale, issuance and delivery of such indebtedness of the Issuer, we have been requested to submit a proposal to provide professional services to the Issuer in the capacity of Financial Advisor. We are pleased to comply with this request and submit the following proposal for consideration. This proposal, if accepted by the Issuer, shall become the agreement (the "Agreement") between the Issuer and Estrada Hinojosa & Company, Inc. effective at the date of its acceptance as provided for herein below.

I.

This Agreement shall apply to any and all evidences of indebtedness or debt obligations that may be authorized and issued or otherwise created or assumed by the Issuer (hereinafter referred to collectively as the "Debt Instruments") from time to time during the period in which this Agreement shall be effective.

II.

We agree to provide our professional services and our facilities as Financial Advisor and agree to direct and coordinate all programs of financing as may be considered and authorized during the period in which this Agreement shall be effective and to assume and carry those expenses set out in Appendix A, provided, however, that our obligations to incur expenses shall not include any costs incident to litigation, mandamus action, test case or other similar actions.

III.

We agree to perform the following duties normally performed by financial advisors and all other duties as, in our judgement, may be necessary or advisable:

1. We will conduct a survey of the financial resources of the Issuer to determine the extent of its capacity to authorize, issue and service debt. This survey will include an analysis of existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues, as projected by consulting engineers employed by the Issuer, resulting from improvements to be financed by the Debt Instruments under consideration. We will also take into account future financing needs and operations as projected by the Issuer's staff and consulting engineers or other experts, if any, employed by the Issuer.

- 2. On the basis of the information developed by the survey described above, and other information and experience available to us, we will submit to the Issuer our recommendations on the Debt Instruments under consideration including such elements as the date of issue, interest payment dates, schedule of principal maturities, portions of prior payment, security provisions, and any other additional provisions designed to make the issue attractive to investors. All recommendations will be based upon our professional judgement with the goal of designing Debt Instruments which can be sold under terms most advantageous to the Issuer and at the lowest interest cost consistent with all other considerations.
- 3. We will advise the Issuer of current bond market conditions, forthcoming bond issues and other general information and economic data which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Debt Instruments may be set at a time which, in our opinion, will be favorable.
- 4. We understand the Issuer has retained, or will retain, firms of municipal bond attorneys (the "Bond Counsel") whose fees will be paid by the Issuer. In the event it is necessary to hold an election to authorize the Debt Instruments then under consideration, we will assist in coordinating the assembly and transmittal to Bond Counsel of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices, and certificates in connection with the election.
- 5. We will recommend the method of sale of the Debt Instruments that, in our opinion, is in the best interest of the Issuer and will proceed, as directed by the Issuer, with one of the following methods:
- a. Competitive Sale: We will advise the Issuer regarding the sale of the Debt Instrument whereby we coordinate the submission of competitive bids from prospective buyers of the Debt Instruments in accordance with established procedures.
- b. Negotiated Sale: We will recommend one or more investment banking firms as managers of an underwriting syndicate for the purposes of negotiating the purchase of Debt Instruments and in no event will we participate either directly or indirectly in the underwriting of the Debt Instruments. We will collaborate with any senior managing underwriter selected and Counsel to the underwriters in the preparation of the Official Statement or Offering Memorandum. We will cooperate with the underwriters in obtaining any Blue Sky Memorandum and Legal Investment Survey, preparing the Bond Purchase Contract, Underwriters' Agreement and any other related documents. The costs thereof, including the printing of the documents, will be paid by the underwriters.
- 6. When appropriate, we will advise financial publications of the forthcoming sale of the Debt Instruments and provide them with all pertinent information.
- 7. We will coordinate the preparation of the Notice of Sale and Bidding Instructions, Official Statement, Official Bid Form and such other documents as may be required. We will submit to the Issuer all such documents for examinations, approval and certification. After such examination, approval and certification, we will provide the Issuer with a supply of all such documents sufficient to its needs and will distribute by mail sets of the same to prospective bidders and to banks, life, fire and casualty insurance companies, investment counselors and other prospective purchasers of the Debt Instruments. We also provide sufficient copies of the Official Statement to the purchaser of the Debt Instruments in accordance with the Notice of Sale and Bidding Instructions. The expenses associated with printing and distribution of these documents will be paid by the Issuer.
- 8. We will, after consulting the Issuer, arrange for such reports and opinions of recognized independent consultants we deem necessary and required for the successful marketing of the Debt Instruments.
- 9. Subject to the approval of the Issuer, we will organize and make arrangements for such information meetings as, in our judgement, may be necessary.

- 10. We will make recommendations to the Issuer as to the advisability of obtaining a credit rating, or ratings, for the Debt Instruments as, in our opinion, is required for submission to the appropriate company, institution or institutions. In those cases where the advisability of personal presentation of information to the rating agency, or agencies, may be indicated, we will arrange for such personal presentations. The expenses associated with the preparation of information and personal presentations will be paid by the Issuer.
- 11. We will make recommendations to the Issuer as to the advisability of obtaining municipal bond insurance or other credit enhancement, or qualifications for same, for the Debt Instruments and, when directed by the Issuer, we will coordinate the preparation of such information as, in our opinion, is required for submission to the appropriate company, institution or institutions. In those cases where the advisability of personal presentation of information to the appropriate company, institution or institutions may be indicated, we will arrange for such personal presentations. The expenses associated with the preparation of information and personal presentations will be paid by the Issuer.
- 12. We will assist the staff of the Issuer at any advertised sale of Debt Instruments in coordinating the receipt, tabulation and comparison of bids and we will advise the Issuer as to the best and lowest qualifying bid. We will provide the Issuer with our recommendations as to acceptance or rejection of such bid.
- 13. As soon as a bid for the Debt Instruments is accepted by the Issuer, we will proceed to coordinate the efforts of all concerned to the end that the Debt Instruments may be delivered and paid for as expeditiously as possible. We will assist the Issuer in the preparation or verification of final closing figures incident to the delivery of the Debt Instruments.
- 14. We will maintain liaison with Bond Counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the Debt Instruments. Bond Counsel will provide an unqualified legal opinion as to the legality of the issuance of the Debt Instruments at the time of delivery.
- 15. If requested, we will counsel with the Issuer in the selection of a Paying Agent/Registrar for the Debt Instruments and will assist in the preparation of agreements pertinent to these services and the fees incident thereto.
- 16. In the event formal verification by an independent auditor or any calculations incident to the Debt Instruments is required, we will make arrangements for such services.
- 17. We agree to do, or cause to be done, all work pertaining to the Debt Instruments, regarding approval, as may be required, by the Attorney General, registration by the Comptroller of Public Accounts and delivery to the purchaser. The expenses associated with the printing of the Debt Instruments will be paid by the Issuer.
- 18. After the closing of the sale and delivery of the Debt Instruments, we will deliver to the Issuer a schedule of annual debt service requirements on the Debt Instruments. In coordination with Bond Counsel, we will assure that the Paying Agent/Registrar has been provided with a copy of the authorizing ordinance, order or resolution.
- 19. We will attend any and all meeting of governing body of the Issuer, its staff, representatives or committees as requested and at the Issuer's expense, at all times when we may be of assistance or service and the subject of financing is to be discussed.
- 20. We will advise the Issuer and its staff of changes, proposed or enacted, in Federal and State laws and regulations which would affect the municipal bond market.
- 21. We will work with the Issuer, its staff and any consultants employed by the Issuer in developing financial feasibility studies and analyzing alternative financing plans.

In addition to the services set out above, we agree to provide the following services when so requested:

- 1. We will provide our advice as to the investment of certain funds of the Issuer. At the direction of the Issuer, we will purchase or cause to be purchased, those investments authorized and we will charge a normal and customary commission for each such transaction where appropriate.
- 2. We will provide our advice and assistance with regard to exercising any call and/or refunding of any outstanding Debt Instruments.
- 3. We will provide our advice and assistance in the development of, and financing for, any capital improvement programs of the Issuer.
 - 4. We will provide our advice and assistance in the development of the long-range financing plan of the Issuer.
 - 5. We will provide any other financial planning services as may be requested by the Issuer.

V.

The fee due Estrada Hinojosa & Company, Inc. in accordance with Appendix A attached hereto, and any other fees as may be mutually agreed and all expenses for which Estrada Hinojosa & Company, Inc. is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Debt Instruments to the purchaser, unless the contract is terminated prior to completion of any delivery of debt instruments undertaken by EH in which case any fees and expenses will be due and payable upon presentation.

VI.

This agreement shall become effective at the date of acceptance by the Issuer set out herein below for a period of five years from the date of acceptance and will be subject to automatic annual renewal thereafter. Provided, however, this Agreement may be terminated with or without cause by the Issuer or EH upon thirty (30) days written notice. In the event of such termination, it is understood and agreed that only the amount due to Estrada Hinojosa & Company, Inc. for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. This Agreement is submitted in triplicate originals. When accepted by the Issuer, it, together with all Appendices attached hereto, will constitute the entire Agreement between the Issuer and Estrada Hinojosa & Company, Inc. for the purposes and the considerations herein specified. Acceptance will be indicated by the signature of authorized officials of the Issuer together with the date of acceptance on all three copies and the return of two executed copies to Estrada Hinojosa & Company, Inc.

Respectfully submitted,

ESTRADA HINOJOSA & COMPANY, INC.

	By: Donald J. Gonzales Authorized Representative
This agreement is accepted by the Issuer this	day of 20
	CITY OF LOS FRESNOS, TEXAS
	By:City Manager City of Los Fresnos, Texas
ATTEST:	
By: City Secretary City of Los Fresnos, Texas	

APPENDIX A

COMPENSATION

In consideration for the services rendered by Estrada Hinojosa & Company, Inc., to the Issuer under the terms and conditions of the attached Agreement, it is understood and agreed that the fee payable to Estrada Hinojosa & Company, Inc. for special projects directed by the Issuer that may not lead to a transaction the following hourly rates apply:

Sr. Vice President/Sr. Managing Director	\$350.00
Vice President	\$300.00
Assistant Vice President	\$250.00
Senior Associate & Analysts	\$200.00
Associate	\$150.00
Administrative	\$125.00

The Transaction Fee due to the Financial Advisor for all Debt Instruments will be calculated based on the higher of the total project amount or gross proceeds generated for each financing based on the fee schedule below:

Base-fee - Any Issue - \$25,000

Plus	\$15.00 per	\$1,000 up to	\$250,000	or \$28,750	for	\$250,000 Bonds
Plus	\$13.00 per	\$1,000 next	250,000	or 32,000	for	500,000 Bonds
Plus	\$10.00 per	\$1,000 next	500,000	or 37,000	for	1,000,000 Bonds
Plus	\$8.00 per	\$1,000 next	1,500,000	or 49,000	for	2,500,000 Bonds
Plus	\$5.00 per	\$1,000 next	2,500,000	or 61,500	for	5,000,000 Bonds
Plus	\$2.50 per	\$1,000 next	5,000,000	or 74,000	for	10,000,000 Bonds
Plus	\$1.00 per	\$1,000 over	10,000,000			

Fees for revenue bonds or other self-supporting obligations including those obligations placed or directly issued to governmental entities or Private Placements and/or other Debt Instruments involving Escrow Agreements and Refunding Bonds:

It is understood and agreed that we will charge, in addition to our Financial Advisory fee, a computer fee and/or structuring fee and Official Statement, Private Placement Memorandum and/or application preparation fee. This Financial Advisory agreement is for the City of Los Fresnos' Stormwater Planning and Drainage Improvements project and any other TWDB, State/Federal Grant/Loan or similar Programs or any other type of financing. The fees set forth above plus 25% will be used to compute a fee based on the total project cost. In addition, we will bill for out-of-pocket expenses including, but not limited to application fees and various expenses as set forth below. Continuing disclosures will be billed separately on an annual basis in the amount of \$5,000.00 based on client providing necessary information in a timely manner.

Control of Fees and Expenses

At the time that Debt Instruments or Grant Proceeds are delivered, the Company will bill the Issuer for each issue of Debt Instruments or Grant Proceeds an amount which will include the fee calculated on the above schedule as well as costs and expenses, where applicable, incurred on behalf of the Issuer for the following items, if applicable:

Bond Counsel fees

Bond rating and/or credit enhancement fees

Computer Structuring and cash flow modeling

Messenger, overnight delivery, market data technology photocopying, postage, and telephone

Personal meetings with bond rating agencies and/or credit enhancement providers or lenders

Preparation and printing of the Notice of Sale, Official Statement, Applications, Uniform Bid Form and Private Placement Memorandum

Preparation and printing of physical securities

Reports of independent auditors or consultants

Verification fees

Travel expenses of Issuer and Company personnel

Our fees are contingent on the receipt of financial assistance and payable solely from proceeds unless an hourly or alternate payment arrangement is made. Expenses are borne by the firm until a fee statement and expense reimbursement are submitted in accordance with the contract between the Issuer and our firm. Our capital base allows Estrada Hinojosa to operate on this basis without creating ongoing costs to the Issuer. At any time between bond issues, Estrada Hinojosa is prepared to report to the Issuer upon request, the hours spent on financial advisory services and the accumulated expenses being carried forward.

APPENDIX B

DISCLOSURE STATEMENT REQUIRED

$\underline{\mathbf{BY}}$

MUNICIPAL SECURITIES RULEMAKING BOARD

This Disclosure Statement is provided by Estrada Hinojosa & Co., Inc. ("Municipal Advisor") to the CITY OF LOS FRESNOS, TEXAS ("Client") in connection with the Municipal Advisor Engagement Letter and is dated as of the same date as the Agreement. This Disclosure Statement provides information regarding conflicts of interest pursuant to MSRB Rule G-42(b) and the events required to be disclosed to Client pursuant to MSRB Rule G-42 (c)(ii).

Part A (Disclosures of Conflicts of Interest)

MSRB Rule G-42 requires that municipal advisors provide to their clients disclosures relating to any <u>actual</u> or <u>potential</u> material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable.

Accordingly, Municipal Advisor makes the following disclosures with respect to material conflicts of interest in connection with the Scope of Services under the Agreement, together with explanations of how Municipal Advisor addresses or intends to manage or mitigate each conflict. To that end, with respect to all of the conflicts disclosed below, Municipal Advisor mitigates such conflicts through its adherence to its fiduciary duty to Client, which includes a duty of loyalty to Client in performing all municipal advisory activities for Client. This duty of loyalty obligates Municipal Advisor to deal honestly and with the utmost good faith with Client and to act in Client's best interests without regard to Municipal Advisor's financial or other interests.

In addition, because Municipal Advisor is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of Municipal Advisor is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity, quality of service, and strict adherence to its fiduciary duty. Furthermore, Municipal Advisor's supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of Municipal Advisor potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

1. Compensation-Based Conflicts. If fees due under this Agreement are partially based on the size of a bond Issue and contingent upon the delivery of the bonds, this form of compensation has the potential to create a conflict of interest. While customary in the municipal securities market, the potential conflict of interest arises from the incentive for a Municipal Advisor to recommend unnecessary financings or financings that are disadvantageous to Client, or to advise Client to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.

2. Other Municipal Advisor or Underwriting Relationships. Municipal Advisor serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of Client. For example, Municipal Advisor serves as municipal advisor to other municipal advisory clients and, in such cases, owes a duty to such other clients just as it does to Client under this Agreement. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering.

In acting in the interests of its various clients, Municipal Advisor could potentially face a conflict of interest arising from these competing client interests. In other cases (such as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities), the interests of Municipal Advisor to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that Municipal Advisor serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair Municipal Advisor's ability to fulfill its duties to Client.

3. **Broker-Dealer Business**. Municipal Advisor is a broker-dealer that provides underwriting services to its clients, in addition to serving as a municipal advisor. Such underwriting activities may be undertaken on behalf of, or as counterparty to, current or potential investors in the securities of Client. These other clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of Client, such as when their buying or selling of Client's securities may have an adverse effect on the market for Client's securities, and the interests of such other clients could create the incentive for Municipal Advisor to make recommendations to Client that could result in more advantageous pricing for the other clients. Any potential conflict arising from Municipal Advisor effecting or otherwise assisting such other clients in connection with underwriting transactions is mitigated by means of such activities being engaged in on customary terms under an active and long-standing regulatory structure, thereby reducing the likelihood that the interests of such other clients would have an impact on the services provided by Municipal Advisor to Client under this Agreement.

At this time, there are no *actual* material conflicts of interest known to Municipal Advisor in connection with the current Agreement. Municipal Advisor has listed the *potential* conflicts of interest to comply with MSRB Rule G-42.

Part B (Disclosures of Information Regarding Legal Events and Disciplinary History)

MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel. The following legal or disciplinary events may be material to Client's evaluation of Municipal Advisor or the integrity of Municipal Advisor's management or advisory personnel:

- 1. In March 2012, the Municipal Advisor paid a \$10,000 fine to settle a FINRA enforcement matter arising from the late filing of Final Official Statements.
- 2. In July 2015, the Municipal Advisor paid a \$17,500 fine to settle a FINRA enforcement matter arising from the late and/or inaccurate reporting of municipal bond trades.
- 3. In September 2015, the Municipal Advisor settled an enforcement action brought by the United States Securities and Exchange Commission as a result of their Municipal Continuing Disclosure Initiative (MCDC). As part of the settlement, the Municipal Advisor paid a \$40,000 fine.

A full report of the Municipal Advisor's disciplinary history, including the events summarized above, can be found on the Municipal Advisor's Form MA and Form MA-I filings. These filings are available online in the EDGAR database maintained by the United States Securities and Exchange Commission at this location: https://www.sec.gov/cgi-bin/browse-

edgar?company=estrada+hinojosa&owner=exclude&action=getcompany

The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by Municipal Advisor in its capacity as a broker-dealer on Form BD or Form U4 as applicable. The disclosures filed on Form MA and Form MA-I were all filed on Form BD or U4 for the applicable event. Detailed information provided by Municipal Advisor on Form BD or Form U4 is publicly accessible through reports generated by FINRA's BrokerCheck at http://brokercheck.finra.org. For purposes of accessing such BrokerCheck reports, Municipal Advisor's CRD number is 19299.

The disclosure items listed above were all related to the Underwriting business segment of Estrada Hinojosa & Co., Inc.; not from any activity relating to our Municipal Advisory business segment. The events themselves were technical in nature and did not involve any investor harm or market disruption. The Municipal Advisor's last material update to Form MA was done on September 1, 2016.

Part C Future Supplemental Disclosures

As required by MSRB Rule G-42, this Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of Municipal Advisor. Municipal Advisor will provide Client with any such supplement or amendment as it becomes available throughout the term of the Agreement.

Sincerely,

Estrala Hinojosa + Company, Inc.

Estrada Hinojosa & Company, Inc.

APPENDIX C DISCLOSURE STATEMENT REQUIRED

BY

THE STATE OF TEXAS

Estrada Hinojosa hereby represents and warrants that the following statements are true and correct:

- (a) Pursuant to Section 2270.002, Texas Government Code, Estrada Hinojosa hereby represents that it does not Boycott Israel (as defined in Section 2270.002, Texas Government Code) and, subject to or as otherwise required by applicable Federal law, including, without limitation, 50 U.S.C. Section 4607, the Lender agrees not to Boycott Israel during the term of this Agreement.
- (b) Estrada Hinojosa hereby acknowledges that (a) Estrada Hinojosa does not engage in business with Iran, Sudan or any foreign terrorist organization and (b) Estrada Hinojosa is not listed by the Texas Comptroller as described in Section 2252.152 of the Texas Government Code.
- (c) Pursuant to Section 2274.002, Texas Government Code, Estrada Hinojosa hereby represents that it does not (a) boycott energy companies and, will not boycott energy companies during the term of this Agreement and (b) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement.

Sincerely,

Estrada Hinojosa + Company, Inc.

Estrada Hinojosa & Company, Inc.

NOTIFICATION REQUIRED BY MUNICIPAL SECURITIES RULE MAKING BOARD RULE G-10 INVESTOR EDUCATION AND PROTECTION

The rule referred to requires us to provide you with information related to municipal advisory services provided by Estrada Hinojosa & Co., Inc. ("EH"). Please note that EH is registered with the United States Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). As such, EH is subject to the regulations and rules established by the SEC and MSRB which apply to municipal advisory activities.

The website for the SEC is www.sec.gov and the website for the MSRB is www.msrb.org. In addition to having educational materials about the municipal securities market, the MSRB website has an investor brochure that describes the protections that may be provided by the MSRB Rules and how to file a complaint against EH or an EH representative with the FINRA Investor Complaint Center.

1.F.6

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Bid
Prepared By: Jacqueline Moya
Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4664 B

ACTION ITEM (ID # 4664)

Discussion and possible action to select engineering firm to provide planning, design and construction management engineering services associated with the design and construction of various drainage improvement projects that may be funded through the Texas Water Development Board.

This is for the drainage projects we have received funding for through a zero percent loan and a grant. These projects include Whipple Road Drainage, Valle Alto Drainage, Resaca Escondida Drainage and a drainage study for the city.

The staff rated the 3 firms that submitted proposals. Hanson Professional Services was the top rated firm. Hanson is also the firm that the Council had already hired to handle the engineering for the Whipple Road Drainage and the Resaca Escondida Drainage projects. They have completed this work and the city has already paid them for this work. Because the city had already done part of the engineering was one of the reasons we received the grant and zero percent loan. The grant/loan package will cover the other 2 projects and the construction engineering of all the projects. The agreement is according to TWDB guidelines and the same costs as we have done with Hanson for the 2 projects already engineered.

I recommend approval of Hanson Profession Services as the engineer for the TWDB drainage projects.

Updated: 11/3/2022 9:36 AM by Mark Milum B

TWDB - Drainage Project

Proposal for Engineering Services

Evaulation Committee:	Guzman and Munoz	<u>Hanson</u>	<u>Ambiotec</u>
Mark Milum, City Manager	83	92	82
Pablo Garza, Director of Finance	93.5	93	92
Jackie Moya, City Secretary	73	89	81
Carlos Salazar, Public Works Director	90	97	89
<u>Total</u>	<u>339.5</u>	<u>371</u>	<u>344</u>

ENGINEERING SERVICES REQUEST FOR PROPOSALS & STATEMENTS OF QUALIFICATIONS

The City of Los Fresnos requests the submission of qualifications statements, which will lead to the possible award of a contract to provide design and construction phase engineering services for projects involving water and wastewater facilities funded as may be necessary by Texas Water Development Board programs, including, but not limited to, the Texas Water Development Board's Drinking Water State Revolving Fund (DWSRF) and Clean Water State Revolving Fund (CWSRF).

A. INTENT OF PROPOSAL

The intent of the City is to hire a firm to provide design and construction phase engineering services. The City will rank candidates by order of highest qualifications and first attempt to negotiate a fair and reasonable contract with the highest qualified firm. Evaluation of the Respondent's Statement of Qualifications will be by a Selection Team representing the City. If unable to negotiate a mutually acceptable contract, the City will terminate negotiations with the highest qualified and begin negotiating with the next highest qualified candidate. If necessary, the City will repeat these steps until an acceptable contract is obtained. Procedures for procuring the Engineering Services are presented in the following steps.

The City intends to negotiate a fair and reasonable fixed-price contract with the most highly qualified person or firm, but reserves the right to reject any and all qualification statements received in response to this public notice. The City reserves the right to short list respondents and base final selection rankings on personal interviews. The City reserves the right to reject any or all qualification statements received and to conduct new project design engineering services selection procedures for this or future projects.

This contract is subject to the Environmental Protection Agency's (EPA) Disadvantaged Business Enterprise (DBE) Program, which includes EPA-approved fair share goals toward procurement of Minority and Women-owned Business Enterprise (M/WBE) businesses. EPA rules require that applicants and prime contractors make a good faith effort to award a fair share of contracts, subcontracts, and procurements to M/WBEs through demonstration of the six affirmative steps. For more details of the DBE Program and the current, applicable fair share goals, please visit www.twdb.texas.gov/dbe.

B. SCOPE OF SERVICES

The Design Engineer will provide timely and professional geotechnical investigations, design surveys, construction plans and technical specifications and

contract documents, construction staking, operations and maintenance manuals, and other specific services as discussed below. It is the intent of this RFQ that a consistent quality of design services is provided for all of the project's components.

The scope of Engineering Services is expected to include:

- Attend preliminary conferences with the City of Los Fresnos, Project Manager and other interested parties regarding the project.
- Determine the necessity for acquisition of any additional real property/easements/right-of-way for the project. Prepare property surveys, detailed descriptions of sites, maps, or drawings as required; assist in negotiating for land and easement rights. The Engineer will coordinate with a Real Estate Appraiser, to be hired and by the City of Los Fresnos, in determining the location of real property needed for the wastewater facilities, determining the availability of title, easements, and rights-of-way needed to implement the project, and preparing a map of entire tracts with designation of part to be acquired to the City of Los Fresnos. (Appraiser provide information such as name and address of property owners, legal descriptions of parcels to be acquired, and appraisal.) The Engineer will assist the City to obtain all necessary right-of-way and easements on behalf of the City pursuant to federal requirements acceptable to public funding agencies.
- Furnish and submit on behalf of the City the engineering data necessary for applications for routine permits by local, state and federal authorities (as distinguished from detailed applications and supporting documents for government grants-in aid, or for planning advances).
- Provide field surveys to collect information required for the design and complete related office computations and drafting.
- Perform geotechnical investigations such as auger borings, core borings, soil tests, or other subsurface explorations and laboratory testing and inspecting of samples or materials relevant to design.
- Prepare detailed construction plans, specifications and contract documents for the construction authorized by the City.
- Prepare estimates for probable construction cost of the authorized construction.
- Furnish the City with copies of approved contract documents including notices to bidders and proposal forms.
- Assist the City in the advertisement of the project for Bids.

- Attend the bid opening and tabulate the bid proposals, analyze the responsiveness of the bidders and make recommendations for awarding contract(s) for construction to the lowest responsive bidder.
- Prepare and coordinate approval of formal Contract Documents and coordinate issuance of Notice to Proceed from the TWDB.
- Provide field surveys and office computations for construction control staking, including the staking of bench marks and horizontal control references for the contractor to stake out work.
- Consult and advise with the City and Project Manager during construction; issue all instruction to the contractor requested by the City or Project Manager; and prepare and issue routine change orders with the City and Project Manager's approval. Prepare alternate designs or non-routine contract change orders that are necessary due to no fault of the Engineer and upon approval of the City, Project Manager and TWDB.
- Review samples, catalog data, schedules, shop drawings, laboratory, shop and
 mill tests of materials and equipment and other data which the contractor
 submits. The Engineer will review and approve, for conformance with the
 design concept all shop drawings and other submittals as required by the
 Contract Documents to be furnished by contractors.
- Obtain and review monthly and final estimates for payments to contractors, and furnish any recommended payments to contractors or suppliers to the City and the Project Manager; assemble written guarantees which may be required by the Contract Documents.
- Attend monthly meetings with City, Project Manager and TWDB during construction.
- Conduct, in the company of the City and Project Manager, a final inspection
 of the project for compliance with the Contract Documents, and submit
 recommendations concerning project status of City's final payment to the
 contractor. Prior to submission of recommendation for final payment on each
 contract, the Engineer will submit a certificate of substantial completion of
 work done under that contract to the City, Project Manager, TWDB and others
 as required
- Revise the Contract Drawings (unless redrawing is required) from as-built drawings submitted by the contractor, to show the work as constructed. The Engineer will provide the City with one set of reproducible records (as-built) drawings and two sets of prints. Such drawings will be based on the resident project inspector's construction data and the construction records provided by the contractor during the construction.

- Coordinate approval and issuance of Certificate of Completion from the TWDB.
- The Engineer will review the first year's operation of the project and revise
 the operations and maintenance manual for the project as necessary to
 accommodate actual operating expenses. Eleven months after initiation of the
 project operation the Engineer will advise the City in writing whether the
 project meets the project performance standards.
- The Engineer will train operating personnel and prepare curricula and training material for operating personnel.

C. STATEMENT OF QUALIFICATIONS

The Proposer shall provide a description of the history and background of the firm, identification of the services currently being provided to municipalities in Texas and other information relevant to the provision of Engineering services. The following information shall be included in your proposal:

- 1. General information about the firm.
 - A. Name, address and phone number of the firm.
 - B. History of the firm
 - C. List name and titles of officers of the firm who are directly responsible engineering services
- 2. References.

List of three (3) references to those listed in # 1 above.

- 3. Identify personnel to be assigned responsibility for administering the account (provide resume and location for the individual representatives that the firm will assign to the account).
- 4. List the experience of the individuals assigned to the account with the Texas Water Development Board's Drinking Water State Revolving Fund (DWSRF) and Clean Water State Revolving Fund (CWSRF). Please list the work performed, including the dollar amount of the project. Please include the names, addresses, and phone numbers of contact persons.

- 5. Additional services describe any other service or experiences of the firm which you deem beneficial in acting as Engineer to the City.
- 7. Attached a copy of engineering services contract proposed by your firm.

D. RECEIPT OF PROPOSALS

If your firm is interested in being considered as Financial Advisor for the City of Los Fresnos, proposals must be received no later than 4:00 p.m. on October 19, 2022, at the office of the City Manager, 520 E. Ocean Blvd., City of Los Fresnos Texas 78566. Four (4) copies of the proposal must be sealed and clearly marked on the face of the shipping material "ENGINEERING SERVICES" RFP.

Hanson Professional Services Inc. Professional Services Agreement (PSA) LEGL0200-

THIS PROFESSIONAL SERVICES AGREEMENT (PSA) is made this Date day of November, 2022, between City of Los Fresnos, subsequently referred to as "Client," and Hanson Professional Services Inc., subsequently referred to as "Hanson."

By joining in this PSA, Client retains Hanson to provide professional services in connection with the Los Fresnos Stormwater Planning and Drainage Improvements, subsequently referred to as "Project."

By this PSA, the scope of Hanson's services on Project is limited to that described in Attachment A.

The attached LEGL0250 Rev 2 - General Conditions (C-S) are incorporated into and made a part of this PSA.

Client agrees to compensate Hanson for providing the above services in the manner described in Attachment B.

Client and Hanson hereby agree to and accept the terms and conditions stated above, including terms and conditions stated in the attached General Conditions, the receipt of which is acknowledged.

Hanson Professional Services Inc.	City of Los Fresnos
By:	By:
Title:	Title:
Date:	Date:

Attachment A - Scope of Services

LEGL0200-Text Effective Date: Date

Project Description:

Los Fresnos Stormwater Planning and Drainage Improvements

Services:

The Scope of Services to be provided is limited to the following:

Drainage Master Plan

The City of Los Fresnos wants to develop a comprehensive drainage plan to address critical drainage problems within the city limits. The plan will provide a comprehensive evaluation of existing drainage conditions, provide inventory and mapping of existing drainage infrastructure, review applicable local, state and federal regulations related to drainage and recommend changes to local rules, preparation of capital improvements plan that includes budget estimates for proposed improvements and funding mechanism for CIP projects.

Data Collection and Land Use Characterization

1. This task includes the identification of existing data (topography, utilities, existing land use, soil conditions, hydrologic conditions, existing stormwater outfalls and major improvements, etc.) and analyzing these as needed for the hydrologic and hydraulic modeling and master planning. Data will be collected from limited surveying or lidar, available as-built plans, GIS data, and available previous studies and reports. Task also includes identifying historical flooding problems and flood protection opportunities, and interviewing City staff to identify prioritized areas and drainage improvements (existing or proposed) that need further planning and modeling.

Hydrology and Hydraulics

- 2. This task includes identifying the appropriate hydrologic modeling parameters, utilizing the existing condition information, and determining the watersheds and drainage sub-basins. With this data, we will prepare HEC-HMS models for the existing development condition and future use conditions for the priority watersheds and sub-basins.
- 3. This task includes identifying the appropriate hydraulic modeling parameters, utilizing the existing condition information, and determining the capacities of the existing major culverts, channels, and outfalls. After determining existing capacities within the conveyance systems, we will identify necessary improvements for both the existing conditions and future use conditions.

Planning Document Preparation

- 4. This task includes preparation of a report that will describe the results of the analysis and recommendations. This task includes mapping of the drainage basins and existing drainage improvements.
- 5. Develop design criteria manual for future developments and drainage improvements.
- 6. This task includes identifying proposed improvements and probable costs and preparing a preliminary implementation plan. This task includes coordination with the City following the final document preparation and presenting the Drainage Master Plan and summary documents at a City Council meeting.

Environmental Planning

- 1. Assess proposed project for environmental impacts.
- 2. Agency coordination to identify potential environmental issues specific to each agency's area of jurisdiction, if necessary.
- 3. Submit findings to TWDB for determination of type of environmental review.
- 4. Preparation of environmental review documents in compliance with NEPA, if necessary.

Valle Alto Drainage Improvements

The southeast corner of Valle Alto East Phase II Subdivision sustains continuous flooding during large storm events. Valle Alto East Subdivision is one of the largest residential developments in the City containing two hundred thirty-eight single family lots. The detention capacity of the existing detention pond located on Valle Alto East Phase IV Subdivision is suspected to have been decreased due to sedimentation. The overflow of the detention pond then outfalls into an existing ditch running parallel to an irrigation canal in the Cameron County Irrigation District No. 6. A hydraulic and hydrology analysis is recommended to evaluate the detention pond and outfall ditch.

- Make any necessary surveys of existing topography, utilities, or other field data required for the
 preparation of engineering design plans. Hanson shall conduct field surveys to collect
 information required for the design and complete related office computations and drafting. This
 will also include establishing the necessary and appropriate level of horizontal and vertical
 control as needed during different phases of design and construction.
- Conduct a hydraulic analysis delineating the watershed, identify rainfall distribution and storm data, soil conditions, land use assumptions, ditch capacity improvements, and analyze 25 year and 100-year storm events. Develop peak flow values for analyzed storm events. Propose improvements at detention pond and ditch outfall.
- 3. Prepare final detailed construction plans and specifications for the construction authorized by the City.
- 4. Assist the City with bidding phase by establishing dates for public advertisement, draft an Advertisement for Bidders to be used for solicitation of bids, address bidder's questions during solicitation of bids, attend and conduct pre-bid and bid opening meetings, tabulate, analyze and review contractor's bids for completeness and accuracy, and provide City with a bidder's summary table accompanied by Hanson's letter of recommendation for award of construction contract to the lowest responsible bidder.

5. Provide construction management services including preparing and providing construction contract documents for execution by the City and Contractor, attend and conduct a preconstruction meeting, review of submittals, review Contractor's application for payments, conduct a final inspection of the project for compliance with contract documents, and furnish the city with "Record Drawings."

Whipple Road Drainage Improvements

The area located at the northwest corner of the intersection of Whipple Rd. and the railroad tracks sustains continuous flooding during large storm events. Storm water runoff is collected by the roadside ditches along Whipple Rd. which drain west to a swale located approximately 500 linear feet east of Evergreen St. The swale drains southbound to an existing lateral drainage ditch. This ditch will be improved as a detention pond by the new development of Valle Alto East Subdivision Phase V. Future phases of the development propose to eliminate this swale. This project proposes improvements to the roadside ditches along Whipple Rd. from the railroad tracks to the Resaca, culvert road crossings, and proposed storm water system for Valle Alto East Subdivision Phase V.

Construction Management Services

- 1. Assist the City with bidding phase by establishing dates for public advertisement, draft an Advertisement for Bidders to be used for solicitation of bids, address bidder's questions during solicitation of bids, attend and conduct pre-bid and bid opening meetings, tabulate, analyze and review contractor's bids for completeness and accuracy, and provide City with a bidder's summary table accompanied by Hanson's letter of recommendation for award of construction contract to the lowest responsible bidder.
- Provide construction management services including preparing and providing construction contract documents for execution by the City and Contractor, attend and conduct a preconstruction meeting, review of submittals, review Contractor's application for payments, conduct a final inspection of the project for compliance with contract documents, and furnish the city with "Record Drawings."

Resaca Escondida Drainage Improvements

Resaca Escondida is located east of FM 1847, south of the Los Fresnos Nature Park, and north of the Resaca Escondida subdivision. The Resaca is part of a drainage system that includes the high school's detention pond and a smaller Resaca on the west side of FM 1847. The resaca does not have an outlet and depends on evaporation and transpiration for water levels to recede after heavy rain events. An outlet to an existing drainage ditch belonging to the Cameron County Drainage District No. 1 located east of the resaca is proposed. The outlet would be controlled by a manual valve and would gravity flow from the resaca to the ditch.

Construction Management Services

1. Assist the City with bidding phase by establishing dates for public advertisement, draft an Advertisement for Bidders to be used for solicitation of bids, address bidder's questions during solicitation of bids, attend and conduct pre-bid and bid opening meetings, tabulate, analyze and review contractor's bids for completeness and accuracy, and provide City with a bidder's

- summary table accompanied by Hanson's letter of recommendation for award of construction contract to the lowest responsible bidder.
- 2. Provide construction management services including preparing and providing construction contract documents for execution by the City and Contractor, attend and conduct a preconstruction meeting, review of submittals, review Contractor's application for payments, conduct a final inspection of the project for compliance with contract documents, and furnish the city with "Record Drawings."

Project Management

Note: Project management services shall be performed for the duration of design and construction services. An estimated total project duration of 21 months is assumed.

- 1. Perform field checks of the project site during design activities.
- 2. Attend periodic progress and review meetings with Client over the project design and construction duration. Meetings to be held at project site or at Client's offices. Prepare and disseminate minutes of meetings to all attendees.
- Attend coordination meetings with regulatory agencies and/or material vendors.
- 4. Perform routine agency correspondence and coordination.
- 5. Prepare and submit monthly progress reports and invoices detailing project progress, budgetary status, and expended labor/fee.
- 6. Perform quality assurance reviews of deliverables.
- 7. Perform routine project management, and oversight reviews of procedures.
- 8. Provide management and coordination of sub-consultants.

Schedule

The project schedule is anticipated to be as follows:

Notice to Proceed
Environmental Planning
Drainage Master Plan
Engineering Design
Construction Phase

December 2022
January 2023 – October 2023
January 2023 – August 2024
January 2023 – October 2023
October 2023 – August 2024

Attachment B - Charges for Services

LEGL0200-Text Effective Date: Date

Basis of Charges:

Charges for professional services performed by our firm for all services listed in the Scope of Services will be made on the basis of a \$678,704 lump sum. Billings will be issued at least monthly, and will be based on the estimated percentage of the total Scope of Services that has been completed.

Surveying	\$ 100,000
Geotechnical Engineering	\$ 20,000
Environmental	\$ 30,000
Drainage Master Plan	\$ 400,000
Engineering Design	\$ 51,704
Construction Engineering	\$ 27,000
Project Management	\$ 50,000

TOTAL: \$ 678,704

Hanson Professional Services Inc. General Conditions (C-S)

Hanson Agreement: <u>Text</u> Agreement Date: <u>Date</u>

Project Name: Los Fresnos Stormwater Planning and Drainage Improvements

- 1. Invoices: Charges for services will be billed at least as frequently as monthly, and at the completion of the Project. CLIENT shall compensate HANSON for any sales or value added taxes which apply to the services rendered under this agreement or any addendum thereto. CLIENT shall reimburse HANSON for the amount of such taxes in addition to the compensation due for services. Payment of invoices shall not be subject to any discounts or setoffs by the CLIENT unless agreed to in writing by HANSON. Invoices are delinquent if payment has not been received within 30 days from date of invoice. There will be an additional charge of 1 1/2 percent per month compounded on amounts outstanding more than 30 days. All time spent and expenses incurred (including attorney's fees) in connection with collection of any delinquent amount will be paid by CLIENT to HANSON per HANSON's current fee schedules.
- 2. Termination: This Agreement may be terminated by either party upon written notice. Any termination shall only be for good cause such as legal, unavailability of adequate financing or major changes in the scope of services. In the event of any termination, HANSON will be paid for all services and expenses rendered to the date of termination on a basis of payroll cost times a multiplier of 3.0 (if not previously provided for) plus reimbursable expenses, plus reasonable termination expenses, including the cost of completing analyses, records, and reports necessary to document job status at the time of termination.
- 3. Reuse of Documents: All documents including reports, drawings, specifications, and electronic media furnished by HANSON pursuant to this Agreement are instruments of its services. They are not intended or represented to be suitable for reuse by CLIENT or others on extensions of this project, or on any other project. Any reuse without specific written verification or adaptation by HANSON will be

- at CLIENT's sole risk, and without liability to HANSON, and CLIENT shall indemnify and hold harmless HANSON from all claims, damages, losses and expenses including court costs and attorney's fees arising out of or resulting there from. Any such verification or adaptation will entitle HANSON to further compensation at rates to be agreed upon by CLIENT and HANSON.
- 4. Standard of Care: Services performed by HANSON under this Agreement will be conducted in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under circumstances at the same time and in the same or similar locality. No other representation expressed or implied, and no warranty or guarantee is included or intended in this Agreement, or in any report, opinion, document or otherwise. Nothing in this Agreement is intended to create, nor shall it be construed to create, a fiduciary duty owed by either party to the other party. HANSON is not acting as a municipal advisor to CLIENT as defined by the Securities and Exchange Commission.
- 5. Resilient Design: CLIENT agrees that estimating and projecting future weather, climate, rainfall, flood, tidal, ocean and on-shore conditions and their impacts upon existing or contemplated developments, infrastructure or resources is difficult, complex and based on variable assumptions that are impacted by factors beyond HANSON's ability to predict or control.

Accordingly, any estimates, forecasts, studies, reviews, conclusions, recommendations, or assessments provided as part of HANSON's services are presented solely on the basis of data currently available and current design standards and may no longer be valid if the available data or design standards materially change.

CLIENT further agrees and understands that weather, climate, rainfall, flood, tidal, ocean and onshore conditions are predicted based on probability, and extreme events can and will occur and may cause damage regardless of mitigation measures.

HANSON and CLIENT have discussed the risks and benefits of resilient design alternatives. If CLIENT decides to proceed with a course of action against advice of HANSON where HANSON's advice is intended to reduce the risk or damage in the event of highly likely or certain natural or manmade events, CLIENT hereby agrees to release, hold harmless, defend, and indemnify HANSON from any and all claims, damages, losses, or costs associated with or arising out of CLIENT's decision to proceed against HANSON's advice.

- 6. General Liability Insurance and Limitation: HANSON is covered by general liability insurance for bodily injury and property damage arising directly from its negligent acts or omissions, with limits which HANSON considers reasonable. Certificates of insurance shall be provided to CLIENT upon request in writing. HANSON shall not be responsible for any loss, damage or liability beyond the amounts, limits and conditions of such insurance. HANSON shall not be responsible for any loss, damage or liability arising from any act or omission by CLIENT, its agents, staff, other consultants, independent contractors, third parties or others working on the Project over which HANSON has no supervision or control.
- 7. Suspension of Services: If CLIENT fails to make payments when due or otherwise is in breach of this Agreement, HANSON may suspend performance of services upon five (5) calendar days' notice to CLIENT. HANSON shall have no liability whatsoever to CLIENT, and CLIENT agrees to make no claim for any delay or damage as a result of such suspension.
- 8. Delays: The CLIENT agrees that HANSON is not responsible for damages arising directly or indirectly from any delays for causes beyond HANSON's control. For purposes of this Agreement, such causes include, but are not limited to, strikes or other labor disputes; severe weather disruptions or other natural disasters or acts of God; fires, riots, epidemics, pandemics, war or other emergencies; failure of any government agency to act in a timely manner; failure of performance by the CLIENT or the CLIENT's

contractors or consultants; or discovery of any hazardous substances or differing site conditions.

In addition, if the delays resulting from any such causes increase the cost or time required by HANSON to perform its services in an orderly and efficient manner, HANSON shall be entitled to negotiate a reasonable adjustment in schedule and compensation, or, if encountering severe disruptions or emergencies, shall be entitled to terminate services.

- 9. Consequential Damages: Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither CLIENT nor HANSON, respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for incidental, indirect, or consequential damages arising out of or connected in any way to this Project or this Agreement. This mutual waiver of consequential damages shall include, but not be limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation and any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict and implied warranty. Both CLIENT and HANSON shall require similar waivers of consequential damages protecting all the entities or persons named herein in all contracts and subcontracts with others involved in the Project.
- 10. Contingency Fund: The CLIENT and HANSON acknowledge that changes may be required during construction because of possible omissions, ambiguities or inconsistencies in the plans and specifications and, therefore, that the costs of the project may exceed the construction contract sum. The CLIENT agrees to set aside a reserve in the amount of Five Percent (5%) of the actual project construction costs as a contingency reserve to be used, as required, to pay for any such increased project costs. The CLIENT further agrees to make no claim by way of direct or third-party action against HANSON or sub-contractors and subconsultants with respect to any payments within the limit of the contingency reserve made to the construction contractors because of such changes or because of any claims made by the construction contractors relating to such changes.

- 11. Additional Limitation: In recognition of the relative risks and benefits of the Project to both the CLIENT and HANSON, the risks have been allocated such that the CLIENT agrees that for the compensation herein provided (or if a Master Professional Services Agreement (MPSA) is used, the compensation provided in a Task Order), HANSON cannot expose itself to damages disproportionate to the nature and scope of HANSON's services or the compensation payable to it hereunder or under an MPSA Task Order. Therefore, the CLIENT agrees to limit its remedies HANSON arising from HANSON's professional acts, errors or omissions, in any action based on strict liability, breach of contract, negligence or any other cause of action, such that the total aggregate amount of the CLIENT's damages shall not exceed \$50,000 or HANSON's total net fee for services rendered on the Project (or if an MPSA is used, the total net fee under an individual Task Order), whichever is greater. This limitation pertains to HANSON and to its subcontractors and subconsultants, and applies as a single aggregate amount to all work performed under the Agreement, including all work performed under an amendment or modification. If CLIENT desires a limit greater than that provided above, CLIENT and HANSON shall include in this Agreement the amount of such limit and the additional compensation to be paid to HANSON for assumption of such additional risk. CLIENT must notify HANSON in writing, before HANSON commences any services, of CLIENT's intention to negotiate a greater limitation of remedies against HANSON and its associated impact on services, schedules, and compensation. Absent CLIENT's written notification to the contrary, HANSON will proceed on the basis that the total remedies against HANSON is limited as set forth above.
- 12. Personal Liability: It is intended by the parties to this Agreement that HANSON's services in connection with the Project shall not subject HANSON's individual employees, officers or directors to any personal legal exposure for the risks associated with this Project. Therefore, and notwithstanding anything to the contrary contained herein, the CLIENT agrees that as the CLIENT's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against HANSON, a Delaware corporation, and not against any of HANSON's individual employees, officers or directors.

- 13. Assignment: Neither party to this Agreement shall transfer, sublet, or assign any rights or duties under or interest in this Agreement, including but not limited to monies that are due or monies that may become due, without the written consent of the other party. Subcontracting to subconsultants, normally contemplated by HANSON as generally accepted business practice, shall not be considered an assignment for purposes of this Agreement.
- 14. Statutes of Repose and Limitation: All legal causes of action between the parties to this Agreement shall accrue and any applicable statutes of repose or limitation shall begin to run not later than the date of Substantial Completion for projects including construction documents or construction phase services, or the date of the completion of professional services if there is no associated construction. If the act or failure to act complained of occurs after the date of Substantial Completion, then the date of final completion shall be used, but in no event shall any statute of repose or limitation begin to run any later than the date HANSON's services are completed or terminated.
- **15. Dispute Resolution**: In an effort to resolve any conflicts that arise during the design and construction of this Project or following completion of this Project, the CLIENT and HANSON agree that all disputes between them arising out of or relating to this Agreement or this Project shall first be submitted to nonbinding mediation.
- 16. Information Provided by Others: CLIENT shall furnish, at CLIENT's expense, all information, requirements, reports, data, surveys and instructions required by this Agreement. HANSON may use such information, requirements, reports, data, surveys and instructions in performing its services and is entitled to rely upon the accuracy and completeness thereof. HANSON shall not be held responsible for any errors or omissions that may arise as a result of erroneous or incomplete information provided for HANSON's use by CLIENT and/or CLIENT's consultants and contractors.
- 17. Authority and Responsibility: HANSON shall not guarantee the work of any Contractor or Subcontractor, shall have no authority to stop work, shall have no supervision or control as to the work or persons doing the work, shall not have charge of the work, and shall not be responsible for safety in, on, or

about the job site or have any control of the safety or adequacy of any equipment, building component, scaffolding, supports, forms or other work aids.

- 18. Right of Entry: CLIENT shall provide for HANSON's right to enter property owned by CLIENT and/or others in order for HANSON to fulfill the scope of services for this Project. CLIENT understands that use of exploration equipment may unavoidably cause some damage, the correction of which is not the responsibility of HANSON.
- 19. Utilities: CLIENT shall be responsible for designating the location of all utility lines and subterranean structures within the property line of the Project. CLIENT agrees to waive any claim against HANSON, and to defend, indemnify and hold harmless from any claim or liability for injury or loss arising from HANSON or other persons encountering utilities or other man-made objects that were not called to HANSON's attention or which were not properly located on plans furnished to HANSON. CLIENT further agrees to compensate HANSON for any time or expenses incurred by HANSON in defense of any such claim, in accordance with HANSON's prevailing fee schedule and expense reimbursement policy.
- 20. Job Site: Services performed by HANSON during construction will be limited to providing assistance in quality control and to deal with questions by the CLIENT's representative concerning conformance with drawings and specifications. This activity is not to be interpreted as an inspection service, a construction supervision service, or guaranteeing the Contractor's performance. HANSON will not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs. HANSON will not be responsible for the Contractor's obligation to carry out the work in accordance with the Contract Documents. HANSON will not be considered an agent of the owner and will not have authority to direct the Contractor's work or to stop work.
- 21. Opinions of Cost: Since HANSON has no control over the cost of labor, materials or equipment or over a Contractor's method of determining prices, or over competitive bidding or market conditions, its opinions of probable Project cost or construction cost for this Project will be based solely upon its own experience with construction, but HANSON cannot and does not

- guarantee that proposals, bids or the construction cost will not vary from its opinions of probable costs. If the CLIENT wishes greater assurance as to the construction cost, the CLIENT shall employ an independent cost estimator.
- 22. Shop Drawing Review: CLIENT agrees that HANSON's review of shop drawings, when such review is included in the scope of services, shall be solely for their conformance with HANSON's design intent and conformance with information given in the construction documents. HANSON shall not be responsible for any aspects of a shop drawing submission that affect or are affected by the means, methods, techniques, sequences and operations of construction, safety precautions and programs incidental thereto, all of which are the Contractor's responsibility. The Contractor will be responsible for lengths, dimensions, elevations, quantities and coordination of the work with other trades. CLIENT warrants that the Contractor shall be made aware of its responsibilities to review shop drawings and approve them in these respects before submitting them to HANSON.
- 23. Record Drawings: CLIENT agrees that HANSON's preparation of record drawings, when such preparation is included in the scope of services and such preparation is based on information furnished by the Contractor and/or other third parties, will be made under the assumption that all furnished information is reliable and that HANSON cannot and does not warrant the accuracy of the furnished information. In the event that the scope of services additionally provides for HANSON to conduct surveys, investigations, and field measurements to collect or verify the information needed for the record drawings, HANSON will conduct such services with the Standard of Care as set forth in these General Conditions.
- **24.** Confidentiality: Each party shall retain as confidential, all information and data furnished to it by the other party which are designated in writing by such other party as confidential at the time of transmission, and are obtained or acquired by the receiving party in connection with this Agreement, and said party shall not disclose such information to any third party.
- 25. Third-Party Beneficiaries: Nothing contained in this Agreement shall create a contractual relationship

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with or a cause of action in favor of a third party against either CLIENT or HANSON. HANSON's services under this Agreement are being performed solely for the CLIENT's benefit, and no other party or entity shall have any claim against HANSON because of this Agreement or the performance or nonperformance of services hereunder. CLIENT and HANSON agree to require a similar provision in all contracts with contractors, subcontractors, subconsultants, vendors, and other entities involved in this Project to carry out the intent of this provision.

- **26. Severability**: If any term or provision of this Agreement is held to be invalid or unenforceable under any applicable statute or rule of law, such holding shall be applied only to the provision so held, and the remainder of this Agreement shall remain in full force and effect.
- **27. Survival**: Notwithstanding completion or termination of the Agreement for any reason, all rights, duties, obligations of the parties to this Agreement shall survive such completion or termination and remain in full force and effect until fulfilled.
- 28. Entire Agreement: This Agreement is the entire Agreement between the CLIENT and HANSON. It supersedes all prior communications, understandings and agreements, whether written or oral. Both parties have participated fully in the preparation and revision of this Agreement, and each party and its counsel have reviewed the final document. Any rule of contract construction regarding ambiguities being construed against the drafting party shall not apply in the interpreting of this Agreement, including any Section Headings or Captions. Amendments to this Agreement must be in writing and signed by both CLIENT and HANSON.
- **29. Modification to the Agreement:** CLIENT or HANSON may, from time to time, request modifications or changes in the scope of services to be performed hereunder. Such changes, including any increase or decrease in the amount of HANSON's compensation, to which CLIENT and HANSON mutually agree shall be incorporated in this Agreement by a written amendment to the Agreement.
- **30. Governing Law:** This Agreement shall be governed by and interpreted pursuant to the laws of the State of Illinois.

31. Construction Phase Services without Design: If HANSON is undertaking a nontraditional service on CLIENT's behalf to provide Construction Contract Administration Services but not the design of the Project, CLIENT acknowledges that this arrangement, while suitable for the Project, creates additional risk for HANSON.

In consideration of the risks and rewards involved in this Project, CLIENT agrees, to the maximum extent permitted by law, to indemnify and hold harmless HANSON from any damages, liabilities or costs, including reasonable attorneys' fees and defense costs, arising or allegedly arising from any negligent acts, errors or omissions by any other consultant employed by CLIENT on this Project and from any claims of copyright or patent infringement by HANSON arising from the use or reuse of any documents prepared or provided by CLIENT or any other consultants of CLIENT. CLIENT warrants that any documents provided to HANSON by CLIENT or by any other consultants may be relied upon as to accuracy and completeness without independent investigation by HANSON and that CLIENT has the right to provide such documents to HANSON free of any claims of copyright or patent infringement or violation of any other party's rights in intellectual property.

1.F.7

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Ordinances
Prepared By: Jacqueline Moya
Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4667 B

ACTION ITEM (ID # 4667)

Consideration and ACTION to approve the first and second reading of an ordinance authorizing the issuance of "City of Los Fresnos, Texas combination tax and subordinate lien revenue certificates of obligation, series 2022 (Clean Water State Revolving Fund)"; providing for the payment of said certificates by the levy of an ad valorem tax upon all taxable property within the city and further securing said certificates by a subordinate and inferior lien on and pledge of the net revenues of the system on a parity with certain currently outstanding subordinate lien obligations; and providing an effective date.

This is the loan part of the funding from the TWDB for the drainage projects we are doing for \$860,000 at zero percent interest requiring a loan payment of \$45,000 per year. These projects include Whipple Road Drainage, Valle Alto Drainage, Resaca Escondida Drainage and a drainage study for the city.

I recommend approval.

FINAL

ORDINANCE

AN ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF LOS FRESNOS, TEXAS COMBINATION TAX AND SUBORDINATE LIEN REVENUE CERTIFICATES OF OBLIGATION, SERIES 2022 (CLEAN WATER STATE REVOLVING FUND)"; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND FURTHER SECURING SAID CERTIFICATES BY A SUBORDINATE AND INFERIOR LIEN ON AND PLEDGE OF THE NET REVENUES OF THE SYSTEM ON A PARITY WITH CERTAIN CURRENTLY **OUTSTANDING SUBORDINATE LIEN OBLIGATIONS; PROVIDING** THE TERMS AND CONDITIONS OF SAID CERTIFICATES AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SAID CERTIFICATES, INCLUDING THE APPROVAL OF AN APPLICATION TO THE TEXAS WATER DEVELOPMENT BOARD AND A PRIVATE PLACEMENT MEMORANDUM PERTAINING TO THE CERTIFICATES; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT; COMPLYING WITH THE REQUIREMENTS OF THE LETTER OF REPRESENTATIONS WITH THE DEPOSITORY TRUST COMPANY; COMPLYING WITH THE REGULATIONS PROMULGATED BY THE TEXAS WATER DEVELOPMENT BOARD; AND PROVIDING AN EFFECTIVE DATE

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ORDINANCE

AN ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF LOS FRESNOS, TEXAS COMBINATION TAX AND SUBORDINATE LIEN REVENUE CERTIFICATES OF OBLIGATION, SERIES 2022 (CLEAN WATER STATE REVOLVING FUND)"; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND FURTHER SECURING SAID CERTIFICATES BY A SUBORDINATE AND INFERIOR LIEN ON AND PLEDGE OF THE NET REVENUES OF THE SYSTEM ON A PARITY WITH CERTAIN CURRENTLY OUTSTANDING SUBORDINATE LIEN OBLIGATIONS; PROVIDING THE TERMS AND CONDITIONS OF SAID CERTIFICATES AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SAID CERTIFICATES, INCLUDING THE APPROVAL OF AN APPLICATION TO THE TEXAS WATER DEVELOPMENT BOARD AND A PRIVATE PLACEMENT MEMORANDUM PERTAINING TO THE CERTIFICATES; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT; COMPLYING WITH THE REQUIREMENTS OF THE LETTER OF REPRESENTATIONS WITH THE DEPOSITORY TRUST COMPANY; COMPLYING WITH THE REGULATIONS PROMULGATED BY THE TEXAS WATER DEVELOPMENT BOARD; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council (the *City Council*) of the City of Los Fresnos, Texas (the *City* or the *Issuer*) has caused notice to be given of its intention to issue certificates of obligation in the maximum principal amount of \$860,000 for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, acquiring, constructing, improving, and renovating flood control and storm drainage facilities within the City, including any related street improvements (including utilities repair, replacement and relocation), curbs, gutters, and sidewalk improvements; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (3) the payment of professional services related to the design, construction, project management, and financing of the aforementioned projects. This notice has been duly posted on the City's website, if available, and published in a newspaper hereby found and determined to be of general circulation in the City, once a week for two (2) consecutive weeks, the date of the first (1st) publication of such notice being before the forty-fifth (45th) day before the tentative date stated therein for the passage of the ordinance authorizing the issuance of such certificates of obligation; and

WHEREAS, in accordance with the provisions of Section 271.049, as amended, Texas Local Government Code, the City confirms that notice of the City's intention to issue certificates of obligation was approved by resolution at a public meeting and stated (1) the then-current principal of all outstanding debt of the City; (2) the then-current combined principal and interest required to pay all outstanding debt obligations of the City on time and in full, based on the City's

expectations relative to the interest due on any variable rate debt obligations, as applicable (3) the maximum principal amount of the certificates of obligation to be authorized; (4) the estimated combined principal and interest required to pay the certificates of obligation in full; (5) the estimated interest rate for the certificates of obligation or that the maximum interest rate for the certificates of obligation may not exceed the maximum legal interest rate; and (6) the maximum maturity date of the certificates of obligation; and

WHEREAS, no petition protesting the issuance of the certificates of obligation described in this notice, signed by at least five percent (5%) of the qualified electors of the City, has been presented to or filed with the City Secretary prior to the date tentatively set in such notice for the passage of this ordinance; and

WHEREAS, the certificates of obligation herein authorized for issuance are to be delivered to the Texas Water Development Board (the *TWDB* or the *Purchasers*) in evidence of a loan commitment received in the aggregate amount of such certificates of obligation; and

WHEREAS, the City Council hereby finds and determines that certificates of obligation in the principal amount of \$860,000 described in such notice should be issued and sold at this time; and

WHEREAS, the City Council hereby finds and determines that this action and the adoption of this Ordinance are in the best interest of the residents of the City; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOS FRESNOS, TEXAS THAT:

SECTION 1. <u>Authorization - Designation - Principal Amount - Purpose</u>. The certificates of obligation of the City shall be and are hereby authorized to be issued in the aggregate principal amount of EIGHT HUNDRED SIXTY THOUSAND AND NO/100 DOLLARS (\$860,000), to be designated and bear the title of "CITY OF LOS FRESNOS, TEXAS COMBINATION TAX AND SUBORDINATE LIEN REVENUE CERTIFICATES OF OBLIGATION, SERIES 2022 (CLEAN WATER STATE REVOLVING FUND)" (the Certificates), for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, acquiring, constructing, improving, and renovating flood control and storm drainage facilities within the City, including any related street improvements (including utilities repair, replacement and relocation), curbs, gutters, and sidewalk improvements; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (3) the payment of professional services related to the design, construction, project management, and financing of the aforementioned projects (collectively, the *Project*), pursuant to the authority conferred by and in conformity with the laws of the State of Texas, particularly Chapter 1502, as amended, Texas Government Code, the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code Section 271.041 through 271.064, this ordinance (the Ordinance) adopted by the City Council on November 8, 2022, and the City's Home Rule Charter.

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SECTION 2. Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Certificate Date. The Certificates are issuable in fully registered form only; shall be dated December 1, 2022 (the Certificate Date) and shall be issued in denominations of \$1,000 or any integral multiple thereof (within a Stated Maturity), and shall be lettered "R" and numbered consecutively from One (1) upward. The Certificates shall become due and payable on February 1 in each of the years and in principal amounts (the Stated Maturities) and bear interest on the unpaid principal amounts as provided in Section 3, to the earlier of redemption or Stated Maturity, while Outstanding, or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, at the per annum rates, while Outstanding, in accordance with the following schedule:

Years of	Principal	Interest
Stated Maturity	Amounts (\$)	<u>Rates (%)</u>
2023	45,000	0.00
2024	45,000	0.00
2025	45,000	0.00
2026	45,000	0.00
2027	45,000	0.00
2028	45,000	0.00
2029	45,000	0.00
2030	45,000	0.00
2031	45,000	0.00
2032	45,000	0.00
2033	45,000	0.00
2034	40,000	0.00
2035	40,000	0.00
2036	40,000	0.00
2037	40,000	0.00
2038	40,000	0.00
2039	40,000	0.00
2040	40,000	0.00
2041	40,000	0.00
2042	45,000	0.00

The Certificates shall bear interest on the unpaid principal amounts from the Closing Date (anticipated to occur on or about December 7, 2022), or from the most recent Interest Payment Date to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, while Outstanding, at the rates per annum shown in the above schedule (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Certificates shall be payable on February 1 and August 1 in each year (each, an *Interest Payment Date*), commencing February 1, 2023; provided, however, that the Certificates shall bear interest at a rate of 0% and therefor no interest will be due and payable on any Interest Payment Date.

SECTION 3. <u>Payment of Certificates - Paying Agent/Registrar</u>. The principal of, premium, if any, and interest on the Certificates, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable to the Holder (hereinafter defined) appearing on the Security Register (hereinafter defined) maintained by the Paying Agent/Registrar (hereinafter

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defined), in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and such payment of principal of and interest on the Certificates shall be without exchange or collection charges to the Holder (as hereinafter defined) of the Certificates. Interest on each Certificate issued and delivered to a Holder shall accrue from the latest Interest Payment Date that interest on such Certificate (or its Predecessor Certificate) has been paid that precedes the registration date appearing on such Certificate in the "Registration Certificate of Paying Agent/Registrar" (Section 8D hereof), unless the registration date appearing thereon is an Interest Payment Date for which interest is being paid, in which case interest on such Certificate shall accrue from the registration date appearing thereon and provided further that with respect to the initial payment of interest on a Certificate, such interest shall accrue from the date of initial delivery of the Certificates (or its Predecessor Certificate) to the Purchasers (hereinafter defined).

The selection and appointment of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the *Paying Agent/Registrar*), to serve as the initial Paying Agent/Registrar for the Certificates is hereby approved and confirmed, and the City agrees and covenants to cause to be kept and maintained at the corporate trust office of the Paying Agent/Registrar books and records (the *Security Register*) for the registration, payment and transfer of the Certificates, all as provided herein, in accordance with the terms and provisions of a Paying Agent/Registrar Agreement, attached hereto in substantially final form as Exhibit A, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The City covenants to maintain and provide a Paying Agent/Registrar at all times while the Certificates are Outstanding, and any successor Paying Agent/Registrar shall be: (i) a national or state banking institution; or (ii) an association or a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and shall be authorized by law to serve as a Paying Agent/Registrar.

The City reserves the right to appoint a successor Paying Agent/Registrar upon providing the previous Paying Agent/Registrar with a certified copy of a resolution or ordinance terminating such agency. Additionally, the City agrees to promptly cause a written notice of this substitution to be sent to each Holder of the Certificates by United States mail, first-class postage prepaid, which notice shall also give the address of the corporate office of the successor Paying Agent/Registrar.

Principal of, premium, if any, and interest on the Certificates, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable only to the registered owner of the Certificates appearing on the Security Register (the *Holder* or *Holders*) maintained on behalf of the City by the Paying Agent/Registrar as hereinafter provided (i) on the Record Date (hereinafter defined) for purposes of payment of interest thereon, (ii) on the date of surrender of the Certificates for purposes of receiving payment of principal thereof upon redemption of the Certificates or at the Certificates' Stated Maturity, and (iii) on any other date for any other purpose. The City and the Paying Agent/Registrar, and any agent of either, shall treat the Holder as the owner of a Certificate for purposes of receiving payment and all other purposes whatsoever, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

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Principal of and premium, if any, on the Certificates shall be payable only upon presentation and surrender of the Certificates to the Paying Agent/Registrar at its corporate trust office. Interest on the Certificates shall be paid to the Holder whose name appears in the Security Register at the close of business on the fifteenth day of the month next preceding an Interest Payment Date for the Certificates (the *Record Date*) and shall be paid: (i) by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Holder appearing in the Security Register; or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Holder at the Holder's risk and expense. While the Certificates are held by the Purchasers (as defined in Section 26 hereof), payment of principal of, premium, if any, and interest on the Certificates shall be made by federal funds wire transfer, at no cost to the Purchasers, to an account at a financial institution located in the United States designated by the Purchasers.

If the date for the payment of the principal of, premium, if any, or interest on the Certificates shall be a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city where the corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a day. The payment on such date shall have the same force and effect as if made on the original date any such payment on the Certificates was due.

In the event of a non-payment of interest on a scheduled 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 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 Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4. Redemption.

- A. Optional Redemption. The Certificates having Stated Maturities on and after February 1, 2034, shall be subject to redemption prior to Stated Maturity, at the option of the City, in whole or in part, in principal amounts of \$1,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar), on February 1, 2033, or on any date thereafter at the redemption price of par plus accrued interest to the date of redemption.
- B. <u>Exercise of Redemption Option</u>. At least forty-five (45) days prior to a date set for the redemption of the Certificates (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of its decision to exercise the right to redeem the Certificates, the principal amount of each Stated Maturity to be redeemed, and the date set for the redemption thereof. The decision of the City to exercise the right to redeem the Certificates shall be entered in the minutes of the governing body of the City.

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- C. <u>Selection of Certificates for Redemption</u>. If less than all Outstanding Certificates of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall select at random and by lot the Certificates to be redeemed, provided that if less than the entire principal amount of a Certificate is to be redeemed, the Paying Agent/Registrar shall treat such Certificate then subject to redemption as representing the number of Certificates Outstanding which is obtained by dividing the principal amount of such Certificate by \$1,000.
- D. <u>Notice of Redemption</u>. Not less than thirty (30) days prior to a redemption date for the Certificates, a notice of redemption shall be sent by United States mail, first-class postage prepaid, in the name of the City and at the City's expense, by the Paying Agent/Registrar to each Holder of a Certificate to be redeemed, in whole or in part, at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder. This notice may also be published once in a financial publication, journal, or reporter of general circulation among securities dealers in the City of New York, New York (including, but not limited to, *The Bond Buyer* and *The Wall Street Journal*), or in the State of Texas (including, but not limited to, *The Texas Bond Reporter*).

All notices of redemption shall (i) specify the date of redemption for the Certificates, (ii) identify the Certificates to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Certificates, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Certificates, or the principal amount thereof to be redeemed, shall be made at the corporate trust office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder.

If a Certificate is subject by its terms to redemption and has been called for redemption and notice of redemption thereof has been duly given or waived as herein provided, such Certificate (or the principal amount thereof to be redeemed) so called for redemption shall become due and payable, and if money sufficient for the payment of such Certificates (or of the principal amount thereof to be redeemed) at the then applicable redemption price is held for the purpose of such payment by the Paying Agent/Registrar, then on the redemption date designated in such notice, interest on the Certificates (or the principal amount thereof to be redeemed) called for redemption shall cease to accrue and such Certificates shall not be deemed to be Outstanding in accordance with the provisions of this Ordinance.

E. <u>Transfer/Exchange of Certificates</u>. Neither the City nor the Paying Agent/Registrar shall be required (1) to transfer or exchange any Certificate during a period beginning forty-five (45) days prior to the date fixed for redemption of the Certificates or (2) to transfer or exchange any Certificate selected for redemption, provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance of a Certificate which is subject to redemption in part.

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SECTION 5. Execution - Registration. The Certificates shall be executed on behalf of the City by its Mayor or Mayor Pro Tem under its seal reproduced or impressed thereon and attested by its City Secretary. The signature of either of said officers on the Certificates may be manual or facsimile. Certificates bearing the manual or facsimile signatures of individuals who were, at the time of the Certificate Date, the proper officers of the City shall bind the City, notwithstanding that such individuals or either of them shall cease to hold such offices prior to the delivery of the Certificates to the Purchasers, all as authorized and provided in Chapter 1201, as amended, Texas Government Code.

No Certificate shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Certificate either a certificate of registration substantially in the form provided in Section 8C herein, executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent by manual signature, or a certificate of registration substantially in the form provided in Section 8D herein, executed by the Paying Agent/Registrar by manual signature, and either such certificate upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly certified or registered and delivered.

SECTION 6. Registration - Transfer - Exchange of Certificates - Predecessor Certificates. The Security Register relating to the registration, payment, transfer, or exchange of the Certificates shall at all times be kept and maintained by the Issuer at the corporate trust office of the Paying Agent/Registrar, and the Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of every owner of the Certificates or, if appropriate, the nominee thereof. Any Certificate may, in accordance with its terms and the terms hereof, be transferred or exchanged for Certificates of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Certificate to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for transfer of any Certificate at the corporate trust office of the Paying Agent/Registrar, the City shall execute and the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Certificates executed on behalf of, and furnished by, the City, of authorized denominations and having the same Stated Maturity and of a like interest rate and aggregate principal amount as the Certificate or Certificates surrendered for transfer.

At the option of the Holder, Certificates may be exchanged for other Certificates of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Certificates surrendered for exchange upon surrender of the Certificates to be exchanged at the corporate trust office of the Paying Agent/Registrar. Whenever any Certificates are so surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Certificates, executed on behalf of, and furnished by, the City, to the Certificates to the Holder requesting the exchange.

All Certificates issued upon any transfer or exchange of Certificates shall be delivered at the corporate trust office of the Paying Agent/Registrar, or be sent by United States registered mail

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to the Holder at his request, risk, and expense, and upon the delivery thereof, the same shall be the valid and binding obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Certificates surrendered upon such transfer or exchange.

All transfers or exchanges of Certificates pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any fee, tax or other governmental charges required to be paid with respect to such transfer or exchange.

Certificates canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be Predecessor Certificates, evidencing all or a portion, as the case may be, of the same debt evidenced by the new Certificate or Certificates registered and delivered in the exchange or transfer therefor. Additionally, the term Predecessor Certificates shall include any Certificate registered and delivered pursuant to Section 25 in lieu of a mutilated, lost, destroyed, or stolen Certificate which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Certificate.

SECTION 7. Initial Certificate. The Certificates herein authorized shall be issued initially either: (i) as a single fully registered Certificate in the total principal amount of \$860,000 with principal installments to become due and payable as provided in Section 2 and numbered T-1; or (ii) as one (1) fully registered Certificate for each year of Stated Maturity in the applicable principal amount, interest rate, and denomination and to be numbered consecutively from T-1 and upward (the *Initial Certificate*) and, in either case, the Initial Certificate shall be registered in the name of the Purchasers or the designee thereof. The Initial Certificate shall be the Certificates submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas, and delivered to the Purchasers. Any time after the delivery of the Initial Certificate to the Purchasers, the Paying Agent/Registrar, upon written instructions from the Purchasers, or the designee thereof, shall cancel the Initial Certificate delivered hereunder and exchange therefor definitive Certificates of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates, and shall be lettered "R" and numbered consecutively from One (1) upward, for transfer and delivery to the Holders named and at the addresses identified therefor, all pursuant to and in accordance with and pursuant to such written instructions from the Purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 8. Forms.

A. <u>Forms Generally.</u> The Certificates, the Registration Certificate of Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Certificates shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and 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

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legends and endorsements (including insurance legends and any reproduction of an opinion of Bond Counsel (hereinafter referenced)) thereon as may, consistent herewith, be established by the City or determined by the officers executing the Certificates as evidenced by their execution thereof. Any portion of the text of any Certificate may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Certificate.

The definitive Certificates shall be typewritten, printed, lithographed, or engraved, produced by any combination of these methods, or produced in any other similar manner, all as determined by the officers executing the Certificates as evidenced by their execution thereof, but the Initial Certificate submitted to the Attorney General of the State of Texas may be typewritten or photocopied or otherwise reproduced.

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B. Form of Definitive Certificate.

	REGISTERED
REGISTERED	PRINCIPAL AMOUNT
NO	\$

United States of America
State of Texas
County of Cameron
CITY OF LOS FRESNOS, TEXAS
COMBINATION TAX AND SUBORDINATE LIEN REVENUE
CERTIFICATE OF OBLIGATION, SERIES 2022
(CLEAN WATER STATE REVOLVING FUND)

Certificate Date:	Interest Rate:	Stated Maturity:	CUSIP No.
December 1, 2022			
REGISTERED OWNER:			
PRINCIPAL AMOUNT:			

The City of Los Fresnos, Texas (the City), a body corporate and municipal corporation in the County of Cameron, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner specified above (the Holder) or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount specified above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the Closing Date (anticipated to occur on or about December 7, 2022), or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for until such Principal Amount has become due and payment thereof has been made or duly provided for, while Outstanding, to the earlier of redemption or Stated Maturity, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 1 and August 1 in each year (each, an Interest Payment Date), commencing February 1, 2023; provided, however, that the Certificates shall bear interest at a rate of 0% and therefor no interest will be due and payable on any Interest Payment Date.

Principal and premium, if any, of this Certificate shall be payable, at its Stated Maturity or prior redemption, to the Holder hereof upon presentation and surrender at the corporate trust office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or a successor thereof. Interest shall be payable to the Holder of this Certificate (or one or more Predecessor Certificates, as defined in the Ordinance hereinafter referenced) whose name appears in the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the fifteenth (15th) day of the month next preceding each Interest Payment Date. All payments of principal of, premium, if any, and interest on this Certificate shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage

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prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder hereof. While the Certificates are held by the Purchasers, payment of principal of, premium, if any, and interest on the Certificates shall be made by federal funds wire transfer, at no cost to the Purchasers, to an account at a financial institution located in the United States designated by the Purchasers.

This Certificate is one of the series specified in its title issued in the aggregate principal amount of \$860,000 (the *Certificates*) pursuant to an Ordinance adopted by the governing body of the City (the *Ordinance*), for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, acquiring, constructing, improving, and renovating flood control and storm drainage facilities within the City, including any related street improvements (including utilities repair, replacement and relocation), curbs, gutters, and sidewalk improvements; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (3) the payment of professional services related to the design, construction, project management, and financing of the aforementioned projects, under and in strict conformity with the laws of the State of Texas, particularly Chapter 1502, as amended, Texas Government Code, the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through 271.064, the Home Rule Charter of the Issuer, and the Ordinance.

The Certificates stated to mature on and after February 1, 2034 may be redeemed prior to their Stated Maturities, at the option of the Issuer, on February 1, 2033, or on any date thereafter, in whole or in part, in principal amounts of \$1,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar) at the redemption price of par plus accrued interest to the date of redemption; provided, however, that at least thirty (30) days' prior written notice shall be sent to the registered owners of the Certificates to be redeemed by United States mail, first-class postage prepaid, and subject to the terms and provisions relating thereto contained in the Ordinance. If this Certificate (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Certificate (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor, provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

If this Certificate (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption has been duly given, then upon such redemption date this Certificate (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if the money for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption is held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed. If this Certificate is called for redemption, in whole or in part, the City or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Certificate within forty-five (45) days of the date fixed

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for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

The Certificates of this series are payable from the proceeds of an ad valorem tax levied upon all taxable property within the City, within the limitations prescribed by law, and are further payable from and secured, together with the currently outstanding Subordinate Lien Obligations, by a lien on and pledge of the Net Revenues (identified and defined in the Ordinance), derived from the operation of the System, such lien on and pledge of the Net Revenues being subordinate and inferior to the lien on and pledge of such Net Revenues securing payment of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the limited amount of the Net Revenues securing the payment of the currently outstanding Limited Pledge Obligations and any Additional Limited Pledge Obligations hereafter issued by the City. The City has previously authorized the issuance of the currently outstanding Prior Lien Obligations (identified and defined in the Ordinance) that are payable wholly or in part from and equally and ratably secured by a prior and first lien on and pledge of the Net Revenues of the System in the manner and as described in the ordinances authorizing the issuance of the currently outstanding The City has previously authorized the issuance of the currently Prior Lien Obligations. outstanding Subordinate Lien Obligations (identified and defined in the Ordinance) that are payable, in whole or in part, from and equally and secured by a subordinate and inferior lien on and pledge of the Net Revenues of the System in the manner and as described in the ordinances authorizing the issuance of the currently outstanding Prior Lien Obligations. The City has previously authorized the issuance of the currently outstanding Limited Pledge Obligations (identified and defined in the Ordinance) that are payable, in part, from and secured by a lien on and pledge of a limited amount of the Net Revenues of the System in the manner and as described in the ordinances authorizing the issuance of the currently outstanding Limited Pledge Obligations. In the Ordinance, the City reserves and retains the right to issue Additional Prior Lien Obligations, Junior Lien Obligations, Additional Subordinate Lien Obligations, and Additional Limited Pledge Obligations (all as identified and defined in the Ordinance), while the Certificates are Outstanding, without limitation as to principal amount but subject to any terms, conditions or restrictions as may be applicable thereto under law or otherwise.

Reference is hereby made to the Ordinance, a copy of which is on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied and the revenues pledged for the payment of the Certificates; the terms and conditions under which the City may issue Additional Prior Lien Obligations, Junior Lien Obligations, Additional Subordinate Lien Obligations, and Additional Limited Pledge Obligations; the terms and conditions relating to the transfer or exchange of the Certificates; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holder; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Certificate may be redeemed or discharged at or prior to the Stated Maturity thereof, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions specified in the Ordinance. Capitalized terms used herein without definition have the same meanings assigned in the Ordinance.

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This Certificate, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register upon presentation and surrender at the corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Certificates of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Certificate as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner hereof for all other purposes, and neither the City nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled 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 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 Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to the issuance of this Certificate in order to render the same a legal, valid, and binding obligation of the City have been performed, exist, and have been done, in regular and due time, form, and manner, as required by the laws of the State of Texas and the Ordinance, and that issuance of the Certificates does not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of, premium if any, and interest on the Certificates by the levy of a tax and collection of Net Revenues as aforestated. In case any provision in this Certificate or any application thereof shall be deemed invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

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IN WITNESS WHEREOF, the City has caused this Certificate to be duly executed under its official seal.

CITY OF LOS FRESNOS, TEXAS

		By Mayor
ATTEST:		
City Secretary		
(CITY SEAL)		
C. *Form of Registration Certific Initial Certificate Only.	cate of	Comptroller of Public Accounts to Appear on
		RTIFICATE OF IBLIC ACCOUNTS
OFFICE OF THE COMPTROLLER OF PUBLIC ACCOUNTS	§ § §	REGISTER NO
THE STATE OF TEXAS	§ §	REGISTER NO.
		nas been examined, certified as to validity and exas, and duly registered by the Comptroller of
WITNESS my signature and seal of o	office t	his
		Comptroller of Public Accounts of the State of Texas
(SEAL)		
*NOTE TO PRINTER: Do Not Print on Def	initive	Certificates.

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D. *Form of Certificate of Paying Agent/Registrar to Appear on Definitive Certificates Only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Certificate has been duly issued under the provisions of the within-mentioned Ordinance; the Certificate or Certificates of the above-entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

Registered this date:	THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., DALLAS, TEXAS as Paying Agent/Registrar
	By:Authorized Signature
*NOTE TO PRINTER: Print on Definitive Co	ertificates.
[The remainder of th	nis page intentionally left blank.]

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E. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Prin or typewrite name, address, and zip code of transferee):		
	ts thereunder, and hereby irrevocably constitutes and appoints to transfer the within Certificate on the books kept for	
DATED:		
	NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Certificate in every particular.	
Signature guaranteed:		
· · · · · · · · · · · · · · · · · · ·	rtificate. The Initial Certificate shall be in the form set forth in that the form of a single fully registered Initial Certificate shall	
` ' ·	name of the Certificate the headings "Interest Rate" and "Stated mpleted "As Shown Below";	
(ii) the first (1 st) two (2) p	aragraphs shall read as follows:	
REGISTERED OWNER:		
PRINCIPAL AMOUNT:		
The City of Los Fresnos, 7	Texas (the <i>City</i>), a body corporate and municipal corporation in	

The City of Los Fresnos, Texas (the *City*), a body corporate and municipal corporation in the County of Cameron, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner specified above (the *Holder*), or the registered assigns thereof, the Principal Amount specified above stated to mature on the first day of February in each of the years and in principal amounts and bearing interest at per annum rates in accordance with the following schedule:

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Years of Stated Maturity

Principal Amounts (\$)

Interest Rates (%)

(Information to be inserted from schedule in Section 2 hereof)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amounts hereof from the Closing Date (anticipated to occur on or about December 7, 2022), or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, while Outstanding, at the per annum rates of interest specified above, computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 1 and August 1 in each year (each, an *Interest Payment Date*), commencing February 1, 2023; provided, however, that the Certificates shall bear interest at a rate of 0% and therefor no interest will be due and payable on any Interest Payment Date.

Principal of this Certificate shall be payable to the Holder, upon its presentation and surrender to Stated Maturity or prior redemption, while Outstanding, at the corporate trust office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the Paying Agent/Registrar). Interest shall be payable to the Holder of this Certificate whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the fifteenth day of the month next preceding each Interest Payment Date. All payments of principal of, premium if any, and interest on this Certificate shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder hereof. While the Certificates are held by the Purchasers, payment of principal of, premium, if any, and interest on the Certificates shall be made by federal funds wire transfer, at no cost to the Purchasers, to an account at a financial institution located in the United States designated by the Purchasers.

[END OF FORMS]

G. <u>Insurance Legend</u>. If bond insurance is obtained by the Issuer or the Purchasers for the Certificates, the definitive Certificates and the Initial Certificate shall bear an appropriate legend as provided by the bond insurer to appear under the following header:

[BOND INSURANCE] or [STATEMENT OF INSURANCE]

SECTION 9. <u>Definitions</u>. For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires: (i) the terms defined in this Section have the meanings assigned to them in this Section, and certain terms used in Sections 27 and 30 of this Ordinance have the meanings assigned to them in Sections 27 and 30 of this Ordinance, and all such terms, include the plural as well as the singular; (ii) all references in this Ordinance to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions

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of this Ordinance as originally adopted; and (iii) the words "herein", "hereof", and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision.

- A. The term *Additional Limited Pledge Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation or other evidences of indebtedness hereafter issued by the City payable in whole or in part from a pledge of and lien on Net Revenues of the System which pledge of revenues is limited pursuant to Section 1502.052, as amended, Texas Government Code, all as further provided in Section 20 of this Ordinance, and (ii) any obligations issued to refund the foregoing as determined by the City Council in accordance with any applicable law.
- B. The term *Additional Prior Lien Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation or any similar obligations hereafter issued by the City that are payable wholly or in part from and equally and ratable secured by a prior and first lien on and pledge of the Net Revenues of the System, all as further provided in Section 20 of this Ordinance, and (ii) any obligations issued to refund the foregoing that are payable from and secured by a prior and first lien on and pledge of the Net Revenues of the System as determined by the City Council in accordance with any applicable law.
- C. The term *Additional Subordinate Lien Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation or any similar obligations hereafter issued by the City that are payable wholly or in part from and equally and ratably secured, together with the currently outstanding Subordinate Lien Obligations and the Certificates, by a lien on and pledge of the Net Revenues, such pledge to include a pledge of Net Revenues that is subordinate and inferior to the lien on and pledge of the Net Revenues that are or will be pledged to the payment of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City, all as further provided in Section 20 of this Ordinance and (ii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a subordinate and inferior lien on and pledge of the Net Revenues as determined by the City Council in accordance with applicable law.
- D. The term *Authorized Officials* shall mean the Mayor, the Mayor Pro Tem, the City Manager, the Finance Director, and/or the City Secretary.
- E. The term *Certificates* shall mean the \$860,000 "CITY OF LOS FRESNOS, TEXAS COMBINATION TAX AND SUBORDINATE LIEN REVENUE CERTIFICATES OF OBLIGATION, SERIES 2022 (CLEAN WATER STATE REVOLVING FUND)" authorized by this Ordinance.
- F. The term *Certificate Fund* shall mean the special Fund created and established by the provisions of Section 10 of this Ordinance.
- G. The term *City* shall mean the City of Los Fresnos, located in Cameron County, Texas and, where appropriate, the City Council of the City.
- H. The term *Closing Date* shall mean the date of physical delivery of the Initial Certificates in exchange for the payment of the agreed purchase price for the Certificates.

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- I. The term *Collection Date* shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the City become delinquent.
- J. The term *Debt Service Requirements* shall mean, as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the City as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest at the maximum rate permitted by the terms thereof and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.
 - K. The term *Depository* shall mean an official depository bank of the City.
- L. The term *Executive Administrator* shall mean the Executive Administrator of the Texas Water Development Board, or the authorized designee thereof.
- M. The term *Fiscal Year* shall mean the annual financial accounting period for the System now ending on September 30th of each year; provided, however, the City Council may change such annual financial accounting period to end on another date if such change is found and determined to be necessary for accounting purposes or is required by applicable law.
- N. The term *Government Securities* shall mean (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent; (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, or (iv) any additional securities and obligations hereafter authorized by the laws of the State of Texas as eligible for use to accomplish the discharge of obligations such as the Certificates.
- O. The term *Gross Revenues* for any period shall mean all revenue during such period in respect or on account of the operation or ownership of the System, excluding refundable meter deposits, restricted gifts, and grants in aid of construction, but including earnings and income derived from the investment or deposit of money in any special fund or account (except the Certificate Fund or Construction Fund) created and established for the payment or security of the Certificates.
- P. The term *Holder* or *Holders* shall mean the registered owner, whose name appears in the Security Register, for any Certificate.

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- Q. The term *Interest Payment Date* shall mean the date semiannual interest is payable on the Certificates, being February 1 and August 1 of each year, commencing February 1, 2023, while any of the Certificates remain Outstanding.
- R. The term *Junior Lien Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation or any similar obligations hereafter issued by the City that are payable wholly or in part from and equally and ratably secured by a junior and inferior lien on and pledge of the Net Revenues of the System, such pledge being junior and inferior to the lien on and pledge of the Net Revenues of the System that are pledged to the payment of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the Net Revenues of the System that are or will be pledged to the payment of the currently outstanding Subordinate Lien Obligations (including the Certificates) and the Limited Pledge Obligations, and any Additional Subordinate Lien Obligations or Additional Limited Pledge Obligations hereafter issued by the City all as further provided in Section 20 of this Ordinance and (ii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a junior and inferior lien on and pledge of the Net Revenues of the System as determined by the City Council in accordance with any applicable law.
- S. The term *Limited Pledge Obligations* shall mean (i) the outstanding and unpaid obligations of the City that are payable, in part, from and secured by a subordinate and inferior lien on and pledge of a limited amount of the Net Revenues of the System and designated as:
 - (1) "City of Los Fresnos, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2005", dated September 15, 2005, in the original principal amount of \$2,100,000;
 - (2) "City of Los Fresnos, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2014", dated August 1, 2014, in the original principal amount of \$3,045,000; and
 - (3) "City of Los Fresnos, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2017", dated April 1, 2017, in the original principal amount of \$4,800,000;
- and (ii) any obligations hereafter issued to refund any of the foregoing as determined by the City Council in accordance with any applicable law.
- T. The term *Maintenance and Operating Expenses* shall mean all current expenses of operating and maintaining the System not paid from the proceeds of the Certificates, including (1) the cost of all salaries, labor, materials, repairs, and extensions necessary to render efficient service, but only if, in the case of repairs and extensions, they are, in the judgment of the City Council (reasonably and fairly exercised), necessary to maintain operation of the System and render adequate service to the City and the inhabitants thereof, or are necessary to meet some physical accident or condition which would otherwise impair obligations payable from Net Revenues, (2) payments to pension, retirement, health, hospitalization, and other employee benefit funds for employees of the City engaged in the operation or maintenance of the System, (3)

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payments under contracts for the purchase of water supply, treatment of sewage, or other materials, goods, or services for the System to the extent authorized by law and the provisions of such contract, (4) payments to auditors, attorneys, and other consultants incurred in complying with the obligations of the City hereunder, and (5) any legal liability of the City arising out of the operation, maintenance, or condition of the System, but excluding any allowance for depreciation, property retirement, depletion, obsolescence, and other items not requiring an outlay of cash and any interest on the Certificates or other bonds, notes, warrants, or similar obligations of the City payable from Net Revenues.

- U. The term *Net Revenues* for any period shall mean the Gross Revenues of the System less the Maintenance and Operating Expenses of the System.
- V. The term *Ordinance* shall mean this ordinance as finally passed and adopted by the City Council of the City.
- W. The term *Outstanding* when used in this Ordinance with respect to Certificates shall mean, as of the date of determination, all Certificates issued and delivered under this Ordinance, except:
 - (1) those Certificates canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;
 - (2) those Certificates for which payment has been duly provided by the City in accordance with the provisions of Section 29 of this Ordinance; and
 - (3) those Certificates that have been mutilated, destroyed, lost, or stolen and replacement Certificates have been registered and delivered in lieu thereof as provided in Section 25 of this Ordinance.
- X. The term *Prior Lien Obligations* shall mean (i) the currently outstanding and unpaid obligations of the City that are payable wholly or in part from and equally and ratably secured by a prior and first lien on and pledge of the Net Revenues of the System as determined by the City Council in accordance with any applicable law and designated as follows:
 - (1) "City of Los Fresnos, Texas Waterworks and Sewer System Revenue Bonds, Series 1984", dated January 1, 1984, in the original principal amount of \$590,000;
 - (2) "City of Los Fresnos, Texas Waterworks and Sewer System Revenue Bonds, Series 1984-A", dated January 1, 1984, in the original principal amount of \$40,000; and
 - (3) "City of Los Fresnos, Texas Waterworks and Sewer System Revenue Bonds, Series 1985", dated January 1, 1985, in the original principal amount of \$82,000;
- Y. The term *Purchasers* shall mean the initial purchaser or purchasers of the Certificates named in Section 26 of this Ordinance.

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- Z. The term *Stated Maturity* shall mean the annual principal payments of the Certificates payable on February 1 of each year the Certificates are Outstanding as set forth in Section 2 of this Ordinance.
- AA. The term *Subordinate Lien Obligations* shall mean (i) the outstanding and unpaid obligations of the City that are payable, in whole or in part, from and equally and secured by a subordinate and inferior lien on and pledge of the Net Revenues of the System and designated as follows:
 - (1) "City of Los Fresnos, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2008", dated August 1, 2008, in the original principal amount of \$2,200,000;
 - (2) "City of Los Fresnos, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2009", dated February 1, 2009, in the original principal amount of \$4,975,000;
 - (3) "City of Los Fresnos, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2009A", dated September 15, 2009, in the original principal amount of \$391,000;
 - (4) "City of Los Fresnos, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2015 (Drinking Water State Revolving Fund)", dated January 1, 2015, in the original principal amount of \$1,000,000; and
 - (5) "City of Los Fresnos, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2015A (Clean Water State Revolving Fund)", dated January 1, 2015, in the original principal amount of \$820,000;
 - (6) Upon issuance, the "City of Los Fresnos, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2020A (Drinking Water State Revolving Fund)", dated October 1, 2020 in the original principal amount of \$3,625,000;
 - (7) Upon issuance, the "City of Los Fresnos, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2020B (Clean Water State Revolving Fund)", dated October 1, 2020, in the original principal amount of \$1,600,000;
- (ii) upon issuance, the Certificates; and (iii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a subordinate and inferior lien on and pledge of the Net Revenues as determined by the City Council in accordance with any applicable law.
- BB. The term *System* shall mean all properties, facilities, and plants currently owned, operated, and maintained by the City for the supply, treatment, transmission, and distribution of treated potable water and the collection, treatment, and disposal of waterborne wastes together with all future extensions, improvements, and additions thereto and replacements thereof, *excluding* from the foregoing, however, to the extent now or hereafter authorized or permitted by law, facilities of any kind which are declared by the City Council, prior to the acquisition or

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construction thereof by the City, not to be a part of the System and which are not acquired or constructed by or on behalf of the City with Net Revenues of the System or any part thereof or with proceeds from the issuance of obligations of the City which are payable from Net Revenues of the System or any part thereof. Upon such time as no Subordinate Lien Obligations issued on or before February 18, 2015 remain outstanding, the term System shall mean all properties, facilities and plants currently owned, operated, and maintained by the City for the supply, treatment, transmission, and distribution of treated potable water, for the collection, treatment, and disposal of waterborne wastes, and for the supply, treatment, transmission, distribution, and removal of storm water pursuant to Chapter 552, as amended, Texas Local Government Code (upon compliance with all statutory provisions required by this legislation), together with all future extensions, improvements, replacements and additions thereto, whether situated within or without the limits of the City and the City expressly reserves the right at its sole discretion to include additional utility, telecommunications, technology, or similar enterprise services as components of the System; provided, however, that notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term System shall not mean to include facilities of any kind which are declared by the City Council, prior to the acquisition or construction thereof by the City, not to be a part of the System and which are not acquired or constructed by or on behalf of the City with Net Revenues of the System or any part thereof or with proceeds from the issuance of Special Facilities Bonds, which are hereby defined as being special revenue obligations of the City which are not payable from Net Revenues of the System or any part thereof, but which are payable from and equally and ratably secured by other liens on and pledges of any revenues, sources or payments, not pledged to the payment of the Certificates including, but not limited to, special contract revenues or payments received from any other legal entity in connection with such facilities.

CC. The term *TWDB* shall mean the Texas Water Development Board or any successor agency thereto.

SECTION 10. Certificate Fund, Investments. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption, and retirement of the Certificates, there shall be and is hereby created a special fund to be designated "COMBINATION TAX AND SUBORDINATE LIEN REVENUE CERTIFICATES OF OBLIGATION, SERIES 2022 INTEREST AND SINKING FUND" (the Certificate Fund), which fund shall be kept and maintained at the Depository, and money deposited in such fund shall be used for no other purpose and shall be maintained as provided in Section 27. Authorized Officials of the City are hereby authorized and directed to make withdrawals from the Certificate Fund sufficient to pay the purchase price or the amount of principal of and interest on the Certificates as the same become due and payable and shall cause to be transferred to the Paying Agent/Registrar from money on deposit in the Certificate Fund an amount sufficient to pay the amount of principal and/or interest stated to mature on the Certificates, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each principal and/or interest payment date for the Certificates.

Pending the transfer of funds to the Paying Agent/Registrar, money deposited in any fund established by this Ordinance may, at the option of the City, be placed in time deposits, certificates of deposit, guaranteed investment contracts, or similar contractual agreements, as permitted by the

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provisions of the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code, or any other law (collateralized pursuant to the Public Funds Collateral Act, as amended, Chapter 2257, Texas Government Code), and secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or be invested, as authorized by any law, including investments held in book-entry form, in securities, including, but not limited to, direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in indirect obligations of the United States of America, including, but not limited to, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Association, or Federal Housing Association; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from such fund will be available at the proper time or times. Except as provided in Section 13 hereof, all interest and income derived from deposits and investments in any fund established pursuant to the provisions of this Ordinance shall be credited to, and any losses debited to, such fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Certificates.

SECTION 11. <u>Tax Levy</u>. To provide for the payment of the Debt Service Requirements on the Certificates being (i) the interest on the Certificates and (ii) a sinking fund for their redemption at Stated Maturity or a sinking fund of two percent (2%) (whichever amount shall be the greater), there shall be and there is hereby levied for the Fiscal Year commencing October 1, 2022, and each succeeding year thereafter while the Certificates or any interest thereon shall remain Outstanding, a sufficient tax, within the limitations prescribed by law, on each one hundred dollars (\$100) valuation of taxable property in the City, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Certificate Fund and are thereafter pledged to the payment of the Certificates. The City Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay such Debt Service Requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness and other obligations of the City.

The amount of taxes to be provided annually for the payment of the principal of and interest on the Certificates shall be determined and accomplished in the following manner:

- A. Prior to the date the City Council establishes the annual tax rate and passes an ordinance levying ad valorem taxes each year, the City Council shall determine:
 - (1) the amount of Debt Service Requirements to become due and payable on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year;

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- (2) the amount on deposit in the Certificate Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Certificates prior to the Collection Date for the ad valorem taxes to be levied and (b) adding thereto the amount of the Net Revenues to be appropriated and allocated during such year to pay such Debt Service Requirements, if any, prior to the Collection Date for the ad valorem taxes to be levied; and
- (3) the amount of Net Revenues to be appropriated and to be set aside for the payment of the Debt Service Requirements on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding Fiscal Year.
- B. The amount of taxes to be levied annually each year to pay the Debt Service Requirements on the Certificates shall be the amount established in paragraph (1) above less the sum total of the amounts established in paragraphs (2) and (3), after taking into consideration delinquencies and costs of collecting such annual taxes.

SECTION 12. <u>Pledge of Net Revenues – Perfection of Security Interest.</u>

- A. The City hereby covenants and agrees that, subject to (i) any prior lien on and pledge of the Net Revenues of the System to the payment and security of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City, (ii) the lien on and pledge of the Net Revenues to the payment and security of the currently outstanding Subordinate Lien Obligations (on a parity with the Certificates), and (iii) the lien on and pledge of a limited amount of the Net Revenues to the payment and security of the currently outstanding Limited Pledge Obligations and any Additional Limited Pledge Obligations hereafter issued by the City, the Net Revenues are hereby irrevocably pledged to the payment of the principal of and interest on the Certificates and the pledge of Net Revenues herein made for the payment of the Certificates shall constitute a lien on the Net Revenues in accordance with the terms and provisions hereof and be valid and binding without any physical delivery thereof or further act by the City.
- B. Chapter 1208, as amended, Texas Government Code, applies to the issuance of the Certificates and the pledge of Net Revenues granted by the City under subsection A. of this Section, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Certificates are Outstanding and unpaid such that the pledge of the Net Revenues granted by the City is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in this pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, as amended, Texas Business & Commerce Code and enable a filing to perfect the security interest in this pledge to occur.

SECTION 13. <u>System Fund</u>. The City hereby covenants and agrees that all Gross Revenues derived from the operation of the System shall be kept separate and apart from all other funds, accounts and money of the City and shall be deposited as collected into the "CITY OF LOS FRESNOS, TEXAS UTILITY SYSTEM FUND" (the *System Fund*). All money deposited in the

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System Fund shall be pledged and appropriated to the extent required for the following purposes and in the order of priority shown:

- <u>First</u>: To the payment of the reasonable and proper Maintenance and Operating Expenses of the System required by statute or ordinances authorizing the issuance of any indebtedness of the City to be a first charge on and claim against the Gross Revenues of the System;
- <u>Second</u>: To the payment of the amounts that must be deposited in the special funds and accounts created and established for the payment, security, and benefit of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinance authorizing their issuance;
- <u>Third</u>: To the payment of the amounts that must be deposited in the special funds and accounts created and established for the payment, security, and benefit of any Junior Lien Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinance authorizing their issuance;
- <u>Fourth</u>: To the payment of the amounts that must be deposited in the special funds and accounts created and established for the payment, security, and benefit of the currently outstanding Subordinate Lien Obligations, including the Certificates, and any Additional Subordinate Lien Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinance authorizing their issuance; and
- <u>Fifth</u>: To the payment of the amounts that may be deposited in the special funds and accounts established for the payment of the currently outstanding Limited Pledge Obligations and any Additional Limited Pledge Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinance authorizing their issuance.

Any Net Revenues remaining in the System Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment, security and benefit thereof, may be appropriated and used for any other City purpose now or hereafter permitted by law.

SECTION 14. Deposits to Certificate Fund; Surplus Certificate Proceeds. The City hereby covenants and agrees to cause to be deposited in the Certificate Fund prior to a principal and interest payment date for the Certificates, from the Net Revenues in the System Fund, after the deduction of all payments required to be made to the special funds or accounts created for the payment, security, and benefit of (i) the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations hereafter issued by the City and (ii) any Junior Lien Obligations hereafter issued by the City, any amounts budgeted to be paid therefrom in such Fiscal Year.

Accrued interest, if any, received from the Purchasers of the Certificates shall be deposited to the Certificate Fund and ad valorem taxes levied and collected for the benefit of the Certificates shall be deposited to the Certificate Fund. In addition, any surplus proceeds, including investment

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income therefrom, from the sale of the Certificates not expended for authorized purposes shall be deposited in the Certificate Fund, and such amounts so deposited shall reduce the sums otherwise required to be deposited in said fund from ad valorem taxes.

SECTION 15. Security of Funds. All money on deposit in the funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of Texas for the security of public funds (including as required by and in accordance with the Texas Public Funds Collateral Act, codified at Chapter 2257, as amended, Texas Government Code), and money on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

SECTION 16. Maintenance of System - Insurance. The City covenants and agrees that while the Certificates remain Outstanding it will maintain and operate the System with all possible efficiency and maintain casualty and other insurance (including a system of self-insurance) on the properties of the System and its operations of a kind and in such amounts customarily carried by municipal corporations in the State of Texas engaged in a similar type of business and that it will faithfully and punctually perform all duties with reference to the System required by the laws of the State of Texas, but in no event shall the amount of insurance maintained on the projects financed with the proceeds of the Certificates be less than the amount necessary to protect the Purchasers' interest. All money received from losses under such insurance policies, other than public liability policies, are held for the benefit of the holders of the Certificates until and unless the proceeds are paid out in making good the loss or damage in respect of which such proceeds are received, either by replacing the property destroyed or repairing the property damaged, and adequate provision for making good such loss or damage must be made within ninety (90) days after the date of loss. The payment of premiums for all insurance policies required under the provisions hereof shall be considered Maintenance and Operating Expenses. Nothing in this Ordinance shall be construed as requiring the City to expend any funds which are derived from sources other than the operation of the System but nothing herein shall be construed as preventing the City from doing so.

SECTION 17. <u>Rates and Charges</u>. The City hereby covenants and agrees with the Holders of the Certificates (in addition to any covenants contained in the ordinances authorizing the issuance of the currently outstanding Prior Lien Obligations, Subordinate Lien Obligations, and Limited Pledge Obligations) that rates and charges for utility services afforded by the System will be established and maintained to provide Gross Revenues sufficient at all times:

- A. to pay, together with any other lawfully available funds, all operating, maintenance, depreciation, replacement, betterment, and other costs incurred in the maintenance and operation of the System, including, but not limited to, Maintenance and Operating Expenses; provided, however, that the City expressly reserves the right to utilize other lawfully available funds to pay the Maintenance and Operating Expenses;
- B. to produce Net Revenues sufficient, together with any other lawfully available funds, to pay (i) the interest on and principal of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations hereafter issued by the City as the same becomes due and payable and the amounts required to be deposited in any special fund created and established for the payment, security, and benefit thereof; (ii) the interest on and principal of any Junior Lien

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Obligations hereafter issued by the City as the same becomes due and payable and the amounts required to be deposited in any special fund created and established for the payment, security, and benefit thereof; (iii) the interest on and principal of the currently outstanding Subordinate Lien Obligations, the Certificates, and any Additional Subordinate Lien Obligations hereafter issued by the City as the same becomes due and payable and the amounts required to be deposited in any special fund created and established for the payment, security, and benefit thereof; and (iv) the interest on and principal of the currently outstanding Limited Pledge Obligations and any Additional Limited Pledge Obligations hereafter issued by the City as the same becomes due and payable and the amounts required to be deposited in any special fund created and established for the payment, security, and benefit thereof; and

C. to pay other legally incurred indebtedness payable from the Net Revenues of the System and/or secured by a lien on the System or the Net Revenues thereof.

SECTION 18. Records and Accounts - Annual Audit. The City further covenants and agrees that so long as any of the Certificates remain Outstanding it will keep and maintain separate and complete records and accounts pertaining to the operations of the System in which complete and correct entries shall be made of all transactions relating thereto, as provided by Chapter 1502, as amended, Texas Government Code, or other applicable law. The Holders of the Certificates or any duly authorized agent or agents of the Holders shall have the right to inspect the System and all properties comprising the same. The City further agrees that, following the close of each Fiscal Year (and in no event later than 180 days after the end of each Fiscal Year), it will cause an audit of such books and accounts to be made by an independent firm of certified public accountants, which annual audit shall be prepared in accordance with generally accepted auditing standards. Copies of each annual audit shall be furnished, without charge, to (i) the Texas Water Development Board, Attention: Executive Administrator and (ii) upon written request, and at the expense of such Holder, to any subsequent Holder thereof. Expenses incurred in making the annual audit of the operations of the System are to be regarded as Maintenance and Operating Expenses.

SECTION 19. Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in the payments to be made to the Certificate Fund, or (b) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Ordinance, the Holders of any of the Certificates shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition, or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

For the avoidance of doubt, for so long as the Purchasers are Holders of the Certificates, the Purchasers may exercise all remedies available to it at law or in equity, and any provision of

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this Ordinance or the Certificates that attempts to restrict or limit this right to exercise remedies shall be of no force or effect.

SECTION 20. <u>Issuance of Additional Prior Lien Obligations</u>, <u>Junior Lien Obligations</u>, <u>Additional Subordinate Lien Obligations</u>, and <u>Additional Limited Pledge Obligations</u>. The City hereby expressly reserves the right to hereafter issue bonds, notes, warrants, certificates of obligation, or similar obligations, payable, wholly or in part, as appropriate, from and secured by a pledge of and lien on the Net Revenues of the System with the following priorities, without limitation as to principal amount, but subject to any terms, conditions, or restrictions applicable thereto under existing ordinances, laws, or otherwise:

- A. Additional Prior Lien Obligations payable from and equally and ratably secured by a first and prior lien on and pledge of the Net Revenues of the System;
- B. Junior Lien Obligations payable from and equally and ratably secured by a lien on and pledge of the Net Revenues that is junior and inferior to the lien on and pledge thereof securing the payment of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the Net Revenues securing the payment of the currently outstanding Subordinate Lien Obligations, the Certificates, the Limited Pledge Obligations, and any Additional Subordinate Lien Obligations or Additional Limited Pledge Obligations hereinafter issued by the City; and
- C. Additional Subordinate Lien Obligations payable from and equally and ratably secured, together with the currently outstanding Subordinate Lien Obligations, by a lien on and pledge of the Net Revenues of the System that is subordinate and inferior to the lien on and pledge thereof securing the payment of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the Net Revenues securing the payment of the currently outstanding Limited Pledge Obligations, and any Additional Limited Pledge Obligations hereafter issued by the City; and
- D. Additional Limited Pledge Obligations that are payable from and equally and ratably secured, in whole or in part, by a lien on and pledge of the Net Revenues of the System that is subordinate and inferior to the lien on and pledge thereof securing the payment of the currently outstanding Prior Lien Obligations, Subordinate Lien Obligations, the Certificates, or any Additional Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations hereafter issued by the City.

SECTION 21. Special Covenants. The City hereby further covenants that:

- A. it has the lawful power to pledge the Net Revenues supporting the Certificates and has lawfully exercised said powers under the laws of the State of Texas, including power existing under Chapter 1502, as amended, Texas Government Code, the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through 271.064, and the City's Home Rule Charter;
- B. other than for the payment of the currently outstanding Prior Lien Obligations, Subordinate Lien Obligations, the Certificates, and Limited Pledge Obligations, the Net Revenues

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of the System have not in any manner been pledged to the payment of any debt or obligation of the City or of the System;

- C. as long as any Certificates or any interest thereon remain Outstanding, the City will not sell, lease or encumber (except in the manner provided in Section 20 of this Ordinance) the System or any substantial part thereof, provided that this covenant shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the System;
- D. to the extent that it legally may, the City further covenants and agrees that, so long as any of the Certificates, or any interest thereon, are Outstanding, no franchise shall be granted for the installation or operation of any competing utility systems other than those owned by the City, and the operation of any such systems by anyone other than the City is hereby prohibited; and
- E. no free service of the System shall be allowed, and should the City or any of its agents or instrumentalities make use of the services and facilities of the System, payment of the reasonable value thereof shall be made by the City out of funds from sources other than the revenues and income of the System.

SECTION 22. Application of the Covenants and Agreements of any Additional Prior Lien Obligations, Junior Lien Obligations, Additional Subordinate Lien Obligations, or Additional Limited Pledge Obligations. It is the intention of the City Council and accordingly hereby recognized and stipulated that the provisions, agreements, and covenants contained herein bearing upon the management and operations of the System, and the administration and application of Gross Revenues derived from the operation thereof, shall to the extent possible be harmonized with like provisions, agreements, and covenants contained in the ordinances authorizing the issuance of the currently outstanding Prior Lien Obligations, and any Additional Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City, and to the extent of any irreconcilable conflict between the provisions contained herein and in the ordinances authorizing the issuance of the currently outstanding Prior Lien Obligations, and any Additional Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City, the provisions, agreements and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Ordinance, especially the priority of rights and benefits conferred thereby to the holders of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City. It is expressly recognized that prior to the issuance of any Additional Prior Lien Obligations, Junior Lien Obligations, Additional Subordinate Lien Obligations, or Additional Limited Pledge Obligations, the City must comply with each of the conditions precedent contained in the ordinances authorizing the currently outstanding Prior Lien Obligations, the currently outstanding Subordinate Lien Obligations, the Certificates, and the currently outstanding Limited Pledge Obligations, and the ordinances authorizing the issuance of any Additional Prior Lien Obligations, Junior Lien Obligations, Additional Subordinate Lien Obligations, and Additional Limited Pledge Obligations, as appropriate.

SECTION 23. <u>Notices to Holders, Waiver</u>. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly

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provided) if in writing and sent by United States mail, first-class postage prepaid, to the address of each Holder as it appears in the Security Register.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Holders. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 24. <u>Cancellation</u>. All Certificates surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Certificates previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Certificates so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Certificates held by the Paying Agent/Registrar shall be destroyed as directed by the City.

SECTION 25. <u>Mutilated, Destroyed, Lost, and Stolen Certificates</u>. If (1) any mutilated Certificate is surrendered to the Paying Agent/Registrar, or the City and the Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Certificate, and (2) there is delivered to the City and the Paying Agent/Registrar such security or indemnity as may be required to save each of them harmless, then, in the absence of notice to the City or the Paying Agent/Registrar that such Certificate has been acquired by a bona fide purchaser, the City shall execute and, upon its request, the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Certificate, a new Certificate of the same Stated Maturity and interest rate and of like tenor and principal amount, bearing a number not contemporaneously Outstanding.

In case any such mutilated, destroyed, lost, or stolen Certificate has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Certificate, pay such Certificate.

Upon the issuance of any new Certificate or payment in lieu thereof, under this Section, the City may require payment by the Holder of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses and charges (including attorney's fees and the fees and expenses of the Paying Agent/Registrar) connected therewith.

Every new Certificate issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Certificate shall constitute a replacement of the prior obligation of the City, whether or not the mutilated, destroyed, lost, or stolen Certificate shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Certificates.

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The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Certificates.

SECTION 26. Sale of the Certificates; Approval of Private Placement Memorandum; Use of Certificate Proceeds. The sale of the Certificates to the Texas Water Development Board (the TWDB or the Purchasers, and having all the rights, benefits, and obligations of a Holder) at the price of par, less the origination fee of \$14,791.00 pursuant to a loan commitment received from the Purchasers is hereby confirmed. The pricing and terms of the sale of the Certificates are hereby found and determined to be the most advantageous reasonably obtainable by the City. Delivery of the Certificates to the Purchasers shall occur as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of loan commitment, and this Ordinance.

The Private Placement Memorandum related to the Certificates and presented to the City Council in connection with this Ordinance is hereby approved. Any Authorized Official is hereby directed to deliver the Private Placement Memorandum to the Purchasers in satisfaction of the prerequisite of the Purchasers to receive the Private Placement Memorandum prior to their purchase of the Certificates.

Proceeds from the sale of the Certificates shall be applied as follows:

- (1) Accrued interest, if any, received from the Purchasers shall be deposited into the Certificate Fund.
- The balance of the proceeds derived from the sale of the Certificates (after paying costs of issuance) shall be deposited into the special construction account to be designated "CITY OF LOS FRESNOS, TEXAS CLEAN WATER STATE REVOLVING FUND PROGRAM LOAN CONSTRUCTION FUND" (the Construction Fund) for the receipt and disbursement of all proceeds from the sale of the Certificates and all other funds acquired by the City in connection with the planning and construction of the Project financed, in whole or in part, by the Purchasers pursuant to the loan evidenced by the Certificates. All funds deposited to the credit of the Construction Fund shall be disbursed only for the payment of costs and expenses incurred in connection with the planning and building of the Project as approved by the Purchasers and as otherwise allowed by the rules and in accordance with the provisions of Chapter 15 or 17 of the Texas Water Code, as amended. The Construction Fund shall be established and maintained at the Depository and shall be invested in accordance with the provisions of Section 10 of this Ordinance or otherwise secured in accordance with the provisions of Section 15 of this Ordinance, but any money deposited into the Construction Fund shall not be commingled with any other funds of the Issuer. Interest earned on the proceeds of the Certificates pending completion of construction of the Project financed with such proceeds shall be accounted for, maintained, deposited, and expended as permitted by the provisions of Chapter 1201, as amended, Texas Government Code, or as required by any other applicable law. Thereafter, such amounts shall be expended in accordance with Section 14 of this Ordinance.

SECTION 27. Covenants to Maintain Tax-Exempt Status.

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A. <u>Definitions</u>. When used in this Section, the following terms have the following meanings:

Closing Date means the date on which the Certificates are first authenticated and delivered to the initial purchasers against payment therefor.

Code means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

Computation Date has the meaning set forth in Section 1.148-1(b) of the Regulations.

Gross Proceeds means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Certificates.

Investment has the meaning set forth in Section 1.148-1(b) of the Regulations.

Nonpurpose Investment means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Certificates are invested and which is not acquired to carry out the governmental purposes of the Certificates.

Rebate Amount has the meaning set forth in Section 1.148-1(b) of the Regulations.

Regulations means any proposed, temporary, or final Income Tax Regulations issued pursuant to sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Certificates. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

Yield of

- (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and
- (2) the Certificates means the yield as calculated pursuant to Section 1.148-4 of the Regulations.
- B. Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Certificate to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption

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from federal income tax of the interest on any Certificate, the City shall comply with each of the specific covenants in this Section.

- C. <u>No Private Use or Private Payments</u>. Except to the extent it will not cause the Certificates to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Certificates:
 - (1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Certificates, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and
 - (2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Certificates or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.
- D. No Private Loan. Except to the extent it will not cause the Certificates to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Certificates to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if- (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.
- E. Not to Invest at Higher Yield. Except to the extent it will not cause the Certificates to become "arbitrage bonds" within the meaning of section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Certificates directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, materially exceeds the Yield of the Certificates.
- F. <u>Not Federally Guaranteed</u>. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Certificates to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

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- G. <u>Information Report</u>. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.
- H. <u>Rebate of Arbitrage Profits</u>. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder or except to the extent the City complies with Subsection J of this Section:
 - (1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last Outstanding Certificate is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Certificates with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.
 - (2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Certificates until six years after the final Computation Date.
 - (3) As additional consideration for the purchase of the Certificates by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of the Certificate Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Certificates equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder.
 - (4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

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- I. Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Certificates, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection H of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Certificates not been relevant to either party.
- J. <u>No Rebate Required</u>. The City need not comply with the covenants and duties imposed by the provisions of Subsection H. of this Section if:
 - (1) the City is a governmental unit with general taxing powers;
 - (2) 95% of the Net Proceeds of the Certificates and all income from the investment thereof will be used for the governmental activities of the City;
 - (3) the aggregate face amount, within the meaning of Section 1.148-8(c)(1) of the Regulations, of all debt obligations (other than private activity bonds) issued or expected to be issued by the City or any subordinate entity in the calendar year in which the Certificates are issued is not reasonably expected to exceed \$5,000,000; and
 - (4) the City otherwise satisfies the requirements of paragraph (4)(c) of section 148(f) of the Code and Section 1.148-8 of the Regulations and rulings thereunder.

K. <u>Certificates Not Hedge Bonds</u>.

- (1) The City reasonably expects to spend at least 85% of the spendable proceeds of the Certificates within three years after such Certificates are issued.
- (2) Not more than 50% of the proceeds of the Certificates will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.
- L. <u>Elections</u>. The City hereby directs and authorizes any Authorized Official, or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Certificates, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document. Such elections shall be deemed to be made on the Closing Date.
- M. 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 furtherance of such designation, the City represents, covenants and warrants the following: (a) during the calendar year in which the Certificates are issued, the City (including any subordinate entities) has not designated nor will designate obligations, which when aggregated with the Certificates, will result in more than \$10,000,000 of "qualified tax-exempt obligations" being issued; (b) the City reasonably anticipates that the amount of tax-exempt obligations issued during the calendar year 2022 by the City (including any subordinate entities) will not exceed \$10,000,000; and (c) the City

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will take such action or refrain from such action as is necessary in order that the Certificates will not be considered "private activity bonds" within the meaning of section 141 of the Code.

SECTION 28. Control and Custody of Certificates. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas and shall take and have charge and control of the Certificates pending their approval by the Attorney General of the State of Texas, the registration thereof by the Comptroller of Public Accounts of the State of Texas and the delivery of the Certificates to the Purchasers.

Furthermore, each Authorized Official, either individually or any combination of them, is hereby authorized and directed to furnish and execute such documents relating to the City and its financial affairs as may be necessary for the issuance of the Certificates, the approval of the Attorney General of the State of Texas and their registration by the Comptroller of Public Accounts of the State of Texas and, together with the City's Financial Advisor, Bond Counsel, and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Certificates to the Purchasers and, when requested in writing by the Purchasers, the initial exchange thereof for definitive Certificates.

SECTION 29. <u>Satisfaction of Obligation of City</u>. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Certificates, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied and the lien on and pledge of the Net Revenues under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Certificates, or any principal amount(s) thereof, shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when: (i) money sufficient to pay in full such Certificates or the principal amount(s) thereof at Stated Maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent; and/or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any money deposited therewith, if any, to pay when due the principal of and interest on such Certificates, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof for the Certificates. In the event of a defeasance of the Certificates, the City shall deliver a certificate from its financial advisor, the Paying Agent/Registrar, independent accounting firm, or another qualified third party concerning the sufficiency of the deposit of cash and/or Government Securities to pay, when due, the principal of, redemption premium (if any), and interest due on any defeased Certificates. To the extent applicable, if at all, the City covenants that no deposit of money or Government Securities will be made under this Section and no use made of any such deposit which would cause the Certificates to be treated as arbitrage bonds within the meaning of section 148 of the Code (as defined in Section 27 hereof).

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Any money so deposited with the Paying Agent/Registrar, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Certificates, or any principal amount(s) thereof, or interest thereon with respect to which such money has been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Certificates and remaining unclaimed for a period of three (3) years after the Stated Maturity of the Certificates, or applicable redemption date of the Certificates, such money was deposited and is held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem defeased Certificates that is made in conjunction with the payment arrangements specified in clause (i) or (ii) above shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the City expressly reserves the right to call the defeased Certificates for redemption; (2) gives notice of the reservation of that right to the owners of the defeased Certificates immediately following the defeasance; (3) directs that notice of the reservation be included in any redemption notices that it authorizes; and (4) at the time of the redemption, satisfies the conditions of clause (i) or (ii) above with respect to such defeased debt as though it was being defeased at the time of the exercise of the option to redeem the defeased Certificates, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the defeased Certificates.

SECTION 30. Continuing Disclosure Undertaking.

A. Definitions.

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

EMMA means the MSRB's Electronic Municipal Market Access system, accessible by the general public, without charge, on the internet through the uniform resource locator (URL) http://www.emma.msrb.org.

Financial Obligation means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

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

SEC means the United States Securities and Exchange Commission.

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Undertaking means the City's continuing disclosure undertaking, described in subsections B through F below, hereunder accepted and entered into by the City for the purpose of compliance with the Rule.

B. <u>Annual Reports</u>.

The City shall file annually with the MSRB, within six months after the end of each Fiscal Year ending in or after 2022, financial information and operating data with respect to the City of the general type included in the final Application authorized by Section 36 of this Ordinance being the information described in Exhibit D hereto. All such information must be filed with MSRB pursuant to its Electronic Municipal Access (EMMA) System. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit D hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation and (ii) audited, if the City commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall file unaudited financial statements within such period and audited financial statements for the applicable Fiscal Year with the MSRB, when and if the audit report on such statements becomes available. Under current Texas law, including, but not limited to, Chapter 103, as amended, Texas Local Government Code, the City must have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The annual financial statement, including the auditor's opinion on the statement, shall be filed in the office of the City Secretary within 180 days after the last day of the City's Fiscal Year. Additionally, upon the filing of this financial statement and the annual audit, these documents are subject to the Texas Open Records Act, as amended, Texas Government Code, Chapter 552.

If the City changes its Fiscal Year, it will file notice thereof with the MSRB of such 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. <u>Notice of Certain Events</u>. The City shall file notice of any of the following events with respect to the Certificates, to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:
 - (1) principal and interest payment delinquencies;
 - (2) non-payment related defaults, if material;
 - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (4) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (5) substitution of credit or liquidity providers, or their failure to perform;
 - (6) 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;

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- (7) modifications to rights of Holders of the Certificates, if material;
- (8) Certificate calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the Certificates, if material;
 - (11) rating changes;
- (12) bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (13) 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;
- (14) appointment of a successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material;
- (15) incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (12) 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, and (b) the City intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

The City shall file notice with the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with this Section by the time required by this Section.

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D. <u>Limitations, Disclaimers, and Amendments</u>. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit that causes the Certificates to be no longer Outstanding.

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

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER 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 WITH OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

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

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

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell 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 (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding 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 holders and beneficial owners of the Certificates. The City may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the City also may amend the provisions of this

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Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection B of this Section 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.

E. <u>Information Format – Incorporation by Reference</u>.

The City information required under this Section shall be filed with the MSRB through EMMA in such format and accompanied by such identifying information as may be specified from time to time thereby. Under the current rules of the MSRB, continuing disclosure documents submitted to EMMA must be in word-searchable portable document format (PDF) files that permit the document to be saved, viewed, printed, and retransmitted by electronic means and the series of obligations to which such continuing disclosure documents relate must be identified by CUSIP number or numbers.

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) available to the public through EMMA or filed with the SEC.

F. General Policies and Procedures Concerning Compliance with the Rule.

Because the issuance of the Certificates is subject to the provisions of the Rule and because the potential "underwriters" in a negotiated sale of the Certificates or the initial purchasers in a competitive sale of the Certificates may be subject to MSRB rules and regulations with respect to such sale (including certain due diligence and suitability requirements, among others), the City hereby adopts the General Policies and Procedures Concerning Compliance with the Rule (the "Policies and Procedures"), attached hereto as Exhibit E, with which the City shall follow to assure compliance with the Undertaking. The City has developed these Policies and Procedures for the purpose of meeting its requirements of the Undertaking and, in connection therewith, has sought the guidance from its internal staff charged with administering the City's financial affairs, its municipal or financial advisors, its legal counsel (including its Bond Counsel), and its independent accountants (to the extent determined to be necessary or advisable). The Policies and Procedures can be amended at the sole discretion of the City and any such amendment will not be deemed to be an amendment to the Undertaking. Each Authorized Official is hereby authorized to amend the Policies and Procedures as a result of a change in law, a future issuance of indebtedness subject to the Rule, or another purpose determined by the Authorized Official to be necessary or desirable for or with respect to future compliance with the Undertaking.

SECTION 31. Book-Entry Only System.

It is intended that the Certificates will initially be registered so as to participate in a securities depository system (the *DTC System*) with the Depository Trust Company, New York,

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New York, or any successor entity thereto (*DTC*), as set forth herein. Each Stated Maturity of the Certificates shall be issued (following cancellation of the Initial Certificates described in Section 7) in the form of a separate single definitive Certificate. Upon issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as the nominee of DTC, and all of the Outstanding Certificates shall be registered in the name of Cede & Co., as the nominee of DTC. The City and the Paying Agent/Registrar are authorized to execute, deliver, and take the actions set forth in such letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including the Letter of Representations attached hereto as Exhibit C (the *Representation Letter*).

With respect to the 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 broker-dealer, bank, or other financial institution for which DTC holds the Certificates from time to time as securities depository (a *Depository Participant*) or to any person on behalf of whom such a Depository Participant holds an interest in the Certificates (an *Indirect Participant*). 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 Depository Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any Depository Participant or any other person, other than a registered owner of the Certificates, as shown on the Security Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than a Holder of a Certificate, of any amount with respect to principal of, premium, if any, or interest on the Certificates. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a bond certificate evidencing the obligation of the City to make payments of principal, premium, if any, and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the Holder, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

In the event that (a) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the Representation Letter shall be terminated for any reason, or (c) DTC or the City determines that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the City shall notify the Paying Agent/Registrar, DTC, and the Depository Participants of the availability within a reasonable period of time through DTC of bond certificates, and the Certificates shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC. However, the City will not discontinue the use of DTC without the prior notice and consent of the Purchasers for so long as the Purchasers are the holder of any of the Certificates. At that time, the City may determine that the Certificates shall be registered in the name of and deposited with a successor depository operating a securities depository system, as may be acceptable to the City, or such depository's agent or designee, and if the City and the Paying Agent/Registrar do not select such alternate securities depository system then the Certificates may be registered in whatever name or names the Holders of Certificates transferring or exchanging the Certificates shall designate, in accordance with the provisions hereof.

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Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate is 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 Certificate and all notices with respect to such Certificate shall be made and given, respectively, in the manner provided in the Representation Letter.

SECTION 32. <u>Compliance with Purchasers' Rules and Regulations</u>. The Issuer will comply with all of the requirements contained in the resolution or resolutions adopted by the Purchasers with respect to the issuance of the Certificates. In addition, in compliance with the Purchasers' Clean Water State Revolving Fund Program Rules, the Issuer hereby agrees, consents, and covenants the following:

- A. The commitment of the TWDB to purchase the Certificates is contingent on a future sale of bonds by the TWDB or on the availability of funds on hand.
- B. The commitment of the TWDB to purchase the Certificates is contingent upon the issuance of a written approving opinion of the Attorney General of the State of Texas that all of the requirements of the laws under which the Certificates were issued have been complied with; that the Certificates were issued in conformity with the Constitution and laws of the State of Texas; and that the Certificates are valid and binding obligations of the Issuer.;
- C. The commitment of the TWDB to purchase the Certificates is contingent upon the Issuer's compliance with all applicable requirements contained in 31 TAC Chapter 375.
- D. The Certificates may be called for early redemption on any date beginning on or after the first interest payment date which is ten (10) years from the Certificate Date, at a redemption price of par, together with accrued interest to the date fixed for redemption, as provided in Section 4.
- E. The Issuer shall comply with the requirements of the Rule as if the TWDB were a "Participating Underwriter" within the meaning of the Rule, as provided in Section 30. The Issuer shall further annually submit an audit, prepared by a certified public accountant or firm of certified public accountants, to the TWDB, as provided in Section 18.
- F. The Issuer shall levy a tax and/or maintain and collect sufficient rates and charges to produce System revenues in an amount necessary to meet the debt service requirements of all outstanding debt obligations and to maintain the funds established and required by the Certificates, as provided in Section 11.
- G. The Issuer shall use any loan proceeds evidenced by the Certificates that are determined to be "remaining unused funds", which are those funds unspent after the Project (as approved by TWDB) is completed, for enhancements to the Project that are explicitly approved by the Executive Administrator of the TWDB or, if no enhancements are authorized by the Executive Administrator, the Issuer shall submit a final accounting and disposition of any unused funds. In determining "remaining unused funds", the Issuer agrees to account for all amounts deposited to the credit of the Construction Fund, including all loan funds extended by the TWDB, all other funds available from the Project as described in the project engineer's or fiscal

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representative's sufficiency of funds statement, and all interest earned by the Issuer on money in the Construction Fund.

- H. The Issuer shall use any loan proceeds evidenced by the Certificates that are determined to be "surplus funds" remaining after completion of the Project and completion of a final accounting in a manner as approved by the Executive Administrator.
- I. For so long as the TWDB is a Holder of the Certificates, the TWDB may exercise all remedies available to it in law or equity, and any provision of the Certificates that restricts or limits the TWDB's full exercise of these remedies shall be of no force and effect, as provided in Section 19.
- J. Loan proceeds evidenced by the Certificates are public funds and, as such, shall be held at a designated State depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Chapter 2256, as amended, Texas Government Code, and the Public Funds Collateral Act, Chapter 2257, as amended, Texas Government Code, as provided in Section 26 and in the Escrow Agreement authorized in Section 37 and attached hereto, in substantially final form, as Exhibit B.
- K. Loan proceeds evidenced by the Certificates shall not be used by the Issuer when sampling, testing, removing, or disposing of contaminated soils and/or media at the Project site. The Issuer agrees, to the extent permitted by law, to indemnify, hold harmless and protect the TWDB from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment, and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the Issuer, its contractors, consultants, agents, officials, and employees as a result of activities relating to the Project.
- L. The Issuer shall implement any water conservation program required by the TWDB until all financial obligations to the TWDB have been discharged.
- M. The Issuer shall comply with any special conditions, if any, specified by the Issuer's water conservation plan maintained in accordance with 31 TAC Section 375.43, as well as any environmental determination until all financial obligations to the TWDB have been discharged.
- N. The Issuer shall comply with all conditions as specified in the final environmental finding of the Executive Administrator when issued, including the standard emergency discovery conditions for threatened and endangered species and cultural resources.
- O. Prior to the Closing Date, the Issuer shall submit documentation evidencing the adoption and implementation of sufficient System rates and charges or, if applicable, the levy of an interest and sinking tax rate sufficient for the repayment of all System debt service requirements.
- P. Prior to the Closing Date, and if not previously provided with the Application, the Issuer shall submit executed contracts for engineering and, if applicable, Financial Advisor and Bond Counsel contracts, for the Project that are satisfactory to the Executive Administrator. Fees to be reimbursed under the contracts shall be reasonable in relation to the services performed, reflected in the contract, and acceptable to the Executive Administrator.

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- Q. Prior to the Closing Date, the Issuer shall execute the Escrow Agreement, approved as to form and substance by the Executive Administrator, and shall submit that executed Escrow Agreement to the TWDB. The Escrow Agreement is authorized herein pursuant to Section 37 and attached hereto, in substantially final form, as Exhibit B.
- R. The Issuer shall, if required by the Executive Administrator, execute a separate financing agreement in form and substance acceptable to the Executive Administrator.
- S. The Issuer's Bond Counsel shall prepare a written opinion that states that the interest on the Certificates is excludable from gross income or is exempt from federal taxation. Bond Counsel may rely on covenants and representations of the Issuer when rendering this opinion.
- T. The opinion of Bond Counsel shall also state that the Certificates are not "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder. Bond Counsel may rely on covenants and representations of the Issuer when rendering this opinion.
- U. The Issuer shall not use the proceeds of the loan evidenced by the Certificates in a matter that would cause the Certificates to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, as provided in Section 27C.
- V. No portion of the proceeds of the loan evidenced by the Certificates will be used, directly or indirectly, in a manner that would cause the Certificates to be "arbitrage bonds" within the meaning of section 148(a) of the Code and the Regulations and rulings thereunder, including to acquire or to replace funds which were used, directly or indirectly, to acquire Nonpurpose Investments (as defined in the Code and Regulations) which produce a yield materially higher than the yield on the TWDB's bonds that are issued to provide financing for the loan (the *Source Series Bonds*), other than Nonpurpose Investments acquired with:
 - (1) proceeds of the Source Series Bonds invested for a reasonable temporary period of up to three (3) years (reduced by the period of investment by the Purchasers) until such proceeds are needed for the facilities to be financed;
 - (2) amounts invested in a bona fide debt service fund, within the meaning of §1.148-1(b) of the Regulations; and
 - (3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed the least of maximum annual debt service on the Certificates, 125% of average annual debt service on the Certificates, or 10% of the stated principal amount (or, in the case of a discount, the issue price) of the Certificates.
- W. The Issuer shall take all necessary steps to comply with the requirement that certain amounts earned on the investment of gross proceeds of the Certificates be rebated to the federal government in order to satisfy the requirements of section 148 of the Code, as provided in Section 27H.

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- X. The Issuer shall not take any action that would cause interest on the Certificates to be includable in gross income for federal income tax purposes, as provided in Section 27B.
- Y. The Issuer will not cause or permit the Certificates to be treated as "federally guaranteed" obligations within the meaning of section 149(b) of the Code, as provided in Section 27F.
- Z. The closing transcript of the Issuer shall contain a "No Arbitrage Certificate" or similar "Federal Tax Certificate" setting forth the Issuer's reasonable expectations regarding the use, expenditure and investment of the proceeds of the Certificates.
- AA. The Issuer shall not use proceeds of the Certificates or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Certificates in contravention of the requirements of section 149(d) of the Code (related to "advance refundings").
- BB. The closing transcript shall include evidence that the information reporting requirements of section 149(e) of the Code will be satisfied, as provided in Section 27G.
- CC. Neither the Issuer nor a related party thereto will acquire any of the TWDB's Source Series Bonds in an amount related to the amount of the Certificates to be acquired from the Issuer by the TWDB.
- DD. The Issuer shall submit outlay reports with sufficient supporting documentation on costs (e.g., invoices, receipts) on a quarterly or monthly basis in accordance with TWDB outlay report guidelines.
- EE. All laborers and mechanics employed by contractors and subcontractors for the Project shall be paid wages at rates not less than those prevailing on projects of a similar character in the locality in accordance with the Davis-Bacon Act, and the US Department of Labor's implementing regulations. The Issuer, all contractors, and all sub-contractors shall ensure that all project contracts mandate compliance with the Davis-Bacon Act. All contracts and subcontracts from the construction of the Project carried out in whole or in part with financial assistance made available by the TWDB to the Issuer as evidenced by the Certificates shall insert in full in any contract in excess of \$2,000 the contracts clauses as provided by the TWDB.
- FF. The Issuer shall provide the TWDB with all information required to be reported in accordance with the Federal Funding Accountability and Transparency Act of 2006, Pub. L. 109-282, as amended by Pub. L. 110-252. The Issuer shall obtain a Data Universal Numbering System (*DUNS*) Number and shall register with the System for Award Management (*SAM*), and maintain current registration at all times during which the Certificates are Outstanding.
- GG. All loan proceeds evidenced by the Certificates will be timely and expeditiously used, as required by 40 CFR §35.3135(d), and the Issuer will adhere to the approved project schedule.
- HH. The Issuer shall abide by all applicable construction requirements related to the use of iron and steel products produced in the United States, as required by 31 TAC §375.3 and 33 U.S.C. §1388, and related State Revolving Fund Policy Guidelines.

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- II. The Issuer shall abide by the prohibition on certain telecommunications and video surveillance services or equipment as required by 2 CFR §200.216.
- JJ. the Issuer will comply with the requirements set forth in 33 U.S.C. §1382 et seq. related to maintaining project accounts containing financial assistance for planning, design, acquisition, or construction, as applicable, in accordance with generally accepted accounting principles. These standards and principles also apply to the reporting of underlying infrastructure assets.
- KK. The Issuer shall submit, prior to the release of funds, a schedule of the useful life of the Project components prepared by an engineer as well as a certification by the applicant that the average weighted maturity of the Certificates purchased by the TWDB does not exceed 120% of the average projected useful life of the Project, as determined by the schedule.
- LL. Prior to or on the Closing Date, the Issuer shall pay an origination fee to the TWDB calculated pursuant to 31 TAC Chapter 375 and the applicable Intended Use Plan, as provided in Section 26;
- MM. At the TWDB's option, the TWDB may fund the financial assistance evidenced by the Certificates with either available cash-on-hand or from bond proceeds. If the financial assistance evidenced by the Certificates is funded with available cash-on-hand, the TWDB reserves the right to change the designated source of funds to bond proceeds issued for the purpose of reimbursing funds used to provide the financial assistance evidenced by the Certificates.
- NN. Prior to release of funds for professional consultants including, but not limited to, the engineer, Financial Advisor, and Bond Counsel, as appropriate, the Issuer shall provide documentation that it has met all applicable state procurement requirements as well as all federal procurement requirements under the Disadvantaged Business Enterprise program.
- OO. Prior to the release of funds for professional services related to architecture or engineering, including but not limited to, contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or other architectural and engineering services as defined in 40 U.S.C. §1102(2)(A)(C), the Issuer shall provide documentation that it has met all applicable federal procurement requirements.
- PP. The Issuer will provide the TWDB with copies of "as built plans" pertaining to the projects financed, in whole or in part, with any funds of the TWDB.
- SECTION 33. <u>Printed Opinion</u>. The Purchasers' obligation to accept delivery of the Certificates is subject to their being furnished a final opinion of Norton Rose Fulbright US LLP, San Antonio, Texas, as Bond Counsel, approving certain legal matters as to the Certificates, this opinion to be dated and delivered as of the date of initial delivery and payment for such Certificates. Printing of a true and correct copy of this opinion on the reverse side of each of the Certificates, with appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the City is hereby approved and authorized.

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SECTION 34. <u>CUSIP Numbers</u>. CUSIP numbers, if any, may be printed or typed on the definitive Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Certificates shall be of no significance or effect as regards the legality thereof, and neither the City nor Bond Counsel are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Certificates.

SECTION 35. <u>Effect of Headings</u>. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 36. <u>Application to Texas Water Development Board</u>. The City Council ratifies and confirms its prior approval of the form and content of the Application to the Texas Water Development Board (the *Application*), including the Private Placement Memorandum, prepared in connection with the sale of the Certificates and hereby approves the form and content of any addenda, supplement, or amendment thereto.

SECTION 37. <u>Authorization of Paying Agent/Registrar Agreement</u>. The City Council of the City hereby finds and determines that it is in the best interest of the City to authorize the execution of a Paying Agent/Registrar Agreement concerning the payment, exchange, and transferability of the Certificates. A copy of the Paying Agent/Registrar Agreement is attached hereto, in substantially final form, as Exhibit A and is incorporated by reference to the provisions of this Ordinance.

SECTION 38. <u>Authorization of Escrow Agreement</u>. The City Council hereby finds and determines that it is in the best interest of the City to authorize the execution of an Escrow Agreement, to comply with the Purchasers' rules and regulations and provide for the installment deliveries of the proceeds of the Certificates to the Purchasers, if any. A copy of the Escrow Agreement is attached hereto, in substantially final form, as Exhibit B, and is incorporated by reference to the provisions of the this Ordinance for all purposes. Any Authorized Official is authorized to execute the Escrow Agreement as the act and deed of the City Council.

SECTION 39. Ordinance a Contract, Amendments - Outstanding Certificates. The City acknowledges that the covenants and obligations of the City herein contained are a material inducement to the purchase of the Certificates. This Ordinance shall constitute a contract with the Holders from time to time, binding on the City and its successors and assigns, and it shall not be amended or repealed by the City so long as any Certificate remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of Holders holding a majority in aggregate principal amount of the Certificates then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided, however, that without the consent of all Holders of Outstanding Certificates, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount thereof or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, the redemption price therefor, or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required for consent to any such amendment, addition, or rescission.

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SECTION 40. <u>Benefits of Ordinance</u>. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, Bond Counsel, Paying Agent/Registrar, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, Bond Counsel, the Paying Agent/Registrar, and the Holders.

SECTION 41. <u>Inconsistent Provisions</u>. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

SECTION 42. <u>Governing Law</u>. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 43. <u>Severability</u>. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 44. <u>Construction of Terms</u>. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 45. <u>Incorporation of Preamble Recitals</u>. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the City Council of the City.

SECTION 46. <u>Public Meeting</u>. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 47. <u>Unavailability of Authorized Publication</u>. If, because of the temporary or permanent suspension of any newspaper, journal, or other publication, or, for any reason, publication of notice cannot be made meeting any requirements herein established, any notice required to be published by the provisions of this Ordinance shall be given in such other manner and at such time or times as in the judgment of the City or of the Paying Agent/Registrar shall most effectively approximate such required publication and the giving of such notice in such manner shall for all purposes of this Ordinance be deemed to be in compliance with the requirements for publication thereof.

SECTION 48. No Recourse Against City Officials. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Certificate or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Certificate.

82645715.4 -50-

SECTION 49. Further Procedures. The officers and employees of the City are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Certificates, the Private Placement Memorandum, the Escrow Agreement, the Application, and the Paying Agent/Registrar Agreement. In addition, prior to the initial delivery of the Certificates, any Authorized Official and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance and as described in the Private Placement Memorandum necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Application, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Certificates by the Texas Attorney General's office. In case any officer of the City whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 50. <u>Issuer's Consent to Provide Information and Documentation to Texas MAC</u>. The Municipal Advisory Council of Texas (the *Texas MAC*), a non-profit membership corporation organized exclusively for non-profit purposes described in section 501(c)(6) of the Code and which serves as a comprehensive financial information repository regarding municipal debt issuers in Texas, requires provision of written documentation regarding the issuance of municipal debt by the issuers thereof. In support of the purpose of the Texas MAC and in compliance with applicable law, the City hereby consents to and authorizes any Authorized Official, the City's Bond Counsel, and/or the City's Financial Advisor to provide to the Texas MAC information and documentation requested by the Texas MAC relating to the Certificates; provided, however, that no such information and documentation shall be provided prior to the Closing Date. This consent and authorization relates only to information and documentation that is a part of the public record concerning the issuance of the Certificates.

SECTION 51. <u>Effective Date</u>. Pursuant to the provisions of Section 1201.028, as amended, Texas Government Code, this Ordinance shall be effective immediately upon adoption, notwithstanding any provision in the City's Home Rule Charter to the contrary concerning a multiple reading requirement for the adoption of ordinances.

[The remainder of this page intentionally left blank.]

82645715.4 -51-

PASSED AND ADOPTED on the 8th day of November, 2022.

CITY OF LOS FRESNOS, TEXAS

	Mayor	
ATTEST:		
City Secretary	_	
(CITY SEAL)		

INDEX TO EXHIBITS

Exhibit A	
	Escrow Agreement
Exhibit C	DTC Letter of Representations
Exhibit D	
Exhibit E	General Policies and Procedures Concerning Compliance
	with the Rule

82645715.4 Index

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

SEE TAB NO. __

82645715.4 A-1

EXHIBIT B

ESCROW AGREEMENT

SEE TAB NO. __

82645715.4 B-1

EXHIBIT C

DTC LETTER OF REPRESENTATIONS

SEE TAB NO. __

82645715.4 C-1

EXHIBIT D

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 30 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 Section are as specified (and included in the Application referred to) below:

The City's audited financial statements for the most recently concluded Fiscal Year or to the extent these audited financial statements are not available, the portions of the unaudited financial statements of the City referenced in the Application but for the most recently concluded Fiscal Year.

Accounting Principles

The accounting principles referred to in such Section are generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time.

82645715.4 D-1

EXHIBIT E

GENERAL POLICIES AND PROCEDURES CONCERNING COMPLIANCE WITH THE RULE

- I. Capitalized terms used in this Exhibit have the meanings ascribed thereto in Section 30 of the Ordinance. "Certificates" refer to the Certificates that are the subject of the Ordinance to which this Exhibit is attached.
- II. As a capital markets participant, the City is aware of its continuing disclosure requirements and obligations existing under the Rule prior to February 27, 2019, the effective date of the most recent amendment to the Rule (the "Effective Date"), and has implemented and maintained internal policies, processes, and procedures to ensure compliance therewith. Adherence to these internal policies, processes, and procedures has enabled underwriters in non-exempt negotiated sales and initial purchasers in non-exempt competitive sales to comply with their obligations arising under various MSRB rules and regulations concerning due diligence and findings of suitability, among other matters, regarding the City's compliance with the Rule.
- III. The City is aware that the Rule was amended as of the Effective Date (the *Rule Amendment*) and has accommodated this amendment by adding subparagraphs (15) and (16) to Section 30C of the Ordinance, which provisions are a part of the Undertaking.
- IV. The City is aware that "participating underwriters" (as such term is defined in the Rule) of the Certificates must make inquiry and reasonably believe that the City is likely to comply with the Undertaking and that the standards for determining compliance have increased over time as a result of, among others, the United States Securities and Exchange Commission's Municipalities Continuing Disclosure Cooperation Initiative and regulatory commentary relating to the effectiveness of the Rule Amendment.
- V. The City now establishes the following general policies and procedures (the "Policies and Procedures") for satisfying its obligations pursuant to the Undertaking, which policies and procedures have been developed based on the City's informal policies, procedures, and processes utilized prior to the Effective Date for compliance with the City's obligations under the Rule, the advice from and discussions with the City's internal senior staff (including staff charged with administering the City's financial affairs), its municipal or financial advisors, its legal counsel (including Bond Counsel), and its independent accountants, to the extent determined to be necessary or advisable (collectively, the "Compliance Team"):
 - 1. the City Manager of the City (the "Compliance Officer") shall be responsible for satisfying the City's obligations pursuant to the Undertaking through adherence to these Policies and Procedures;
 - 2. the Compliance Officer shall establish reminder or "tickler" systems to identify and timely report to the MSRB, in the format thereby prescribed from time to time, the City's information of the type described in Section 30B of the Ordinance;
 - 3. the Compliance Officer shall promptly determine the occurrence of any of the events described in Section 30C of the Ordinance;

82645715.4 E-1

- 4. the Compliance Officer shall work with external consultants of the City, as and to the extent necessary, to timely prepare and file with the MSRB the annual information of the City and notice of the occurrence of any of the events referenced in Clauses 2 and 3 above, respectively, the foregoing being required to satisfy the terms of the Undertaking;
- 5. the Compliance Officer shall establish a system for identifying and monitoring any Financial Obligations, whether now existing or hereafter entered into by the City, and (upon identification) determining if such Financial Obligation has the potential to materially impact the security or source of repayment of the Certificates;
- 6. upon identification of any Financial Obligation meeting the materiality standard identified in Clause 5 above, the Compliance Officer shall establish a process for identifying and monitoring any City agreement to covenants, events of default, remedies, priority rights, or other similar terms under such Financial Obligation;
- 7. the Compliance Officer shall establish a process for identifying the occurrence of any default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any Financial Obligation, the occurrence of any of which reflect financial difficulties of the City; and
- 8. the Compliance Officer shall annually review these Policies and Procedures with the remainder of the Compliance Team, make any modifications on an internal document retained by the Compliance Officer and available to any "participating underwriter" (as defined in the Rule), if requested, and on the basis of this annual review (to the extent determined to be necessary or desirable), seek additional training for herself or himself, as well as other members of the City's internal staff identified by the Compliance Officer to assist with the City's satisfaction of the terms and provisions of the Undertaking.

82645715.4 E-2

1.F.8

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Resolutions Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4668 A

ACTION ITEM (ID # 4668)

Consideration and approval of a resolution approving the principal forgiveness agreement Clean Water State Revolving Fund in the amount of \$843,704 and an escrow agreement relating thereto; authorizing the Mayor, City Manager, and City Secretary, or their designees, to execute any and all documents related thereto; and other matters in connection therewith.

This is the grant part of the funding from the TWDB for the drainage projects we are doing for \$843,704. This is free money. These projects include Whipple Road Drainage, Valle Alto Drainage, Resaca Escondida Drainage and a drainage study for the city.

I recommend approval.

RESOLUTION

A RESOLUTION APPROVING THE PRINCIPAL FORGIVENESS AGREEMENT CLEAN WATER STATE REVOLVING FUND IN THE AMOUNT OF \$843,704 AND AN ESCROW AGREEMENT RELATING THERETO; AUTHORIZING THE MAYOR, CITY MANAGER, AND CITY SECRETARY, OR THEIR DESIGNEES, TO EXECUTE ANY AND ALL DOCUMENTS RELATED THERETO; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Los Fresnos, Texas (the *City*) deems it necessary to request additional financial assistance from the Texas Water Development Board (the *Board*) as evidenced by a 2022 Principal Forgiveness Agreement Clean Water State Revolving Fund; and

WHEREAS, in accordance with the rules and regulations of the Board, which govern the procedures in making this request, the governing body of the City is required to pass a resolution to accompany this request; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOS FRESNOS, TEXAS THAT:

- 1. It is hereby found and determined that the City cannot reasonably finance the proposed project without the financial assistance of the Board in the amount requested in the City's Resolution adopted on _____, 20__ authorizing the filing of an application (the *Application*) with the Board.
- 2. The Mayor, City Manager, and City Secretary of the City are hereby authorized to execute and submit to the Board the Principal Forgiveness Agreement Clean Water State Revolving Fund and the Escrow Agreement, and the Mayor and City Manager of the City, together with the bond counsel, financial advisors and consulting engineers named in the Application, are authorized to appear before the Board in support of the Application and this additional request.
- 3. The Mayor, City Manager, and City Secretary of the City are further specifically authorized to make any required assurances to the Board in accordance with the rules, regulations, and policies of the Board.
- 4. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this resolution for all purposes and are adopted as a part of the judgment and findings of the City.
- 5. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.
- 6. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

- 7. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this Resolution would have been enacted without such invalid provision.
- 8. It is officially found, determined, and declared that the meeting at which this resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.
- 9. This resolution shall be in force and effect from and after its passage on the date shown below.

[The remainder of this page intentionally left blank]

82647574.3 - 2 -

PASSED, ADOPTED AND APPROVED on the 8^{th} day of November, 2022.

CITY OF LOS FRESNOS, TEXAS

Attest:	Mayor	
City Secretary		
(CITY SEAL)		

EXHIBIT A

PRINCIPAL FORGIVENESS AGREEMENT CLEAN WATER STATE REVOLVING FUND

SEE TAB NO. 24

82647574.3 A-1

EXHIBIT B

ESCROW AGREEMENT
SEE TAB NO. 25

82647574.3 B-1

1.F.9

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Presentation
Prepared By: Jacqueline Moya
Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4672

ACTION ITEM (ID # 4672)

Presentation and discussion on the history of annexations in Los Fresnos and the surrounding communities and the current annexation laws.

Updated: 11/2/2022 3:37 PM by Jacqueline Moya

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Report
Prepared By: Jacqueline Moya
Initiator: Jacqueline Moya
Sponsors:

DOC ID: 4646 A

ACTION ITEM (ID # 4646)

City Manager Report A. Waste Water Collection System & Upgrade B. Water Treatment Plant Expansion C. Hike & Bike Trails D. Drainage E. Whipple Road F. COVID-19 G. TxDot Highway 100 H. East 10th & East 5th Street Sewer I. Projects Discussed But Not Funded J. Street Repairs K. Drought Contingency Plan & Rio Grande River Water Levels

A. Waste Water Collection System & Upgrade - The city received a loan for \$1,600,000 to fix 1 lift stations (Cuates) and run sewer service to the new annexed areas on West Highway 100 and up to Escalante Road. Work has begun on the north side of Highway 100 beginning just past Wal-Mart going west. We are working on specs for the hookups from the main line to the homes and businesses so that will be ready to do soon. The projects at the Waste Water Plant are complete.

- B. Water Treatment Plant Expansion Work continues. The ground storage tank that was approved is being replaced. Great progress with this project.
- C. The LF trail is complete. People are already using it.

Brownsville is still working on the engineering for the connecting trail to FM 511. We will apply for the grant when Brownsville finishes the engineering design and we are ready to move forward. Patty Alexander was hired in April to apply for the grant.

D. Drainage - GREAT NEWS!! We were notified we will get \$843,704 in loan forgiveness which means a grant, free money. We were also notified we will receive a zero percent interest loan for \$860,000 for the rest of the project. This will only require a debt payment of \$45,000. This will be for drainage of Resaca Escondida (south of Nature Park), drainage improvements along Whipple Road and Valle Alto Subdivision and ditches to Highway 100 and a city wide drainage study and plan. TWDB had originally said we could use the City Engineer, City Financial Advisors and City Bond Counsel without having to re-procure their services. However, now they say we have to so we are going through that process. The funding and related items are on this agenda for approval.

Cameron County Drainage District #1 has begun to substantially widen the ditch behind the Rodeo Grounds to past Alvarez Court (this portion is almost complete) and also from Arroyo Boulevard between Alvarez Court and Tenth Street all the way to the other ditch. This will add a lot of capacity. The city will be helping remove the dirt. General drainage capacity increases will be made along the main ditch to the south. This should really help and stop the back up of drainage on Alvarez Court and East 10th, 9th and 8th Streets.

Updated: 11/3/2022 9:32 AM by Mark Milum A

Also we have identified the back up of water along Highway 100 near the Motel and just past the school to the west of FM 1575. Both are the responsibility of TxDot. They don't see it as a major issue so are not interested in doing anything.

Another area of concern is south on California Road where the drainage ditches are not maintained by anyone. We are working with CCID#6, CCDD#4, the County and a developer to redirect the water.

- E. Whipple Road This is to widen Whipple Road. The plans call for 2 driving lanes of 12 feet each, a center turn lane 14 feet wide and a 5 foot sidewalk on each side and bike lanes on each side. The plans are 90% complete. CCRMA has hired another engineer to complete the remaining design. It should be done within a year and then we can see how we can get it constructed. We discussed this at length during the May 2022 meeting. There is \$4,820,000 for preliminary engineering and construction costs. We will have to locate funds for any construction costs over the available amount. Once we have the preliminary engineering completed and an estimate done, we will be able to know the amounts of shortfall in funding there is.
- F. COVID-19 The total amount is of funds that we will be receiving \$1,941,898.48. We have received 50% or \$970,949.24. We will receive the other 50% next August or September of 2022. The projects for the first year include replacing the water ground storage tank for \$198,000 which is already approved and will be done in September and October. The estimates for the Whipple Sewer Extension for \$257,050 and the Sewer line and manhole replacement for \$515,899. The Council agreed to use some of these funds for upgrades on sewer lined and manholes on the streets that are getting redone so streets don't have to be torn up later. Hanson Professional Services, Paolina Vega and Rick Riggins feel they we be ready to go out for bids soon.
- G. TxDot Highway 100 Progress continues. We rarely have to manually operate the light on the weekends and busy times at Highway 100 and FM 1847 to prevent traffic from backing up on Highway 100 so much. This is very different from the higher traffic times of the summer and holidays. It seems they are moving much quicker now. TxDot has said they the work should be complete by February. I mentioned to TxDot that the Rodeo, Stock Show, Concert, etc, is February 17 and if there is only 1 lane each way we will be in trouble. They said they don't think they can meet that deadline but will keep it in mind.
- H. East 10th & East 5th Street Sewer I have approved to change the sewer line from 10th Street that connects into a main line on 7th Street to the main line on 9th Street that leads to the Alamo Lift Station. The contractor has ordered the manhole structure but is back ordered. As soon as it comes in they will do the work. I believe this will solve the problem. I will keep you updated on it. There is also a second back up plan to offer more security for this not to occur if this one doesn't work by connecting the end of 10th Street back to the main line on 9th Street. The fixing of manholes and sewer lines in other projects should help solve the problem. If not

we can reroute the sewer in the 10th Street area for approximately \$325,275 and in the 5th Street area for \$101,750.

- I. Projects Discussed But Not Funded Sewer Manhole Replacement \$1,000,000; Sewer Line Replacement \$1,813,500.
- J. Street Repairs The street repair bids came in too high so we rejected them. There was only 1 bid. We are working on changes the base bid to come within budget. Also, we are adding the replacement of some sewer lines and sewer manholes on certain streets that are getting repaired since the sewer lines and sewer manholes are within the street pavement. This will save money in the future. We have also added the sidewalks on the designated streets as approved by the Council. Hopefully we can get this ready soon so we can go out for bids. We thought we would have it in October but they ran into some difficulties in the design flow for the sewer.

Other streets in need of repair but not funded include: Canal from 1847 to Mesquite; Mesquite from 100 to Canal; 1st from Nogal to the cul-de-sac; 2nd from 1847 to Alamo; Ebano from 100 to 3rd; 7th from Palma to Fresno; Nogal from 10th to the shooting range. The estimate for these street repairs is about \$1,000,000. There are now other streets starting to fail due to the high traffic from motorists detouring around the construction on Highway 100.

K. Drought Contingency Plan & Rio Grande River Water Levels - Stage 1 Conservation is implemented which is normal operations with voluntary conservation recommended. The combined reservoir capacity is up to 31.6% capacity. We still need more flows but it is not a critical as it was for the last 6-8 months. Continued prayers for rainfall in that area.

1.H.1

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM
Department: City Secretary
Category: Report

Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4652

ACTION ITEM (ID # 4652)

Fire Marshal's Report 1. Monthly Report

Call with questions.

I recommend approval.

Updated: 11/1/2022 3:56 PM by Bianca Huerta



FIRE MARSHAL'S OFFICE 520 E. OCEAN BLVD LOS FRESNOS, TX 78566

LOS FRESNOS FIRE DEPARTMENT Activity Report

Month of October 2022

CALLS	INSIDE CITY	OUTSIDE CITY
Commercial Building Fires	0	0
Residential Building Fires	0	3
Grass Fires	0	12
Trash Fires	0	5
Vehicle Fires	0	0
Motor Vehicle Collisions	1	12
Bee Calls	0	0
Fire Alarm Activation	2	3
False Calls/False Alarms	0	0
Other Calls	3	1
Total Calls 43	6	37

FIRE INSPECTIONS PERFORMED

Commerical Businesses	15
Industrial Structures	0
Public Buildings	4
Hotels/Motels	0
Institutions	0
Homes	2
Apartments	
Total Inspections	21
Fires Investigated	(Accidental) 0

(Incendiary)

1.H.2

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Report Prepared By: Jacqueline Moya

Initiator: Jacqueline Moya Sponsors:

DOC ID: 4651

ACTION ITEM (ID # 4651)

Library Report 1. Monthly Report

Call with questions.

I recommend approval.



Number of Patron Checking Out Materials

Adult	317
Children	35
Teens	0
New Patron	82
In Library Use	13



Material Types Checked Out

Adult Books	166
Children Books	135
Young Adult Books	103
Videos	13
Audios	0
Other Language Books	21
Hotspots	9
Laptops	0
Interlibrary Loans	1
Items Downloaded	
eBooks	70



eBooks 79 eAudiobooks 27



Patron Access Computer Use

Total Sessions 177
Total Time 136 hours
Guest Passes 77



Free Wi-Fi Access Use

Replacement Cards

At Home Deliveries

Total Sessions 428 Library WiFi
Total Sessions 456 Park WiFi



What Happened in the Library

What Happened in the Library				
Hours Open	169 hours			
Visits/Calls	749/83			
Children Program Attendance	95			
Volunteer Hours	24			
New Cards Issued	13			
Cards Renewed	43			
New Books Added	37			
New eBooks Added	137			
New Videos Added	0			
Hotspots Added	0			
Books Weeded	96			
Videos Weeded	0			
Reference Questions	1,912			
Assists in Computer Lab	252			
Patron Copies	489			
Patron Faxes sent	40			
Patron Printouts	1,540			
Library Staff Copies	58			

8

2



1.H.3

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Report

Category: Report Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4650

ACTION ITEM (ID # 4650)

Municipal Court 1. City Monthly Report-September 2. Linebarger Monthly Report-September

Call with questions.

I recommend approval.

Updated: 11/3/2022 9:50 AM by Jacqueline Moya

OFFICIAL MUN	NICIPAL C	O	URT MONTE	ILY KEPOK	1.H.3.a
MUNICIPAL (ASTRESPOS		TR	AFFIC	NON-TRAFFIC M	IISDEMEANORS
FOR MONTH Sptender YEAR 202	NON- PARKING	}	PARKING	STATE LAW	CITY ORDINANCE
New Cases Filed During the Month	641)	/	74.	
2. Dispositions Prior to Trial:	信 151.2 海拔			72.5	
A. BondForfeitures					
B. Fined (Before trial only. If the defendant goes to trial, enter in Item 3.)			,	3.	
C. Cases Dismissed (Do not include dismissals that are to be reported in Items 3C and 4 below.)					
3. Dispositions at Trial:			沙沙沙洲		esus May Which
A. Trial by Judge (1) Finding of Guilty	23	1.	1	21	
(2) Finding of Not Guilty					
B. Trial by Jury (1) Finding of Guilty					
(2) Finding of Not Guilty					
C. Dismissed at Trial					
4. Cases Dismissed:	学习情况""		355		
A. After Driver Safety Course (C.C.P., Art. 45.0511)	39.				
B. After Deferred Disposition (C.C.P., Arr. 45.051)	91			/	
C. After Proof of Financial Responsibility (Transportation Code, Sec. 601.193)	40				
D. Compliance Dismissal (Proof of Inspection, License, or Registration)	55		3.0 c <u>23.</u> 6		
5. Community Service Ordered (For satisfaction of fine or costs only.)					
6. Cases Appealed			200		
7. Juvenile / Minor Activity:		8.	Parent Contributing to Cases Filed (Education Code		
A. Transportation Code Cases Filed	φ	9.	Safety Responsibility a		
B. Non-Driving Alcoholic Beverage Code Cases Filed	/	<i>j</i> .	Suspension Hearings I		
C. Driving Under the Influence of Alcohol Cases Filed		10.	Search Warrants Issued		TO STATE OF THE ST
D. Health & Safety Code (Tobacco) Cases Filed		11.	Arrest Warrants Issued:		
E. Failure to Attend School Cases Filed (Education Code, Sec. 25.094)			A. Class C Misdemeanors Only		266
F. Education Code (Except Failure to Attend) Cases Filed		,	B. Felonies and Class A and B	Misdemeanors Only	
G. Violation of Local Daytime Curfew Ordinance Cases Filed (Loc. Govt. Code, Sec. 341.905)		12.	Magistrate Warnings Gi	iven:	The second
H. All Other Non-Traffic Fine-Only Cases Filed			(Given to defendants charged with A. Class A and B Misdemeano		2-3
l. Waiver of Jurisdiction of Non-Traffic Cases (Family Code, Sec. 51.08(b))		::=	B. Felonies		17
J. Referred to Juvenile Court for Delinquent Conduct (C.C.P., Art. 45.050 (c)(1))		13.	Emergency Mental Heal	th Hearings Held	
K. Held in Contempt, Fined, or Denied Driving Privileges (C.C.P., Art. 45.050 (c)(2))			Magistrate's Orders for E		
Magistrate Warnings Given (Juvenile): L. Warnings Administered			Total Revenue :		10 88.
M. Statements Certified				on month to be remitted to city or si	100

10/04/22 11:09 AM Report Only

Distribution Listing Distribution That has Been Deposited

From 9/01/2022 to 9/30/2022

DISTRPT Page: 49 1.H.3.a

Violator Citation No. Docket No. --- Net --- G/L Acct No. S Code TLFTA1 --- Payments --- Refunds ---0 0 0.00 422.00 01 2512 22 422.00 $o_{ ext{TLFTA2}}$ 0.00 694.00 01 2517 117 694.00 0.00 463.00 01 407-0240 900.00 01 407-0240 116 463.00 0 CTLFTA3 S AF2 0 0.00 45 900.00 32,054.38 01 407-0240 744.00-FINE 509 32,798.38 10 5 CCC04 0.00 1,087.00 01 2512 29 1,087.00 0 TFC 1,197.00 01 407-0240 1 3.00-400 1,200.00 2,526.00 01 407-0240 2,541.00 15.00-AR 509 3 TECH AR 0 116.00 01 407-0241 0.00 29 116.00 498.00 01 2512 498.00 0 0.00 18 MCBS SJRF JFCT2 0 0.00 93.00 01 407-0270 31 93.00 124.00 01 2512 31 124.00 0 0.00 0.00 169.40 01 2512 169.40 32 JFCI JDF TPF 18.60 0 0.00 18.60 01 407-0240 31 62.00 01 2512 IDF TPF 62.00 0 0.00 31 52.00 01 2512 0.00 52.00 0 26 ず 60.00 01 407-0240 TP-L 60.00 0 0.00 0.00 75.00 01 2512 U TP-S 75.00 0 6 15.00 01 407-0260 √ TP-L-J 0.00 6 15.00 Ω 0.00 0.99 01 2512 C CJFS 11 0.99 0.00 01 407-0240 0.11 CJFC 0.11 0 11 6,568.45 01 407-0240 6,568.45 0 138 235.20-3,363.90 01 2513 COLAGY 51 3,599.10 4 30,559.35 01 2512 236.00-CCC20 570 30,795.35 4 C LMCBSF 512 2,504.90 3 14.70-2,490.20 01 407-0270 C LTPDF LMCTF 2,522.30 01 407-0242 15.00-514 2,537.30 3 2,018.10 01 407-0241 2,030.10 3 12.00-513 LMJF 50.40 01 407-0243 50.70 3 0.30-507 0.00 01 2516 344.00-OP 1 344.00 1 child CS2 507.00 25.00-482.00 01 407-0280 22 5 STF19 50.00-19,464.00 01 2512 443 19,514.00 1 6,237.60 01 407-0290 C SPEX 0 0.00 73 6,237.60 0.00 1,303.00 01 407-0240 5 TXSBLT 0 93 1,303.00 17.00 01 2515 17.00 0.00 1 0 ACC 0.00 177.00 01 407-0240 177.00 0 10 570.00 01 407-0240 DSC 59 590.00 2 20.00-10.00 01 407-0240 10.00-AF 20.00 Total: 5524 118,184.98 40 1.724.20-116,460.78 \$109,360.88 Cash Payments....+ \$0.00 Bond Forfeited...+

TOTAL	116,460.78
STATE	53,364.75
OP	0.00
CHILD	482.00
COLL. AG	3,363.90
OMNI	694.00
JUDGE ED	60.00
BLDG. SEC.	93.00
COURT	116.00
CITY	58,287.13

\$8,003.00 Bond Applied....+ \$903.10-Payment Refunded .-\$116,460.78 Fees/Fines Paid..= \$109,360.88 Cash (Payments)..+

\$8,272.47 Cash (Bonds)....+ \$117,633.35 Total Cash Trans.=

	DOLLAR	%
TOTAL	113096.88	100
CITY	112782.43	72.2
LINEBARGER	31445	27.8

LOS FRESNOS, TX MUNICIPAL COURT

Fees and Fines Collection & Activity Report

As of September 30, 2022



Linebarger Goggan Blair & Sampson, LLP

PROPRIETARY AND CONFIDENTIAL INFORMATION

Linebarger Goggan Blair & Sampson, LLP considers the information contained in this report to be proprietary, confidential, trade secrets of the firm. We respectfully request that no copies of this information be made and/or distributed without the prior written consent of the firm.

Collections & Activity Summary

Collection Disposition Summary - September 2022	
Citations Assigned	353
Amount Assigned	\$108,104
Citations Collected	138
Amount Collected	\$31,445
Citations Cancelled	0
Amount Cancelled	\$0
Citations Resolved	138
Amount Resolved	\$31,445

Collection Disposition Summary - Contract to Date	
Citations Assigned	48,715
Amount Assigned	\$12,798,315
Citations Adjusted	20,402
Amount Adjusted	(\$3,277,432)
Citations Collected	21,868
Amount Collected	\$4,906,498
Citations Cancelled	2,621
Amount Cancelled	\$580,169
Citations Resolved	24,489
Amount Resolved	\$5,486,667
Dollar Resolution Rate	68.5%

Collection Activity - September 2022		
Letters		154
Address/Phone Updated		47
Phone Activity	Inbound	85
	Outbound	633

Collection Activity - Contract to Date						
Letters	109,0					
Address/Phone Updated	28,5					
Phone Activity	Inbound	10,632				
	Outbound	219,784				

Status of Open Accounts

Status	Count	Amount
ACT - Active Account	13,705	\$3,993,245
ATT - Attorney Contact Only	10	\$2,838
DEC - Deceased No Estate Or Beyond Claim	47	\$13,457
DIS - Disputed	4	\$889
INC - Incarcerated	46	\$13,024
PRM - Promise Payment	138	\$36,043
PTC - Paid To Client	1	\$121
REF - Refuse To Pay	3	\$365
SKP - Skip Tracing for Phone	3	\$796
SWC - Stop Work Per Client	95	\$11,680
Total	14,052	\$4,072,459

Monthly Collection Activity Last 24 Months

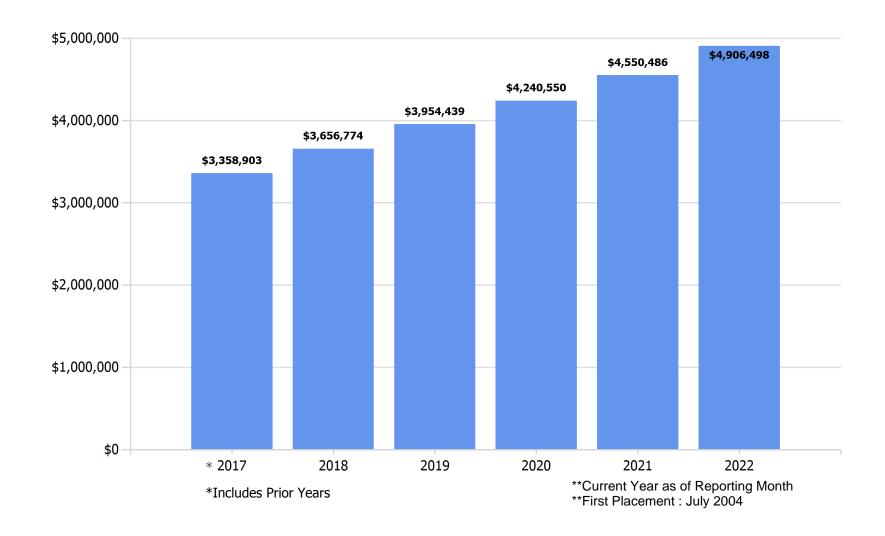
Year	Month	Letters	Address/Phone	Phone /	Activity	Dollars
rear	Month	Mailed	Updated	Inbound	Outbound	Collected
2022	September	154	47	85	633	\$31,445
	August	777	300	10	646	\$27,288
	July	88	69	17	925	\$30,176
	June	601	84	22	817	\$32,905
	May	460	178	24	727	\$45,476
	April	464	117	49	306	\$74,928
	March	4,280	125	94	428	\$49,282
	February	350	94	42	611	\$36,189
	January	1,295	297	39	694	\$28,325
2021	December	625	103	15	1,015	\$24,926
	November	801	109	68	1,292	\$22,743
	October	780	137	23	1,173	\$28,048
	September	2,729	100	43	536	\$27,949
	August	659	305	33	469	\$19,443
	July	246	219	48	1,227	\$16,430
	June	542	163	32	1,036	\$33,927
	May	83	68	17	716	\$31,875
	April	408	85	83	591	\$53,583
	March	3,003	119	33	303	\$13,759
	February	286	49	23	242	\$19,320
	January	296	198	14	585	\$17,933
2020	December	0	61	6	719	\$12,589
	November	0	63	7	963	\$13,846
	October	431	81	21	1,588	\$19,976
	September	2,942	116	31	713	\$16,113
Total*		22,300	3,287	879	18,955	\$728,471

^{*}Total Amounts noted represent the last 24 months & not contract to date.

Placement Activity Summary Contract to Date										
Year	Month	Count #	Orig Placement \$ Cancelled \$ Adjustment \$ Net Placement \$		Net Placement \$	Collected \$	Collected %			
	September	353	\$108,104	\$0	\$0	\$108,104	\$0	0.00%		
	August	193	\$60,241	\$0	\$0	\$60,241	\$2,600	4.32%		
	July	235	\$76,298	\$0	(\$816)	\$75,482	\$3,748	4.97%		
	June	249	\$77,481	\$0	(\$1,043)	\$76,438	\$1,633	2.14%		
	May	140	\$44,431	\$0	(\$2,028)	\$42,404	\$3,192	7.53%		
	April	376	\$119,400	\$0	(\$2,899)	\$116,501	\$14,915	12.80%		
	March	0	\$0	\$0	\$0	\$0	\$0	0.00%		
	February	343	\$106,925	\$0	(\$5,417)	\$101,508	\$16,919	16.67%		
	January	695	\$218,417	\$0	(\$11,853)	\$206,564	\$30,605	14.82%		
2022 Summary		2,584	\$811,298	\$0	(\$24,056)	\$787,241	\$73,612	9.35%		
	December	125	\$39,217	\$0	(\$984)	\$38,233	\$8,693	22.74%		
	November	968	\$309,258	\$0	(\$10,854)	\$298,404	\$46,792	15.68%		
	October	1,377	\$442,553	\$282	(\$8,131)	\$434,140	\$57,973	13.35%		
	September	0	\$0	\$0	\$0	\$0	\$0	0.00%		
	August	585	\$189,157	\$0	(\$5,239)	\$183,918	\$23,479	12.77%		
	July	636	\$202,687	\$0	(\$10,578)	\$192,110	\$29,842	15.53%		
	June	506	\$149,066	\$0	(\$7,813)	\$141,253	\$20,390	14.44%		
	May	203	\$55,558	\$0	(\$190)	\$55,368	\$5,786	10.45%		
	April	0	\$0	\$0	\$0	\$0	\$0	0.00%		
	March	0	\$0	\$0	\$0	\$0	\$0	0.00%		
	February	0	\$0	\$0	\$0	\$0	\$0	0.00%		
	January	0	\$0	\$0	\$0	\$0	\$0	0.00%		
2021 Summary		4,400	\$1,387,497	\$282	(\$43,789)	\$1,343,427	\$192,955	14.36%		
	December	0	\$0	\$0	\$0	\$0	\$0	0.00%		
	November	0	\$0	\$0	\$0	\$0	\$0	0.00%		
	October	0	\$0	\$0	\$0	\$0	\$0	0.00%		
	September	0	\$0	\$0	\$0	\$0	\$0	0.00%		
2020 Summary		1,423	\$397,308	\$0	(\$27,865)	\$369,444	\$119,616	32.38%		
2019 Summary		3,101	\$899,242	\$0	(\$77,537)	\$821,705	\$253,529	30.85%		
2018 Summary		2,107	\$615,152	\$0	(\$54,511)	\$560,641	\$210,417	37.53%		
2017 Summary		1,608	\$475,951	\$0	(\$53,783)	\$422,168	\$227,192	53.82%		
Prior Years		33,492	\$8,211,867	\$579,887	(\$2,990,669)	\$4,641,311	\$3,795,035	81.77%		

1.H.3.b

Delinquent Fees & Fines Cumulative Collections



1.H.4

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Report

Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4649

ACTION ITEM (ID # 4649)

Police Department 1. Calls-By Type 2. Calls-By Date & Time 3. Incidents-By Violation 4. Arrests-By Type 5. Accidents-By Streets & Intersection

Call with questions.

I recommend approval.

Updated: 11/1/2022 4:19 PM by Jacqueline Moya

LOS FRESNOS POLICE DEPARTMENT Calls - By Type

10\01\2022 thru 10\31\2022

Туре	Description	# Of Calls	
178	ABANDONED VEHICLES - ORDINANCE 454	3	
86	ACCIDENT - MOTOR VEHICLE	33	
5	ALARM BUSINESS	8	
177	ALARMS - ORDINANCE 453	5	
7	ANIMAL BITE	1	
167	ANIMAL CONTROL - ORDINANCE 410 OR 410-1	73	
11	ASSAULT	3	
10	ASSIST OTHER AGENCY	12	
15	BEE CALL	1	
13	BUILDING FIRE	1	
26	CIVIL MATTER	20	
30	CRIMINAL MISCHIEF	1	
34	DAMAGED PROPERTY	15	
182	DEBRIS ON THE ROADWAY	21	
44	DISTRUBANCE	9	
81	DOG AT LARGE ORDINANCE 410 SEC 6	1	
50	EMS CALL	172	
57	FIRE ALARM	8	
59	FOUND-RECOVERED PROPERTY	1	
170	GARAGE SALES - ORDINANCE 416	29	
63	GAS LEAK	1	
66	GRASS FIRE	9	
67	HARASSMENT	4	
107	HEALTH PERMIT	12	
87	HIT AND RUN	6	
72	IDENTITY THEFT	1	
135	ILLEGAL DUMPING	1	
74	INFORMATION	70	
186	LOOK OUT	26	
82	LOST PROPERTY (CELL PHONE, PURSE, ETC)	6	
173	LOUD NOISE - ORDINANCE 420	5	
147	MAINTENANCE OF SIGNS - ORDINANCE 235-BB	4	
138	MOTORIST ASSIST	1	
106	NOISE DISTURBANCE	5	
93	PARKING REGULATIONS	6	
180	PATROL BY	1	
149	POLITICAL ELECTION SIGNS - ORDINANCE 235-P	7	
111	PUBLIC INTOXICATION	1	
183	RUNAWAY	2	
160	SEMI TRUCK ROUTE - ORDINANCE 345		
		1	
117 175	SEXUAL ASSAULT	1 7	
175	SOLID WASTE RECEPTACLES - ORDINANCE 426		
136	STALLED VEHICLE	6	
56	STRUCTURE FIRE	7	
119	SUSPSICIOUS PERSON/VEHICLES	24	
121	TERRORISTIC THREATS	3	
123	THEFT	6	
125	TRAFFIC STOP	921	
127	UNAUTHORIZED USE - MOTOR VEHCILE	2	
184	UNWANTED SUBJECT	1	

Туре	Description	# Of Calls	
128	VERBAL DISTURBANCE	4	
132	WAVE DOWN	4	
142	WEEDED OR RUBBISH LOT - ORDINANCE 123-A	51	
133	WELFARE CONCERN	37	
	Total	1,660	

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LOS FRESNOS POLICE DEPARTMENT Calls - By Date & Time

10\01\2022 thru 10\31\2022

Date	00	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	Total
10/01/2022	2	2	1	0	0	1	0	0	8	2	1	1	0	1	0	7	4	5	4	4	2	2	1	2	50
10/02/2022	2	1	1	0	0	1	2	0	3	5	6	1	2	1	2	1	3	4	2	5	3	0	0	0	45
10/03/2022	2	1	1	2	0	3	1	6	9	5	2	6	2	3	2	6	2	1	3	2	0	1	0	0	60
10/04/2022	3	1	2	0	0	1	1	4	11	3	5	2	3	3	3	5	3	1	2	3	2	0	0	2	60
10/05/2022	1	0	0	0	0	2	0	3	4	0	1	5	2	2	1	2	0	6	3	7	3	4	1	0	47
10/06/2022	2	0	1	0	0	2	3	4	3	7	3	0	3	0	0	3	3	2	2	3	1	3	0	3	48
10/07/2022	0	0	0	0	2	4	1	8	10	5	3	4	2	0	0	6	1	2	0	1	0	3	1	1	54
10/08/2022	0	0	0	3	1	3	1	2	4	5	2	7	6	2	6	8	6	3	2	5	2	3	4	3	78
10/09/2022	0	1	0	0	0	0	2	0	2	4	4	3	1	0	1	7	4	1	1	3	0	0	0	3	37
10/10/2022	3	2	0	0	0	2	3	6	2	4	4	3	3	5	2	1	7	4	2	0	2	1	0	2	58
10/11/2022	1	0	0	0	3	2	1	9	4	5	2	2	4	5	0	5	1	2	3	2	0	2	0	1	54
10/12/2022	1	0	0	0	1	3	1	11	2	4	2	4	3	3	3	4	2	2	1	0	0	0	0	1	48
10/13/2022	1	0	0	1	4	7	0	6	4	2	2	3	3	1	0	3	5	4	2	4	1	4	0	0	57
10/14/2022	0	0	0	1	1	2	0	2	10	4	3	2	3	3	4	4	2	8	2	1	1	3	5	0	61
10/15/2022	1	1	1	0	1	2	0	0	8	10	6	8	4	3	1	5	9	9	4	6	5	5	0	3	92
10/16/2022	4	4	1	2	0	1	2	0	3	6	6	7	1	1	1	6	2	7	3	3	0	0	3	2	65
10/17/2022	0	0	1	0	0	1	1	4	5	6	4	0	12	4	2	5	5	5	0	2	3	0	2	0	62
10/18/2022	1	0	1	0	0	2	2	8	5	8	3	0	3	0	1	2	6	0	1	7	0	0	1	5	56
10/19/2022	2	0	0	2	0	0	0	7	5	2	0	6	2	1	2	3	9	5	2	5	3	2	0	1	59
10/20/2022	1	1	0	1	0	0	0	2	2	3	2	2	0	0	0	2	5	3	4	3	3	1	1	1	37
10/21/2022	0	1	0	1	1	1	0	4	9	4	6	2	1	3	0	1	5	1	2	4	1	2	2	1	52
10/22/2022	3	0	0	0	0	0	0	1	5	1	5	2	4	5	1	1	4	4	2	2	3	3	2	2	50
10/23/2022	4	1	0	0	1	1	0	3	2	13	3	2	3	7	4	6	4	2	1	4	3	1	0	1	66
10/24/2022	0	1	0	0	1	1	2	3	7	7	6	1	4	2	0	6	3	3	2	5	1	0	1	0	56
10/25/2022	0	0	0	0	0	0	0	5	5	3	1	2	2	2	0	3	3	2	4	0	2	2	0	2	38
10/26/2022	1	0	1	0	0	0	1	4	6	6	1	3	2	1	3	0	0	3	4	3	2	2	0	0	43
10/27/2022	0	0	0	0	0	3	1	1	6	2	2	0	0	0	1	1	4	0	1	3	2	1	0	2	30
10/28/2022	2	0	0	0	0	1	0	0	2	4	3	0	4	2	4	3	5	3	1	2	1	5	0	1	43
10/29/2022	3	3	1	0	1	0	3	0	1	6	1	4	3	4	2	5	6	11	3	1	2	3	2	3	68
10/30/2022	2	1	2	0	0	1	0	3	2	3	6	4	3	0	2	0	2	3	1	3	0	2	1	1	42
10/31/2022	2	0	0	0	0	0	1	3	5	5	3	4	3	1	2	2	4	3	2	1	0	1	2	0	44
Total	44	21	14	13	17	47	29	109	154	144	98	90	88	65	50	113	119	109	66	94	48	56	29	43	1660

LOS FRESNOS POLICE DEPARTMENT Incidents - By Violation

10\01\2022 thru 10\31\2022

Violation	Incidents	
ACCIDENT INVOLVING DAMAGE TO VEHICLE>=\$200	5	
ASSAULT	3	
ASSAULT CAUSES BODILY INJURY FAMILY VIOLENCE 13a	2	
ASSAULT CAUSES BODILY INJURY FAMILY VIOLENCE 13c	_ 1	
ASSAULT FAM/HOUSE MEM IMPEDE BREATH/CIRCULAT 13a	2	
BURGLARY OF HABITATION	1	
CHANGED LANE WHEN UNSAFE	1	
CHILD IN NEED OF SUPERVISION RUNAWAY	3	
CRIMINAL MISCHIEF >=\$50<\$500	1	
CRIMINAL MISCHIEF >=\$500<\$1,500	1	
CRIMINAL TRESPASS	3	
D.O.C. OBSCENE LANGUAGE	1	
DEFECTIVE HEAD LAMPS	1	
DISPLAY FICTITIOUS LICENSE PLATE	•	
	1	
DRIVING WHILE INTOXICATED OND	2	
DRIVING WHILE INTOXICATED 2ND	2	
DROVE WRONG SIDE OF ROAD	1	
DUTIES UPON STRIKING A FIXED OBJECT	2	
DUTY ON STRIKING UNATTENDED VEHICLE	4	
EVADING ARREST DET W/VEH	2	
EVADING ARREST DETENTION	3	
EXECUTION OF CAPIAS OR ARREST WARRANT	21	
EXPIRED REGISTRATION	1	
FAIL TO CONTROL SPEED	1	
FAIL TO IDENTIFY FUGITIVE INTENT GIVE FALSE INFO	1	
FAIL TO MAINTAIN FINANCIAL RESPONSIBILITY	8	
FAIL TO YIELD ROW FROM PRIVATE PROPERTY	1	
FAILED TO DRIVE IN A SINGLE LANE	3	
FAILED TO SIGNAL LANE CHANGE	1	
FAILED TO YIELD RIGHT OF WAY	1	
FAILED TO YIELD ROW TURNING LEFT	1	
FRAUD DESTROY REMOVAL CONCEALMENT WRITING	1	
HARASSMENT	1	
IMPEDING TRAFFIC	1	
INDECENCY W/CHILD SEXUAL CONTACT 11d	1	
MINOR IN POSSESSION OF ALCOHOL	1	
NO DRIVER'S LICENSE	8	
OPEN CONTAINER	1	
PARKED FACING TRAFFIC	1	
POSS CS PG 1 <1G	1	
POSS CS PG 2 >= 4G<400G	3	
POSS CS PG 3 < 28G	1	
POSS MARIJ <20Z	2	
POSSESSION OF DRUG PARAPHERNALIA	11	
PUBLIC INTOXICATION	2	
RAN RED LIGHT	1	
RESIST ARREST SEARCH OR TRANSPORT	1	
	•	
SEXUAL ASSAULT CHILD 11b	1	
SPEEDING 15 to 19 over	1	
TERRORISTIC THREAT 13a	1	

Violation	Incidents	
THEFT	7	
THEFT PROP>=\$50<\$500 23a	2	
TURNED RIGHT FROM WRONG LANE	1	
UNAUTH USE OF VEHICLE 240	1	
UNL CARRYING WEAPON	1	
USE EQUIPMENT NOT APPROVED/WINDOW TINT	2	
Total Violations	135	
Total Incidents	89	

11/01/2022 12:58 2 of 2

LOS FRESNOS POLICE DEPARTMENT Arrests - By Type

10\01\2022 thru 10\31\2022

Arrest Type	Arrests	Male	Female	White	Black	Indian	Asian	Unknown	
ON VIEW	2	0	2	2	0	0	0	0	
RUNAWAY	3	2	1	3	0	0	0	0	
TAKEN INTO CUSTODY	39	28	11	39	0	0	0	0	
WARRANT	23	13	10	23	0	0	0	0	
Total	67	43	24	67	0	0	0	0	

11/01/2022 12:55 1 of 1

LOS FRESNOS POLICE DEPARTMENT ACCIDENTS BY STREET & INTERSECTION OCTOBER 1, 2022 –OCTOBER 31, 2022

Street & Intersection	Accidents	Fatalities	Vehicles	Injured
TX . HWY 100 & F.M. 1847	2	0	4	0
101 EAST OCEAN BLVD. P/LOT	3	0	6	1
31,000 BLK. WEST TX. 100	1	0	1	0
TX HWY 100 & F.M. 803	1	0	2	0
100 ALVAREZ CT.	1	0	1	0
30,984 WEST TX. 100 P/LOT	1	0	2	0
100 BLK. SOUTH ARROYO	1	0	2	0
100 VILL DEL SUR	1	0	3	0
729 WEST OCEAN BLVD.	1	0	2	0
100 BLK. EVERGREEN ST.	1	0	2	0
TX. HWY 100 & F.M. 1847	1	0	2	0
200 BLK. EAST OCEAN BLVD.	1	0	2	0
400 WEST 5 TH ST.	1	0	2	0
30984 WEST TX. HWY 100	1	0	2	0
TX. HWY 100 & F.M. 1575	1	0	2	0
300 EAST OCEAN BLVD.	1	0	2	0
115 EAST OCEAN BLVD. P/LOT	1	0	2	0
TX. Hwy 100 & EVERGREEN ST.	1	0	2	0
100 BLK. WEST 2 ND ST.	1	0	2	0
TOTAL	22	0	43	1

1.H.5

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Report

Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4648

ACTION ITEM (ID # 4648)

Public Works Report 1. Water and Wastewater Activity 2. Calls for Service 3. Building Permits 4. Recycling 5. Waste Water Treatment Plant Discharge Monitoring Report

Call with questions.

I recommend approval.

Updated: 11/2/2022 11:12 AM by Bianca Huerta



October 2022

Water Treatment Plant activity:

Total Output: 21,205,404

Daily Average: 684,045

% of Capacity: 68.4%

Waste Water Treatment Plant activity:

Total Output: 14,733,000

Daily Average: 475,258

% of Capacity: 47.5%



Public Works Monthly Report for October 2022

CALLS FOR SERVICE	MONTH TOTAL	YEAR TO DATE
Service Connects/Disconnects	81	1036
Rereads/Meter Info	157	1351
Water Taps	7	51
Sewer Taps	0	2
Change Meter	0	142
Service Check for Water Leak at Account	5	114
Repaired Leak	3	35
Call for Sewer Stoppage	6	99
City Sewer Lines Unstopped	4	44
Code Enforcement/Other	5	139
Garbage Collection	64	594
Pothole Repairs	15	788
Street Repairs	0	0
Street Sign Replacement/Repaired	4	55
Asphalt Used (ton)	0.4	24.07
Gravel Used (ton)	1	31.5
Fire Hydrants Flushed and Oiled	9	318
Fire Hydrants Repaired	0	2
Valves Repaired	0	7
Manholes Cleaned/Repaired	3	56

Carlos Salazar, Director of Public Works

11/02/2022 9:44 AM

PROJECT VALUATION AND FEE REPORT

PAGE: 1

1.H.5.a

PROJECTS: 0 -ZZZZZZZZZZ

APPLIED DATES: 0/00/0000 THRU 99/99/9999

ISSUED DATES: 10/01/2022 THRU 10/31/2022 EXPIRE DATES: 0/00/0000 THRU 99/99/9999

STATUS: ALL

PROJECT	ISSUE DATE	NAME	LOCATION	CONTRACTOR	DESCRIPTION	PROJ TYPE
132778	10/03/2022	TRI SYNC PROPANE GAS LLC	32909 STATE HWY 100	OWNER	COMMERCIAL- NEW OWNER/TENAN	ALT
132779	10/05/2022	HANDS OF HEALING RESIDENTIA	32799 STATE HWY 100	OWNER	COMMERCIAL- NEW OWNER/TENAN	ALT
132780	10/11/2022	SMART STAR PROPERTIES, LTD	324 W OCEAN BLVD	GARCIA BUI	REROOF PERMIT	ALT
132781	10/12/2022	LEAL, SARAH A	211 CANAL STREET	OWNER	REROOF PERMIT	ALT
132782	10/13/2022	ZEPEDA, ARTURO	204 E 9TH STREET	TRINITY EX	REROOF PERMIT	ALT
132783	10/14/2022	LITTLE DISCIPLES DAYCARE	302 N ARROYO BLVD	OWNER	CERTIFICATE OF OCCUPANCY	СО
132784	10/18/2022	GUTIERREZ, JACOB	1937 BAJA CIRCLE	HOME DEPO	ACCESSORY BUILDING	NEW
132785	10/18/2022	VASQUEZ, PAULA	708 N ARROYO BLVD	OWNER	FENCE PERMIT	ALT
132786	10/20/2022	AUTO ZONE c/o AMERESCO	902 W OCEAN BLVD	OWNER	SIGN PERMIT	S
132787	10/21/2022	PESCADERIA DEL MAR	511 E OCEAN BLVD STE 109	OWNER	COMMERCIAL- NEW OWNER/TENAN	ALT
132788	10/24/2022	ENCINO HOMES NO.1 L.P.	102 OLIVE STREET A & B	OAK	RESIDENTIAL BUILDING	NEW
132789	10/24/2022	RAMIREZ, LINDA	105 E RESACA DRIVE	OWNER	REROOF PERMIT	ALT
132790	10/25/2022	ENCINO HOMES NO.1 L.P.	107 OLIVE STREET A & B	OAK	RESIDENTIAL BUILDING	NEW
132791	10/25/2022	ENCINO HOMES NO.1 L.P.	108 OLIVE STREET A & B	OAK	RESIDENTIAL BUILDING	NEW
132792	10/25/2022	ENCINO HOMES NO.1 L.P.	111 OLIVE STREET A & B	OAK	RESIDENTIAL BUILDING	NEW
132793	10/25/2022	ENCINO HOMES NO.1 L.P.	94 LILLY STREET A & B	OAK	RESIDENTIAL BUILDING	NEW
132794	10/25/2022	BACK TO ACTION	212 N ARROYO BLVD	OWNER	COMMERCIAL- NEW OWNER/TENAN	ALT
132795	10/26/2022	REYES, AURORA L	523 CANCUN DRIVE	OWNER	EXTEND DRIVEWAY	ALT
132796	10/26/2022	TAQUERIA EL CIEN	31200 HWY 100	GTO SIGNS&	SIGN PERMIT	S
132797	10/27/2022	DYWW TEXAS LLC	305 EAGLE DRIVE	C&R SUPERI	RESIDENTIAL BUILDING	NEW
132798	10/28/2022	MOMMYS DAYCARE AND LEARNING	32886 STATE HWY 100	TEJAS FIRE	FIRE SUPPRESSION SYSTEM INS	ALT
132799	10/31/2022	DELGADO, ROBERTO J	733 W OCEAN BLVD	LF FRAME	RESIDENTIAL BUILDING	NEW
*** TOTALS	*** NUME	ER OF PROJECTS: 22		VALUATION:	1,483,621.36 FEES:	14,816.13

11/02/2022 9:44 AM

PROJECTS: 0 -ZZZZZZZZZZZ

APPLIED DATES: 0/00/0000 THRU 99/99/9999 ISSUED DATES: 10/01/2022 THRU 10/31/2022 EXPIRE DATES: 0/00/0000 THRU 99/99/9999

PROJECT VALUATION AND FEE REPORT

PAGE:

1.H.5.a

STATUS: ALL

*** SEGMENT RECAP ***

PROJECT SEGMENT - DESCRIPTION # OF SEGMENTS VALUATION FEE

A - ACCESSORY BUILDING PERMIT	1	8,000.00	100.00
B - BUILDING PERMIT	3	22,796.36	240.00
CERT - CERTIFICATE OF OCCUPANCY	1	0.00	60.00
COMM - COMM: NEW OWNER/TENANT	4	25,000.00	300.00
E - ELECTRICAL PERMIT	8	0.00	2,400.00
EXPDRIVE - EXPANSION OF DRIVEWAY	1	1,925.00	100.00
F - FENCE PERMIT WAY	1	3,900.00	100.00
FIRE - FIRE SUPPRESSION SYSTEM	1	0.00	60.00
M - MECHANICAL PERMIT M	7	0.00	862.76
N - BUILDING PERMIT M	8	1,379,000.00	8,298.37
P - PLUMBING PERMIT M	7	0.00	2,095.00
SIGN - SIGN PERMIT	2	43,000.00	200.00
*** TOTALS ***	44	1,483,621.36	14,816.13

11/02/2022 9:44 AM

PROJECTS: 0 -ZZZZZZZZZZZ

PROJECT VALUATION AND FEE REPORT

PAGE:

1.H.5.a

APPLIED DATES: 0/00/0000 THRU 99/99/9999 ISSUED DATES: 10/01/2022 THRU 10/31/2022 EXPIRE DATES: 0/00/0000 THRU 99/99/9999

STATUS: ALL

*** BUILDING CODE RECAP ***

BUILDING CODE - DESCRIPTION	# OF PROJECTS	# OF SEGMENTS	VALUATION	FEES
BLANK - *BLANK*	19	34	1,469,796.36	12,461.13
101 - SINGLE FAMILY ATTACHED	3	5	13,825.00	770.00
103 - TWO-FAMILY RESIDENCE	0	5	0.00	1,585.00
*** TOTALS ***	22	44	1,483,621.36	14,816.13

CITY OF LOS FRESNOS

Recycling Program Total Number of Guest October 2022

Date	Tuesdays at Memorial Park 7 am - 11 am
10/04/22	28
10/11/22	38
10/18/22	33
10/25/22	23
Totals	122

Date	Thusdays at Wal-Mart Parking
	4 pm - 8 pm
10/06/22	44
10/13/22	52
10/20/22	48
10/27/22	35
Totals	179

Date	Saturdays at City Hall 9 am - 1 pm
10/01/22	28
10/08/22	35
10/15/22	35
10/22/22	39
10/29/22	36
Totals	173

Total attendance for the Month of October	474
Total attendance for the Month of October	777





















DMR Copy of Record

Permit #: TX00 Major: Yes Permitted Feature: 001 Report Dates & Status Monitoring Period: From	TX0091243 Yes	Perr	Permittee:	LOS FRESI	LOS FRESNOS, CITY OF		Fasilian.	OTAY OF LOS FRESNOS WINTE	WWTP
ted Feature: Dates & Status ring Period:		Perr					Facility:)	
itus Form Completion		_	Permittee Address:	200 NORTH LOS FRESN	200 NORTH BRAZIL ST LOS FRESNOS, TX 78566		Facility Location:	802 SOUTH NOGAL ST LOS FRESNOS, TX 78566	99
fus Form Completion	001 External Outfall	Disc	Discharge:	001-A DOMESTIC	001-A DOMESTIC FACILITY - 001				
Form Completion									
Considerations for Form Completion	From 09/01/22 to 09/30/22	DMF	DMR Due Date:	10/20/22			Status:	NetDMR Validated	
INTERIM PHASE EFFECTIVE UPON ISSUANCE AND LAST	NCE AND LASTING THROUGH THE C	SOMPLETION	ING THROUGH THE COMPLETION OF EXPANSION TO THE 2.0 MGD FACILITY	IE 2.0 MGD FACILITY.					
recutive Officer		-						7000	
Last Name: SAL/	CARLOS SALAZAR			אלים האים האים			l elepnone:	920-733-9073	
licator (NODI)									
Form NODI:									
Parameter Code Name	Monitoring Location	Season # Param. NODI	I. NODI	Quantity or Loading	Value 2 Unite	Oualifier 1 Value 1 O	Quality or Concentration	3 Value 3 Unite	# of Ex. Frequency of Analysis Sample Type
			Sample	Adida	Value	8.2	Value	19 - L	02/07 - Twice Every Week GR - GR,
00300 Oxygen, dissolved [DO]	1 - Effluent Gross	0	Permit Req. Value NODI		11			19 - mg/L	02/07 - Twice Every Week GR - GRAB
			Sample			7.2	Ш		
00400 рн	1 - Effluent Gross	0	Permit Req. Value NODI		II A	6.0 MINIMUM	II V	9.0 MAXIMUM 12 - SU	01/07 - Weekly GR - GRAB
			Sample =	14.05	26 - Ib/d		3.36	5.8 19 - mg/L	02/07 - Twice Every Week CP - COMPOS
00530 Solids, total suspended	1 - Effluent Gross	0	Permit Req. <=	125.0 DAILY AV	26 - Ib/d	II V	15.0 DAILY AV	DAILY MX	02/07 - Twice Every Week CP - COMPOS
			Value NODI						
			Sample =	2.12	26 - Ib/d	II			02/07 - Twice Every Week CP - COMPOS
00610 Nitrogen, ammonia total [as N]	1 - Effluent Gross	. 0	Permit Req. <=	25.0 DAILY AV	26 - Ib/d	II V	= 3.0 DAILY AV <=	10.0 DAILY MX 19 - mg/L	02/07 - Twice Every Week CP - CON
			Value NODI						
			Sample =	0.535 = 0.535	0.681 03 - MGD				99/99 - Continuous TM - TOTALZ
50050 Flow, in conduit or thru treatment plant	nt 1 - Effluent Gross	0	Value NODI						
			Sample	ı	600 0 78 - gal/min				99/99 - Continuing - PM - TOTAL 7
50050 Flow in conduit or thru freatment plant	nt P - See Comments	1	Permit Req.	₩.) 2HR PEAK				99/99 - Continuous TM - TOTALZ
		•	Value NODI						
			Sample =	0.557	03 - MGD				
50050 Flow, in conduit or thru treatment plant	nt Y - Effluent Gross (Supplementary)	0	Permit Req. <=	1.0 ANNL AVG	03 - MGD				99/99 - Continuous TM - TOTALZ
			Value NODI						
			Sample Permit Red				II X	0.0 19 mg/L	01/01 - Daily GR - GRAB
50060 Chlorine, total residual	A - Disinfection, Process Complete	0	Value NODI						
			Sample			1.3		19 - mg/L	01/01 - Daily GR - GRAB
50060 Chlorine, total residual	B - Prior to Disinfection	0	Permit Req.		11	1.0 MO MIN		19 - mg/L	
			Value NODI						
			Sample			II		18.5 3Z - CFU/100mL	02/30 - Twice Per Month GR - GRAB
51040 E. coli	1 - Effluent Gross	0	Value NODI			₩.	= 126.0 DAILY AV <=	399.0 DAILY MX 3Z - CFU/100mL	02/30 - I wice Per Month GR - GR
			Sample =	15.68	26 - Ib/d			8.2 19 - mg/L	02/07 - Twice Every Week CP - COMPOS
80082 BOD. carbonaceous [5 day. 20 C]	1 - Effluent Gross	- 0	Permit Req. <=	83.0 DAILY AV	26 - Ib/d	II V	10.0 DAILY AV	DAILY MX	02/07 - Twice Every Week CP - COMPOS
			Value NODI						

Edit Check Errors
No errors.

Comments

Submission Note

If a parameter row does not contain any values for the Sample nor Effluent Trading, then none of the following fields will be submitted for that row: Units, Number of Excursions, Frequency of Analysis, and Sample Type.

.H.5.a

CARLOS_SALAZAR_57
Carlos Salazar
csalazar@citylf.us
2022-10-17 08:27 (Time Zone: -05:00) CARLOS_SALAZAR_57
Carlos Salazar
csalazar@ciylf.us
2022-10-17 08:27 (Time Zone: -05:00) LOS FRESNOS, CITY OF Attachments
No attachments.
Report Last Saved By Report Last Signed By User: Name: E-Mail: Date/Time: Date/Time: Name: E-Mail: User:

1.H.6

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Report Prepared By: Jacqueline Moya Initiator: Jacqueline Moya

Sponsors:

DOC ID: 4647

ACTION ITEM (ID # 4647)

Financial Report 1. Monthly 2. Year to Date 3. Sales Tax

Call with questions.

I recommend approval.

Updated: 11/2/2022 3:42 PM by Jacqueline Moya

	CHECKLIST FOR				OCTOBER 2022
	GENERAL FUND		+		
CK#	VENDOR NAME	Inv.Date	1	Amount	Description
0000141	CITY OF L.F. PAYROLL ACCT	10/13/22	\$	33,438.17	DUE TO PAYROLL #27 WE 9/30/22
0000145	CITY OF L.F. PAYROLL ACCT	10/13/22	\$	•	DUE TO PAYROLL #1 WE 10/9/22
0000151	CITY OF L.F. PAYROLL ACCT	10/26/22	\$	•	DUE TO PAYROLL #2 WE 10/23/22
39756	ALLIED WASTE SERVICE	09/30/22	\$	•	SOLID WASTE & BRUSH COLLECTION
39757	ARAMARK	VARIOUS	\$		MEDICAL SUPPLIES-CITY HALL/COMM CENTER/PD/LIBRARY
39758	ARAMARK	VARIOUS	+		VOIDED CHECK-CONTINUED
39759	ARCHIVE SOCIAL	09/27/22	\$	•	ANNUAL-SOCIAL MEDIA ARCHIVING
39760	AT&T MOBILITY	09/19/22	\$	•	MOBILE PHONE SVC-CITY EMPLOYEES
39761	BREATH TEST SERVICES	10/01/22	\$	· · · · · · · · · · · · · · · · · · ·	BREATH TEST SERVICES 9/22-8/23
39762	CITY OF LOS FRESNOS	09/20/22	\$	•	WATER SERVICE-CITY BUILDINGS/PARKS
39763	DELTA SPECIALTY SIGNS	09/30/22	\$	•	100- 28" CONES
39764	ENRIQUE JUAREZ	09/30/22	\$	•	SEPT 2022-ATTORNEY FEES
39765	ESMERALDA MACIAS	10/07/22	\$		RENTAL DEPOSIT REFUND-LF COMMUNITY CENTER 10/2/22
39766	FEDERAL EXPRESS	09/15/22	\$		DELIVERY-NORTON ROSE FULBRITE
39767	FOUR STAR DRIVE IN	09/30/22	\$		SEPT 2022-PRISONER MEALS
39768	FUELMAN GABRIEL PEDRAZA	09/30/22	\$	•	FUEL-CITY VEHICLES SEPT 2022-FIRE MARSHAL
39769		09/30/22	Φ		
39770	GENE DANIELS	10/01/22	\$	·	OCT 2022-JUDGE/PHONE STIPEND
39771	GFOAT HANSON PROFESSIONAL	10/07/22 09/10/22	\$		GFOAT-MEMBERSHIP DUES-P.GARZA
39772			\$	•	PLAT/PLAN REVIEW-ENCINO CROSSING/JACQULINE/VALLE ALT
39773	HECTOR'S MUFFLER	10/03/22	\$ \$		REPLACE WATER PUMP WS-064
39774	JUAN SIERRA/MARGARET SIERRA JUST FOIA	10/07/22 10/07/22	+ -		RENTAL DEPOSIT REFUND-LF MEMORIAL PARK 10/1/22 JUST FOIA YEARLY RENEWAL
39775	KENDIG KEAST COLLABORATIVE	10/07/22	\$	·	ZONING ORDINANCE DEVELOPMENT
39776	LEADS ONLINE	10/01/22	\$ \$		ONLINE POWER PLUS SERVICE RENEWAL
39777 39778	LEXIPOL	10/01/22	\$	•	ANNUAL-POLICE DEPT/ADMIN-POLICY MANUAL
39778	LINEBARGER GOGGAN	10/01/22	\$	•	AUG 2022-COLLECTION FEES
39780	LOS FRESNOS CHAMBER	10/01/22	\$	·	OCT2022-SERVICE AGREEMENT/HALLOWEEN DONATIONS
39780	LOS FRESNOS VOLUNTEER	09/30/22	\$	•	4TH QTR DONATIONS-JULY/AUG/SEPT
39782	LOWER RIO GRANDE VALLEY	10/01/22	\$		FY 2022-OPERATIONS ROUTE 45
39783	MARIA GALARZA PINA	10/07/22	\$	·	RENTAL DEPOSIT REFUND-LF COMMUNITY CENTER 9/24/22
39784	MAX TORRES	09/30/22	\$		LOT MOWING-LOTS IN VIOLATION OF CITY ORDINANCE
39785	OMNI BASE	09/30/22	\$		3RD QTR ACTIVITY-JULY/AUG/SEPT
39786	PEDERSON CONSTRUCTION	09/30/22	\$	•	5 TRUCK LOADS-RIVER SAND
39787	PETTY CASH	09/15/22	\$	·	CLEANERS-UNIFORM ALTERATIONS-PD
39788	PURCHASE POWER	09/30/22	\$		SEPT-POSTAGE-CH/COURT/LIB/CODE/PD
39789	REGION STAFFING	VARIOUS	\$		CONTRACT LABOR-WEEKENDING 9/18,9/25/22
39790	RIO COMFORT A/C	09/22/22	\$	•	A/C LEAK SEALANT/REFRIGERANT-STORAGE ROOM
39791	RIO GRANDE VALLEY COMMUNI	10/01/22	\$		ANNUAL RADIO RENEWAL-LFPD/LFCISD
39792	SIMON GARCIA SAUCEDA	10/07/22	\$	•	OVERPAYMENT OF CITATION
39793	STATE COMPTROLLER	09/30/22	\$	1,529.99	CHILD SAFETY SEAT FINES 9/30/22
39794	STATE COMPTROLLER	09/30/22	\$	•	QUARTER ENDING 9/30/22
39795	TERMINIX	VARIOUS	\$	•	PEST CONTROL-CITY BUILDINGS/PARKS
39796	TMCA	10/01/22	\$	100.00	2023-MEMBERSHIP TMCA-J.MOYA
39797	TOTAL IMAGING SOLUTIONS	09/12/22	\$	1,175.21	COPIES-CH/COMM HEALTH/COURT/PD
39798	TYLER TECHNOLOGIES	10/01/22	\$	1,717.01	BRAZOS E-CITATION MAINTENANCE
39799	VEAE COMMUNICATIONS	10/01/22	\$	544.58	OCT PHONE SVC-CITY BUILDINGS
39800	VICENTE RAMIREZ	10/07/22	\$	50.00	RENTAL DEPOSIT REFUND-LF COMMUNITY PARK 9/24/22
39801	VISTA COM	10/01/22	\$	6,484.00	VISTA COM-ANNUAL MAINTENANCE
39802	YARENCI ZUNIGA	10/07/22	\$	350.00	CANCELLATION OF EVENT-LF COMMUNITY CENTER-11/18/22
39803	ZARSKY LUMBER	08/31/22	\$	140.03	AUG 2022-SUPPLIES FOR MAINTENANCE
39804	JUAN SANCHEZ GOMEZ	VARIOUS	\$	690.00	JAIL TOILET REPAIR/SINK REPAIR-PARK/PD LOBBY RESTROOM
39805	SAM'S CLUB	VARIOUS	\$	253.44	SUPPLIES FOR POLICE DEPT-CANDY-HOMECOMING/TIRE CLEA
39806	A&M AUTOMOTIVE	10/20/22	\$	7.00	VEHICLE INSPECTION RD-141
39807	ADAM SOTO	10/21/22	\$	50.00	RENTAL DEPOSIT REFUND LF MEMORIAL PARK 4/30/22
39808	ADAPCO	09/30/22	\$	2,438.00	MOSQUITO SPRAY
39809	AEP TEXAS	07/21/22	\$	375.00	RENTAL FEE 7/1/22-6/30/23
39810	ALBERTO BEJARANO	10/17/22	\$		REPLACE SHEET METAL ROOFINGS-FILTER ROOM AT POOL
39811	AMADOR ESPINOZA	10/21/22	\$	100.00	RENTAL DEPOSIT REFUND LF COMMUNITY CENTER 10/15/22

39812	APPLIED CONCEPTS	10/03/22	\$	369.17	RADAR CONTRACT LEASE
39813	AT&T MOBILITY	10/01/22	\$		IPAD SERVICE
39814	CAMERON COUNTY TAX	10/11/22	\$		VEHICLE REGISTRATION RD-141
39815	CARLOS RAMIREZ	10/21/22	\$		CANCELLATION OF EVENT LF COMMUNITY CENTER 10/22/22
39816	CCID #6	10/07/22	\$		MOWING-OLMO ST DRAIN DITCH
39817	CDC	10/21/22	\$		TAX ALLOCATION END 10/11/22
39818	DIRECT ENERGY	09/29/22	\$	· · · · · · · · · · · · · · · · · · ·	ELECTRIC-CITY BUILDINGS/PARKS
39819	EMILIO GOMEZ	10/05/22	\$,	REPAIR WEED TRIMMER THROTTLE
39820	FACILITY SOLUTIONS GROUP	09/27/22	\$		REPLACEMENT OF FLOOD LIGHT-PD
39821	FIRESTONE	09/30/22	\$	·	TIRES FOR PD UNIT F-192
39822	FIRST COMMUNITY BANK	09/19/22	\$		DEBIT CARD-BANK FEES
			+		
39823	GLORIA MARTINEZ	10/21/22	\$		RENTAL DEPOSIT REFUND LF COMMUNITY CENTER 10/8/22
39824	GT DISTRIBUTORS	VARIOUS	\$	*	POLICE DEPT UNIFORMS
39825	HECTOR'S MUFFLERS	09/22/22	\$		OIL CHANGE-PD UNIT
39826	JAIME'S TIRE STORE	09/30/22	\$		RUNNING BOARDS-PD UNIT
39827	JESUS MONTES	10/21/22	\$		RENTAL DEPOSIT REFUND-LF MEMORIAL PARK 10/16/22
39828	JOHN DEERE GOVT	09/21/22	\$		HYDRAULIC BALL STUDS-JOHN DEERE TRACTOR
39829	JOSE IPINA	10/05/22	\$		REIMBURSE-CANDY-NATIONAL NIGHT OUT
39830	KONICA MINOLTA	10/08/22	\$		COPIER LEASE-CITY HALL/COURT
39831	LT BOSWELL	VARIOUS	\$	· · · · · · · · · · · · · · · · · · ·	TRANSMISSION FLUID CHANGES-PD UNITS
39832	LA HORMIGA	VARIOUS	\$	57.00	
39833	LOS FRESNOS NEWS	VARIOUS	\$		ADVERTISING
39834	LUIS RAMOS	09/30/22	\$	· · · · · · · · · · · · · · · · · · ·	SEPT 2022-CUSTOMER SERVICE INSPECTIONA
39835	MARIVEL RODRIGUEZ	10/21/22	\$		RENTAL DEPOSIT REFUND-LF COMMUNITY CENTER 10/5/22
39836	MIDDLETON AIR	10/17/22	\$	1,690.00	REPLACE AC-PD SERVER ROOM
39837	MC DONALD'S	VARIOUS	\$		JUNE/AUG/SEPT-PRISONER MEALS
39838	NOVA MEDICAL CENTER	09/19/22	\$		PRE-EMPLOYMENT SCREENING-E.RAMIREZ
39839	O'REILLY AUTO	VARIOUS	\$	389.95	SEPT 2022-SUPPLIES FOR MAINTENANCE
39840	PATINOS WELDING	VARIOUS	\$	795.00	REPAIR-TRACTOR SHREDDER/POOL AREA
39841	PETTY CASH	VARIOUS	\$		SUPPLIES FOR POLICE DEPT
39842	PITNEY BOWES	10/04/22	\$		INK-MAIL MACHINE
39843	REGION STAFFING	VARIOUS	\$	•	CONTRACT LABOR WEEKENDING 10/2,10/9/22
39844	ROCHA INFRASTRUCTURE	VARIOUS	\$	· · · · · · · · · · · · · · · · · · ·	BUILD UP SHOOTING RANGE BERM/ELECTRIC REPAIR-A/C PD S
39845	RODRIGO RODRIGUEZ HEREDIA	10/21/22	\$		OVER PAYMENT OF CITATION
39846	SMARTCOM	10/08/22	\$		INTERNET SERVICE-CH/PD/COURTPD PHONE
39847	TEAM GRAPHIX	09/30/22	\$		51 INSTRUCTOR-HEALTH MATTERS SHIRTS
39848	TIME WARNER CABLE	10/06/22	\$		CABLE SERVICE-LIBRARY
39849	TMCCP	10/05/22	\$	325.00	ELECTION LAW SEMINAR REGISTRATION-JMOYA
39850	VEAE COMMUNICATIONS	10/01/22	\$		0CT 2022-IT SERVICE CONTRACT
39851	ZARSKY LUMBER	09/30/22	\$		SEPT 2022-SUPPLIES FOR MAINTENANCE
39852	ANGEL R HERNANDEZ	VARIOUS	\$	142.50	PD VEHICLE REPAIR- C-21
39853	ANGEL R HERNANDEZ	VARIOUS	\$	636.50	REPLACE RELAY-C-22/ INSTALL TIMER F-192
39854	CARLOS RAMIREZ	10/24/22	\$	125.00	PER DIEM-TAAC EUTHANASIA TRAINING
39855	MICHAELA ZUNIGA	10/24/22	\$	125.00	PER DIEM-TAAC EUTHANASIA TRAINING
39856	TX ACADEMY OF ANIMAL CONTROL	10/25/22	\$	500.00	EUTHANSIA TRAINING REGISTRATION-C.RAMIREZ/M.ZUNIGA
39857	PET WELLNESS CENTER	10/26/22	\$	150.00	ANIMAL SHELTER INSPECTION
		TOTAL	\$	634,386.93	
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	CHECKLIST FOR				OCTOBER 2022
	WATER & SEWER				
CK#	VENDOR NAME	Inv.Date		Amount	Description
0000142	CITY OF L.F. PAYROLL ACCT	10/13/22	\$	14,526.18	DUE TO PAYROLL #27 WE 9/30/22
0000146	CITY OF L.F. PAYROLL ACCT	10/13/22	\$	20,322.30	DUE TO PAYROLL #1 WE 10/9/22
0000152	CITY OF L.F. PAYROLL ACCT	10/23/22	\$	·	DUE TO PAYROLL #2 WE 10/23/22
151385	AT&T MOBILITY	09/19/22	\$		MOBILE PHONE SERVICE-WATER/SEWER DEPT
151386	CITY OF LOS FRESNOS	09/20/22	\$		WATER SERVICE-SEWER PLANT/LIFT STATIONS
151387 151388	EAST RIO HONDO WATER FUELMAN	10/07/22	\$		OCT 2022-ERH SETTLEMENT
151389	HECTOR'S MUFFLER	09/30/22 10/03/22	\$ \$		VEHICLE REPAIRS-W/S DEPT VEHICLES
151390	LINDE	09/22/22	\$		CHEMICAL/CYLINDER RENTAL
151391	MAGIC VALLEY ELEC	09/19/22	\$		ELEC-LIFT STATION CACTUS RD
151392	PATINO'S WELDING	09/28/22	\$		WELDING/REPAIR-SOUTH CLARIFIER
151393	PURCHASE POWER	09/30/22	\$		SEPT 2022-POSTAGE
151394	REGION STAFFING	VARIOUS	\$	·	CONTRACT LABOR-WEEKENDING-9/18,9/25/22
151395 151396	REGION STAFFING TERMINIX	VARIOUS 09/16/22	\$		VOIDED CHECK-CONTINUED PEST CONTROL-SERVICE CENTER
151397	UNIFIRST	VARIOUS	\$		CLEANING-W/S UNIFORMS
151398	VEAE COMMUNICATIONS	10/01/22	\$		OCT 2022-PHONE SVC
151399	ZARSKY LUMBER	08/31/22	\$		AUG 2022-SUPPLIES FOR MAINTENANCE
151400	SAM'S CLUB	VARIOUS	\$		SKIMMER NETS
151401	AGUAWORKS	09/29/22	\$	360.87	AC CLAMPS-WATERLINE MAINTENANCE
151402	AQUA METRIC	09/30/22	\$	4,235.33	WATER METER RADIOS
151403	ARAMARK	VARIOUS	\$		MEDICAL SUPPLIES-PUBLIC WORKS
151404	BRENNTAG SOUTHWEST	10/12/22	\$,	40 DRUMS-LAS
151405	CAMERON COUNTY TAX CCID #6	10/19/22 09/29/22	\$ \$		VEHICLE REGISTRATION WS-212 SEPT 2022-RAW WATER
151406 151407	DEPT OF STATE HEALTH	10/03/22	\$	·	6 ROUTINE WATER SAMPLES/ 2 NEW CONSTRUCTION SAMPLES
151407	DIRECT ENERGY	08/29/22	\$		ELECTRICITY-WATER/SEWER DEPT
151409	DPC INDUSTRIES	09/26/22	\$	· · · · · · · · · · · · · · · · · · ·	15 CHLORINE GAS CYLINDERS
151410	EAST RIO HONDO WATER	VARIOUS	\$	· · · · · · · · · · · · · · · · · · ·	WATER SERVICE-EDAP LIFT STATION
151411	FIRST COMMUNITY BANK	VARIOUS	\$	181.23	SHIPPING TO HACH/WATER TEST FEE/WATER PLANT BLOWER
151412	INTEGRITY TESTING	09/30/22	\$		SEPT 2022-SEWER PLATN TESTING
151413	JOHN DEERE GOVT	10/03/22	\$		FUEL PUMP/FILTERS
151414 151415	LA HORMIGA TIRE SHOP LUIS MASCORRO	10/12/22 10/06/22	\$		TRACTOR TIRE REPAIR LIFT STATION PUMP REPAIR/CONTROL PANEL REPAIR
151416	O'REILLY AUTO	VARIOUS	\$		SEPT 2022-SUPPLIES FOR MAINTENANCE
151417	PATINO'S WELDING	VARIOUS	\$		REPAIR METER BOXES-APARTMENTS/BACKHOE REPAIRS
151418	RAUL GARCIA	09/28/22	\$		REIMBURSE-BUTTON BATTERY FOR WATER TOWER
151419	REGION STAFFING	VARIOUS	\$	•	CONTRACT LABOR-WEEKENDING 10/2,10/9/22
151420 151421	REGION STAFFING SMARTCOM TELEPHONE	VARIOUS 10/08/22	\$		VOIDED CHECK-CONTINUED INTERNET SERVICE-WATER/SEWER DEPT
151422	SOUTHMOST REGIONAL	10/03/22	\$		ASSESSMENT OF FY 2023
151423	TOWN OF INDIAN LAKE	VARIOUS	\$,	JUNE/JULY/AUG/SEPT-SOUTHMOST WATER
151424	TYLER TECHNOLOGIES	09/30/22	\$	· · · · · · · · · · · · · · · · · · ·	UTILITY BILL NOTICE 7/1-9/30/22
151425	USA BLUEBOOK	09/28/22	\$		2 PRESSURE GAUGES-WATER TOWER
151426	VEAE COMMUNICATIONS	10/01/22	\$		OCT 2022-IT SERVICE CONTRACT
151427	ZARSKY LUMBER	09/30/22 TOTAL	\$	178.01 309,130.14	SEPT 2022-SUPPLIES FOR MAINTENANCE
	UTILITY DEPOSIT REFUND CHECKS	IOIAL	Ψ	309,130.14	
1018	BRUCE, MISSY	09/09/22	\$	99.47	ACCT #01-21510-03 UTILITY DEPOSIT REFUND
1019	STRONG, JUDY	09/09/22	\$		ACCT #02-04073-02 UTILITY DEPOSIT REFUND
1020	ROBINOOD APARTMENTS	09/09/22	\$		ACCT #02-05709-09 UTILITY DEPOSIT REFUND
1021 1022	GONZALEZ, CYNTHIA GARZA, SHELIA	09/09/22 09/09/22	\$		ACCT #02-07220-05 UTILITY DEPOSIT REFUND ACCT #02-07510-03 UTILITY DEPOSIT REFUND
1022	THOMPSON, HESTER	09/09/22	\$		ACCT #02-07310-03 OTILITY DEPOSIT REFUND
1024	GARCIA, GABRIELA	09/09/22	\$		ACCT #02-21535-06 UTILITY DEPOSIT REFUND
1025	SALDIVAR, KAREN	09/09/22	\$		ACCT #03-03430-08 UTILITY DEPOSIT REFUND
1026	CALLES, MIRNA	09/09/22	\$		ACCT #03-03490-08 UTILITY DEPOSIT REFUND
1027 1028	LOEHR, LINDA SUE MESA, ARMINDA	09/09/22 09/09/22	Φ \$		ACCT #03-06137-07 UTILITY DEPOSIT REFUND ACCT #03-18879-04 UTILITY DEPOSIT REFUND
1029	SAENZ, ROGER	09/09/22	\$		ACCT #03-10079-04 OTILITY DEPOSIT REFUND
1030	COLE, BRIAN	09/09/22	\$		ACCT #03-28260-02 UTILITY DEPOSIT REFUND
1031	FRAGOSO, CARMEN	09/09/22	\$		ACCT #03-30267-03 UTILITY DEPOSIT REFUND
1032	HERNANDEZ, MARGARITA	09/09/22	\$		ACCT #03-31287-01 UTILITY DEPOSIT REFUND
1033 1034	C&R SUPERIOR BUILDERS RES BUILDERS & CONSTRUCTION	09/09/22 09/09/22	\$		ACCT #04-01352-00 UTILITY DEPOSIT REFUND ACCT #04-05100-00 UTILITY DEPOSIT REFUND
1034	WILEY, WANDA	09/09/22	\$		ACCT #04-03100-00 OTILITY DEPOSIT REFUND
1036	MKZ BUILDERS	09/09/22	\$		ACCT #05-05115-00 UTILITY DEPOSIT REFUND
1037	BRORSEN, CHERI JEANINE	09/09/22	\$	48.56	ACCT #05-10344-00 UTILITY DEPOSIT REFUND

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1038	T9 SPORTS	09/09/22	\$ 40.50	ACCT #05-30916-01 UTILITY DEPOSIT REFUND
		TOTAL	\$ 1,603.53	

	CHECKLIST FOR			OCTOBER 2022
	CDC			
CK#	VENDOR NAME	Inv.Date	Amount	Description
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000144	CITY OF L.F. PAYROLL ACCT	10/13/22	\$ 259.17	DUE TO PAYROLL #27 WE 9/30/22
000148	CITY OF L.F. PAYROLL ACCT	10/13/22	\$ 269.53	DUE TO PAYROLL #1 WE 10/9/22
000154	CITY OF L.F. PAYROLL ACCT	10/26/22	\$ 498.64	DUE TO PAYROLL #2 WE 10/23/22
3250	BIANCA MARTINEZ	09/22/22	\$ 81.25	REIMB-MILES-POST POSTERS-VARIOUS LOCATIONS
3251	DESIDERIO MARTINEZ	09/30/22	\$ 1,463.71	9/19-9/30/22-SERVICE AGREEMENT
3252	LOS FRESNOS CHAMBER OF CO	10/01/22	\$ 2,250.00	OCT 2022-SERVICE AGREEMENT/HALLOWEEN
3253	PURCHASE POWER	09/30/22	\$ 154.24	SEPT-POSTAGE
3254	TOTAL IMAGING SOLUTIONS	09/12/22	\$ 8.11	COPIES-CDC
3255	CIVIC PLUS	09/30/22	\$ 7,400.00	NEW WEBSITE/MAINTENANCE FEES
3256	DESIDERIO MARTINEZ	10/14/22	\$ 1,520.00	10/3-10/14/22-SERVICE AGREEMENT
3257	FIRST COMMUNITY BANK	09/23/22	\$ 259.90	TRACTOR SUPPLY-BIRD SEED-NATURE PARK
		TOTAL	\$ 14,164.55	



City of Los Fresnos, TX

Budget Report

Account Summary

For Fiscal: 2022-2023 Period Ending: 10/31/2022

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Fund: 01 - GENERAL FUND	TV TAVES						
Department: 400 - PROPER Revenue	IY IAXES						
01-400-0100	CURRENT PROP TAXES	1,420,999.00	1,420,999.00	236,101.03	236,101.03	-1,184,897.97	16.62 %
01-400-0105	PROPERTY TAX DISCOUNT	-40,000.00	-40,000.00	-7,050.45	-7,050.45	32,949.55	17.63 %
01-400-0110	DELINQUENT PROP TAXES	19,000.00	19,000.00	2,133.29	2,133.29	-16,866.71	11.23 %
01-400-0120	PENALTY & INT	24,000.00	24,000.00	501.61	501.61	-23,498.39	2.09 %
	Revenue Total:	1,423,999.00	1,423,999.00	231,685.48	231,685.48	-1,192,313.52	16.27 %
	Department: 400 - PROPERTY TAXES Total:	1,423,999.00	1,423,999.00	231,685.48	231,685.48	-1,192,313.52	16.27 %
Department: 407 - POLICE	·			•	•		
Revenue							
01-407-0240	MUNICIPAL COURT REVENUE	545,000.00	545,000.00	43,781.22	43,781.22	-501,218.78	8.03 %
01-407-0241	COURT FEES-TECH	29,500.00	29,500.00	1,815.80	1,815.80	-27,684.20	6.16 %
01-407-0242	LOCAL TRUANCY PREVENTION FUND	30,000.00	30,000.00	1,943.20	1,943.20	-28,056.80	6.48 %
01-407-0243	LOCAL MUNICIPAL JURY FUND	650.00	650.00	38.50	38.50	-611.50	5.92 %
<u>01-407-0260</u>	COURT FEES-JUDGE	250.00	250.00	30.00	30.00	-220.00	12.00 %
<u>01-407-0270</u>	COURT FEES- SECURITY	35,000.00	35,000.00	2,112.50	2,112.50	-32,887.50	6.04 %
01-407-0280	COURT FEES-CHILD SAFETY FUND	5,200.00	5,200.00	491.00	491.00	-4,709.00	9.44 %
01-407-0290	COURT FEES-SPECIAL EXPENSE	50,000.00	50,000.00	2,337.90	2,337.90	-47,662.10	4.68 %
<u>01-407-0310</u>	POLICE RECORD FEES	250.00	250.00	30.00	30.00	-220.00	12.00 %
<u>01-407-1045</u>	SHOOTING RANGE REVENUE	30,000.00	30,000.00	0.00	0.00	-30,000.00	0.00 %
<u>01-407-1061</u>	POLICE EDUCATION FROM STATE	1,500.00	1,500.00	0.00	0.00	-1,500.00	0.00 %
<u>01-407-1091</u>	SERVICE CONTRACT - LFCISD	28,000.00	28,000.00	0.00	0.00	-28,000.00	0.00 %
	Revenue Total:	755,350.00	755,350.00	52,580.12	52,580.12	-702,769.88	6.96 %
	Department: 407 - POLICE Total:	755,350.00	755,350.00	52,580.12	52,580.12	-702,769.88	6.96 %
Department: 410 - CODE EN	NFORCEMENT						
Revenue							
<u>01-410-1014</u>	GARAGE SALE PERMITS	2,500.00	2,500.00	210.00	210.00	-2,290.00	8.40 %
<u>01-410-1016</u>	HEALTH INSPECTIONS	5,000.00	5,000.00	450.00	450.00	-4,550.00	9.00 %
	Revenue Total:	7,500.00	7,500.00	660.00	660.00	-6,840.00	8.80 %
Dep	artment: 410 - CODE ENFORCEMENT Total:	7,500.00	7,500.00	660.00	660.00	-6,840.00	8.80 %
Department: 412 - SOLID W	/ASTE						
Revenue							
01-412-1090	GARBAGE COLLECTION-RESIDENTIAL	30,000.00	30,000.00	47,132.63	47,132.63	17,132.63	157.11 %
01-412-1100	GARBAGE COLLECTION-COMMERCIAL	40,000.00	40,000.00	39,537.73	39,537.73	-462.27	98.84 %
<u>01-412-1110</u>	COLLECTED SALES TAX-GARBAGE	16,000.00	16,000.00	1,488.98	1,488.98	-14,511.02	9.31 %
01-412-1112	GARBAGE PENALTIES RECEIVABLE	32,000.00	32,000.00	2,251.62	2,251.62	-29,748.38	7.04 %
	Revenue Total:	118,000.00	118,000.00	90,410.96	90,410.96	-27,589.04	76.62 %
	Department: 412 - SOLID WASTE Total:	118,000.00	118,000.00	90,410.96	90,410.96	-27,589.04	76.62 %
Department: 416 - LIBRARY	,						
Revenue							
<u>01-416-1017</u>	LIBRARY-COPY MACHINE/FAXES	6,500.00	6,500.00	204.60	204.60	-6,295.40	3.15 %
01-416-1131	LIBRARY REVENUES	750.00	750.00	327.75	327.75	-422.25	43.70 %
	Revenue Total:	7,250.00	7,250.00	532.35	532.35	-6,717.65	7.34 %
	Department: 416 - LIBRARY Total:	7,250.00	7,250.00	532.35	532.35	-6,717.65	7.34 %
Department: 430 - FRANCH	ISE FEES						
Revenue							
01-430-0200	STATE SALES TAX	1,650,000.00	1,650,000.00	138,933.66	138,933.66	-1,511,066.34	8.42 %
01-430-0202	HOTEL/MOTEL TAX	22,500.00	22,500.00	1,425.18	1,425.18	-21,074.82	6.33 %

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
01-430-0210	FRANCHISE FEE - AEP	194,000.00	194,000.00	20,209.40	20,209.40	-173,790.60	10.42 %
01-430-0220	AT&T LEASE	36,000.00	36,000.00	3,000.00	3,000.00	-33,000.00	8.33 %
01-430-0230	FRANCHISE FEE - AT & T	1,700.00	1,700.00	0.00	0.00	-1,700.00	0.00 %
01-430-0245	FRANCHISE FEE - TWC	59,000.00	59,000.00	-25.09	-25.09	-59,025.09	0.04 %
<u>01-430-0256</u>	PEG CAPITAL FEE	11,700.00	11,700.00	0.00	0.00	-11,700.00	0.00 %
<u>01-430-0261</u>	FRANCHISE FEE - GARBAGE	90,000.00	90,000.00	0.00	0.00	-90,000.00	0.00 %
<u>01-430-0271</u>	FRANCHISE FEE - TEXAS GAS	5,700.00	5,700.00	0.00	0.00	-5,700.00	0.00 %
01-430-0275	SKYWAY	8,450.00	8,450.00	725.57	725.57	-7,724.43	8.59 %
<u>01-430-0281</u>	RIGHT OF WAY FRANCHISE FEES	2,500.00	2,500.00	16.56	16.56	-2,483.44	0.66 %
	Revenue Total:	2,081,550.00	2,081,550.00	164,285.28	164,285.28	-1,917,264.72	7.89 %
	Department: 430 - FRANCHISE FEES Total:	2,081,550.00	2,081,550.00	164,285.28	164,285.28	-1,917,264.72	7.89 %
Department: 444 - MISCELL	ANEOUS						
Revenue							
<u>01-444-1000</u>	INTEREST EARNED	10,000.00	10,000.00	0.00	0.00	-10,000.00	0.00 %
<u>01-444-1002</u>	CDC ADMIN REVENUE	15,000.00	15,000.00	0.00	0.00	-15,000.00	0.00 %
<u>01-444-1015</u>	LICENSE & PERMITS	175,000.00	175,000.00	19,206.09	19,206.09	-155,793.91	10.97 %
<u>01-444-1025</u>	RENTAL FEE COMMUNITY CENTER	10,000.00	10,000.00	600.00	600.00	-9,400.00	6.00 %
<u>01-444-1027</u>	MISCELLANEOUS INCOME	15,000.00	15,000.00	0.00	0.00	-15,000.00	0.00 %
01-444-1028	RENTAL FEES PARKS	1,350.00	1,350.00	50.00	50.00	-1,300.00	3.70 %
<u>01-444-1029</u>	COMMUNITY CENTER BLDG SECURITY	3,000.00	3,000.00	720.00	720.00	-2,280.00	24.00 %
<u>01-444-1040</u>	PLAT REVIEW FEES	7,500.00	7,500.00	0.00	0.00	-7,500.00	0.00 %
<u>01-444-1081</u>	POOL ADMISSION/ RENTAL	4,500.00	4,500.00	0.00	0.00	-4,500.00	0.00 %
<u>01-444-1085</u>	CREDIT CARD PROCESSING FEE	28,000.00	28,000.00	1,633.64	1,633.64	-26,366.36	5.83 %
<u>01-444-1094</u>	SWIMMING LESSONS INCOME Revenue Total:	18,000.00 287,350.00	18,000.00 287,350.00	0.00 22,209.73	0.00 22,209.73	-18,000.00 - 265,140.27	0.00 % 7.73 %
	_	<u> </u>	·	•	•	·	7.73 %
D	Department: 444 - MISCELLANEOUS Total:	287,350.00	287,350.00	22,209.73	22,209.73	-265,140.27	7.75 %
Department: 490 - GRANTS Revenue							
01-490-1251	GRANT REVENUE - OSG OVERTIME	30,000.00	30,000.00	0.00	0.00	-30,000.00	0.00 %
01-490-1253	GRANT REVENUE - LBSP	30,000.00	30,000.00	0.00	0.00	-30,000.00	0.00 %
01-490-1254	REIMBURSE-DSRIP COMMUNITY HEAL	60,000.00	60,000.00	0.00	0.00	-60,000.00	0.00 %
01-490-7560	REIMB FROM FIRE/EMS	86,450.00	86,450.00	0.00	0.00	-86,450.00	0.00 %
·	Revenue Total:	206,450.00	206,450.00	0.00	0.00	-206,450.00	0.00 %
	Department: 490 - GRANTS Total:	206,450.00	206,450.00	0.00	0.00	-206,450.00	0.00 %
Department: 502 - ADMINIS	STRATION						
Expense							
01-502-01100	ADMINISTRATIVE SALARIES	259,575.00	259,575.00	15,024.27	15,024.27	244,550.73	5.79 %
01-502-01500	OVERTIME SALARIES EXPENSE	1,250.00	1,250.00	27.63	27.63	1,222.37	2.21 %
01-502-02100	PAYROLL TAXES - FICA	16,171.00	16,171.00	869.99	869.99	15,301.01	5.38 %
<u>01-502-02105</u>	PAYROLL TAXES - MEDICARE	3,782.00	3,782.00	203.49	203.49	3,578.51	5.38 %
<u>01-502-02106</u>	HEALTH INSURANCE EXPENSE	30,276.00	30,276.00	2,522.96	2,522.96	27,753.04	8.33 %
01-502-02107	PAYROLL TAXES - TWC	1,386.00	1,386.00	1.22	1.22	1,384.78	0.09 %
<u>01-502-02150</u>	RETIREMENT EXPENSE	19,275.00	19,275.00	1,112.37	1,112.37	18,162.63	5.77 %
01-502-02160	WORKMAN'S COMPENSATION INSUR	607.00	607.00	35.78	35.78	571.22	5.89 %
01-502-02210	OTHER INSURANCE	238.00	238.00	19.80	19.80	218.20	8.32 %
01-502-03110	ATTORNEY	7,500.00	7,500.00	0.00	0.00	7,500.00	0.00 %
<u>01-502-03115</u>	AUDITOR	16,000.00	16,000.00	0.00	0.00	16,000.00	0.00 %
<u>01-502-03120</u>	VALLEY METRO SERVICE	21,995.00	21,995.00	21,994.50	21,994.50	0.50	100.00 %
<u>01-502-04100</u>	OFFICE SUPPLIES & PRINTING	20,000.00	20,000.00	443.47	443.47	19,556.53	2.22 %
<u>01-502-04110</u>	POSTAGE	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
01-502-05100	ELECTRICITY	14,000.00	14,000.00	0.00	0.00	14,000.00	0.00 %
01-502-05120	TELEPHONE	9,400.00	9,400.00	577.97	577.97	8,822.03	6.15 %
01-502-05130	UTILITIES-CITY HALL	12,000.00	12,000.00	0.00	0.00	12,000.00	0.00 %
<u>01-502-06100</u> <u>01-502-06120</u>	ADVERTISING LF CHAMBER OF COMMERCE ADV.	7,000.00	7,000.00	0.00	0.00	7,000.00	0.00 % 8.33 %
<u>01-502-06120</u> <u>01-502-06130</u>	HEADS & BEDS	36,000.00 22,500.00	36,000.00 22,500.00	3,000.00 0.00	3,000.00 0.00	33,000.00 22,500.00	0.00 %
		22,300.00	22,300.00	3.00	0.00	22,300.00	3.00 /0

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
01-502-09100	TRAVEL & TRAINING	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
01-502-09110	ADMIN EXPENSE	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
01-502-10100	DUES & MEMBERSHIP	10,000.00	10,000.00	180.00	180.00	9,820.00	1.80 %
01-502-11100	MAINTENANCE OF EQUIPMENT	11,300.00	11,300.00	0.00	0.00	11,300.00	0.00 %
01-502-11110	MAINTENANCE OF BUILDING	6,000.00	6,000.00	0.00	0.00	6,000.00	0.00 %
01-502-12100	BUILDING INSURANCE	33,000.00	33,000.00	0.00	0.00	33,000.00	0.00 %
01-502-12110	LIABILITY INSURANCE	8,300.00	8,300.00	0.00	0.00	8,300.00	0.00 %
01-502-14100	TECHNOLOGY MAINTENANCE AGRE	34,000.00	34,000.00	7,353.18	7,353.18	26,646.82	21.63 %
01-502-30250	PROFESSIONAL SERVICES	500.00	500.00	0.00	0.00	500.00	0.00 %
01-502-99100	MISCELLANEOUS	6,000.00	6,000.00	0.00	0.00	6,000.00	0.00 %
01-502-99101	EVENTS	6,000.00	6,000.00	1,500.00	1,500.00	4,500.00	25.00 %
	Expense Total:	628,055.00	628,055.00	54,866.63	54,866.63	573,188.37	8.74 %
	Department: 502 - ADMINISTRATION Total:	628,055.00	628,055.00	54,866.63	54,866.63	573,188.37	8.74 %
Department: 503 - M	UNICIPAL COURT						
Expense							
01-503-01100	COURT CLERK SALARY	118,842.00	118,842.00	6,842.62	6,842.62	111,999.38	5.76 %
<u>01-503-01500</u>	OVERTIME SALARIES EXPENSE	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
01-503-02100	FICA EXPENSE	7,430.00	7,430.00	428.00	428.00	7,002.00	5.76 %
01-503-02105	MEDICARE EXPENSE	1,738.00	1,738.00	100.10	100.10	1,637.90	5.76 %
01-503-02106	HEALTH INSURANCE EXPENSE	16,514.00	16,514.00	1,376.16	1,376.16	15,137.84	8.33 %
01-503-02107	STATE UNEMPLOY TAX EXPENSE	756.00	756.00	0.00	0.00	756.00	0.00 %
01-503-02150	TMRS EXPENSE	8,857.00	8,857.00	505.67	505.67	8,351.33	5.71 %
01-503-02160	WORKER'S COMP	279.00	279.00	116.12	116.12	162.88	41.62 %
01-503-02210	OTHER INSURANCE	130.00	130.00	9.90	9.90	120.10	7.62 %
<u>01-503-03100</u>	JUDGE	21,600.00	21,600.00	1,800.00	1,800.00	19,800.00	8.33 %
01-503-03110	ATTORNEY	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00 %
<u>01-503-04100</u>	SUPPLIES	4,330.00	4,330.00	0.00	0.00	4,330.00	0.00 %
<u>01-503-04110</u>	POSTAGE	4,000.00	4,000.00	0.00	0.00	4,000.00	0.00 %
01-503-05120	TELEPHONE	2,500.00	2,500.00	206.43	206.43	2,293.57	8.26 %
01-503-09100	TRAVEL & TRAINING	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
<u>01-503-10100</u>	DUES & MEMBERSHIPS	150.00	150.00	0.00	0.00	150.00	0.00 %
01-503-14110	COURT TECHNOLOGY	40,000.00	40,000.00	1,805.43	1,805.43	38,194.57	4.51 %
01-503-30110	CREDIT CARD SERVICE CHARGE	20,000.00	20,000.00	0.00	0.00	20,000.00	0.00 %
01-503-99100	MISCELLANEOUS Expense Total:	200.00 276,326.00	200.00 276,326.00	0.00 13,190.43	0.00 13,190.43	200.00 263,135.57	0.00 % 4.77 %
	· _			·			
	Department: 503 - MUNICIPAL COURT Total:	276,326.00	276,326.00	13,190.43	13,190.43	263,135.57	4.77 %
•	AX ASSESSOR COLLECTOR						
Expense	TAY ADDDAIGAL DISTRICT FEE	20 200 00	20 200 00	0.00	0.00	20 200 00	0.00.0/
<u>01-504-30100</u>	TAX APPRAISAL DISTRICT FEE	30,200.00	30,200.00	0.00	0.00	30,200.00	0.00 %
01-504-30300	COUNTY CONTRACT M&O Expense Total:	16,000.00 46,200.00	16,000.00 46,200.00	2,317.17 2,317.17	2,317.17 2,317.17	13,682.83 43,882.83	14.48 % 5.02 %
Dei	partment: 504 - TAX ASSESSOR COLLECTOR Total:	46,200.00	46,200.00	2,317.17	2,317.17	43,882.83	5.02 %
		40,200,00	40,200.00	2,317117	2,317.17	43,002.03	3.02 /0
Expense	FORMATION TECHNOLOGY						
<u>01-505-01100</u>	INFORAMTION TECHNOLOGY SALARY	40,420.00	40,420.00	1,131.93	1,131.93	39,288.07	2.80 %
01-505-01500	OVERTIME	500.00	500.00	0.00	0.00	500.00	0.00 %
01-505-02100	PAYROLL TAXES FICA	2,537.00	2,537.00	67.19	67.19	2,469.81	2.65 %
01-505-02105	PAYROLL TAXES MEDICARE	593.00	593.00	15.71	15.71	577.29	2.65 %
01-505-02106	HEALTH INSURANCE EXPENSE	5,505.00	5,505.00	229.36	229.36	5,275.64	4.17 %
01-505-02107	PAYROLL TAXES TWC	252.00	252.00	0.00	0.00	252.00	0.00 %
01-505-02150	TMRS RETIREMENT EXPENSE	3,024.00	3,024.00	83.65	83.65	2,940.35	2.77 %
01-505-02160	WORKMAN'S COMPENSATION	95.00	95.00	2.67	2.67	92.33	2.81 %
01-505-02210	OTHER INSURANCE	43.00	43.00	1.80	1.80	41.20	4.19 %
01-505-02220	CONTRACT- IT SERVICES	9,600.00	9,600.00	800.00	800.00	8,800.00	8.33 %
01-505-05120	TELEPHONE	528.00	528.00	0.00	0.00	528.00	0.00 %
01-505-13500	CAPITAL OUTLAY	15,138.00	15,138.00	0.00	0.00	15,138.00	0.00 %

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
01-505-14000	TECHNOLOGY HARDWARE	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
01-505-14010	SOFTWARE	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
	Expense Total:	81,235.00	81,235.00	2,332.31	2,332.31	78,902.69	2.87 %
	Department: 505 - INFORMATION TECHNOLOGY Total:	81,235.00	81,235.00	2,332.31	2,332.31	78,902.69	2.87 %
Department: 50	06 - ELECTION						
Expense							
01-506-06100	ADVERTISING	350.00	350.00	0.00	0.00	350.00	0.00 %
01-506-09100	TRAVEL & SCHOOL	1,400.00	1,400.00	325.00	325.00	1,075.00	23.21 %
	Expense Total:	1,750.00	1,750.00	325.00	325.00	1,425.00	18.57 %
	Department: 506 - ELECTION Total:	1,750.00	1,750.00	325.00	325.00	1,425.00	18.57 %
Department: 50	07 - POLICE						
Expense							
01-507-01100	SALARIES EXPENSE	1,153,485.00	1,153,485.00	67,169.01	67,169.01	1,086,315.99	5.82 %
01-507-01500	POLICE OVERTIME SALARIES EXPE	55,000.00	55,000.00	8,044.38	8,044.38	46,955.62	14.63 %
01-507-01510	OVERTIME - COMMUNITY CENTER	3,000.00	3,000.00	809.52	809.52	2,190.48	26.98 %
<u>01-507-01515</u>	OVERTIME-STONE GARDEN	30,000.00	30,000.00	0.00	0.00	30,000.00	0.00 %
01-507-01520	OVERTIME - SCHOOL SECURITY	11,000.00	11,000.00	0.00	0.00	11,000.00	0.00 %
<u>01-507-01525</u>	OVERTIME - LBSP	30,000.00	30,000.00	0.00	0.00	30,000.00	0.00 %
01-507-02100	FICA EXPENSE	79,514.00	79,514.00	4,616.53	4,616.53	74,897.47	5.81 %
<u>01-507-02105</u>	MEDICARE EXPENSE	18,594.00	18,594.00	1,079.67	1,079.67	17,514.33	5.81 %
<u>01-507-02106</u>	HEALTH INSURANCE EXPENSE	140,368.00	140,368.00	11,238.64	11,238.64	129,129.36	8.01 %
01-507-02107	STATE UNEMPLOY TAX EXPENSE	6,426.00	6,426.00	7.78	7.78	6,418.22	0.12 %
<u>01-507-02150</u>	TMRS EXPENSE	94,773.00	94,773.00	5,618.10	5,618.10	89,154.90	5.93 %
01-507-02160	WORKER'S COMP	31,282.00	31,282.00	1,862.73	1,862.73	29,419.27	5.95 %
01-507-02210	OTHER INSURANCE	1,123.00	1,123.00	84.60	84.60	1,038.40	7.53 %
01-507-03100	BREATHALAZER CONTRACT	3,300.00	3,300.00	1,000.00	1,000.00	2,300.00	30.30 %
01-507-03115	FORENSICS	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
01-507-04100	ADMINISTRATIVE SUPPLIES	16,000.00	16,000.00	0.00	0.00	16,000.00	0.00 %
01-507-04110	JANITORIAL SUPPLIES	3,500.00	3,500.00	0.00	0.00	3,500.00	0.00 %
01-507-04115	EMPLOYEE SCREENINGS	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
01-507-04120	UNIFORMS	15,000.00	15,000.00	0.00	0.00	15,000.00	0.00 %
01-507-04130	PRISONER EXPENSE	1,500.00	1,500.00	0.00	0.00 1,690.00	1,500.00	0.00 %
01-507-04140	POLICE EQUIPMENT ELECTRICITY	26,000.00 12,000.00	26,000.00 12,000.00	1,690.00	0.00	24,310.00	6.50 % 0.00 %
<u>01-507-05100</u> 01-507-05120	TELEPHONE	17,000.00	17,000.00	0.00 514.90	514.90	12,000.00 16,485.10	3.03 %
<u>01-507-05130</u>	UTILITIES - POLICE	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
01-507-05135	UTILITIES - TRAINING CENTER	650.00	650.00	0.00	0.00	650.00	0.00 %
<u>01-507-06100</u>	ADVERTISING	500.00	500.00	0.00	0.00	500.00	0.00 %
<u>01-507-00100</u> <u>01-507-07100</u>	FUEL FOR VEHICLES	90,000.00	90,000.00	0.00	0.00	90,000.00	0.00 %
01-507-08100	REPAIRS TO VEHICLES	28,000.00	28,000.00	867.49	867.49	27,132.51	3.10 %
01-507-09100	TRAVEL & TRAINING	7,000.00	7,000.00	0.00	0.00	7,000.00	0.00 %
01-507-09110	STATE EDUCATION TRAINING	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
01-507-10100	DUES & MEMBERSHIPS	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
<u>01-507-10100</u> <u>01-507-11100</u>	MAINTENANCE OF EQUIPMENT	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
01-507-11110	MAINTENANCE OF EQUIPMENT MAINTENANCE OF BUILDING	3,000.00	3,000.00	1,440.00	1,440.00	1,560.00	48.00 %
<u>01-507-11110</u> <u>01-507-11120</u>	MAINTENANCE OF BOILDING MAINTENANCE OF SHOOTING RANGE	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00 %
<u>01-507-12100</u>	BUILDING INSURANCE	7,000.00	7,000.00	0.00	0.00	7,000.00	0.00 %
01-507-12110	LIABILITY INSURANCE	20,000.00	20,000.00	0.00	0.00	20,000.00	0.00 %
01-507-14100	TECHNOLOGY MAINTENANCE AGRE	25,000.00	25,000.00	19,839.22	19,839.22	5,160.78	79.36 %
01-507-30100	SCHOOL SUPPORT/EXPLORERS	4,000.00	4,000.00	51.92	51.92	3,948.08	1.30 %
01-507-99100	MISCELLANEOUS	500.00	500.00	0.00	0.00	500.00	0.00 %
	Expense Total:	1,967,515.00	1,967,515.00	125,934.49	125,934.49	1,841,580.51	6.40 %
	Department: 507 - POLICE Total:	1,967,515.00	1,967,515.00	125,934.49	125,934.49	1,841,580.51	6.40 %
Department: 50	08 - FIRE						
Expense							
01-508-02160	WORKERS COMP	2,200.00	2,200.00	0.00	0.00	2,200.00	0.00 %

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
01-508-03100	FIRE MARSHAL	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
01-508-03110	SPECIAL SERVICES- CONTRACT	115,000.00	115,000.00	0.00	0.00	115,000.00	0.00 %
01-508-04100	SUPPLIES	1,250.00	1,250.00	0.00	0.00	1,250.00	0.00 %
01-508-05120	TELEPHONE	260.00	260.00	21.22	21.22	238.78	8.16 %
01-508-05130	UTILITIES - FIRE DEPARTMENT	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
01-508-12100	BUILDING INSURANCE	13,250.00	13,250.00	0.00	0.00	13,250.00	0.00 %
01-508-12110	LIABILITY INSURANCE	27,000.00	27,000.00	0.00	0.00	27,000.00	0.00 %
	Expense Total:	178,960.00	178,960.00	21.22	21.22	178,938.78	0.01 %
	Department: 508 - FIRE Total:	178,960.00	178,960.00	21.22	21.22	178,938.78	0.01 %
Department:	509 - ENGINEERING						
Expense							
01-509-03000	CONTRACT- BUILDING INSPECTOR	110,000.00	110,000.00	0.00	0.00	110,000.00	0.00 %
01-509-30100	PLAT REVIEW	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
01-509-30120	ENGINEERING	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00 %
	Expense Total:	145,000.00	145,000.00	0.00	0.00	145,000.00	0.00 %
	Department: 509 - ENGINEERING Total:	145,000.00	145,000.00	0.00	0.00	145,000.00	0.00 %
Department:	510 - CODE ENFORCEMENT						
Expense							
01-510-01100	ENVIRONMENTAL OFFICER SALARIES	89,903.00	89,903.00	5,520.00	5,520.00	84,383.00	6.14 %
01-510-01500	OVERTIME SALARIES	4,000.00	4,000.00	1,995.00	1,995.00	2,005.00	49.88 %
01-510-02100	PAYROLL TAXES FICA	5,822.00	5,822.00	464.42	464.42	5,357.58	7.98 %
01-510-02105	PAYROLL TAXES MEDICARE	1,362.00	1,362.00	108.62	108.62	1,253.38	7.98 %
01-510-02106	HEALTH INSURANCE	11,009.00	11,009.00	917.44	917.44	10,091.56	8.33 %
01-510-02107	PAYROLL TWC	504.00	504.00	0.00	0.00	504.00	0.00 %
01-510-02150	TMRS	6,939.00	6,939.00	555.36	555.36	6,383.64	8.00 %
01-510-02160	WORKMAN'S COMPENSATION	2,843.00	2,843.00	230.71	230.71	2,612.29	8.12 %
01-510-02210	OTHER INS	86.00	86.00	7.20	7.20	78.80	8.37 %
01-510-03100	ORDINANCE ENFORCEMENT	6,000.00	6,000.00	0.00	0.00	6,000.00	0.00 %
01-510-04100	SUPPLIES & POSTAGE	8,000.00	8,000.00	0.00	0.00	8,000.00	0.00 %
01-510-05120	TELEPHONE/INTERNET	1,100.00	1,100.00	0.00	0.00	1,100.00	0.00 %
01-510-06100	ADVERTISING	250.00	250.00	0.00	0.00	250.00	0.00 %
01-510-07100	FUEL FOR VEHICLES	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
<u>01-510-08100</u>	REPAIRS TO VEHICLES	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00 %
01-510-09100	TRAVEL & TRAINING	2,500.00	2,500.00	750.00	750.00	1,750.00	30.00 %
01-510-11100	MAINTENANCE OF EQUIPMENT	500.00	500.00	0.00	0.00	500.00	0.00 %
01-510-11110	MAINTENANCE OF BUILDING	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
<u>01-510-12110</u>	LIABILITY INSURANCE	500.00	500.00	0.00	0.00	500.00	0.00 %
<u>01-510-13110</u>	ANIMAL SHELTER	0.00	0.00	150.00	150.00	-150.00	0.00 %
01-510-30100	ANIMAL CONTROL	500.00	500.00	0.00	0.00	500.00	0.00 %
01-510-99100	MISCELLANEOUS	500.00	500.00	0.00	0.00	500.00	0.00 %
	Expense Total:	156,818.00	156,818.00	10,698.75	10,698.75	146,119.25	6.82 %
	Department: 510 - CODE ENFORCEMENT Total:	156,818.00	156,818.00	10,698.75	10,698.75	146,119.25	6.82 %
Department: ! Expense	511 - EMERGENCY MEDICAL SERV						
01-511-02160	WORKER'S COMP	20,000.00	20,000.00	0.00	0.00	20,000.00	0.00 %
01-511-05120	TELEPHONE	600.00	600.00	49.51	49.51	550.49	8.25 %
01-511-12100	BUILDING INSURANCE	7,200.00	7,200.00	0.00	0.00	7,200.00	0.00 %
01-511-12110	LIABILITY INSURANCE	19,000.00	19,000.00	0.00	0.00	19,000.00	0.00 %
01-511-30000	LOS FRESNOS AMBULANCE SERVICE	160,000.00	160,000.00	0.00	0.00	160,000.00	0.00 %
	Expense Total:	206,800.00	206,800.00	49.51	49.51	206,750.49	0.02 %
	Department: 511 - EMERGENCY MEDICAL SERV Total:	206,800.00	206,800.00	49.51	49.51	206,750.49	0.02 %

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Department: 512 - SOLI	D WASTE						
Expense 01-512-99115	BAD DEBT EXPENSE	2 200 00	2 200 00	0.00	0.00	2,200.00	0.00.0/
01-312-99113	Expense Total:	2,200.00 2,200.00	2,200.00 2,200.00	0.00 0.00	0.00	2,200.00	0.00 % 0.00 %
	Department: 512 - SOLID WASTE Total:	2,200.00	2,200.00	0.00	0.00	2,200.00	0.00 %
Department: 514 - STRE	ETS	·	•			·	
Expense							
01-514-01100	SALARIES EXPENSE	58,694.00	58,694.00	3,412.84	3,412.84	55,281.16	5.81 %
01-514-01125	CONTRACT LABOR	23,296.00	23,296.00	1,024.00	1,024.00	22,272.00	4.40 %
01-514-01130	CONTRACT LABOR- OVERTIME	500.00	500.00	585.60	585.60	-85.60	117.12 %
01-514-01500	OVERTIME SALARIES EXPENSE	4,000.00	4,000.00	39.66	39.66	3,960.34	0.99 %
01-514-02100	FICA EXPENSE	3,887.00	3,887.00	211.75	211.75	3,675.25	5.45 %
01-514-02105	MEDICARE EXPENSE	909.00	909.00	49.52	49.52	859.48	5.45 %
01-514-02106	HEALTH INSURANCE EXPENSE	11,009.00	11,009.00	458.72	458.72	10,550.28	4.17 %
01-514-02107	STATE UNEMPLOY TAX EXPENSE	504.00	504.00	1.80	1.80	502.20	0.36 %
01-514-02150	TMRS EXPENSE	463.00	463.00	255.14	255.14	207.86	55.11 %
01-514-02160	WORKER'S COMP	1,602.00	1,602.00	89.49	89.49	1,512.51	5.59 %
01-514-02210	OTHER INSURANCE	86.00	86.00	3.60	3.60	82.40	4.19 %
01-514-04100	TOOLS & SUPPLIES	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00 %
01-514-05100	ELECTRICITY (STREET LIGHTS)	96,000.00	96,000.00	0.00	0.00	96,000.00	0.00 %
01-514-07100	FUEL FOR VEHICLES	12,000.00	12,000.00	0.00	0.00	12,000.00	0.00 %
<u>01-514-08100</u>	REPAIRS TO VEHICLES	4,000.00	4,000.00	14.50	14.50	3,985.50	0.36 %
01-514-09100	TRAVEL & TRAINING	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
01-514-10100	DUES AND MEMBERSHIP	12,500.00	12,500.00	0.00	0.00	12,500.00	0.00 %
01-514-11100	STREET DRAINAGE & REPAIRS	30,000.00	30,000.00	300.00	300.00	29,700.00	1.00 %
01-514-11110	STREET SIGNS & REPAIRS	5,000.00	5,000.00	0.00	0.00	5,000.00	0.00 %
01-514-11120	MOWING MACHINE REPAIRS	5,000.00	5,000.00	400.00	400.00	4,600.00	8.00 %
01-514-12110	LIABILITY INSURANCE	4,100.00	4,100.00	0.00	0.00	4,100.00	0.00 %
01-514-13520	STREET PROJECTS	85,661.00	85,661.00	0.00	0.00	85,661.00	0.00 %
01-514-30100	VEGETATION CONTROL	7,500.00	7,500.00	0.00	0.00	7,500.00	0.00 %
01-514-30200	CWSRF - 2022 Expense Total:	45,000.00 415,711.00	45,000.00 415,711.00	0.00 6,846.62	0.00 6,846.62	45,000.00 408,864.38	0.00 % 1.65 %
	Department: 514 - STREETS Total:	415,711.00	415,711.00	6,846.62	6,846.62	408,864.38	1.65 %
Department: 515 - PARI	•	·	•	•	,	ŕ	
Expense							
01-515-01100	SALARIES EXPENSE	90,818.00	90,818.00	3,516.40	3,516.40	87,301.60	3.87 %
01-515-01105	POOL LABOR	76,778.00	76,778.00	1,463.95	1,463.95	75,314.05	1.91 %
01-515-01125	CONTRACT LABOR	46,592.00	46,592.00	768.00	768.00	45,824.00	1.65 %
01-515-01130	CONTRACT LABOR - OVERTIME	500.00	500.00	0.00	0.00	500.00	0.00 %
01-515-01500	OVERTIME SALARIES EXPENSE	4,000.00	4,000.00	662.75	662.75	3,337.25	16.57 %
01-515-02100	FICA EXPENSE	10,639.00	10,639.00	348.28	348.28	10,290.72	3.27 %
01-515-02105	MEDICARE EXPENSE	2,492.00	2,492.00	81.46	81.46	2,410.54	3.27 %
01-515-02106	HEALTH INSURANCE EXPENSE	16,514.00	16,514.00	917.44	917.44	15,596.56	5.56 %
01-515-02107	STATE UNEMPLOY TAX EXPENSE	2,793.00	2,793.00	1.48	1.48	2,791.52	0.05 %
<u>01-515-02150</u>	TMRS EXPENSE	7,008.00	7,008.00	308.84	308.84	6,699.16	4.41 %
<u>01-515-02160</u>	WORKER'S COMP	3,509.00	3,509.00	117.00	117.00	3,392.00	3.33 %
01-515-02210	OTHER INSURANCE	130.00	130.00	7.20	7.20	122.80	5.54 %
01-515-04100	TOOLS & SUPPLIES	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
01-515-04110	POOL SUPPLIES	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00 %
<u>01-515-05100</u> <u>01-515-05110</u>	ELECTRICITY - PARKS ELECTRICITY - POOL	10,000.00 8,000.00	10,000.00 8,000.00	0.00 0.00	0.00 0.00	10,000.00 8,000.00	0.00 % 0.00 %
01-515-05110 01-515-05115	ELECTRICITY - POOL ELECTRICITY - BOYS & GIRLS CLUB	12,000.00	•	0.00		12,000.00	0.00 %
01-515-05115 01-515-05116	ELECTRICITY - BOYS & GIRLS CLUB ELECTRICITY - ALAMO WAREHOUSE	6,000.00	12,000.00 6,000.00	0.00	0.00 0.00	6,000.00	0.00 %
<u>01-515-05116</u> <u>01-515-05120</u>	TELEPHONE	100.00	100.00	7.07	7.07	92.93	7.07 %
01-0110	UTILITIES - COMMUNITY PARK	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
01-515-05130		3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
<u>01-515-05130</u> 01-515-05131		•	1.200.00	0.00	0 በበ	1 200 00	0 00 %
<u>01-515-05130</u> <u>01-515-05131</u> <u>01-515-05132</u>	UTILITIES - NATURE PARK UTILITIES - POOL	1,200.00 2,000.00	1,200.00 2,000.00	0.00 0.00	0.00 0.00	1,200.00 2,000.00	0.00 % 0.00 %

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Budget Report				FOT FISC	ai: 2022-2023 F	erioa Enaing: 10	/31/2022
		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
01-515-05135	UTILITIES - BOYS & GIRLS CLUB	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
01-515-05136	UTILITIES - ALAMO WAREHOUSE	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
01-515-07100	FUEL FOR VEHICLES	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
01-515-08100	REPAIRS TO VEHICLES	3,500.00	3,500.00	280.97	280.97	3,219.03	8.03 %
01-515-11100	MOWING MACHINE REPAIRS	8,000.00	8,000.00	62.00	62.00	7,938.00	0.78 %
01-515-11110	POOL MAINTENANCE	3,500.00	3,500.00	870.00	870.00	2,630.00	24.86 %
01-515-11120	POOL CHEMICALS	7,000.00	7,000.00	0.00	0.00	7,000.00	0.00 %
01-515-11130	PARK MAINTENANCE	15,000.00	15,000.00	250.00	250.00	14,750.00	1.67 %
01-515-11135	FIELD MAINTENANCE	6,000.00	6,000.00	0.00	0.00	6,000.00	0.00 %
<u>01-515-11136</u>	ALAMO WHSE MAINTENANCE	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
01-515-11145	BOYS & GIRLS CLUB	60,000.00	60,000.00	0.00	0.00	60,000.00	0.00 %
<u>01-515-12100</u>	BUILDING INSURANCE	1,600.00	1,600.00	0.00	0.00	1,600.00	0.00 %
<u>01-515-12110</u>	LIABILITY INSURANCE	7,000.00	7,000.00	0.00	0.00	7,000.00	0.00 %
<u>01-515-99100</u>	MISCELLANEOUS Expense Total:	600.00 441,773.00	600.00 441,773.00	9,662.84	9,662.84	600.00 432,110.16	0.00 % 2.19 %
	Department: 515 - PARKS Total:			·	<u> </u>		
Demontracet, E1C LIBBAD	•	441,773.00	441,773.00	9,662.84	9,662.84	432,110.16	2.19 %
Department: 516 - LIBRAR Expense	TT .						
01-516-01100	SALARIES EXPENSE	110,220.00	110,220.00	6,519.05	6,519.05	103,700.95	5.91 %
01-516-01500	OVERTIME SALARIES EXPENSE	500.00	500.00	0.00	0.00	500.00	0.00 %
01-516-02100	FICA EXPENSE	6,865.00	6,865.00	401.90	401.90	6,463.10	5.85 %
01-516-02105	MEDICARE EXPENSE	1,605.00	1,605.00	93.99	93.99	1,511.01	5.86 %
01-516-02106	HEALTH INSURANCE EXPENSE	16,514.00	16,514.00	1,376.16	1,376.16	15,137.84	8.33 %
01-516-02107	STATE UNEMPLOY TAX EXPENSE	756.00	756.00	0.00	0.00	756.00	0.00 %
01-516-02150	TMRS EXPENSE	8,182.00	8,182.00	481.75	481.75	7,700.25	5.89 %
01-516-02160	WORKER'S COMP	346.00	346.00	20.66	20.66	325.34	5.97 %
01-516-02210	OTHER INSURANCE	130.00	130.00	9.90	9.90	120.10	7.62 %
01-516-04100	OFFICE SUPPLIES & POSTAGE	3,000.00	3,000.00	8.15	8.15	2,991.85	0.27 %
<u>01-516-05100</u>	ELECTRICITY	6,500.00	6,500.00	0.00	0.00	6,500.00	0.00 %
01-516-05120	TELEPHONE	1,300.00	1,300.00	35.36	35.36	1,264.64	2.72 %
<u>01-516-09100</u>	TRAVEL & TRAINING	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
<u>01-516-10100</u>	DUES & MEMBERSHIP	200.00	200.00	0.00	0.00	200.00	0.00 %
<u>01-516-11100</u>	MAINTENANCE OF EQUIPMENT	500.00	500.00	0.00	0.00	500.00	0.00 %
<u>01-516-11110</u> 01-516-12100	MAINTENANCE OF BUILDING BUILDING INSURANCE	10,900.00 5,500.00	10,900.00 5,500.00	0.00 0.00	0.00 0.00	10,900.00 5,500.00	0.00 % 0.00 %
01-516-12110	LIABILITY INSURANCE	1,600.00	1,600.00	0.00	0.00	1,600.00	0.00 %
<u>01-516-13110</u>	LEASE COPIER	3,500.00	3,500.00	0.00	0.00	3,500.00	0.00 %
01-516-13500	CAPITAL OUTLAY	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
01-516-14100	TECHNOLOGY MAINTENACE AGREEM	8,200.00	8,200.00	0.00	0.00	8,200.00	0.00 %
01-516-30100	BOOKS	8,500.00	8,500.00	0.00	0.00	8,500.00	0.00 %
01-516-99100	MISCELLANEOUS	750.00	750.00	0.00	0.00	750.00	0.00 %
	Expense Total:	198,568.00	198,568.00	8,946.92	8,946.92	189,621.08	4.51 %
	Department: 516 - LIBRARY Total:	198,568.00	198,568.00	8,946.92	8,946.92	189,621.08	4.51 %
Department: 517 - COMM	UNITY CENTER						
Expense 01-517-04100	SUPPLIES	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00 %
<u>01-517-04100</u> <u>01-517-11100</u>	MAINTENANCE OF EQUIPMENT	500.00	500.00	0.00	0.00	500.00	0.00 %
01-517-11110	MAINTENANCE OF BUILDING	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
01-517-11110	Expense Total:	5,000.00	5,000.00	0.00	0.00	5,000.00	0.00 %
De	partment: 517 - COMMUNITY CENTER Total:	5,000.00	5,000.00	0.00	0.00	5,000.00	0.00 %
Department: 518 - EMERG		,	,			,	
Expense							
01-518-01100	COORDINATOR SALARY	5,737.00	5,737.00	331.06	331.06	5,405.94	5.77 %
01-518-02100	FICA	356.00	356.00	20.52	20.52	335.48	5.76 %
01-518-02105	MEDICARE	83.00	83.00	4.80	4.80	78.20	5.78 %
01-518-02107	STATE UNEMPLOYMENT TAX EXPENSE	161.00	161.00	0.00	0.00	161.00	0.00 %

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
01-518-02150	TMRS	424.00	424.00	24.47	24.47	399.53	5.77 %
01-518-02160	WORKERS COMPENSATION	174.00	174.00	21.39	21.39	152.61	12.29 %
01-518-04100	SUPPLIES	5,000.00	5,000.00	0.00	0.00	5,000.00	0.00 %
01-518-05120	TELEPHONE/COMMUNICATION	25,000.00	25,000.00	23,768.58	23,768.58	1,231.42	95.07 %
01-518-07110	DIESEL FUEL - DISASTER	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
01-518-09100	TRAVEL & TRAINING	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
01-518-11100	MAINTENANCE EQUIPMENT	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
01-518-14100	TECHNOLOGY MAINTENANCE AGRE	22,225.00	22,225.00	0.00	0.00	22,225.00	0.00 %
	Expense Total:	64,660.00	64,660.00	24,170.82	24,170.82	40,489.18	37.38 %
	Department: 518 - EMERGENCY MANAGEMENT Total:	64,660.00	64,660.00	24,170.82	24,170.82	40,489.18	37.38 %
Department: 5 Expense	19 - OTHER GENERAL EXPENSES						
01-519-30160	OUTSOURCE PAYROLL SERVICE	7,000.00	7,000.00	0.00	0.00	7,000.00	0.00 %
01-519-30170	RCI TECHNOLOGIES- FA/RECORDS	7,000.00	7,000.00	0.00	0.00	7,000.00	0.00 %
01-519-30260	THANKSGIVING/CHRISTMAS PARTY	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
01-319-30200	Expense Total:	16,000.00	16,000.00	0.00	0.00	16,000.00	0.00 %
	Department: 519 - OTHER GENERAL EXPENSES Total:	16,000.00	16,000.00	0.00	0.00	16,000.00	0.00 %
Department: 5	23 - DSRIP-COMMUNITY HEALT						
Expense							
01-523-01100	SALARIES EXPENSE	35,909.00	35,909.00	2,071.20	2,071.20	33,837.80	5.77 %
01-523-01500	OVERTIME	500.00	500.00	0.00	0.00	500.00	0.00 %
01-523-02100	FICA EXPENSE	2,257.00	2,257.00	123.15	123.15	2,133.85	5.46 %
01-523-02105	MEDICARE EXPENSE	528.00	528.00	28.81	28.81	499.19	5.46 %
01-523-02106	HEALTH INSURANCE EXPENSE	5,505.00	5,505.00	458.72	458.72	5,046.28	8.33 %
01-523-02107	STATE UNEMPLOY TAX EXPENSE	252.00	252.00	0.00	0.00	252.00	0.00 %
01-523-02150	TMRS EXPENSE	2,691.00	2,691.00	153.06	153.06	2,537.94	5.69 %
01-523-02160	WORKER'S COMP	744.00	744.00	42.95	42.95	701.05	5.77 %
01-523-02210	OTHER INSURANCE	43.00	43.00	3.60	3.60	39.40	8.37 %
01-523-04100	SUPPLIES	3,992.00	3,992.00	0.00	0.00	3,992.00	0.00 %
01-523-05120	TELEPHONE	1,833.00	1,833.00	7.07	7.07	1,825.93	0.39 %
01-523-09100	TRAVEL & TRAINING Expense Total:	624.00 54,878.00	624.00 54,878.00	0.00 2,888.56	0.00 2,888.56	624.00 51,989.44	0.00 % 5.26 %
	Department: 523 - DSRIP-COMMUNITY HEALT Total:	54,878.00	54,878.00	2,888.56	2,888.56	51,989.44	5.26 %
	Fund: 01 - GENERAL FUND Surplus (Deficit):	0.00	0.00	300,112.65	300,112.65	300,112.65	0.00 %
Fund: 05 - UTILIT	Y FUND						
	44 - MISCELLANEOUS						
Revenue	MATER CALEC REVENUES	1 350 000 00	1 350 000 00	107 210 02	107 210 02	1 1 4 2 7 0 1 1 0	0.500/
05-444-5010 05-444-5020	WATER TAR FEES	1,250,000.00	1,250,000.00	107,218.82	107,218.82 13,088.77	-1,142,781.18	8.58 %
<u>05-444-5020</u> 05-444-5030	WATER TAP FEES WATER UTL. EXP. FEES & CAPITAL	9,000.00 5,000.00	9,000.00 5,000.00	13,088.77 700.00	700.00	4,088.77 -4,300.00	145.43 % 14.00 %
05-444-5040	PROCESSING FEES & CAPITAL	17,000.00	17,000.00	1,425.00	1,425.00	-4,300.00 -15,575.00	8.38 %
<u>05-444-5040</u> <u>05-444-5050</u>	15% PENALTIES	60,000.00	60,000.00	1,425.00 4,943.67	1,425.00 4,943.67	-55,056.33	8.38 %
<u>05-444-5080</u>	INTEREST EARNED	12,000.00	12,000.00	0.00	4,945.67 0.00	-12,000.00	0.00 %
05-444-5095	NSF CHARGES	300.00	300.00	200.00	200.00	-100.00	66.67 %
05-444-6010	SEWER REVENUES	1,125,000.00	1,125,000.00	92,702.43	92,702.43	-1,032,297.57	8.24 %
05-444-6012	SEWER REVENUE - INDIAN LAKE	126,000.00	126,000.00	19,607.39	19,607.39	-106,392.61	15.56 %
05-444-6014	SEWER REVENUE - EAST RIO HONDO	270,000.00	270,000.00	0.00	0.00	-270,000.00	0.00 %
05-444-6020	SEWER TAP FEES	6,000.00	6,000.00	1,050.00	1,050.00	-4,950.00	17.50 %
05-444-9901	TRANSFER IN	48,288.00	48,288.00	0.00	0.00	-48,288.00	0.00 %
	Revenue Total:	2,928,588.00	2,928,588.00	240,936.08	240,936.08	-2,687,651.92	8.23 %
	Department: 444 - MISCELLANEOUS Total:	2,928,588.00	2,928,588.00	240,936.08	240,936.08	-2,687,651.92	8.23 %
•	02 - ADMINISTRATION						
Expense 05-502-01100	CALADIEC MATER	370,118.00	370,118.00	20,519.86	20 510 06	349,598.14	5.54 %
05-502-01100 05-502-01125	SALARIES - WATER				20,519.86		
<u>05-502-01125</u>	CONTRACT LABOR	34,944.00	34,944.00	1,894.40	1,894.40	33,049.60	5.42 %

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
05-502-01130	CONTRACT LABOR -OT	625.00	625.00	139.20	139.20	485.80	22.27 %
<u>05-502-01500</u>	OVERTIME SALARIES EXPENSE	16,000.00	16,000.00	304.07	304.07	15,695.93	1.90 %
05-502-02100	FICA EXPENSE	24,002.00	24,002.00	1,301.88	1,301.88	22,700.12	5.42 %
05-502-02105	MEDICARE EXPENSE	5,614.00	5,614.00	304.47	304.47	5,309.53	5.42 %
<u>05-502-02106</u>	HEALTH INSURANCE EXPENSE	45,413.00	45,413.00	3,440.40	3,440.40	41,972.60	7.58 %
<u>05-502-02107</u>	STATE UNEMPLOY TAX EXPENSE	2,142.00	2,142.00	1.38	1.38	2,140.62	0.06 %
<u>05-502-02140</u>	OPEB EXPENSE - WATER	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
05-502-02150	TMRS EXPENSE	28,608.00	28,608.00	1,482.35	1,482.35	27,125.65	5.18 %
05-502-02160	WORKER'S COMP	6,108.00	6,108.00	293.34	293.34	5,814.66	4.80 %
05-502-02210	OTHER INSURANCE	356.00	356.00	27.90	27.90	328.10	7.84 %
<u>05-502-03115</u>	AUDITOR	11,000.00	11,000.00	0.00	0.00	11,000.00	0.00 %
<u>05-502-04100</u>	SUPPLIES & POSTAGE	11,000.00	11,000.00	0.00	0.00	11,000.00	0.00 %
05-502-05100	ELECTRICITY	15,000.00	15,000.00	0.00	0.00	15,000.00	0.00 %
05-502-05120	TELEPHONE	3,500.00	3,500.00	128.14	128.14	3,371.86	3.66 %
<u>05-502-06100</u>	ADVERTISING	500.00	500.00	0.00	0.00	500.00	0.00 %
<u>05-502-09100</u>	TRAVEL & TRAINING	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
<u>05-502-10100</u>	DUES & MEMBERSHIP	1,100.00	1,100.00	0.00	0.00	1,100.00	0.00 %
05-502-12100	STRUCTURE INSURANCE	22,000.00	22,000.00	0.00	0.00	22,000.00	0.00 %
<u>05-502-12110</u>	LIABILITY INSURANCE	7,000.00	7,000.00	0.00	0.00	7,000.00	0.00 %
<u>05-502-30115</u>	CREDIT CARD EXPENSE	16,000.00	16,000.00	0.00	0.00	16,000.00	0.00 %
<u>05-502-30250</u>	PROFESSIONAL SERVICES	500.00	500.00	0.00	0.00	500.00	0.00 %
<u>05-502-99100</u>	MISCELLANEOUS	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
<u>05-502-99115</u>	BAD DEBT EXPENSE	3,500.00	3,500.00	0.00	0.00	3,500.00	0.00 %
	Expense Total:	632,030.00	632,030.00	29,837.39	29,837.39	602,192.61	4.72 %
	Department: 502 - ADMINISTRATION Total:	632,030.00	632,030.00	29,837.39	29,837.39	602,192.61	4.72 %
Department: 505 - INFOR	RMATION TECHNOLOGY						
Expense							
05-505-01100	INFORMATION TECHNOLOGY SALARY	20,210.00	20,210.00	565.97	565.97	19,644.03	2.80 %
05-505-01500	OVERTIME SALARIES EXPENSE	250.00	250.00	0.00	0.00	250.00	0.00 %
05-505-02100	FICA EXPENSE	1,269.00	1,269.00	33.60	33.60	1,235.40	2.65 %
05-505-02105	MEDICARE EXPENSE	297.00	297.00	7.86	7.86	289.14	2.65 %
<u>05-505-02106</u>	HEALTH INSURANCE EXPENSE	2,752.00	2,752.00	114.68	114.68	2,637.32	4.17 %
<u>05-505-02107</u>	TWC EXPENSE	126.00	126.00	0.00	0.00	126.00	0.00 %
05-505-02150	TMRS EXPENSE	1,512.00	1,512.00	41.82	41.82	1,470.18	2.77 %
<u>05-505-02160</u>	WORKER'S COMP INS.(TML)	48.00	48.00	1.34	1.34	46.66	2.79 %
05-505-02210	OTHER INSURANCE EXPENSE	22.00	22.00	0.90	0.90	21.10	4.09 %
05-505-02220	CONTRACT- IT SERVICES	4,800.00	4,800.00	400.00	400.00	4,400.00	8.33 %
05-505-05120	TELEPHONE	264.00	264.00	0.00	0.00	264.00	0.00 %
<u>05-505-13500</u>	CAPITAL OUTLAY	7,570.00	7,570.00	0.00	0.00	7,570.00	0.00 %
<u>05-505-14000</u>	HARDWARE	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
05-505-14010	SOFTWARE	500.00	500.00	0.00	0.00	500.00	0.00 %
	Expense Total:	40,620.00	40,620.00	1,166.17	1,166.17	39,453.83	2.87 %
Departme	ent: 505 - INFORMATION TECHNOLOGY Total:	40,620.00	40,620.00	1,166.17	1,166.17	39,453.83	2.87 %
Department: 520 - CAPT	IAL OUTLAY						
Expense 05-520-13500	WATER METERS	30,000.00	30,000.00	0.00	0.00	30,000.00	0.00 %
03-340-13300	Expense Total:	30,000.00	30,000.00	0.00	0.00	30,000.00	0.00 %
	Department: 520 - CAPTIAL OUTLAY Total:	30,000.00	30,000.00	0.00	0.00	30,000.00	0.00 %
Department: 526 - WATE Expense	ER SUPPLIES						
05-526-04100	CHEMICALS	120,000.00	120,000.00	8,302.80	8,302.80	111,697.20	6.92 %
05-526-04110	SUPPLIES, TOOLS & EQUIPMENT	12,000.00	12,000.00	0.00	0.00	12,000.00	0.00 %
05-526-04120	UNIFORMS & CLOTHING	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
05-526-04130	WATER CONNECTIONS	15,000.00	15,000.00	1,375.00	1,375.00	13,625.00	9.17 %
<u>05-526-04150</u>	WATER TESTING	8,500.00	8,500.00	72.64	72.64	8,427.36	0.85 %
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		Outstand	C	Dt. al	Final	Variance	D
		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Favorable (Unfavorable)	Percent Used
		Total Buuget	Total Buuget	•	Activity	(Olliavorable)	
05-526-07100	FUEL FOR VEHICLES	12,000.00	12,000.00	0.00	0.00	12,000.00	0.00 %
	Expense Total:	170,500.00	170,500.00	9,750.44	9,750.44	160,749.56	5.72 %
	Department: 526 - WATER SUPPLIES Total:	170,500.00	170,500.00	9,750.44	9,750.44	160,749.56	5.72 %
Department: 52 Expense	27 - MAINTENANCE OF WATER S						
05-527-11100	WATER PLANT MAINTENANCE	4,500.00	4,500.00	0.00	0.00	4,500.00	0.00 %
05-527-11150	WAREHOUSE MAINTENANCE	4,500.00	4,500.00	0.00	0.00	4,500.00	0.00 %
	Expense Total:	9,000.00	9,000.00	0.00	0.00	9,000.00	0.00 %
	Department: 527 - MAINTENANCE OF WATER S Total:	9,000.00	9,000.00	0.00	0.00	9,000.00	0.00 %
Department: 52	28 - MAINTENANCE OF WATER E						
Expense							
05-528-08100	REPAIRS TO VEHICLES	6,000.00	6,000.00	239.24	239.24	5,760.76	3.99 %
05-528-11200	WATER PLANT EQUIPMENT	15,000.00	15,000.00	0.00	0.00	15,000.00	0.00 %
05-528-11210	WATER LINE MAINTENANCE	15,000.00	15,000.00	0.00	0.00	15,000.00	0.00 %
05-528-11230	FIRE HYDRANT REPAIRS	20,000.00	20,000.00	0.00	0.00	20,000.00	0.00 %
	Expense Total:	56,000.00	56,000.00	239.24	239.24	55,760.76	0.43 %
	Department: 528 - MAINTENANCE OF WATER E Total:	56,000.00	56,000.00	239.24	239.24	55,760.76	0.43 %
•	29 - WATER PURCHASES						
Expense							
<u>05-529-04100</u>	C.C.I.D. #6 WATER	28,000.00	28,000.00	0.00	0.00	28,000.00	0.00 %
05-529-04110	TOWN INDIAN LAKE-WATER PURCHAS Expense Total:	14,000.00 42,000.00	14,000.00 42,000.00	0.00	0.00	14,000.00 42,000.00	0.00 %
	·		·			·	
	Department: 529 - WATER PURCHASES Total:	42,000.00	42,000.00	0.00	0.00	42,000.00	0.00 %
•	30 - WATER MISCELLANEOUS EX						
Expense	TECHNOLOGY MAINTENANCE ACRE	27.675.00	27.675.00	0.00	0.00	27.675.00	0.00.0/
<u>05-530-14100</u>	TECHNOLOGY MAINTENANCE AGRE	37,675.00	37,675.00	0.00	0.00	37,675.00	0.00 %
05-530-30100 05-530-30110	AGENT FEE ON WATER BONDS TEXAS WATER COMM. PERMIT	1,100.00 5,000.00	1,100.00 5,000.00	0.00 0.00	0.00 0.00	1,100.00 5,000.00	0.00 % 0.00 %
05-530-30170	SLUDGE REMOVAL	5,000.00	5,000.00	0.00	0.00	5,000.00	0.00 %
05-530-30500	WATER TANK INSP. & CLEANING	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
05-530-30520	SOUTHMOST REGIONAL M&O	132,533.00	132,533.00	132,533.00	132,533.00	0.00	100.00 %
05-530-30535	SUNTRUST METER - INTEREST	3,775.00	3,775.00	0.00	0.00	3,775.00	0.00 %
05-530-99999	DEPRECIATION EXPENSE	225,000.00	225,000.00	0.00	0.00	225,000.00	0.00 %
	Expense Total:	411,083.00	411,083.00	132,533.00	132,533.00	278,550.00	32.24 %
	Department: 530 - WATER MISCELLANEOUS EX Total:	411,083.00	411,083.00	132,533.00	132,533.00	278,550.00	32.24 %
Department: 53	32 - WATER BONDED INDEBTEDN						
Expense							
05-532-80100	PRINCIPAL PAYMENT - 1984	31,000.00	31,000.00	0.00	0.00	31,000.00	0.00 %
05-532-80105	PRINCIPAL PAYMENT - 1984A	1,850.00	1,850.00	0.00	0.00	1,850.00	0.00 %
05-532-80110	PRINCIPAL PAYMENT - 1985	6,192.00	6,192.00	0.00	0.00	6,192.00	0.00 %
05-532-80116	INTEREST EXP 84(590,000)	1,550.00	1,550.00	0.00	0.00	1,550.00	0.00 %
05-532-80117	INTEREST EXPENSE - 1984A	167.00	167.00	0.00	0.00	167.00	0.00 %
05-532-80118	INTEREST EXPENSE - 1985	518.00	518.00	0.00	0.00	518.00	0.00 %
05-532-80125	SRWA - DEBT SERVICE Expense Total:	51,905.00 93,182.00	51,905.00 93,182.00	51,938.00 51,938.00	51,938.00 51,938.00	-33.00 41,244.00	100.06 % 55.74 %
	·			<u> </u>	•	·	
	Department: 532 - WATER BONDED INDEBTEDN Total:	93,182.00	93,182.00	51,938.00	51,938.00	41,244.00	55.74 %
Department: 53 Expense	34 - SEWER ADMINISTRATION						
05-534-01100	SALARIES - SEWER	370,118.00	370,118.00	20,519.86	20,519.86	349,598.14	5.54 %
05-534-01125	CONTRACT LABOR	34,944.00	34,944.00	1,894.40	1,894.40	33,049.60	5.42 %
05-534-01130	CONTRACT LABOR - OT	625.00	625.00	139.20	139.20	485.80	22.27 %
05-534-01500	OVERTIME SALARIES EXPENSE	16,000.00	16,000.00	304.07	304.07	15,695.93	1.90 %
05-534-02100	FICA EXPENSE	24,002.00	24,002.00	1,301.88	1,301.88	22,700.12	5.42 %
05-534-02105	MEDICARE EXPENSE	5,614.00	5,614.00	304.47	304.47	5,309.53	5.42 %

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Budget Report				For Fisc	al: 2022-2023 F	Period Ending: 10	/31/2022
		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<u>05-534-02106</u>	HEALTH INSURANCE EXPENSE	45,413.00	45,413.00	3,440.40	3,440.40	41,972.60	7.58 %
05-534-02107	STATE UNEMPLOY TAX EXPENSE	2,142.00	2,142.00	1.38	1.38	2,140.62	0.06 %
05-534-02140	OPEB EXPENSE - SEWER	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
05-534-02150	TMRS EXPENSE	28,608.00	28,608.00	1,482.35	1,482.35	27,125.65	5.18 %
05-534-02160	WORKER'S COMP	6,108.00	6,108.00	293.34	293.34	5,814.66	4.80 %
05-534-02210	OTHER INSURANCE	356.00	356.00	27.90	27.90	328.10	7.84 %
05-534-03115	AUDITOR	11,000.00	11,000.00	0.00	0.00	11,000.00	0.00 %
05-534-03140	COLLECTION FEES - ERHWS	17,000.00	17,000.00	1,230.53	1,230.53	15,769.47	7.24 %
<u>05-534-04100</u>	SUPPLIES & POSTAGE	11,000.00	11,000.00	0.00	0.00	11,000.00	0.00 %
<u>05-534-05100</u>	ELECTRICITY	88,000.00	88,000.00	0.00	0.00	88,000.00	0.00 %
<u>05-534-05120</u>	TELEPHONE	3,500.00	3,500.00	128.14	128.14	3,371.86	3.66 %
<u>05-534-05130</u>	LIFT STATIONS - WATER ERHWS	5,650.00	5,650.00	295.47	295.47	5,354.53	5.23 %
<u>05-534-05135</u>	UTILITES - WASTEWATER	5,500.00	5,500.00	0.00	0.00	5,500.00	0.00 %
<u>05-534-09100</u>	TRAVEL & TRAINING	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
<u>05-534-10100</u>	DUES & MEMBERSHIP	200.00	200.00	0.00	0.00	200.00	0.00 %
<u>05-534-11400</u>	CAPITAL OUTLAY	52,500.00	52,500.00	0.00	0.00	52,500.00	0.00 %
<u>05-534-12100</u>	STRUCTURE INSURANCE	2,700.00	2,700.00	0.00	0.00	2,700.00	0.00 %
05-534-12110	LIABILITY INSURANCE	7,000.00	7,000.00	0.00	0.00	7,000.00	0.00 %
05-534-30115	CREDIT CARD EXPENSE	16,000.00	16,000.00	0.00	0.00	16,000.00	0.00 %
05-534-30120	ENGINEERING	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
05-534-30250	PROFESSIONAL SERVICES	500.00	500.00	0.00	0.00	500.00	0.00 %
05-534-99100	MISCELLANEOUS	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
05-534-99115	BAD DEBT EXPENSE	3,063.00	3,063.00	0.00	0.00	3,063.00	0.00 %
	Expense Total:	766,543.00	766,543.00	31,363.39	31,363.39	735,179.61	4.09 %
Dep	partment: 534 - SEWER ADMINISTRATION Total:	766,543.00	766,543.00	31,363.39	31,363.39	735,179.61	4.09 %
Department: 535 - INF	ORMATION TECHNOLOG						
Expense							
05-535-01100	ADMINISTRATION SALARY	20,210.00	20,210.00	565.97	565.97	19,644.03	2.80 %
05-535-01500	OVERTIME EXPENSE	250.00	250.00	0.00	0.00	250.00	0.00 %
05-535-02100	FICA EXPENSE	1,269.00	1,269.00	33.60	33.60	1,235.40	2.65 %
05-535-02105	MEDICARE EXPENSE	297.00	297.00	7.86	7.86	289.14	2.65 %
<u>05-535-02106</u>	HEALTH INSURANCE EXPENSE	2,752.00	2,752.00	114.68	114.68	2,637.32	4.17 %
05-535-02107	TWC EXPENSE	126.00	126.00	0.00	0.00	126.00	0.00 %
05-535-02150	TMRS EXPENSE	1,512.00	1,512.00	41.82	41.82	1,470.18	2.77 %
<u>05-535-02160</u>	WORKER'S COM. INS. (TML)	48.00	48.00	1.34	1.34	46.66	2.79 %
05-535-02210	LIFE & DENTAL INSURANCE EXPENS	22.00	22.00	0.90	0.90	21.10	4.09 %
05-535-02220	CONTRACT- IT SERVICES	4,800.00	4,800.00	400.00	400.00	4,400.00	8.33 %
05-535-05120	TELEPHONE	264.00	264.00	0.00	0.00	264.00	0.00 %
05-535-13500	CAPITAL OUTLAY	7,570.00	7,570.00	0.00	0.00	7,570.00	0.00 %
05-535-14000	HARDWARE	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
<u>05-535-14010</u>	SOFTWARE	500.00	500.00	0.00	0.00	500.00	0.00 %
	Expense Total:	40,620.00	40,620.00	1,166.17	1,166.17	39,453.83	2.87 %
Depar	tment: 535 - INFORMATION TECHNOLOG Total:	40,620.00	40,620.00	1,166.17	1,166.17	39,453.83	2.87 %
Department: 536 - SEV	VER SUPPLIES						
Expense							
05-536-04100	CHEMICALS	35,000.00	35,000.00	0.00	0.00	35,000.00	0.00 %
05-536-04110	SUPPLIES, TOOLS & EQUIPMENT	6,500.00	6,500.00	0.00	0.00	6,500.00	0.00 %
05-536-04120	UNIFORMS & CLOTHING	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
05-536-04130	SEWER CONNECTIONS	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
05-536-04150	SEWER TESTING	15,000.00	15,000.00	0.00	0.00	15,000.00	0.00 %
05-536-06100	ADVERTISING	750.00	750.00	0.00	0.00	750.00	0.00 %
05-536-07100	FUEL FOR VEHICLES	12,000.00	12,000.00	0.00	0.00	12,000.00	0.00 %
05-536-07110	DIESEL	7,500.00	7,500.00	0.00	0.00	7,500.00	0.00 %
	Expense Total:	81,250.00	81,250.00	0.00	0.00	81,250.00	0.00 %
	Department: 536 - SEWER SUPPLIES Total:	81,250.00	81,250.00	0.00	0.00	81,250.00	0.00 %

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Department:	537 - MAINTENANCE OF SEWER S						
Expense							
05-537-11100	SEWER PLANT MAINTENANCE	4,500.00	4,500.00	0.00	0.00	4,500.00	0.00 %
05-537-11150	LIFT STATION MAINTENANCE	6,000.00	6,000.00	0.00	0.00	6,000.00	0.00 %
	Expense Total:	10,500.00	10,500.00	0.00	0.00	10,500.00	0.00 %
	Department: 537 - MAINTENANCE OF SEWER S Total:	10,500.00	10,500.00	0.00	0.00	10,500.00	0.00 %
Department:	538 - MAINTENANCE OF SEWER E						
Expense							
05-538-08100	REPAIRS TO VEHICLES	6,000.00	6,000.00	239.24	239.24	5,760.76	3.99 %
05-538-08110	REPAIRS TO BACKHOE	5,000.00	5,000.00	978.87	978.87	4,021.13	19.58 %
05-538-11200	SEWER PLANT EQUIPMENT	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00 %
05-538-11210	SEWER LINE MAINTENANCE	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
05-538-11220 05-538-11230	SEWER CLEANING MACHINE REPAIRS	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
05-538-11230	LIFT STATION EQUIP. Expense Total:	40,000.00 88,000.00	40,000.00 88,000.00	799.00 2,017.11	799.00 2,017.11	39,201.00 85,982.89	2.00 % 2.29 %
	<u> </u>						
	Department: 538 - MAINTENANCE OF SEWER E Total:	88,000.00	88,000.00	2,017.11	2,017.11	85,982.89	2.29 %
•	539 - SEWER MISC. EXPENSES						
Expense	TECHNICI OCV MANINTENIANICE ACRE	12 125 00	12 125 00	0.00	0.00	12 125 00	0.00.0/
05-539-14100 05-539-30110	TECHNOLOGY MAINTENANCE AGRE	12,125.00	12,125.00	0.00	0.00	12,125.00	0.00 %
05-539-30110	TEXAS WATER COMMISSION SLUDGE REMOVAL	10,000.00 10,000.00	10,000.00 10,000.00	0.00 0.00	0.00 0.00	10,000.00 10,000.00	0.00 % 0.00 %
05-539-99999	DEP. EXPENSE SEWER	535,000.00	535,000.00	0.00	0.00	535,000.00	0.00 %
<u>03 333 33333</u>	Expense Total:	567,125.00	567,125.00	0.00	0.00	567,125.00	0.00 %
	Department: 539 - SEWER MISC. EXPENSES Total:	567,125.00	567,125.00	0.00	0.00	567,125.00	0.00 %
	•	307,123.00	307,123.00	0.00	0.00	307,123.00	0.00 /
-	541 - SEWER BONDED INDEBTEDN						
Expense 05-541-80115	PRINCIPAL PAYMENT - 2009 EDAP	22,000.00	22,000.00	0.00	0.00	22,000.00	0.00 %
05-541-80400	INTEREST EXPENSE-2009 (391,000	8,902.00	8,902.00	0.00	0.00	8,902.00	0.00 %
03 341 00400	Expense Total:	30,902.00	30,902.00	0.00	0.00	30,902.00	0.00 %
	Department: 541 - SEWER BONDED INDEBTEDN Total:	30,902.00	30,902.00	0.00	0.00	30,902.00	0.00 %
	·	30,902.00	30,302.00	0.00	0.00	30,302.00	0.00 /
-	552 - TRANSFER OUT						
Expense 05-552-30130	TRANSFER OUT - USDA	119,144.00	119,144.00	0.00	0.00	119,144.00	0.00 %
05-552-30130	TRANSFER OUT TWDB (4,975,000)	190,000.00	190,000.00	0.00	0.00	190,000.00	0.00 %
05-552-30136	TRANSFER OUT - TWDB (4,973,000)	98,170.00	98,170.00	0.00	0.00	98,170.00	0.00 %
05-552-30138	TRANSFER OUT - TWDB DWSRF 6262	135,304.00	135,304.00	0.00	0.00	135,304.00	0.00 %
05-552-30316	TRANSFER OUT	0.00	0.00	400.00	400.00	-400.00	0.00 %
05-552-30319	TRANSFER OUT - DWSRF 2020	54,828.00	54,828.00	0.00	0.00	54,828.00	0.00 %
05-552-30320	TRANSFER OUT CWSRF 2020	21,787.00	21,787.00	0.00	0.00	21,787.00	0.00 %
	Expense Total:	619,233.00	619,233.00	400.00	400.00	618,833.00	0.06 %
	Department: 552 - TRANSFER OUT Total:	619,233.00	619,233.00	400.00	400.00	618,833.00	0.06 %
	Fund: 05 - UTILITY FUND Surplus (Deficit):	-760,000.00	-760,000.00	-19,474.83	-19,474.83	740,525.17	2.56 %
Fund: 09 - COM	MUNITY DEVELOPMENT COR	,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,	,	-,-	
	452 - CDC DISBURSEMENTS						
09-452-1000	INTEREST EARNED	1,200.00	1,200.00	0.00	0.00	-1,200.00	0.00 %
09-452-1132	SALES TAX	560,000.00	560,000.00	46,311.22	46,311.22	-513,688.78	8.27 %
	Revenue Total:	561,200.00	561,200.00	46,311.22	46,311.22	-514,888.78	8.25 %
	Department: 452 - CDC DISBURSEMENTS Total:	561,200.00	561,200.00	46,311.22	46,311.22	-514,888.78	8.25 %
Denartment:	575 - COMMUNITY DEVELOPMENT	•	,	•	•	,	
Expense	5.5 Commont Severol Ment						
09-575-01100	SALARIES	15,979.00	15,979.00	711.36	711.36	15,267.64	4.45 %
09-575-02100	FICA EXPENSE	991.00	991.00	44.11	44.11	946.89	4.45 %
09-575-02105	MEDICARE EXPENSE	232.00	232.00	10.32	10.32	221.68	4.45 %

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		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
09-575-02107	TWC EXPENSE	252.00	252.00	0.71	0.71	251.29	0.28 %
09-575-02160	WORKER'S COMP	37.00	37.00	1.68	1.68	35.32	4.54 %
09-575-03110	ATTORNEY	500.00	500.00	0.00	0.00	500.00	0.00 %
09-575-03115	AUDITOR	6,000.00	6,000.00	0.00	0.00	6,000.00	0.00 %
09-575-03120	PROFESSIONAL SERVICES	39,520.00	39,520.00	1,520.00	1,520.00	38,000.00	3.85 %
09-575-03121	BUSINESS RECRUIT AND DEVELOPME	15,000.00	15,000.00	1,250.00	1,250.00	13,750.00	8.33 %
09-575-04100	OFFICE SUPPLIES & PRINTING	5,500.00	5,500.00	0.00	0.00	5,500.00	0.00 %
09-575-06100	CITY PROMOTION	48,000.00	48,000.00	1,000.00	1,000.00	47,000.00	2.08 %
09-575-06120	ADVERTISING	8,000.00	8,000.00	0.00	0.00	8,000.00	0.00 %
09-575-09100	TRAVEL/SEMINARS	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
09-575-10100	DUES & MEMBERSHIPS	1,200.00	1,200.00	0.00	0.00	1,200.00	0.00 %
09-575-11150	SPECIAL PROJECTS	279,101.00	279,101.00	0.00	0.00	279,101.00	0.00 %
09-575-12100	INSURANCE	300.00	300.00	0.00	0.00	300.00	0.00 %
09-575-30100	BUSINESS INCENTIVE PROGRAM	30,000.00	30,000.00	0.00	0.00	30,000.00	0.00 %
09-575-30129	GENERAL FUND ADMIN	15,000.00	15,000.00	0.00	0.00	15,000.00	0.00 %
09-575-30131	TRANSFER DEBT SERVICE I&S	93,288.00	93,288.00	0.00	0.00	93,288.00	0.00 %
09-575-99100	MISCELLANEOUS	300.00	300.00	0.00	0.00	300.00	0.00 %
	Expense Total:	561,200.00	561,200.00	4,538.18	4,538.18	556,661.82	0.81 %
	Department: 575 - COMMUNITY DEVELOPMENT Total:	561,200.00	561,200.00	4,538.18	4,538.18	556,661.82	0.81 %
Fund	: 09 - COMMUNITY DEVELOPMENT COR Surplus (Deficit):	0.00	0.00	41,773.04	41,773.04	41,773.04	0.00 %
	Report Surplus (Deficit):	-760,000.00	-760,000.00	322,410.86	322,410.86	1,082,410.86	-42.42 %

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Group Summary

					Variance	
	Original	Current	Period	Fiscal	Favorable	Percent
Account Typ	Total Budget	Total Budget	Activity	Activity	(Unfavorable)	Used
Fund: 01 - GENERAL FUND						
Department: 400 - PROPERTY TAXES Revenue	1 422 000 00	1,423,999.00	231,685.48	231,685.48	1 102 212 52	16.27 %
Department: 400 - PROPERTY TAXES Total:	1,423,999.00 1,423,999.00	1,423,999.00	231,685.48	231,685.48	-1,192,313.52 - 1,192,313.52	16.27 %
Department: 407 - POLICE	_,,	_,,		,	_,,	
Revenue	755,350.00	755,350.00	52,580.12	52,580.12	-702,769.88	6.96 %
Department: 407 - POLICE Total:	755,350.00	755,350.00	52,580.12	52,580.12	-702,769.88	6.96 %
Department: 410 - CODE ENFORCEMENT						
Revenue	7,500.00	7,500.00	660.00	660.00	-6,840.00	8.80 %
Department: 410 - CODE ENFORCEMENT Total:	7,500.00	7,500.00	660.00	660.00	-6,840.00	8.80 %
Department: 412 - SOLID WASTE						
Revenue	118,000.00	118,000.00	90,410.96	90,410.96	-27,589.04	76.62 %
Department: 412 - SOLID WASTE Total:	118,000.00	118,000.00	90,410.96	90,410.96	-27,589.04	76.62 %
Department: 416 - LIBRARY						
Revenue Poportment: 416 LIBRARY Totals	7,250.00	7,250.00	532.35 532.35	532.35	-6,717.65 - 6,717.65	7.34 %
Department: 416 - LIBRARY Total:	7,250.00	7,250.00	532.35	532.35	-0,/1/.05	7.34 %
Department: 430 - FRANCHISE FEES Revenue	2,081,550.00	2,081,550.00	164,285.28	164,285.28	-1,917,264.72	7.89 %
Department: 430 - FRANCHISE FEES Total:	2,081,550.00	2,081,550.00	164,285.28	164,285.28	-1,917,264.72 -1,917,264.72	7.89 %
Department: 444 - MISCELLANEOUS	_,,	_,,			_,,,_,,,,,,,,,,,,	
Revenue	287,350.00	287,350.00	22,209.73	22,209.73	-265,140.27	7.73 %
Department: 444 - MISCELLANEOUS Total:	287,350.00	287,350.00	22,209.73	22,209.73	-265,140.27	7.73 %
Department: 490 - GRANTS						
Revenue	206,450.00	206,450.00	0.00	0.00	-206,450.00	0.00 %
Department: 490 - GRANTS Total:	206,450.00	206,450.00	0.00	0.00	-206,450.00	0.00 %
Department: 502 - ADMINISTRATION						
Expense	628,055.00	628,055.00	54,866.63	54,866.63	573,188.37	8.74 %
Department: 502 - ADMINISTRATION Total:	628,055.00	628,055.00	54,866.63	54,866.63	573,188.37	8.74 %
Department: 503 - MUNICIPAL COURT						
Expense	276,326.00	276,326.00	13,190.43	13,190.43	263,135.57	4.77 %
Department: 503 - MUNICIPAL COURT Total:	276,326.00	276,326.00	13,190.43	13,190.43	263,135.57	4.77 %
Department: 504 - TAX ASSESSOR COLLECTOR		45.000.00				
Expense Department: 504 - TAX ASSESSOR COLLECTOR Total:	46,200.00 46,200.00	46,200.00 46,200.00	2,317.17 2,317.17	2,317.17 2,317.17	43,882.83 43,882.83	5.02 % 5.02 %
•	40,200.00	40,200.00	2,317.17	2,317.17	43,002.03	5.02 /6
Department: 505 - INFORMATION TECHNOLOGY Expense	81,235.00	81,235.00	2,332.31	2,332.31	78,902.69	2.87 %
Department: 505 - INFORMATION TECHNOLOGY Total:	81,235.00	81,235.00	2,332.31	2,332.31	78,902.69	2.87 %
Department: 506 - ELECTION	•	•	•	•	-	
Expense	1,750.00	1,750.00	325.00	325.00	1,425.00	18.57 %
Department: 506 - ELECTION Total:	1,750.00	1,750.00	325.00	325.00	1,425.00	18.57 %
Department: 507 - POLICE						
Expense	1,967,515.00	1,967,515.00	125,934.49	125,934.49	1,841,580.51	6.40 %
Department: 507 - POLICE Total:	1,967,515.00	1,967,515.00	125,934.49	125,934.49	1,841,580.51	6.40 %
Department: 508 - FIRE						
Expense	178,960.00	178,960.00	21.22	21.22	178,938.78	0.01 %
Department: 508 - FIRE Total:	178,960.00	178,960.00	21.22	21.22	178,938.78	0.01 %
Department: 509 - ENGINEERING	_				_	
Expense Population FOO ENGINEERING Totals	145,000.00	145,000.00	0.00	0.00	145,000.00	0.00 %
Department: 509 - ENGINEERING Total:	145,000.00	145,000.00	0.00	0.00	145,000.00	0.00 %
Department: 510 - CODE ENFORCEMENT	156 040 00	156 848 00	10 600 75	10 000 75	146 110 25	6 83 9/
Expense	156,818.00	156,818.00	10,698.75	10,698.75	146,119.25	6.82 %

							,,
		Original	Current	Period	Fiscal	Variance Favorable	Percent
Account Typ		Total Budget	Total Budget	Activity	Activity	(Unfavorable)	Used
	Department: 510 - CODE ENFORCEMENT Total:	156,818.00	156,818.00	10,698.75	10,698.75	146,119.25	6.82 %
Department: 5	11 - EMERGENCY MEDICAL SERV						
Expense	_	206,800.00	206,800.00	49.51	49.51	206,750.49	0.02 %
	Department: 511 - EMERGENCY MEDICAL SERV Total:	206,800.00	206,800.00	49.51	49.51	206,750.49	0.02 %
Department: 5	12 - SOLID WASTE						
Expense	_	2,200.00	2,200.00	0.00	0.00	2,200.00	0.00 %
	Department: 512 - SOLID WASTE Total:	2,200.00	2,200.00	0.00	0.00	2,200.00	0.00 %
Department: 5	14 - STREETS						
Expense		415,711.00	415,711.00	6,846.62	6,846.62	408,864.38	1.65 %
	Department: 514 - STREETS Total:	415,711.00	415,711.00	6,846.62	6,846.62	408,864.38	1.65 %
Department: 5	15 - PARKS						
Expense	Demonstrative and CAT DARKS Totals	441,773.00	441,773.00	9,662.84	9,662.84	432,110.16	2.19 %
	Department: 515 - PARKS Total:	441,773.00	441,773.00	9,662.84	9,662.84	432,110.16	2.19 %
Department: 5	16 - LIBRARY	100 560 00	400 550 00	0.046.03	0.046.03	400 624 00	4.54.0/
Expense	Department: 516 - LIBRARY Total:	198,568.00 198,568.00	198,568.00 198,568.00	8,946.92 8,946.92	8,946.92 8,946.92	189,621.08 189,621.08	4.51 % 4.51 %
	·	190,500.00	190,500.00	6,940.92	6,940.92	109,021.00	4.51 %
•	17 - COMMUNITY CENTER	F 000 00	F 000 00	0.00	0.00	F 000 00	0.00.0/
Expense	Department: 517 - COMMUNITY CENTER Total:	5,000.00 5.000.00	5,000.00 5,000.00	0.00 0.00	0.00	5,000.00 5,000.00	0.00 %
D	·	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 /6
Expense	18 - EMERGENCY MANAGEMENT	64,660.00	64,660.00	24,170.82	24,170.82	40,489.18	37.38 %
Lapense	Department: 518 - EMERGENCY MANAGEMENT Total:	64,660.00	64,660.00	24,170.82	24,170.82	40,489.18	37.38 %
Denartment: 5	19 - OTHER GENERAL EXPENSES	,	,	,	,	,	
Expense	19 - OTHER GENERAL EXPENSES	16,000.00	16,000.00	0.00	0.00	16,000.00	0.00 %
,	Department: 519 - OTHER GENERAL EXPENSES Total:	16,000.00	16,000.00	0.00	0.00	16,000.00	0.00 %
Department: 5	23 - DSRIP-COMMUNITY HEALT						
Expense		54,878.00	54,878.00	2,888.56	2,888.56	51,989.44	5.26 %
	Department: 523 - DSRIP-COMMUNITY HEALT Total:	54,878.00	54,878.00	2,888.56	2,888.56	51,989.44	5.26 %
	Fund: 01 - GENERAL FUND Surplus (Deficit):	0.00	0.00	300,112.65	300,112.65	300,112.65	0.00 %
Fund: 05 - UTILIT	Y FUND						
Department: 4	44 - MISCELLANEOUS						
Revenue	_	2,928,588.00	2,928,588.00	240,936.08	240,936.08	-2,687,651.92	8.23 %
	Department: 444 - MISCELLANEOUS Total:	2,928,588.00	2,928,588.00	240,936.08	240,936.08	-2,687,651.92	8.23 %
Department: 5	02 - ADMINISTRATION						
Expense	_	632,030.00	632,030.00	29,837.39	29,837.39	602,192.61	4.72 %
	Department: 502 - ADMINISTRATION Total:	632,030.00	632,030.00	29,837.39	29,837.39	602,192.61	4.72 %
-	05 - INFORMATION TECHNOLOGY						
Expense		40,620.00	40,620.00	1,166.17	1,166.17	39,453.83	2.87 %
	Department: 505 - INFORMATION TECHNOLOGY Total:	40,620.00	40,620.00	1,166.17	1,166.17	39,453.83	2.87 %
-	20 - CAPTIAL OUTLAY	20,000,00	20.000.00	0.00	0.00	20.000.00	0.00.0/
Expense	Department: 520 - CAPTIAL OUTLAY Total:	30,000.00 30,000.00	30,000.00 30,000.00	0.00	0.00	30,000.00 30,000.00	0.00 %
	·	30,000.00	30,000.00	0.00	0.00	30,000.00	0.00 %
-	26 - WATER SUPPLIES	170,500.00	170 500 00	0.750.44	0.750.44	160 740 56	5.72 %
Expense	Department: 526 - WATER SUPPLIES Total:	170,500.00	170,500.00 170,500.00	9,750.44 9,750.44	9,750.44 9,750.44	160,749.56 160,749.56	5.72 %
Damanturanti F		_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	3,750	3,750	200,7 10100	J /s
Expense	27 - MAINTENANCE OF WATER S	9,000.00	9,000.00	0.00	0.00	9,000.00	0.00 %
_Apense	Department: 527 - MAINTENANCE OF WATER S Total:	9,000.00	9,000.00	0.00	0.00	9,000.00	0.00 %
Denartment: 5	28 - MAINTENANCE OF WATER E	•	-			•	
Expense	20 MAINTENANCE OF WATER E	56,000.00	56,000.00	239.24	239.24	55,760.76	0.43 %
	Department: 528 - MAINTENANCE OF WATER E Total:	56,000.00	56,000.00	239.24	239.24	55,760.76	0.43 %

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		Out at a al	C	David d	Fired	Variance	D
Account Ty	/p	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Favorable (Unfavorable)	Percent Used
Department:	529 - WATER PURCHASES						
Expense	_	42,000.00	42,000.00	0.00	0.00	42,000.00	0.00 %
	Department: 529 - WATER PURCHASES Total:	42,000.00	42,000.00	0.00	0.00	42,000.00	0.00 %
Department:	530 - WATER MISCELLANEOUS EX						
Expense	_	411,083.00	411,083.00	132,533.00	132,533.00	278,550.00	32.24 %
	Department: 530 - WATER MISCELLANEOUS EX Total:	411,083.00	411,083.00	132,533.00	132,533.00	278,550.00	32.24 %
Department:	532 - WATER BONDED INDEBTEDN						
Expense		93,182.00	93,182.00	51,938.00	51,938.00	41,244.00	55.74 %
	Department: 532 - WATER BONDED INDEBTEDN Total:	93,182.00	93,182.00	51,938.00	51,938.00	41,244.00	55.74 %
•	534 - SEWER ADMINISTRATION	766 542 00	766 542 00	24 262 20	21 262 20	725 170 61	4.00.0/
Expense	Department: 534 - SEWER ADMINISTRATION Total:	766,543.00 766,543.00	766,543.00 766,543.00	31,363.39 31,363.39	31,363.39 31,363.39	735,179.61 735,179.61	4.09 % 4.09 %
Donartmont	·	700,545.00	700,545.00	31,303.33	31,303.33	755,175.01	4.03 /0
Expense	535 - INFORMATION TECHNOLOG	40,620.00	40,620.00	1,166.17	1,166.17	39,453.83	2.87 %
Expense	Department: 535 - INFORMATION TECHNOLOG Total:	40,620.00	40,620.00	1,166.17	1,166.17	39,453.83	2.87 %
Department:	536 - SEWER SUPPLIES						
Expense		81,250.00	81,250.00	0.00	0.00	81,250.00	0.00 %
	Department: 536 - SEWER SUPPLIES Total:	81,250.00	81,250.00	0.00	0.00	81,250.00	0.00 %
Department:	537 - MAINTENANCE OF SEWER S						
Expense	_	10,500.00	10,500.00	0.00	0.00	10,500.00	0.00 %
	Department: 537 - MAINTENANCE OF SEWER S Total:	10,500.00	10,500.00	0.00	0.00	10,500.00	0.00 %
Department:	538 - MAINTENANCE OF SEWER E						
Expense		88,000.00	88,000.00	2,017.11	2,017.11	85,982.89	2.29 %
	Department: 538 - MAINTENANCE OF SEWER E Total:	88,000.00	88,000.00	2,017.11	2,017.11	85,982.89	2.29 %
-	539 - SEWER MISC. EXPENSES	567.435.00	567 435 00	0.00	0.00	567.435.00	0.00.0/
Expense	Department: 539 - SEWER MISC. EXPENSES Total:	567,125.00 567,125.00	567,125.00 567,125.00	0.00	0.00	567,125.00 567,125.00	0.00 % 0.00 %
D	·	307,123.00	307,123.00	0.00	0.00	307,123.00	0.00 /8
Expense	541 - SEWER BONDED INDEBTEDN	30,902.00	30,902.00	0.00	0.00	30,902.00	0.00 %
Expense	Department: 541 - SEWER BONDED INDEBTEDN Total:	30,902.00	30,902.00	0.00	0.00	30,902.00	0.00 %
Department:	552 - TRANSFER OUT						
Expense		619,233.00	619,233.00	400.00	400.00	618,833.00	0.06 %
	Department: 552 - TRANSFER OUT Total:	619,233.00	619,233.00	400.00	400.00	618,833.00	0.06 %
	Fund: 05 - UTILITY FUND Surplus (Deficit):	-760,000.00	-760,000.00	-19,474.83	-19,474.83	740,525.17	2.56 %
Fund: 09 - COM	IMUNITY DEVELOPMENT COR						
	452 - CDC DISBURSEMENTS						
Revenue	_	561,200.00	561,200.00	46,311.22	46,311.22	-514,888.78	8.25 %
	Department: 452 - CDC DISBURSEMENTS Total:	561,200.00	561,200.00	46,311.22	46,311.22	-514,888.78	8.25 %
Department:	575 - COMMUNITY DEVELOPMENT						
Expense		561,200.00	561,200.00	4,538.18	4,538.18	556,661.82	0.81 %
	Department: 575 - COMMUNITY DEVELOPMENT Total:	561,200.00	561,200.00	4,538.18	4,538.18	556,661.82	0.81 %
Fund	I: 09 - COMMUNITY DEVELOPMENT COR Surplus (Deficit):	0.00	0.00	41,773.04	41,773.04	41,773.04	0.00 %
	Report Surplus (Deficit):	-760,000.00	-760,000.00	322,410.86	322,410.86	1,082,410.86	-42.42 %

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Budget Report

For Fiscal: 2022-2023 Period Ending: 10/31/2022

Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)
01 - GENERAL FUND	0.00	0.00	300,112.65	300,112.65	300,112.65
05 - UTILITY FUND	-760,000.00	-760,000.00	-19,474.83	-19,474.83	740,525.17
09 - COMMUNITY DEVELOPMENT C	0.00	0.00	41,773.04	41,773.04	41,773.04
Report Surplus (Deficit):	-760,000.00	-760,000.00	322,410.86	322,410.86	1,082,410.86

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		2c			1	1-1/2c (General Fund Portion)	Portion)			1/2c (CDC Portion	ion)	
			Inc(Dec)	Inc(Dec)			Inc(Dec)	Inc(Dec)			Inc(Dec)	Inc(Dec)
Paid	FY21-22	FY20-21	(\$)	(%)	FY21-22	FY20-21	(\$)	(%)	FY21-22	FY20-21	(\$)	(%)
October	178,985.72	155,969.20	23,016.52	14.76%	134,239.29	116,976.90	17,262.39	14.76%	44,746.43	38,992.30	5,754.13	14.76%
November	182,158.81	169,309.31	12,849.50	7.59%	136,619.11	126,981.98	9,637.12	7.59%	45,539.70	42,327.33	3,212.38	7.59%
December	159,019.26	141,597.79	17,421.47	12.30%	119,264.45	106,198.34	13,066.10	12.30%	39,754.82	35,399.45	4,355.37	12.30%
January	173,325.51	160,126.54	13,198.97	8.24%	129,994.13	120,094.91	9,899.23	8.24%	43,331.38	40,031.64	3,299.74	8.24%
February	238,866.97	227,290.15	11,576.82	2.09%	179,150.23	170,467.61	8,682.62	2.09%	59,716.74	56,822.54	2,894.21	2.09%
March	156,978.19	159,594.88	(2,616.69)	-1.64%	117,733.64	119,696.16	(1,962.52)	-1.64%	39,244.55	39,898.72	(654.17)	-1.64%
April	151,647.45	133,099.44	18,548.01	13.94%	113,735.59	99,824.58	13,911.01	13.94%	37,911.86	33,274.86	4,637.00	13.94%
May	211,087.42	209,547.66	1,539.76	0.73%	158,315.57	157,160.75	1,154.82	0.73%	52,771.86	52,386.92	384.94	0.73%
June	164,724.81	174,302.19	(9,577.38)	-5.49%	123,543.61	130,726.64	(7,183.04)	-5.49%	41,181.20	43,575.55	(2,394.35)	-5.49%
July	172,761.39	163,446.56	9,314.83	2.70%	129,571.04	122,584.92	6,986.12	2.70%	43,190.35	40,861.64	2,328.71	2.70%
August	197,185.81	185,738.61	11,447.20	6.16%	147,889.36	139,303.96	8,585.40	6.16%	49,296.45	46,434.65	2,861.80	6.16%
September	175,429.24	171,296.40	4,132.84	2.41%	131,571.93	128,472.30	3,099.63	2.41%	43,857.31	42,824.10	1,033.21	2.41%
TOTAL SALES ACTIVITIES	\$ 2,162,170.58 \$	2,051,318.73 \$	110,851.85	5.40%	1,621,627.94 \$	1,538,489.05 \$	83,138.89	5.40%	\$ 540,542.65	512,829.68 \$	27,712.96	5.40%

**** Sales Tax Amount may be adjusted a the end of the year based on actuals sales activity amounts.

(%) 3.50% 3.50%

(<u>\$)</u> 1,564.79 **1,564.79**

FY21-22 44,746.43 \$ 44,746.43

| Inc(Dec) | FY22-23 | 3.50% | 46,311.22 | 3.50% | 46,311.22 |

4,694.37 **4,694.37**

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FY21-22 134,239.29 134,239.29

FY22-23 138,933.66 138,933.66

1nc(Dec) (%) 3.50% 3.50%

(\$)

6,259.16 **6,259.16**

FY21-22 178,985.72 178,985.72 \$

FY22-23 185,244.88 185,244.88

October TOTAL SALES ACTIVITIES

Paid

<u>Inc(Dec)</u> (\$)

Inc(Dec)

1.1.1

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Closed Session Prepared By: Jacqueline Moya

Initiator: Jacqueline Moya Sponsors:

DOC ID: 4670

ACTION ITEM (ID # 4670)

Closed Session in accordance to Section 551.071, the Texas Open Meetings Act Consultation with Attorney - to deliberate pending or contemplated litigation.

Updated: 11/2/2022 3:34 PM by Jacqueline Moya

1.J.1

City Council

520 E Ocean Blvd. Los Fresnos, TX 78566

SCHEDULED

Meeting: 11/08/22 06:00 PM Department: City Secretary Category: Open Session Prepared By: Jacqueline Moya

Initiator: Bianca Huerta Sponsors:

DOC ID: 4671

ACTION ITEM (ID # 4671)

Open Session in accordance to Section 551.071, the Texas Open Meetings Act. Deliberation and possible ACTION regarding consultation with Attorney on pending or contemplated litigation.