



*** * * * PUBLIC NOTICE * * * ***

**NOTICE OF A CITY COUNCIL REGULAR SESSION IMMEDIATELY FOLLOWING
A WORKSHOP SESSION
OF THE CITY OF CORINTH**

**Thursday, April 21, 2016, 5:30 P.M.
CITY HALL - 3300 CORINTH PARKWAY**

CALL TO ORDER:

WORKSHOP BUSINESS AGENDA

1. Discuss Regular Meeting Items on Regular Session Agenda, including the consideration of executive session items as set forth in the Executive Session agenda items below.
2. Receive a presentation and hold a discussion regarding the City's Water and Wastewater Master Plans and Water, Wastewater and Roadway Studies with the associated Impact Fees.

ADJOURN WORKSHOP SESSION

***NOTICE IS HEREBY GIVEN** of a Regular Session of the Corinth City Council to be held at Corinth City Hall located at 3300 Corinth Parkway, Corinth, Texas. The agenda is as follows:

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE:

PROCLAMATION:

Mayor Heidemann proclaims May 2016 as Motorcycle Safety and Awareness Month.

PRESENTATION:

1. Receive an update by Lance Hendrik regarding Keep Corinth Beautiful Committee activities.
2. Receive a presentation and hold a discussion on the Community Waste Disposal Annual Review.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine and will be enacted in one motion. Should the Mayor, a Councilmember, or any citizen desire discussion of any Item that Item will be removed from the Consent Agenda and will be considered separately.

3. Consider and act on Minutes from the March 3, 2016 Workshop Session.
4. Consider and act on Minutes from the March 3, 2016 Regular Session.
5. Consider and act on Minutes from the March 17, 2016 Workshop Session.
6. Consider and act on Minutes from the March 17, 2016 Regular Session.
7. Consider and act on a Professional Services Agreement between the City of Corinth and Messer, Rockefeller & Fort Law Firm, PLLC for City Attorney Services.
8. Consider and act on a contract with DataBank IMX, LLC. to bulk scan documents for Planning and Public Works.
9. Consider and act on an ordinance approving a rate increase for the collection of Solid Waste in the master fee schedule and providing an effective date.
10. Consider and act on an Ordinance of the City of Corinth, Texas approving an amendment to the Fiscal Year 2015-16 City of Corinth Budget and Annual Program of Services to provide for the expenditure of funds from the Tree Mitigation Fund for the purchase of trees for the Shady Rest Lane project and the Community Park Soccer Complex.
11. Consider and act on approval of project budget adjustments for the Capital Improvement Program (CIP).

CITIZENS COMMENTS

In accordance with the Open Meetings Act, Council is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof.* Section 30.041B Code of Ordinance of the City of Corinth.

BUSINESS AGENDA

12. Consider adoption of an ordinance authorizing the issuance and sale of City of Corinth, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2016; levying an annual ad valorem tax and providing for the security for and payment of said certificates; approving the official statement; providing an effective date; an enacting other provisions relating to the subject.
13. Consider adoption of an ordinance authorizing the issuance and sale of City of Corinth, Texas General Obligation Refunding Bonds, Series 2016; levying an annual ad valorem and providing for the security for an payment of said bonds; approving the official statement; providing an effective date; and enacting other provisions relating to the subject.
14. Consider and act on an Ordinance of the City of Corinth, Texas approving an amendment to the Fiscal Year 2015-16 City of Corinth Budget and Annual Program of Services to provide for the expenditure of funds from the Water Impact Fee Fund, the Wastewater Impact Fee Fund, and the Roadway Impact Fee Fund for the Water and Wastewater Master Plan Update and the Water, Wastewater, and Roadway Impact Fee Update.

15. Consider and act on a contract with Kimley-Horn and Associates, Inc. to update the City's Water and Wastewater Master Plans and to update the Water, Wastewater and Roadway Studies and the associated Impact Fees.
16. Consider and act on a Resolution of the City Council of the City of Corinth amending Resolution No. 11-03-03-06 which provides procedures and rules for recruiting and appointment of members to serve on city boards, commissions, and committees; providing for severability; and providing an effective date.
17. Consider and act on a Resolution authorizing the Mayor or his designated representative to execute a contract of sale by and between the City of Corinth, Texas and Denton Electric Cooperative, Inc. to acquire fee simple title to Lot R1-2, Block One, Pinnell Addition to the City of Corinth, Denton County, Texas (The Contract) and authorizing the expenditure of funds as prescribed in the Contract.

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

EXECUTIVE SESSION

The City Council will convene in executive session (closed meeting) to consider any matters regarding any of the above listed agenda items as well as the following matters pursuant to Chapter 551 of the Texas Government Code:

Section 551.071.

(1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

a. First Glendora Partners, Ltd. dba Impact Outdoor Advertising Co. v. City of Corinth.

b. Consider legal advice regarding Ordinance No. 02-06-20-16 abandoning right-of-way.

c. Consultation with the City Attorney regarding legal issues associated with pending zoning change applications on Interstate 35 and comprehensive plan.

d. Consultation with the City Attorney regarding legal issues associated with the matter listed under Section 551.072.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

a. Receive information and discuss, deliberate, and provide staff with direction regarding the potential acquisition of Lot R1-1, Block One, Pinnell Addition.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

a. Consider appointment, duties, employment, evaluation, reassignment, discipline, or dismissal of the City

Manager.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in executive session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON EXECUTIVE SESSION ITEMS.

ADJOURN:

Posted this 13 day of April, 2016 at _____ on the bulletin board at Corinth City Hall.

Kimberly Pence, City Secretary
City of Corinth, Texas

City Council Regular and Workshop Session

Meeting Date: 04/21/2016
Title: Master Plan and Impact Fee Update Contract
Submitted For: Fred Gibbs, Director
Submitted By: Lee Ann Bunselmeyer, Acting City Manager
Finance Review: Yes **Legal Review:** Yes
Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Receive a presentation and hold a discussion regarding the City's Water and Wastewater Master Plans and Water, Wastewater and Roadway Studies with the associated Impact Fees.

AGENDA ITEM SUMMARY/BACKGROUND

The last time Corinth updated the Water and Wastewater Master Plans was in 2005. It has been eleven (11) years since that update and many aspects of the City have changed; completed CIP projects, population growth and Future Land Use Assumptions are a few examples. There is no requirement for the City to update its' Master Plans within any specific time frame. However, updating the Master Plans and Impact Fee Studies at the same time is economically sound to avoid duplication of efforts and costs associated with those efforts (i.e. Land Use Assumption Updates).

A component of both the Master Plan updates and the Impact Fee updates is to update the City's Land Use Assumptions. Land Use Assumptions must be developed in conformance with the Texas Local Government Code (Chapter 395). The Land Use Assumptions will include existing, 5-year, 10-year and build out projections. The Water and Wastewater Master Plans will include other components in addition to land use assumptions. The plans will include Demand Evaluations, which involves evaluating the historic demands in the City's water and wastewater systems and comparing them to those projected in the model. As part of this, future demands will be evaluated and projected demands will be allocated throughout the systems. Other components are Hydraulic Model updates and Infrastructure Evaluations. These components all help to develop the Water and Wastewater Master Plan Reports from which the Master Plans are drafted and are delivered to the City.

Corinth adopted Water and Wastewater Impact Fees initially in 1990. The City chose to later adopt Roadway and Drainage Impact Fees in 2004. In 2010 Corinth City Council repealed the Ordinance establishing Drainage Impact Fees and collection of Drainage Impact Fees ceased. The Texas Local Government Code (Chapter 395) that regulates establishment, assessment and collection of Impact Fees requires any entity that has adopted Impact Fees to update their impact fee studies and associated fees every five (5) years. The entity may update more often if they feel changes in their demographics warrants such. In 2004 Corinth updated the Water and Wastewater Impact Fee Studies and fees at the same time they established the Roadway and Drainage Impact Fees. This action put the City on a course to update all Impact Fee Studies and fees on the same schedule. Updating them at the same time is more efficient and fiscally prudent. Corinth was required to either update the Impact Fee Studies and Fees in 2009 or to stay in compliance with the requirements of Chapter 395 if the City did not perform the update they could follow rules to defer updating the Impact Fee Studies and fees. On October 15, 2009 the City Council took the necessary action to defer the study stating there were no significant changes in the City to warrant an update. By 2011 changes had taken place and the City entered into a contract with Kimely-Horn and Associates, Inc. to update the Impact Fee Studies and associated fee structures. In 2014 the City Council took action to lower the collection rate of the Roadway Impact Fees based on the 2004 and 2011 study information setting rates for assessment and collection of the Roadway Impact Impact Fees.

We have reached the five (5) year term limit again that requires Corinth to update the Impact Fee Studies and associated fee structures. Also, staff previously recognized the Water and Wastewater Master Plans are out dated.

In addition, the Strategic Plan and the Zucker Report identify the update of these items within the plan and the report respectively as goals to achieve. The updates as action items will help accomplish the goals set out in Places and Spaces in the Strategic Plan and in the Zucker Report.

RECOMMENDATION

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: Proclamation proclaiming May 2016 as Motorcycle Safety and Awareness Month.

Submitted By: Kim Pence, City Secretary

Finance Review: N/A

Legal Review: N/A

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

PROCLAMATION:

Mayor Heidemann proclaims May 2016 as Motorcycle Safety and Awareness Month.

AGENDA ITEM SUMMARY/BACKGROUND

Each year the Mayor of the City of Corinth proclaims the month of May as Motorcycle Safety and Awareness month for the Lake Cities ABATE Organization urging all citizens of our community to become aware of the inherent danger involved in operating a motorcycle, and for riders and motorists alike to give each other the mutual respect they deserve.

The proclamation will be read into the record by the Mayor and will be presented to the ABATE members.

RECOMMENDATION

Attachments

Proclamation



Mayors Proclamation

WHEREAS, today's society is finding more citizens involved in motorcycling on the roads of our country; and

WHEREAS, motorcyclist are roughly unprotected and therefore more prone to injury or death in a crash than other vehicle drivers; and

WHEREAS, campaigns have helped inform riders and motorists alike on motorcycle safety issues to reduce motorcycle related risks, injuries, and most of all, fatalities, through a comprehensive approach to motorcycle safety; and

WHEREAS, it is the responsibility of all who put themselves behind the wheel, to become aware of motorcyclists, regarding them with the same respect as any other vehicle traveling the highways of this country; and it is the responsibility of riders and motorists alike to obey all traffic laws and safety rules; and

WHEREAS, urging all citizens of our community to become aware of the inherent danger involved in operating a motorcycle, and for riders and motorist alike to give each other the mutual respect they deserve;

NOW, THEREFORE, I, Bill Heidemann, Mayor of the City of Corinth, Texas do hereby proclaim May 2016 as **MOTORCYCLE SAFETY & AWARENESS MONTH** in the City of Corinth, Texas and I urge all residents to do their part to increase safety and awareness in our community.

IN WITNESS WHEREOF, I have set my hand and caused the seal of the City of Corinth, Texas to be affixed this _____ day of , 2016.

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: CWD Annual Review

Submitted By: Kim Pence, City Secretary

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Receive a presentation and hold a discussion on the Community Waste Disposal Annual Review.

AGENDA ITEM SUMMARY/BACKGROUND

Community Waste Disposal is a large privately owned waste management company. Started in 1984, the organization has grown to over 125 trucks and over 225 staff members. CWD has contracts to serve 17 municipalities providing various selections of collection and recycling programs.

The City of Corinth contracted with CWD in December 2012 to provide solid waste collection, recycling and household hazardous waste services. The contract is for a five year term ending on December 31, 2018, with up to three annual renewals.

A representative from CWD will provide an Annual Review of the services provided to the residents of Corinth.

RECOMMENDATION

N/A

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: March 3, 2016 Workshop Session Minutes

Submitted By: Kim Pence, City Secretary

Finance Review: N/A

Legal Review: N/A

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on Minutes from the March 3, 2016 Workshop Session.

AGENDA ITEM SUMMARY/BACKGROUND

Council discussion and action from the March 3, 2016 Workshop Session.

RECOMMENDATION

Staff recommends approval of the March 3, 2016 Workshop Session Minutes.

Attachments

Minutes

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 3rd day of March 2016 the City Council of the City of Corinth, Texas met in a Workshop Session at 5:30 pm at the Corinth City Hall, located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Joe Harrison, Mayor Pro-Tem
Scott Garber
Don Glockel
Sam Burke
Lowell Johnson

Members Absent:

None

Staff Members Present:

Lee Ann Bunselmeyer, Acting City Manager
Fred Gibbs, Director of Planning and Development Services
Kim Pence, City Secretary
Debra Drayovitch, City Attorney
Cody Collier, Acting Director of Public Works
Curtis Birt, Fire Chief
Chief Walthall, Police Chief
Alan Upchurch, City Engineer
Lori Levy, Senior Planner
Shea Rodgers, Technology Services Manager

CALL TO ORDER FOR WORKSHOP:

Mayor Heidemann called the meeting to order at 5:30 pm.

1. Discuss Regular Meeting Items on Regular Session Agenda, including the consideration of executive session items as set forth in the Executive Session agenda items below.

Mayor Heidemann - Item #1 on the Regular agenda we're going to need to pull, they're not going to be here tonight.

Business Item #5

Councilmember Glockel – Is there 86 or 81 residential lots?

Fred Gibbs, Director of Planning and Development Services – Originally it was 81 and it went to 86. It was approved last year with a zoning change, they had to come in and do a major waiver to bring the sewer to the property. Our ordinance requires it to be platted before they can do work on the property, they're not plotting the commercial lot, that's where the sewer is coming through.

Councilmember Glockel – I couldn't put the pieces together in the "background" section.

Fred Gibbs, Director of Planning and Development Services – There's also a park land dedication lot in there too that may not be listed in the "background". There's a commercial lot, a single family lot, and there's also an open space lot which has some drainage that's drains down 2181.

Councilmember Harrison – I counted 86 on that page.

Fred Gibbs, Director of Planning and Development Services – There's an HOA lot of 1.5 acres, then a commercial lot, and then they have 86 lots.

Councilmember Glockel – The part that's confusing is it starts out and says it's 86 lots, then it says what was approved was 81 lots.

Fred Gibbs, Director of Planning and Development Services – Originally when they first came, they did 81 lots, they came and changed it to 86 lots. They originally had 81 lots when it was approved but the ordinance allows us to use our discretionary to increase to 86. It's supposed to be 86 lots.

Councilmember Johnson – So once they're done laying that sewer line, they're going to come back and plat the rest of what's not platted?

Fred Gibbs, Director of Planning and Development Services – Yes, once they get this waiver done, they've already platted and they are ready to go after this. This is the last step for them.

Business Item #6

Councilmember Burke – Would this authorization be just for this specific contract that's attached?

Debra Drayovitch, City Attorney – Yes, sir.

Councilmember Burke – Without any changes.

Debra Drayovitch, City Attorney – Yes, sir.

Councilmember Burke – It doesn't provide at this point for any contingencies with regard to access through or the back half of that property?

Lee Ann Bunselmeyer, Acting City Manager – Correct.

Councilmember Burke – Or to be committed by front half no matter what we worked out on the back half.

Lee Ann Bunselmeyer, Acting City Manager – Correct. We're still discussing the back half and so that will come to Council at a later date.

Councilmember Burke – It also does not include any right of Co-Serv to have access across our lot?

Lee Ann Bunselmeyer, Acting City Manager – Correct.

Councilmember Burke – If they want that we still have some leverage to work all that out.

Lee Ann Bunselmeyer, Acting City Manager – Correct.

2. Receive a presentation, hold a discussion and provide staff direction regarding traffic related issues at The Parks of Corinth and Parkside Farms Subdivision.

Lee Ann Bunselmeyer, Acting City Manager – At the last Council meeting we had several residents that expressed concerns about increased traffic and traffic speed in their subdivision and also some issues associated with the developer of that area. Since then we have had the Police Department do a direct patrol to the neighborhood and we also put traffic and speed counters in the subdivision. At this time, Cody Collier is going to come and give a brief presentation on the information that he has discovered and maybe some recommendations. Then Fred Gibbs is going to provide a very quick overview of conversations with the developer.

Cody Collier, Acting Director of Public Works – It was brought to our attention that there was an excess amount of traffic going through the Parks of Corinth particularly Park Place. I prepared a couple of slides that illustrate what I think we're seeing that's happening out there. Right now, Shady Rest Lane is going to be the access route for getting to Corinth Parkway. What apparently is happening for the residents of Park Place is they've been reporting and increase in the amount of traffic that is apparently coming down Bonanza and coming down Park Place to Corinth Parkway. At their request, we went out and set up some traffic counters, along Park Place at two locations, and monitor traffic for a week. We set it on Thursday, February 25th and we removed them March 2nd.

This next slide is illustrating what the City has done in anticipation for traffic trying to detour in route. When the Post Oak overpass was removed, we set some detour signs at several locations hoping as traffic would come to the community they would see these and be directed around and avoiding all residential areas, those signs are still up in place now. That's not what's happening, residents in this area coming from this direction are still trying come this direction to reach the parkway. Instead of using Shady Rest to access the parkway, they are still using a bypass. The only explanation I can provide you is to why that would be happening is, vehicles are traveling this route, simply to avoid the speed cushions. This route would be a shorter faster route to travel, there is no benefit to cutting over coming through a residential neighborhood. The only thing I can see that would cause people to want to take that route and go through a residential neighborhood to avoid speed cushion that are on Shady Rest.

The week that we had the traffic count set, the southbound portion reached an average of 85th percentile speed of 33 MPH. That's a residential neighborhood with a posted speed limit of 30 MPH. The northbound side was slower the average 85th percentile was 25 MPH. The 85th percentile was the standard speed set to take away your outliers, the far extremes, if someone is driving 10 MPH or 50 MPH, you remove the few exceptions. The total vehicle count for that week on the southbound side was 1381, the average on weekdays was 250 per day and on the weekend was reduced to 135 vehicles per day. On the northbound side 85th percentile speed was 25 MPH with a little over 2000 vehicles per day, the average weekday was 270 and the average weekend was 233. The police had an officer go out and shoot radar on that road, for a day and the highest speed was 28 MPH.

People are driving at or below the posted speed limit. The significant traffic increase that has been reported, the only conclusion I can come to why people would want to detour through a residential neighborhood is simply to avoid the speed cushions. There are also "no truck" signs that are placed on Shady Rest Lane, I know some of the concern was that there was an increase in truck traffic that is coming though the subdivision. Some of it is going to have to remain while the subdivision is being constructed. If we remove the "no truck" signs that might help decrease in case someone wants to come in this direction instead of coming back this way. Those are the two options we could look at, that could be discussed for taking care of the increased traffic volume cutting through the Parks of Corinth subdivision.

Councilmember Burke – Do we have any idea what the traffic count was before Post Oak shut down?

Cody Collier, Acting Director of Public Works – No I do not. I never would have anticipated anyone traveling through this subdivision to access the cut through the Corinth Parkway. I had no anticipation to put out traffic counters there.

At this time an unknown citizen spoke. He stated that there hadn't been roads over there, that it was a dead end until recently when they developed the area and poured concrete roads. Now people can drive through there.

Mayor Heidemann – If you want to speak, you fill out a sheet with your name and where you live.

Councilmember Harrison – On the thing that we don't have a traffic count to start off with, what would you anticipate that the traffic count was prior to this based off the number of houses that's in the Parks of Corinth? Is there 50 homes and you figure an average traffic count is 6 per day, would that give you approximately the number of figures that normally had prior to this?

Cody Collier, Acting Director of Public Works – That's exactly how I would figure it out. I wouldn't have thought this number would be much lower than it was, for the increased volume, I expected these numbers to be much higher than what I saw. If you take the average home and put two vehicles on it, for the Parks of Corinth, traveling in and out, the traffic count was about where I expected it to be without understanding that people were using it as a cut through.

Councilmember Burke – Where were the traffic counters again?

Cody Collier, Acting Director of Public Works – Looking at Park Place, we had one here and the other one was there.

Jim Walls, 1404 Park Place – I can show you where they were placed. One was set here and the southbound one was here. There was no ability to come around the corner and speed up. By the time they hit here, it's not 33 MPH. There are other people sitting around the room shaking their head yes. The reason we have said there was a large amount of increased traffic, in our subdivision, this road was closed off so you could only come in here and here. Two ways in and two ways out, you couldn't go all the way through. The capacity was maybe 30 cars in a day.

Councilmember Glockel – The time frame in which you put the counters, probably a week after Shady Shores was open, if it was prior to Shady Shores opening then you would have a lot more traffic coming through there at that period because they were forced to come over and pick up Walton or cut through the subdivision. With Shady Shores now open that should alleviate a little bit of that traffic going back down the backside.

Jim Walls, 1404 Park Place – I have one more thing, we know the people that own the longhorns up on Fritz Lane, I actually saw him come up and down our street 6 times in a half an hour, we were out trimming our crepe myrtles, so now not just the people over here but other people using our street as a cut through going down Shady Rest.

Councilmember Harrison – City Attorney, Police Chief in his instance he was talking about an individual on Fritz Lane, is there anything that you can tell him not to come down that street?

Debra Walthall, Police Chief – No sir, it's a public street.

Juan Elivencia, 1403 Park Place – I am the second house from the corner, I have seen people coming through here and avoiding running over the traffic things. Avoiding that probably because they know that there is something going on. The same thing on going down here, sometimes people park cars on the street in the afternoons and they have to come out to the left so they don't hit the track. I work from home 100% of the time, around 2:15 in the afternoon this is a freeway. I have mentioned that to the community

patrol folks. These Moms trying to speed as fast as they can to go and get their kids and the bus has already unloaded right here. We have a lot of kids going by themselves and then the traffic is very heavy, then around 6:30, the same thing, 8:00 9:15 before 9:15 it's very busy. I wish there was a least one stop sign here. I know that is impossible to keep people from coming in, it's a public road. We have made them difficult through here, no trucks, and speed bumps. Here is a freeway, they don't have to put their brakes until they come here to a stop sign. We have this intersection here that people turns in there like there's nobody's business. Just go ahead and park a car here that is not a police car because when the police are there you can see everybody is very good. When they are not, they are turning in here like there's nobody's business. There is no stop, the stop is ignored when they come in this direction and you can hear there is no stopping here either. All the traffic is coming through here because over here they make their life a little inconvenient for them. Perhaps we need to make them inconvenient on our side, put some speed bumps and put some stop signs and see where that's going to go.

Councilmember Harrison – I think there is a stop sign at the bend near your house, isn't there?

Juan Elivencia, 1403 Park Place - Yes, there.

Councilmember Harrison - So you're suggesting is to put another stop sign there to stop it in front of the house that's part of your neighborhood that goes over to there? Is that what you're saying?

Juan Elivencia, 1403 Park Place – I'm saying if they could go somewhere else at this point try to make them uncomfortable. Put a stop sign in there and another one on the other corner on the other street.

Sharon Patrick, 3710 Parkwood Court – I'm wondering no one's mentioned it, I see it as the biggest problem other than just car traffic is the trucks, construction trucks going through our neighborhood. It's the only way they can go cause you have put up several "no trucks" signs on Shady Rest, so there is no way to get to over there on Fritz Lane where Corinth Farms is except to go through our area. Today, there was at least 10 cement trucks go by my house, I live right there at the corner of Park Place and Parkwood Ct. They are not going slow either, so there is really no way to get to where they want to go up there in Corinth Farms other than that way. If you remove the signs on Shady Rest Road, which is a common road, it's not a residential road, remove the speed bumps and put them on our street, on Park Place then we wouldn't have a lot of these problems that are coming up. We may have increased car traffic, I'd much rather have increased car traffic than all of the construction traffic that's going through. They're going to build 80 homes in there and they're just getting started with it so it fluctuates one week you'll have almost no traffic, the next week you'll have trucks going up and down there like crazy and fast.

Councilmember Burke – When Corinth Farms development was approved did they provide a construction route? Is that part of our process?

Fred Gibbs, Director of Planning and Development Services – On the Parkside Farms subdivision? No.

Jim Walls, 1404 Park Place - There was discussions that they were told not to go down our street when that was going through.

Councilmember Burke – But there's not anything that's part of their approval process that required them to plan a route for construction traffic?

Fred Gibbs, Director of Planning and Development Services – No, they constructed the road from Fritz and they access it from Fritz down into their subdivision.

Councilmember Burke – What was the thought process about no truck traffic on Shady Rest? Is it a capacity problem? Safety issue?

Fred Gibbs, Director of Planning and Development Services- When they did the original design of Shady Rest, they had “no truck” signs in the plans and I think they were existing. Actually, Cody could probably be able to shed a little more light as to why they are there, they were there before the construction of that road.

Cody Collier, Acting Director of Public Works – About two years ago we received a map where we were requested to put up “no truck” signs, there were about 36 of them. We went out and placed them throughout town according to the map, with the location of the truck signs so they could be enforced. Shady Rest was one of the streets that we were asked to place them. Since that time the condition of Shady Rest has changed I don’t see why we couldn’t remove them.

Councilmember Burke – You say you were asked was that a Council action?

Cody Collier, Acting Director of Public Works – At the time, Justin Brown was the Public Works Director and my understanding was that map and listing came from the Police Department for the locations.

Debra Walthall, Police Chief – It was something my Assistant Chief worked on, him and Justin worked on together for some of the more highly traveled narrow streets and things throughout the community. I don’t recall there being a Council action on it because Justin had the authority to put the signs there.

Councilmember Burke – And you all did a study and the best information available at the time was it was that it would be good to prevent truck traffic there?

Debra Walthall, Police Chief – Yes.

Councilmember Burke – Circumstances may have changed?

Debra Walthall, Police Chief – The condition of Shady Rest at the time was a narrow lane with no shoulders. Large trees on the side of it. So we were trying to prevent trucks from going in that area.

Councilmember Burke – So there’s pretty good reasons for doing that at that time.

Debra Walthall, Police Chief – Cody and I discussed that, now the condition of the road is such that it could handle the higher traffic load and the trucks coming through there.

Cody Collier, Acting Director of Public Works - The design of the pavement also was a factor and now it has concrete 8” thick it can support a truckload.

Chris Wendt, Shady Rest Lane – I feel these guys pain absolutely 100%. We have the speed bumps and we still guys 50-55 MPH down our road. Just this weekend I had a guy almost hit my son who was doing 50 MPH down Shady Rest Lane and I got in my truck and met him at the stop sign. His words to me was “F off, I’m running late”. This is a daily occurrence down my street too, just the same as your street. What a correction I’d like to make is something that she said, I hear it way too often, my street is a neighborhood too, there might not be as many houses but there are people that live on that street that have kids as well. We have “no truck” signs absolutely maybe they need them too, maybe they need the speed bumps too, because we’ve had an influx of homes over in Pecan Reserves. When you come down their street, what’s directly across the street on that green line? It’s the entrance into the ballpark. How many people are cutting through there now because they don’t have to take a left or take a right from Shady Rest Lane and try to get that mess with everyone coming down Shady Rest Lane? That’s something else too that you have to look at, so that could be a cause of the influx of traffic down there. But I’m dealing with it too, we deal with it every day. I would like to see an increase of patrol in our neighborhoods and no disrespect but I very rarely see you guys over in my neighborhood. It’s very seldom, one of the

questions I'd like to ask you is you said you have a police officer out there, they were doing radar, what time of day were they doing it?

Debra Walthall, Police Chief – We document those and do them at various times of the day, we can't sit out there all day so we try to hit morning, evening.

Chris Wendt, Shady Rest Lane – As someone who lives in that area, this is no new surprise. Everyone in this room has complained about it. Even everybody on my street. I can tell you right now I very seldom see a police officer out there between the hours of 5-6, 5-7 when people are getting off of work. Or in the mornings on the way to work.

Debra Walthall, Police Chief – Not to make excuses to you sir, but those hours of the day are when we are usually working traffic accidents up on 35 and Swisher Road.

Chris Wendt, Shady Rest Lane – That's the point I'm trying to make, maybe we need some more help and we need some more police officers. That's all I'm saying. I'm not saying you're doing a horrible job, I appreciate everything you guys do, but maybe we need a couple more to help out in the neighborhoods. The city is growing, getting bigger and bigger and bigger. Maybe we need a couple more police officers to help us out. The problems that they're having we're having too, if you remove our speed bumps we're back to where we were. I get guys in pick-ups that come down through there, they think they're ramps. I want you to know even if you get those, you're still going to have, it's going to stop a lot of it, trust me, it's stopped 80% on my road, but you still have the 20% that thinks now that it's wider there's no trees to smash their vehicles, they hall butt down through there, every day.

Corinth Resident – I think our concern is that our homes are set back 30-40 ft. from the street where as the ones....

Chris Wendt, Shady Rest Lane – My kids still play next to the street just like yours.

Corinth Resident – I agree, but our streets not as wide either.

Tom Weller, 1405 Park Place - I'm a VIPS volunteer with Corinth Police Department. VIPS is "Volunteer in Police Service", I operate a police unit #443, I'm usually with a partner when we go out and we have been trying to help out. Park Place, we have gone down Park Place and just parked on the side of the road and watched these people come around the stop sign and the 1st thing they do is slam on their brakes. So they do go pretty fast down our street, I can work with the Chief and let her know we can start going down your street and just set there at the side and watch these people zip on by, the 1st thing they do is slam on their brakes, we can't be there all the time like the police officers. We do some of the things the police officers normally do, like checking vacation homes, special patrols, that way the officers can do other calls. We can open up our program, the VIPS program, if you like and maybe go out in some of these areas and park for a while and slow traffic down. We can do that. We can work with the Chief and Asst. Chief and maybe do more. I'm in the process right now with another VIPS volunteer, we're training more people that's going through the CPA which is your Citizens Police Academy, and they are also going through VIPS training, which I have gone through, and training on the police unit. Right now we are in the process of training 8 more people and so once they get trained, get their 40 hours and get fully trained on the police unit, they can go out. We got more people going out, we can go to these areas and just park there and slow traffic down if that would help. Again, it's just certain times of the day and we are volunteers, we don't get paid for this. Maybe we could open up the program more. That is true, when they go down Park Place, the 1st thing we see when we're parked on the side, they start slamming on their brakes. I don't know where they get these numbers and speed limits, but they do speed down that street. When they see us parked on the side, there goes the front end. The VIPS program may be able to open up more people, get another unit out. We just have one police unit, the other one is supposed to be ready pretty soon in the future so we can have two units out. That's four people out there.

We have to have an operator in the unit and someone to operate the computer. We can open up and do more, just give us time.

Juan Elivencia, 1403 Park Place – I want to add something else. I agree with the gentlemen here, I get tired of my desk and go around and walk probably in front of his house doing the walk around our neighborhood. Yes, I have seen people come through there hitting those bumps like they're ramps. He's exactly right, they're cruising through ours whether perhaps it's the youth in the area, because I doubt seeing adults doing this. I took a picture of someone that did it repeatedly 3 times coming down this street. I have not seen that lady coming back anymore. I understand it's impossible to have a police officer, perhaps we need to leverage technology. To help us deal with this scenario. The city is growing and that may be an opportunity to use technology to deter excessive use of speeding in our streets. Especially in our neighborhood. The city has grown into these areas that's generating the traffic, we're going to have to cope with it.

Sharon Patrick, Parkwood Court – I'd just like to add that I'd like to request some "no trucks" signs and a stop sign or two on Parkwood Place in addition to what we have.

Karen McGuire, Lakewood Village, Little Elm – I'm here for another reason. I just wanted to interject two thoughts and one would be to the Police Chief, is there any way that you can get the Texas State Troopers to offer mutual aid during those prime time's so that you have more of your officers on the streets in these subdivisions?

Debra Walthall, Police Chief – Technically they don't come to help unless we call for assistance and usually those help if we have a fatality accident or what we believe is going to be a fatality accident. They would not just do speed control for our city.

Karen McGuire, Lakewood Village, Little Elm – Secondly, I know in Little Elm the Police Department out there, because they've opened up Eldorado Parkway where there's 3 lanes all the way through, they actually have put some of their squad cars strategically in different places with nobody in it, but initially, people didn't know that so they were obviously slowing down and maintaining their proper speed all the way through. I don't know if you have any extra squad cars, perhaps you could do that for a period of time.

Debra Walthall, Police Chief – We don't have any extra squad cars. Most of the time they strip those down, that's a striped down car that they aren't putting in service every day, you wouldn't want to put our cars that have all the equipment on it out there to help control speed.

Councilmember Garber – Cody, what was the maximum speed you saw going up and down the street in either direction?

Cody Collier, Acting Director of Public Works – The traffic counter wound up just giving me all I had was the median to median speeds on it. The maximum speed I saw was 39 MPH was the fastest speed it recorded.

Councilmember Garber – That was going north or south?

Cody Collier, Acting Director of Public Works - That was southbound.

Councilmember Garber – So they got up to 39 MPH on the bend?

Cody Collier, Acting Director of Public Work - Yes.

Councilmember Garber – That's like 3 houses. Question #2 is, can we just put stop signs in neighborhoods like that?

Cody Collier, Acting Director of Public Work – No, you can't. Actually the state says the regulations for using them, the main order for traffic control devices states that "stop signs shall not be used as speed control devices". So to install one you actually have to have a warrant study and it's for traffic use for an intersection. If any intention is to install a stop sign for sole purpose of controlling speed, you can't do it.

Councilmember Garber - Is it possible, I know that area is an HOA, for and HOA to do things maybe not stop signs, are there options open to an HOA that wouldn't be subject to city? Or is it all subject to city and we're subject to state?

Cody Collier, Acting Director of Public Works -That is correct. The only thing I've seen HOA's do, but they have to do it in their own property, it cannot be on the street and it cannot interfere with traffic, you might have seen them, little cardboard cut outs of kids. Put those in your front yard. You can't put anything in the street to try to govern or control traffic.

Councilmember Garber – My third and final question is, we have a master plan for the roads in Corinth, which one of these roads is designed to take the traffic?

Cody Collier, Acting Director of Public Works -Shady Rest.

Councilmember Garber – So if Shady Rest is designed to take the traffic, how much more traffic it is designed to take than a neighborhood? What do they call that road vs the neighborhood road?

Cody Collier, Acting Director of Public Works -A collector vs a residential street.

Corinth Resident - I thought we were told our road wasn't a collector when you guys were wanting to put the road in.

Councilmember Harrison – I think it was designed originally as a collector. Then in the last year when you got into this, the collector was changed to a semi-partly collector. We took the passing lane out of the three lanes on the collector and made it 4 ft. wider on each lane. I think it was modified as a result from comments from citizens on Shady Rest.

Corinth Resident – Do we know, Cody, when it got turned into a collector road?

Cody Collier, Acting Director of Public Works - The original design was supposed to a collector, that's what was my understanding. I know they reduced the scope of the road, they wound up making it a little narrower than the original intent was. By the design of the road, the location of it, the width, how straight it is and the fact that you do have some residential homes here, it is different. The capacity expectation would be of a higher volume of traffic and you would get through an actual residential subdivision, it's just by nature you would expect more traffic.

Councilmember Johnson – My comment and question for Fred, the comment is like Meadowview. Fred, have you talked to the people that are building over there to see what they can do to help alleviate some of the traffic issues like pulling them off of Fritz, having their people come in on Fritz instead of coming through the neighborhood? Trucks out the other way.

Fred Gibbs, Director of Planning and Development Services – Yes, we reached out to the developer and expressed our concerns after hearing all those comments at the Council meeting last Thursday night. The next day, me and Alan got on the phone with the developer and did talk to him and expressed that whatever you can do to route your trucks not through that subdivision, go a different route would be highly appreciated and we did express our concerns with that to them the day after the residents came out.

Corinth Resident – You’re considering that like Meadowview though, doesn’t Meadowview have stop signs?

Councilmember Johnson – Not any more, we pulled them all out. There’s one at Tower Ridge and then they took the ones out at Fairview and Meadowview by the school. Then there’s Tower Ridge, and the next set of stop sign is at Parkridge, a collector, the next one is at Post Oak. They took all those out between Parkridge and Post Oak, they pulled them all out to meet uniform traffic code if I remember correctly.

Fred Gibbs, Director of Planning and Development Services – It’s been a collector for a long time, it’s been back when they built Weir Estates on the east side of Shady Rest. They dedicated enough for a collector road.

Corinth Resident - Every meeting I’ve been to we were all told that was not a collector road. Every single meeting, so, that’s news to me. I went to a lot of those meetings for the road I live on.

Councilmember Harrison – To me there’s a question about temporary signage, stop signage, increased police traffic, presence. Send a letter to the developer giving them our suggested route of construction traffic coming down Shady Rest and over to Fritz Lane and come back through the north rather than from the south. They brought up the speed bump thing, there’s nothing that precludes you putting a speed bump right? I think you’d have to have a traffic warrant to put the stop signs. I don’t know what else we can do other than put a barrier up.

Mayor Heidemann – Cody, can we put signs up there “children playing” or anything like that to warn drivers that there are children playing in the area?

Sharon Patrick, Parkwood Court – We have a sign that says deaf child sign, it doesn’t make any difference. What we really need is the “no truck” sign.

Corinth Resident - People are driving too fast to pay attention to signs.

Corinth Resident – Can I ask what the width difference is on the street between Shady Rest and Park Place?

Alan Upchurch, City Engineer – 31’, Shady Rest is 31’ and the residents is 31’ also.

Corinth Resident – Ours is 26’ because I measured it.

Alan Upchurch, City Engineer – I don’t know what your standard street measurement is but that’s 31’.

Fred Gibbs, Director of Planning and Development Services - It depends when your subdivision was built. Typically they’re all 31’ with a 50’ ROW. Back to curb to back to curb is 31’.

Corinth Resident – Ours is 26’.

Councilmember Harrison – If you’re going to suggest that construction traffic to go Shady Rest or however else you want to get over there, you don’t want them to go to Shady Shores and come back through whatever Shady Rest comes out to in Shady Shores. That would just create more problems for the north.

Sharon Patrick, Parkwood Court – Right there at Shady Shores where it goes into the Oaks of Corinth, there’s a “no truck” sign right there.

Corinth Resident – Can I offer one thing please? You all are talking to the developer, I’m a sales rep for building materials, what they’re doing is what I’m doing every day and I travel every subdivision in the Metroplex. The building back there is Harwood Homes which is 1st Texas Homes, it’s their upper end. We need to be reaching out to the builder, not the developer. We’ve already tried to do that with the developer, I was at the city meetings, and he went silent on us. I’ve received emails from my builders on “this is not a construction entrance” because there’s a lot of phase 2’s and phase 3’s in the subdivisions. We all as contractors will receive these emails that Park Place is not a construction entrance, there will be a sign sitting by our entrance “not a construction entrance”. I guess I don’t understand why we haven’t tried to reach out to the builder, because at this point the developer’s job is pretty much done, now it’s the builder. The builder will reach out to all the contractors and tell them that this is not a construction entrance. I live on the corner of Park and Parkwood and I’m an early bird and my office is right there. Those concrete trucks will stop right on our corner and sit there and just turn at 6:30 or 7:00 in the morning. I’m just wondering why we haven’t done that. Or if that’s a suggestion to you all.

Fred Gibbs, Director of Planning and Development Services – We can reach out to them too!

Corinth Resident - I know they’re used to it. The company is 1st Texas Homes, Harwood is upper end.

Fred Gibbs, Director of Planning and Development Services – The developer was the builder and he recently got involved with Harwood now and we can definitely reach out to them, that’s not a problem at all.

Corinth Resident – Thank you so much for reaching out to them, to the developer, for us because a lot of us have tried to get a hold of him, he hasn’t called us back. I’ve actually tried to contract Harwood Homes multiple times and they haven’t called me back. So thank you for doing that, we really do appreciate that.

Fred Gibbs, Director of Planning and Development Services – Sure, no problem, we also told him to reach out to the HOA as well, I know you all had some concerns about the HOA.

Corinth Resident - I’m not going to hold my breath, but thank you.

Mayor Heidemann – I think we have a pretty good idea of what options might be out there for us to explore and what we can do is go back and do some more due diligence on it and reach out to different people and see what we can do. We appreciate your input and we’ll do the best we can under the circumstances.

Corinth Resident - Thank you so much for letting us come in and talk about this, we really do appreciate it.

Councilmember Harrison – Cody, can we put the machines back up there and give us another count where we’re at and what’s going on?

Cody Collier, Acting Director of Public Work - Sure.

Corinth Resident – You’re going to put them back on the road again? Why not split the difference and put them on Shady Rest too?

Councilmember Harrison – ok.

Corinth Resident - There’s a lot of traffic on Shady Rest and the speeders are getting faster because our road is wider now.

Councilmember Garber – Where would you suggest the traffic counter be on?

Corinth Resident – I suggest if be on the middle of the street. I believe that last time you did it, you put it down at the corner of Fritz and Shady Rest lane where people slow down to make the turn. You got to put it somewhere in the middle, in between the speed bumps.

Corinth Resident – I think we would have them the exact opposite from where we had them. I think northbound they were sitting right here, I think northbound would be right here in front of my house. Southbound, probably stick it right down here. Because right about at that point they start slowing down and they're probable at maximum speed. If you could just switch where they were.

Corinth Resident – Can we put them so they go across the entire street? Not just half way?

Cody Collier, Acting Director of Public Works – Yes.

3. Receive a presentation, hold a discussion, and provide staff direction on right of way mowing.

Lee Ann Bunselmeyer, Acting City Manager – We've had several workshops to discuss mowing options throughout the city and the last one that we had, I believe towards the end of last year, Council gave us some direction to come up with some costs of actually doing mowing on some of the major thoroughfares.

Cody has a presentation to walk Council through what those additional costs with suggestions that were made to us by the Council.

Cody Collier, Acting Director of Public Works – I'd like to begin first off to explain, for the premises and the requirements by ordinance for mowing and maintaining the property. At this time Cody went over the "City Mowing Discussion" presentation. See presentation.

Councilmember Johnson – That's our contract rate? That \$130,000?

Cody Collier, Acting Director of Public Works – Yes Sir.

Councilmember Johnson – How much would it cost to hire the people to mow the yards and maintain the equipment?

Cody Collier, Acting Director of Public Works - Significantly more.

Councilmember Johnson – That's what I wanted to hear.

Councilmember Harrison – On a fee simple, that's not all the fee simple that's in the City of Corinth, right?

Cody Collier, Acting Director of Public Works - That is correct Sir.

Councilmember Harrison – So the interpretation is that we're going to mow all fee simple pieces of property. You can't do half of them. Those and not do the rest of the fee simple. Is that right or wrong?

Debra Drayovitch, City Attorney – What we've discussed before is the thoroughfares and arterials are the face of the city and to attract businesses and have an orderly beautiful community to attract economic development and business the city could adopt an economic development program and find that portion that Cody is talking about. It's also an option for the EDC.

Councilmember Harrison – Ok, but it didn't answer my question. Do the law state that we will maintain an all fee simple property?

Debra Drayovitch, City Attorney – I would say that the city cannot make an ordinance that requires a property owner to mow property that doesn't belong to them.

Councilmember Burke – Do you mind if I interject? The fee simple means we own it, we can do what we want, mow it or not mow it. There's no rule for the property owner. But we cannot make the property owner mow our property. The easement, when they took it, we didn't pay for it like it was fee simple, we paid a little bit less, like 80%, so the owner still has some right of use to it. We can kick them off our fee simple property, the easement they still have some right, they can kick a ball on it, put a sprinkler on it. They may have some obligation to maintain it. Does that clear it up?

Councilmember Harrison – I'm just trying to figure out, if we have to mow a fee simple, if my property is fee simple.

Councilmember Burke – It's not your property.

Councilmember Harrison – If it's the property in front of my house, that I'm currently maintaining, is fee simple then the city needs to maintain it.

Councilmember Burke – You've got it backwards. When we talk about fee simple in this discussion, we're talking about fee simple owned by the city. Not fee simple owned by the property owner.

Councilmember Harrison - Ok, flip over to Pecan Creek Cr. That piece right there and its fee simple and we maintain it. The HOA maintains it.

Councilmember Burke – The fee simple then probably does not extend beyond the curb.

Councilmember Harrison – All I'm getting to is either we do all of it or we don't do it, if it's fee simple it's our property and we have to maintain it, right? That's what we said.

Councilmember Burke – We can decide to maintain parts of it.....

Councilmember Harrison – So we can pick out what we want to do and not do?

Councilmember Burke – Yes, that's what ownership is.

Mayor Heidemann – I think what the City Attorney is what we agreed to because the connector roads and the highly visible areas that come into the city, we wanted to maintain those and that's why we were looking at doing it all.

Councilmember Burke – It's just like at your house, if you decide you want to maintain its value, you mow the front yard first, the part in the back the neighbors aren't going to see you might not get to that as often. We want our front yard to be nice and maybe our backyard won't be as easily kept. We may pay enough to do this, that's a city staff person, you can compare it to that cost. If we do this are we going to recover this and increase property values, better development, etc. and in your front yard, probably so. In your back yard, probably not. I don't think it's an issue that we're not being fair to other people. We bought it from them, we can mow it or not mow it or mow it however we want.

Councilmember Glockel – When we got into discussion, the discussion as I recall it. We wanted to look at, I think your map depicts this, the faster traffic, the thoroughfares, because of the hazards that's generated with the faster traffic asking citizens to come and mow it and you're trying to edge down a curb with cars zipping by you and they will not move over to the other lane. We talked about faster traffic being the hazard that we felt there was a liability involved and maybe we ought to look at first thoroughfares because of the speed, that's how I recall it.

Councilmember Burke – I may not have been here when you first started this.

Councilmember Glockel – This started some time ago.

Debra Drayovitch, City Attorney – It started in May or June about a year ago.

Councilmember Harrison – Going along with that definition, if we just finished an hour and something talking about Shady Rest, is that property fee simple? Along Shady Rest? We're going to maintain it, right?

Cody Collier, Acting Director of Public Works - You probably will not maintain it.

Councilmember Harrison – They're going to maintain it or we're going to maintain it?

Alan Upchurch, City Engineer – They will probably maintain it. The majority of the houses that have their front yards, I think that's the distinction that's trying to be made here, they have a front yard that the property owner is typically going to maintain their front yard certainly in the Shady Rest addition. Just like the Corinth Parkway development just to the east, those properties are going to maintain their front yard, those indicated parkways or dedicated.

Fred Gibbs, Director of Planning and Development Services – I think where it gets a little bit tricky is when you write a citation in those areas, if Code Enforcement writes a ticket in a fee simple area, you write the property owner, but it ends up being city owned property. At that point it becomes hard to justify it in the Municipal Court, because now you wrote a ticket that is on city property.

Debra Drayovitch, City Attorney – There are actually two states, Illinois and California that do place that responsibility on the property owner, its state law. That's not the case in Texas. TML has written about it and I think I've provided it to you all.

Mayor Heidemann – If you were to go back to your original landscaper that does your maintenance on this and you add this additional area, is there any more efficiencies you'll gain from that? Rather than now they go down the street and stop and go to the next one, whereas you went all the way down. Would there be some efficiencies gained by that?

Cody Collier, Acting Director of Public Works – Efficiencies as in cost savings? They have a flat rate, it's .02 ¼ a square yard and they haven't increased or decreased that price, if this was approved, this will be the 3rd time we've added to and they're maintaining that same price, they're just billing for that exact square yardage.

Councilmember Burke – Do I remember right? You said you don't know how they do it for that price?

Councilmember Johnson – There's no way anybody can do it for that price and keep it as good as they keep it.

Councilmember Glockel – You mentioned in the state of Texas you can't have an ordinance of such that says I'm going to mow the city's fee simple, but I can tell you that I, as a citizen, received a letter from the city saying that I would mow their fee simple.

Councilmember Harrison - I think that comes out of the ordinance. It was written in 2007 or whenever it was. We're telling everybody that it's our property and we're telling them they're going to mow it. Mow it, in that ordinance is what we've said.

Councilmember Burke – I’m not arguing about that. I’m not overly concerned that if we mow our property, in some places, and we don’t mow it in others would that create some slippery slope? There’s a rational reason for mowing this, there’s a rational reason for not mowing it somewhere else.

Councilmember Harrison – We already have that, we mow his property and then somebody else comes by and said, you mowed his property why don’t you mow my property?

Councilmember Burke – This will bring more continuity to it, rather than less.

Councilmember Harrison – Whatever we do, we need to make sure we understand that we’re going to have other properties that are coming on-line that we need to solve this problem before we pick up some more property. I.E. 2181 is going to be picked up on the Green River project or whatever it is, like we’ve picked up the responsibility for 2499. Those are two contracts between TXDOT and us. Tower Ridge or some of this development we’re going to talk to a little bit on Parkridge.

Cody Collier, Acting Director of Public Work – Picking up 2181 or 2499 is a choice that the city made, like we did on this portion 2499 right here, we entered into an agreement with TXDOT where they came in and put the irrigation in and the plants and trees, but now the city has to maintain this property as part of the agreement, so we pay to keep this portion of 2499 maintained. If we were so inclined, we could extend it out with this portion of 2499 and we could also take over doing 2181, but that’s a choice, that’s not something we are required to do by the state.

Lee Ann Bunselmeyer, Acting City Manager – So what is the overall consensus with this? The reason we’re bring it up to you at this time is that over the next few months we’re going to be developing the budget for the next year and we want to start looking at if we are going to incur these additional costs that we can put them into the budget.

Mayor Heidemann – Is this acceptable?

Councilmember Johnson – Do it all, I’m acceptable to that.

Councilmember Burke – That would be my recommendation.

Councilmember Glockel – I’m going to decline from that comment, it affects my property.

Councilmember Harrison – Alright, mow away!

Mayor Heidemann adjourned the Workshop Session at 6:40 pm.

AYES: All

Meeting adjourned.

Approved by Council on the _____ day of _____, 2016

Kimberly Pence, City Secretary
City of Corinth, Texas

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: March 3, 2016 Regular Sesion Minutes

Submitted By: Kim Pence, City Secretary

Finance Review: N/A

Legal Review: N/A

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on Minutes from the March 3, 2016 Regular Session.

AGENDA ITEM SUMMARY/BACKGROUND

Council discussion and action from the March 3, 2016 Regular Session.

RECOMMENDATION

Staff recommends approval of the March 3, 2016 Regular Session Minutes.

Attachments

Minutes

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 3rd day of March 2016 the City Council of the City of Corinth, Texas met in Regular Session at 7:00 pm at the Corinth City Hall, located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Sam Burke
Joe Harrison, Mayor Pro-Tem
Scott Garber
Lowell Johnson
Don Glockel

Members Absent:

None

Staff Members Present:

Lee Ann Bunselmeyer, Acting City Manager
Fred Gibbs, Director of Planning and Development Services
Cody Collier, Acting Public Works Director
Curtis Birt, Fire Chief
Debra Walthall, Police Chief
Caryn Riggs, Asst. Finance Director
Kim Pence, City Secretary
Shea Rogers, Technology Services Manager
Alan Upchurch, City Engineer
Lori Levy, Senior Planner
Debra Drayovitch, City Attorney

***NOTICE IS HEREBY GIVEN** of a Regular Session of the Corinth City Council to be held at Corinth City Hall located at 3300 Corinth Parkway, Corinth, Texas. The agenda is as follows:

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE:

Mayor Heidemann called the meeting to order at 7:00 P.M., Pastor Ben DeBuer, Thousand Hills Church delivered the invocation and led in the Pledge of Allegiance.

PRESENTATION:

- 1 Receive a presentation and hold a discussion on the Community Waste Disposal Annual Review.

This item was removed from the agenda and postponed to a later date.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine and will be enacted in one motion. Should the Mayor, a Councilmember, or any citizen desire discussion of any Item that Item will be removed from the Consent Agenda and will be considered separately.

- 1. Consider and act on an Interlocal Agreement with The Colony, Texas for cooperative purchasing.

MOTION made by Councilmember Harrison to approve the Interlocal Agreement with The Colony as presented. Seconded by Councilmember Garber.

AYES: Burke, Garber, Johnson, Harrison, Glockel
NOES: None
ABSENT: None

MOTION CARRIED

CITIZENS COMMENTS

In accordance with the Open Meetings Act, Council is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof.* Section 30.041B Code of Ordinance of the City of Corinth.

Karen Maguire, 645 Woodcrest Drive, Lakewood Village, Tx – on the evening of February 18th my mother and I were involved in a car accident at Dobbs Road and Corinth Parkway intersection. I have noticed as I traveled along Corinth Parkway there is a small stop sign there and I thought that it was an odd size and I would stop and my husband and daughter would tell me that is not for you. There really should be a stop sign there because there is a blind spot. I was at the stop sign at Dobbs road the night of the accident and I looked both ways and I proceeded in the intersection and unfortunately as I looked to my left there was a GMC Yukon that T-boned me. That is a very dangerous curve and I am asking if you could research that particular intersection and look into approaching the state about getting a warrant for a stop sign prior to the railroad track. There is some shrubs and trees that are obstructing the view when you are sitting at Dobbs Road stop sign.

PUBLIC HEARING

- 3. **TO HEAR PUBLIC OPINION REGARDING A REQUEST FROM THE APPLICANT JIM DEWEY, JR. AUTHORIZED REPRESENTATIVE FOR THE PROPERTY OWNER, SURESH SHRIDHARANI, FOR A ZONING CHANGE FROM SF-4, SINGLE FAMILY RESIDENTIAL (DETACHED) TO PLANNED DEVELOPMENT SF-4 ON 14.8722 ACRES OF LAND SITUATED IN THE BROOK BEALL SURVEY, ABSTRACT NO. 58, IN THE CITY OF CORINTH, DENTON COUNTY, TEXAS. (Amherst)**

Mayor Heidemann opened the Public Hearing at 7:20 P.M. Mayor Heidemann closed the Public Hearing at 7:21 P.M.

Fred Gibbs, Planning and Development Director – this is a zoning request on property located on Parkridge Drive. The applicant is proposing a rezoning from SF-4 Single Family Residential (detached) on 14.8722 acres, previously known as Forestwood I Addition, to a Planned Development SF-4 Single Family Residential (detached) with modified development standards in order to develop fifty-one (51) single family, custom homes with a larger living area and varying floor plans. The living area of the custom homes will range from 2,000 sq. ft. to 4,000 sq. ft.

The applicant is proposing the following in lieu of the residential dimensional regulations per Section 2.08.04 of the UDC as shown in the chart below.

SF-4	REQUIRED	PROVIDED
Minimum Front Yard Setback	25 feet	20 feet
Minimum Side Yard Setback:		
Interior Lot	7.5 feet	5 feet
Corner Lot	15 feet / 25 feet from side entry garage	15 feet
Minimum Rear Yard Setback	30% of the depth, up to 30 feet	20 feet
Minimum Lot Width:		
Interior Lot	70 feet at building line / 60 at front property line	
Corner Lot	70 feet at building line / 60 at front property line	60 feet at building line
Maximum Building Area / Coverage	30%	55 percent

The applicant is meeting or exceeding all other requirements of the UDC, except the following:

UDC 2.09.03 **Vehicle Parking Regulations** shall apply except:

- Side entry garages may face a side property line for interior lots only.

UDC 2.09.04 **Building Façade Material Standards** shall apply except:

- The exterior facades of a main residential building or structure may be constructed of one hundred (100) percent Class 1: Residential Masonry Construction with no more than 85% of one product.

UDC 4.02 **Fence and Screening Regulations** shall apply, including the following:

- The masonry screening wall shall have entry features/signs at both street intersections and must be owned and maintained by a property owner’s association, such as an HOA, with provisions for maintenance and documents which evidence such provisions which are recorded in the County Deed Records. The applicant is proposing dedication of a 1.09-acre lot as a public park within the development, as well as a minimum five (5') wide hardscape trail going through the park, and extending to the east adjacent to Parkridge Drive that will provide future connectivity to the City's proposed hardscape trail per the Trails Master Plan (Non

Motorized System Master Plan). The applicant's proposed trail also extends to the west to provide future connectivity to the City's proposed hardscape trail system.

The applicant is also proposing six (6) park benches on concrete pads and a total of two (2) swing sets, one for tots and one for older children as part of the park improvements. The proposed development will also include a 1.53-acre open space area (common lot) on the south side that will not be dedicated to the City and will be maintained by a Homeowner's Association.

NOTIFICATION TO PUBLIC

Prior to the Planning and Zoning Commission meeting, public hearing notifications were sent to the 64 property owners located within 200’ of the subject property. A notice of public hearing was posted on the subject property along Parkridge Road.

SURROUNDING PROPERTIES ZONING

- Subject Property SF-4, Single Family Residential (detached)
- North SF-4, Single Family Residential (detached)
- South SF-4, Single Family Residential (detached)
- East SF-4, Single Family Residential (detached)
- West SF-4, Gas Drilling / Single Family Residential (detached)

SURROUNDING PROPERTIES EXISTING LAND USE

- Subject Property Undeveloped
- North Single Family, Residential
- South Single Family, Residential
- East Single Family, Residential
- West Gas Drilling / Single Family, Residential

SURROUNDING PROPERTIES FUTURE LAND USE

- Subject Property Low Density, Residential
- North Low Density, Residential
- South Low Density, Residential
- East Low Density, Residential
- West Medium Density, Residential / Low Density, Residential

PROPOSED LAND USE

The applicant is proposing fifty-one (51) single family, residential lots, one (1) 1.53-acre common area / open space lot and one (1) 1.09-acre public park.

Staff recommends approval of the rezoning request. The modified dimensional regulations will allow flexibility in creating larger homes with varying floor plans. The proposed park land dedication and trail will help to provide recreational opportunities for both this development as well as the single-family, residential developments in this area. The applicant's proposed hardscape trail will also provide the desired future connectivity for the City's trail system and other public parks within the City. Also, the swing set and park bench improvements will require minimal maintenance for the City, while providing recreational opportunities for families and residents.

The Planning and Zoning Commission recommended approval as presented.

Councilmember Johnson – when we did Terrace Oaks we required the Developer to do a 6’ foot wide sidewalk where the trail was. Is this the same requirement?

Fred Gibbs, Planning and Development Director – the minimum is a 5’ foot wide hardscape. Some of the challenges we see occur as far as the requirements is we do not have a specific requirement in our ordinance on the width of trails. This is where we settled on with the 5’ foot. The 6’ foot was a requirement for Terrace Oaks because of the continuation of the sidewalk because I think there was going to be a wider sidewalk along the road if I remember correctly. This one is only a 5’ foot currently.

Councilmember Johnson – along Amherst, Dickenson and Emily it is in the same situation along the side of the road.

Fred Gibbs, Planning and Development Director- I can ask the applicant if they are willing to make that a 6’ foot width sidewalk.

Jim Dewey, JR Engineers – We were asked to provide a 5’ foot sidewalk, or park trail and we do not have a problem going to a 6’ foot especially through the park and would be glad to do whatever the Council feels is best for the development.

We are not changing the lot areas or anything that would increase density, we are asking for some setbacks that would allow us a little more flexibility of the architectural design. We think there will be some bigger homes in here that may be in some surrounding areas and this is one of the last tracts left of this part of Corinth. I think this will be a really nice development. Just because we relaxed the setbacks does not mean that every home will go to those extreme setbacks. We relaxed the front setback and the rear a little bit to allow a bigger home and maybe some different designs. Reducing the density to only 3.4 lots per acre that is a result of the parkland dedication as well as the HOA space.

Councilmember Johnson – the reason for the 6’ foot wide sidewalk along the side of the street as I am not speaking to what is in the park or in the undeveloped area there where it is 5’ foot wide, which would more than likely be ok but 6’ foot wide bordering your streets is there to protect those who walk and those who might ride a bicycle on that sidewalk and that is why we did it with Terrace Oaks.

Councilmember Harrison - this common area is all on the south portion of the property. How wide is that?

Fred Gibbs, Planning and Development Director – the south portion of the property where the gas pipeline is located is all open space. I think it averages 40’ to 50’ feet.

Councilmember Harrison – so that area your plans are to leave it natural or clean it out?

Jim Dewey, JR Engineers – I think we would like to clean it up and leave all the nice trees and make it so the homeowners can use it and keep it mowed.

Councilmember Harrison – you intend to leave some trees?

Jim Dewey, JR Engineers – we would like to leave as many as we can.

Councilmember Harrison – we all appreciate that.

Councilmember Glockel – on your southwest corner I guess, you come down Parkridge and you go in, is that a drainage easement? A lot of water goes that way.

Fred Gibbs, Planning and Development Director – back when they originally platted the subdivision and did some plans, the property does naturally drain down to that corner if I remember correctly. I have walked that property and the drainage does accumulate in that area.

Councilmember Glockel – is that a drainage easement to get from this subdivision?

Jim Dewey, JR Engineers – There is an existing drainage easement and utility easement that follows a lot line that goes west from the corner. There is a pipe that dumps out onto Parkridge and it has an open drainage space and we not done any engineering yet but that will have to be addressed at the time of platting to make sure any of this runoff in the subdivision will not have adverse effect on the downstream property owners.

BUSINESS:

3a. Consider and act on a zoning change from SF-4, Single Family Residential (detached) to Planned Development SF-4 on 14.8722 acres of land situated in the Brook Beall Survey, Abstract No. 58, in the City of Corinth, Denton County, Texas. (This property is located on the west side of Parkridge Road, south of Lake Sharon Drive.)

MOTION made by Councilmember Johnson to approve the zoning request change at this time. Seconded by Councilmember Burke.

AYES: Burks, Garber, Johnson, Harrison, Glockel
NOES: None
ABSENT: None

MOTION CARRIED AS AMENDED

Councilmember Johnson made a Friendly Amendment to strike the minimum 5' foot wide pedestrian trail and make it a minimum 6' foot wide pedestrian trail throughout the subdivision. Seconded by Councilmember Garber.

AYES: Burke, Garber, Johnson, Harrison, Glockel
NOES: None
ABSENT: None

MOTION CARRIED

4. TO HEAR PUBLIC OPINION REGARDING RENAMING OF PORTIONS OF SOUTH CORINTH STREET AND MEADOWS OAK DRIVE.

Cody Collier, Public Works Director - In November of 2015, staff received direction to present options for the renaming of South Corinth Street and Meadows Oak Drive. Staff made a presentation to Council on January 21, 2016 with three options for street naming. Two of those included proposed options for renaming, and the third option was to allow street names to remain the same. Council selected "Exhibit 1" and requested a

minor change on the proposed renaming of South Corinth (South of Meadows Oak) to be changed to Meadow Oaks. Additionally Council instructed staff to contact Denco 911 and Denton County to ensure there were no conflicts with addresses in the proposed street renaming. Representatives from both agencies stated that there were no conflicts.

A Public Notice letter was mailed on February 10, 2016 to every resident affected by the street renaming. It included directions to oppose the changes via letter for those unable to attend the Public Hearing.

A notice advertising the Public Hearing was also published in the Denton Record Chronicle and Lake Cities Sun on Sunday February 14, 2016. Tonight is the Public Hearing.

Mayor Heidemann opened the Public Hearing at 7:30 p.m. No one spoke during the Public Hearing. Mayor Heidemann closed the Public Hearing at 7:30 P.M.

NO MOTION NECESSARY.

BUSINESS AGENDA

5. Consider and act on a request from the applicant, Thomas Fletcher with Kimley-Horn Associates, authorized representative for the property owner, for a Major Waiver to City of Corinth Ordinance No. 13-05-08-20, Unified Development Code (UDC) to allow construction of public improvements prior to approval of the associated preliminary and final plat within a 16' wide easement being 0.136 acres more or less on property legally described as the remainder 26.648 acres being Tracts 2 and 2c out of the Buffalo Bayou, Brazos and Colorado Railroad Company Survey, County Abstract No. 153 in the City of Corinth, Denton County, Texas.(Valencia Major Subdivision Waiver)

Fred Gibbs, Planning and Development Director – Valencia Subdivision is comprised of one commercial lot and 86 residential lots. The zoning for this development was approved as Planned Development SF / C-1 (shown as PD 35 on the zoning map) in 2013 with 1 commercial lot being 1.39 acres and 81 single family lots on 25.5 acres. At that time Parkland Dedication was addressed and the City Council accepted monies in lieu of parkland dedication.

The applicant, Thomas Fletcher, authorized representative for the property owner submitted a request for a Minor PD Amendment that was approved by the Director of Planning and Development. The Director of Planning and Development and the DRC determined that all of the conditions were met as required in the attached section of the UDC Section 2.10.09. D, Planned Development (PD) Modifications 1. Minor PD Amendment and Adjustment. The difference is an increase from 81 single family lots to 86 single family lots. With the changes, although allowed by ordinance, The Development Review Committee required the applicant to revise the preliminary plat and civil construction plans. The revised preliminary plat and plans were processed and the preliminary plat was approved by the Planning and Zoning Commission in October 2015.

The next step in the "Development Process" was to process the final plat and civil construction plans which has received Development Review Committee (DRC) approval. The Valencia Final Plat is scheduled to go before the Planning and Zoning Commission February 22, 2016. As stated DRC has approved the documents however our recommendation to P&Z stipulates that the plat approval is subject to TXDOT's approval of the entrances into the subdivision. As well; planned construction is

contingent on City Council's approval of the Major Subdivision Waiver in order to get sewer service to the subdivision.

In order for the property to have sewer brought to the residential lots within the subdivision, they need to do an offsite improvement to bring that sanitary sewer to the residential lots. However they are not platting that particular lot which that easement and that sewer line is coming through, so our ordinance requires property to be platted prior to any dirt work or construction on the property. This waiver will allow them to do that work on that lot that is not final platted.

Councilmember Garber – is this an ordinary request?

Fred Gibbs, Planning and Development Director – it does not happen to often but it is a normal request. It makes a lot of sense and Staff and the Planning and Zoning Commission supports this request.

Councilmember Glockel – will the commercial property utilize this same sewer process? Are they bringing it from the south side of FM 2181?

Dean Cardwell, Kimley-Horn & Associates - we are connecting over to the east side of the project so it will go through an existing utility easement and then we are proposing a new easement on the commercial lot that is not part of this tract.

MOTION made by Councilmember Harrison to approve request from the applicant, Thomas Fletcher with Kimley-Horn Associates, authorized representative for the property owner, for a Major Waiver to City of Corinth Ordinance No. 13-05-08-20, Unified Development Code (UDC) to allow construction of public improvements prior to approval of the associated preliminary and final plat within a 16' wide easement. Seconded by Councilmember Burke.

AYES: Burke, Garber, Johnson, Harrison, Glockel

NOES: None

ABSENT: None

MOTION CARRIED

6. Consider and act on a Resolution authorizing the Mayor or his designated representative to execute a contract of sale by and between the City of Corinth, Texas and Denton Electric Cooperative, Inc. to acquire fee simple title to Lot 1R-1, Block One, Pinnell Addition to the City of Corinth. Denton County, Texas (The Contract) for the purchase price of \$3,100,000 and authorizing the expenditure of funds as prescribed in the contract.

Lee Ann Bunselmeyer, Acting City Manager – this contract is for the purchase of a 34,000 square foot facility to house a joint facility for the police and fire department. One of the conditions that Council requested is that we put in a 60 day inspection period and CoServ has agreed to that. We have already started that inspection on the facility and should be completed in the next few weeks. It is our intent to bring that inspection back to the Council on March 17 and it will be a full environmental and building structure inspection. The city attorney has drafted the contract.

MOTION made by Councilmember Johnson to approve the Resolution authorizing the Mayor or his designated representative to execute a contract of sale by and between the City of Corinth, Texas and Denton Electric Cooperative, Inc. to acquire fee simple title to Lot 1R-1, Block One, Pinnell Addition to the City of Corinth. Denton County, Texas (The Contract) for the purchase price of \$3,100,000 and authorizing the expenditure of funds as prescribed in the contract. Seconded by Councilmember Burke.

AYES: Burke, Garber, Johnson, Harrison, Glockel
NOES: None
ABSENT: None

MOTION CARRIED

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

Councilmember Johnson – on April 2nd Keep Corinth Beautiful will have their Spring Clean-up at 8:30 A.M. and they need lots of help. Those of you that can that would like to run or come out and enjoy the Citizens Police Alumni Association 5K run on May 7th which is also Election Day. Come out and run and then go vote.

Lee Ann Bunselmeyer, Acting City Manager – just wanted to remind Council next Thursday we will not have a Workshop Session instead we will have the Boards and Commissions Appreciation Dinner at Ashton Gardens at 6:30 P.M.

Mayor Heidemann recessed the meeting at 7:39 P.M. *See Executive Session.

EXECUTIVE/CLOSED SESSION

If, during the course of the meeting, any discussion of any item on the agenda should need to be held in executive or closed session for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council Meeting, the City Council will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D Chapter 551, to consider one or more matters pursuant to the following:

Section 551.071. Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

a. First Glendora Partners, Ltd. dba Impact Outdoor Advertising Co. v. City of Corinth.

b. Consultation with the City Attorney regarding legal issues associated with the matters listed under Section 551.072.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the

governmental body in negotiations with a third person.

Council met in Executive Session from 7:41 P.M. until 8:01 P.M.

a.Receive information and discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property located in Corinth on the west side of I-35 and abutting Cliff Oaks Drive.

b.Receive information and discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property interests associated with the extension of Lake Sharon Drive west of Oakmont Drive.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

a.Consider appointment, duties, employment, evaluation, reassignment, discipline, or dismissal of the City Manager.

b.Consider appointment, duties, employment, evaluation, reassignment, discipline, or dismissal of the City Attorney.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in executive session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive/Closed Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON EXECUTIVE/CLOSED SESSION ITEMS.

Mayor Heidemann reconvened the meeting at 8:02 P.M.

There was not action taken from Executive Session.

ADJOURN:

Mayor Heidemann adjourned the Regular Session at 8:03 P.M.

AYES: All

Meeting adjourned.

Approved by Council on the _____ day of _____, 2016.

Kimberly Pence, City Secretary

City of Corinth, Texas

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: Minutes from March 17, 2016 Workshop Session

Submitted By: Kim Pence, City Secretary

Finance Review: N/A

Legal Review: N/A

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on Minutes from the March 17, 2016 Workshop Session.

AGENDA ITEM SUMMARY/BACKGROUND

Discussion and action from the March 17, 2016 Workshop Session.

RECOMMENDATION

Staff recommends approval of the March 17, 2016 Workshop Session minutes.

Attachments

Minutes

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 17th day of March 2016 the City Council of the City of Corinth, Texas met in a Workshop Session at 5:30 pm at the Corinth City Hall, located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Joe Harrison, Mayor Pro-Tem
Scott Garber
Don Glockel
Sam Burke
Lowell Johnson

Members Absent:

None

Staff Members Present:

Lee Ann Bunselmeyer, Acting City Manager
Kim Pence, City Secretary
Debra Drayovitch, City Attorney
Jason Alexander, Economic Development Director
Cody Collier, Acting Director of Public Works, Parks and Utility Operations
Curtis Birt, Fire Chief
Barbara Cubbage, Planning & Development Manager
Jerome Booker, Building Official
Lori Levy, Senior Planner
Caryn Riggs, Assistant Director of Finance
Brenton Copeland, Technology Services

CALL TO ORDER FOR WORKSHOP:

Mayor Heidemann called the meeting to order at 5:30 pm.

1. Discuss Regular Meeting Items on Regular Session Agenda, including the consideration of executive/closed session items as set forth in the Executive/Closed Session agenda items below.

Consent Item #7 on Regular Business Agenda.

Consider and act on an Ordinance of the City of Corinth, Texas approving an amendment to the Fiscal Year 2015-2016 City of Corinth Budget and Annual Program of Services to provide for the expenditure of funds from the General Fund for additional legal services as a result of unanticipated and unforeseeable events.

Lee Ann Bunselmeyer, Acting City Manager – I think we did a budget amendment several months ago for \$100,000, right now we have invoices for about \$105,000 for those cases related to that. Speaking with the Attorneys for that are dealing with those projects for us, we anticipate that we just need an additional \$40,000 for that. Hopefully that should be enough and we won't have to come back for another budget amendment on legal services. We are closing in on those two projects.

2. Receive a presentation and hold a discussion regarding the authority and responsibility of the Corinth Economic Development Corporation.

Lee Ann Bunselmeyer, Acting City Manager – I'm going to call on Jason Alexander our Director of Economic Development. He is going to do a brief presentation on the responsibilities of Economic Development. Several months ago, we had a Councilmember requested information so they could pass this on also to the EDC Board as well.

Jason Alexander, Economic Development Director – Tonight we will discuss the scope of authority and responsibility of the Economic Development Corporation. I do want to preface this brief presentation by saying that I did focus heavily on section 501 and 505 of the local government code because that pertains to economic development corporations. (At this time Jason went over his presentation) (See attachment)

Councilmember Harrison – On slide #9 – Where is say cities with a population of 20,000 or less, does that mean now? Is it based off the census? How is the population determined?

Jason Alexander, Economic Development Director – According to the State Economic Development Division, he said where the state laws silent on what to use whether it's an estimate or census, then you go by the census. As it pertains to this section of the local government code, the state law is silenced. So it goes back to the census. According to the census, our population is 19,935.

Councilmember Harrison – Let's say we're 22,000 now, do you wait until 2020?

Jason Alexander, Economic Development Director – Correct, for the next census.

Councilmember Burke – We do think we have some opportunities right now that we won't have to use the funds in a particular way.

Jason Alexander, Economic Development Director – (Jason continued with the presentation- slide #9)

Councilmember Harrison – On slide #14, when it talks about expend sales tax proceeds, that's expend sales tax proceeds collected by EDC. So you're only talking about funds from EDC.

Jason Alexander, Economic Development Director – Yes sir. (Jason continued with the presentation)

Mayor Heidemann – So the Economic Development Corporation cannot issue bonds?

Jason Alexander, Economic Development Director – They can.

Mayor Heidemann - If they issue bonds it has to fall under this category, they have to have the ability to pay the bonds off. Is that correct?

Jason Alexander, Economic Development Director – That is correct.

Councilmember Harrison – So issuing bonds, the maximum debt you can occur would be over the ½ cent sales tax that you accrue during that period of time that you're going to issue the bonds for payback.

Jason Alexander, Economic Development Director – As I understand it.

Councilmember Harrison – On the 1st slide, I assume that you, the Economic Development Corporations, will do a cost benefit analysis to determine all these limitations and stuff.

Jason Alexander, Economic Development Director – Yes sir. (Jason continued with the presentation) I'll stop to see if there are any questions.

Councilmember Burke – Would it be fair to say that most of commercial activity, we want to promote as far as restaurants in the I-35 corridor, we're going to have a lot more flexibility in the next few years than we're going to have when the census comes in 2020.

Jason Alexander, Economic Development Director – Correct.

Mayor Heidemann – And the census is going to be what in 2020?

Debra Drayovitch, City Attorney – It usually doesn't come until the end of 2020 or the 1st of 2021.

Councilmember Burke – Would it retroactively apply? Do we have an extra year?

Debra Drayovitch, City Attorney – I would say the extra part of the year. I don't see them going back because it's not official yet.

Councilmember Garber – So we have through 2020ish.

Debra Drayovitch, City Attorney – Half a year I would say, based on past.

Councilmember Burke – If we start a performance agreement related to projects we can undertake for \$20,000 less and it wasn't going to be completed until after, are we good?

Debra Drayovitch, City Attorney – There are no reported court decisions or Attorney General Opinions. It would be Council's opinion, yes it would.

Councilmember Burke – It's a grey area, you think we'd be ok.

Debra Drayovitch, City Attorney – I think it's certainly defensible, because it was legal when you started.

Mayor Heidemann – What is your biggest challenge looking at your overall scope of things here? What is your biggest challenge that you face right now?

Jason Alexander, Economic Development Director - I think the biggest challenge right now is actually getting quality restaurants and retailers. Part of that is due to infrastructural and drainage issues but I think once we're able to attract that 1st quality restaurant or retailer, at that point I think the flood gates will open. We did get a developer proposal in the other day, it's in its early stages but it was very well planned and it's exciting. I think some of the retailers that Buxton provided us with would pair very well with that development.

Councilmember Harrison - When we've had several discussions in the past, zoning doesn't fall under any of this corporation's responsibility.

Jason Alexander, Economic Development Director – It falls under community development.

Councilmember Harrison – I'm not saying they wouldn't have a part of it, but that would go back to the commission I would assume.

Councilmember Burke - Certainly the EDC couldn't adopt anything that would be binding on the city. Defray some of the costs of development, but the ultimate authority is with the Planning & Zoning and the City Council.

Councilmember Harrison – I think we all agree one of the biggest things we’re going to be faced with in developing is trying to figure out what we’re going to do about the drainage issues. That’s where your big bucks are going to lay in the next 10 years. The Lynchburg drainage issues. You have the powers to expend funds with drainage and that sort of stuff. If you have a budget for that, you could take part of that and also issue a bond for some of the remaining part of the project?

Jason Alexander, Economic Development Director – You could do that and there are also some options as well such as 380 Agreements as well where you could help defray the cost as well. You can put in infrastructure and defray those costs based on future sales tax dollars.

Councilmember Burke – You can agree to forgive future revenue in exchange for performance criteria.

Jason Alexander, Economic Development Director – The 380 Agreement even though it could originate in EDC, it will have to be approved by City Council.

Mayor Heidemann recessed into Executive Session at 5:40 pm.

Council met in Executive Session from 5:41 pm until 6:37 pm.

Mayor Heidemann reconvened the workshop at 6:40 pm.

Mayor Heidemann asked if anyone has questions on business items #8.

Mayor Heidemann recused himself from discussing business items 9&10.

Councilmember Harrison – Business Items # 9 & #10

Jeremy Booker, Building Official – This request is for a 2nd sign that will be on the north side, the right side of the building. It’s going to be very similar in appearance to what’s there on the building, they want to add a 2nd row of letters is probably the main difference between this one and the existing sign.

Councilmember Johnson – How does it fit with the new sign ordinance? Is it still out of?

Lori Levy, Senior Planner – They still have to go through, they’ll be under the new sign ordinance. They still have the one per frontage and the letter sizing.

Business Item #10

Jeremy Booker, Building Official – The sign ordinance states that the maximum height of the letters of the sign, if the distance is 200’ or less from the property line, it’s limited to 24” in height. They have 30” on the 1st line and the 2nd row is in compliance. They’re asking for 6” on the top row of letters.

Mayor Heidemann – we will be going into Executive Session for item #11.

Mayor Heidemann adjourned the Workshop Session at 6:45 pm.

AYES: All

Meeting adjourned.

Approved by Council on the ____ day of _____, 2016

Kimberly Pence, City Secretary
City of Corinth, Texas

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: March 17, 2016 Regular Session Minutes

Submitted By: Kim Pence, City Secretary

Finance Review: N/A

Legal Review: N/A

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on Minutes from the March 17, 2016 Regular Session.

AGENDA ITEM SUMMARY/BACKGROUND

Discussion and action from the March 17, 2016 Regular Session.

RECOMMENDATION

Staff recommends approval of the March 17, 2016 Regular Session minutes.

Attachments

Minutes

Exhibit

Audit Letter

Exhibit

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 17th day of March, 2016 the City Council of the City of Corinth, Texas met in a Regular Session at the Corinth City Hall at 7:00 PM, located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Present: Bill Heidemann, Mayor
Joe Harrison, Mayor Pro-Tem
Sam Burke, Council Member
Scott Garber, Council Member
Lowell Johnson, Council Member
Don Glockel, Council Member

Staff Members Present: Lee Ann Bunselmeyer, Finance Director
Kim Pence, City Secretary
Jeremy Booker, Building Official
Barbara Cubbage, Planning and Development Manager
Lori Levy, Senior Planner
Caryn Riggs, Assistant Finance Director
Jason Alexander, Economic Development Director
Cody Collier, Acting Public Works Operations Manager
Curtis Birt, Fire Chief
Brenton Copeland, Technology Services Assitant Manager
Debra Drayovitch, City Attorney

Attendees: Diane Terrel, Davis Kinard & Company, PC.

***NOTICE IS HEREBY GIVEN** of a Regular Session of the Corinth City Council to be held at Corinth City Hall located at 3300 Corinth Parkway, Corinth, Texas. The agenda is as follows:

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE:

Mayor Heidemann called the meeting to order at 7:00 P.M., Councilmember Garber delivered the invocation and led in the Pledge of Allegiance.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine and will be enacted in one motion. Should the Mayor, a Councilmember, or any citizen desire discussion of any Item that Item will be removed from the Consent Agenda and will be considered separately.

1. Consider and act on minutes from the February 4, 2016 Workshop Session.
2. Consider and act on minutes from the February 4, 2016 Regular Session.

3. Consider and act on minutes from the February 11, 2016 Workshop Session.
4. Consider and act on minutes from February 18, 2016 Workshop Session.
5. Consider and act on minutes from the February 18, 2016 Regular Session.
6. Consider and act on an ordinance renaming portions of South Corinth Street and Meadows Oak Drive.
7. Consider and act on an Ordinance of the City of Corinth, Texas approving an amendment to the Fiscal Year 2015-16 City of Corinth Budget and Annual Program of Services to provide for the expenditure of funds from the General Fund for additional legal services as a result of unanticipated and unforeseeable events.

Caryn Riggs, Assistant Finance Director - The current FY 2015-16 General Fund Budget and Annual Program of Services of \$15,237,982 was approved on September 17, 2015. The General Fund provides for the day-to-day operations of the city, including legal services.

The FY 2015-16 Legal department budget totals \$200,454 for the City Attorney contracted services. During the course of the fiscal year, the city has retained Lynn Ross Gannaway & Crandford, LLP and Messer, Rockefeller & Fort, PLLC to perform specialized legal services, and services outside the scope of the City Attorney contracted services. The annual budget did not include sufficient funds for these outside legal services. A budget amendment in the amount of \$100,000 was approved by the City Council on December 17, 2015 for these specialized legal services. Staff estimates that an additional amount of \$40,000 is needed to finalize the services being performed by both law firms.

It is recommended this be funded out of General Fund balance, which is estimated at \$3,219,939, as of September 30, 2016.

MOTION made by Council Member Lowell Johnson to approve Consent Agenda as presented,
Seconded by Mayor Pro-Tem Joe Harrison

AYE: Mayor Bill Heidemann, Mayor Pro-Tem Joe Harrison, Council Member Sam Burke,
Council Member Scott Garber, Council Member Lowell Johnson, Council Member Don
Glockel

MOTION CARRIED

CITIZENS COMMENTS

In accordance with the Open Meetings Act, Council is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof.* Section 30.041B Code of Ordinance of the City of Corinth.

There were no Citizen Comments made.

BUSINESS AGENDA

8. Accept the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended September 30, 2015, as presented by Davis Kinard & Co, PC.

Caryn Riggs, Assistant Finance Director - The City Charter, in compliance with Chapter 103 of the Local Government Code, requires an annual independent audit. The audit of the City of Corinth's financial records for the year ended September 30, 2015 was conducted by Davis Kinard & Co, PC. The audit firm issued an unqualified opinion on the financial statements, stating that the financial statements present fairly, in all material respects, the City's financial position in conformity with generally accepted accounting principles.

A major item during the audit was the implementation of Governmental Accounting Standards Board (GASB) pronouncement 68. The primary objective of GASB 68 is to improve accounting and financial reporting by state and local governments for pensions. In prior years, pension information has been included in the notes to the financials. With this pronouncement, pension information is now presented within the Financial Statements.

This year we have two audit adjustments suggested by the auditing firm. One was to implement the final stages of GASB 63 to remove the deferred Bond Charges from our financial statements and the second was to implement GASB 68 which is the Pension Recognition on the financial statements. Pension information has always been included in the notes of the financial statements with the passage of GASB 68 we are required to put that on the face of our financial statements so you will see that in your statements in Exhibit A-1.

The Comprehensive Annual Financial Report (CAFR) was presented to the Citizen Finance Audit Committee on Tuesday, February 16, 2016. Representatives from Davis Kinard & Co, PC will be present at the City Council meeting to provide their opinion.

Staff recommends accepting the Comprehensive Annual Financial Report for the Fiscal Year ended September 30, 2015.

Diane Terri, Davis Kinard & Company, PC – we proposed very few audit adjustments as Caryn mentioned as a result of our audit procedures which demonstrates what an excellent job your finance department does.

Due to the level of grant funding this year the City was not required to have a single audit which is an audit of Federal and State Compliance. However sometimes grantors may still require your audit to be performed in accordance with Government Auditing Standards so we have issued this report separately and have it available if you would like. The report says we did not report any instances of non-compliance of laws and regulations that would have a material effect on your financial statements in the event on non-compliance nor did we report any findings in internal control over financial reporting.

We had no disagreements with management on accounting issues or regarding estimates made in the financial statements. We had no difficulty in performing our audit. It has been a pleasure working with your City and Staff. See Audit Letter Exhibit A.

Councilmember Johnson - this is your first year of Auditing with us and i appreciate what you do and all the test you ran and the report you gave. i appreciate your hard work.

Councilmember Harrison - this is the first year we had citizens on the Audit Committee that participated in this process and we appreciate their input.

MOTION made by Council Member Lowell Johnson, Seconded by Mayor Pro-Tem Joe Harrison

AYE: Mayor Bill Heidemann, Mayor Pro-Tem Joe Harrison, Council Member Sam Burke, Council Member Scott Garber, Council Member Lowell Johnson, Council Member Don Glockel

MOTION CARRIED

9. Consider and act on a sign variance for DATCU-Corinth Addition, Lot 1, Block A in the City of Corinth, Denton County, Texas having a physical address of 5940 I-35E, Corinth, TX 76210 in order to allow more than one attached wall sign per street frontage as specified in the current sign regulations.

Mayor Heidemann recused himself from any discussion on items #9 and #10.

Jeremy Booker, Building Official - DATCU is requesting a variance to the sign regulations in order to allow a second attached wall sign for the new Corporate Headquarters. Section 4.01.15 (C) (4) of the Unified Development Code states that a business shall be allowed one (1) sign per street frontage. The DATCU headquarters fronts on one street and currently has an attached wall sign in place.

The applicant is proposing to add a second sign along the right side of the building, which faces to the north. The proposed sign will be similar in appearance to the existing sign.

Undue Hardship Required. Section 4.01.14 (A) (2) of the Unified Development Code states that in granting a sign variance, City Council shall determine that a literal enforcement of the sign regulations will create an undue hardship or practical difficulty on the applicant, that the situation causing the undue hardship or practical difficulty is unique to the affected property and is not self-imposed, that the sign variance will not injure and will be wholly compatible with the use and permitted development of adjacent properties, and that the granting of the sign variance will be in harmony with the spirit and purpose of the sign regulations.

Staff recommends approval of this variance request.

MOTION made by Council Member Don Glockel to Approve, Seconded by Council Member Scott Garber

AYE: Mayor Bill Heidemann, Mayor Pro-Tem Joe Harrison, Council Member Sam Burke, Council Member Scott Garber, Council Member Lowell Johnson, Council Member Don Glockel

MOTION CARRIED

10. Consider and act on a sign variance for DATCU-Corinth Addition, Lot 1, Block A in the City of Corinth, Denton County, Texas having a physical address of 5940 I-35E, Corinth, TX 76210 in order to allow an attached wall sign that exceeds the maximum letter height as specified in the current sign regulations.

Jeremy Booker, Building Official - DATCU is requesting a variance to the sign regulations in order to allow an attached wall sign for the new Corporate Headquarters that exceeds the maximum letter height. Section 4.01.15 (C) (2), Table 29: Maximum Letter Height of the Unified Development Code limits the letter height for an attached sign that is located two hundred (200) feet or less from the right-of-way to a maximum twenty-four (24) inches in height. The proposed sign is located one hundred ninety-three (193) feet from the right-of-way..

The applicant is proposing an attached wall sign with a double row of letters with the first row being

thirty (30) inches tall, which exceeds the maximum height allowed of twenty-four (24) inches. The second row of letters is proposed to be a maximum of sixteen (16) inches and will comply with the sign regulations.

Undue Hardship Required. Section 4.01.14 (A) (2) of the Unified Development Code states that in granting a sign variance, City Council shall determine that a literal enforcement of the sign regulations will create an undue hardship or practical difficulty on the applicant, that the situation causing the undue hardship or practical difficulty is unique to the affected property and is not self-imposed, that the sign variance will not injure and will be wholly compatible with the use and permitted development of adjacent properties, and that the granting of the sign variance will be in harmony with the spirit and purpose of the sign regulations.

Staff recommends approval of this variance request.

MOTION made by Council Member Scott Garber to Approve, Seconded by Council Member Sam Burke

AYE: Mayor Bill Heidemann, Mayor Pro-Tem Joe Harrison, Council Member Sam Burke, Council Member Scott Garber, Council Member Lowell Johnson, Council Member Don Glockel

11. Receive a presentation, hold a discussion, and give staff direction on an architectural, structural, mechanical, electrical, civil, and environmental building assessment of Lot 1R-1, Block One, Pinnell Addition in the City of Corinth, Denton County, Texas.

Mayor Heidemann recessed the meeting at 7:21 P.M. *See Executive Session.

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

There was no Council Comments made.

EXECUTIVE/CLOSED SESSION

If, during the course of the meeting, any discussion of any item on the agenda should need to be held in executive or closed session for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council Meeting, the City Council will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D Chapter 551, to consider one or more matters pursuant to the following:

Section 551.071. Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

a. First Glendora Partners, Ltd. dba Impact Outdoor Advertising Co. v. City of Corinth.

b. Consultation with the City Attorney regarding legal issues associated with the matters listed under Section 551.072.

c. Consider legal advice regarding Ordinance No. 02-06-20-16 abandoning right-of-way.

d.Consider legal advice regarding appeal of award of unemployment benefits to Rick Chaffin.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Council met in Executive Session from 7:21 P.M. until 8:47 P.M.

a.Receive information and discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property located in Corinth on the west side of I-35 and abutting Cliff Oaks Drive.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

a.Consider appointment, duties, employment, evaluation, reassignment, discipline, or dismissal of the City Manager.

b.Consider appointment, duties, employment, evaluation, reassignment, discipline, or dismissal of the City Attorney.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in executive/closed session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Executive/Closed Session from its Attorney on any agenda item, whether posted for Executive Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON EXECUTIVE/CLOSED SESSION ITEMS.

There was no action taken from Executive Session.

Mayor Heidemann adjourned the meeting at 8:48 P.M.

AYES: All

Meeting adjourned.

Approved by Council on ____ day of _____, 2016.

Kimberly Pence, City Secretary
City of Corinth, Texas.



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended September 30, 2015

Comprehensive Annual Financial Report (CAFR)

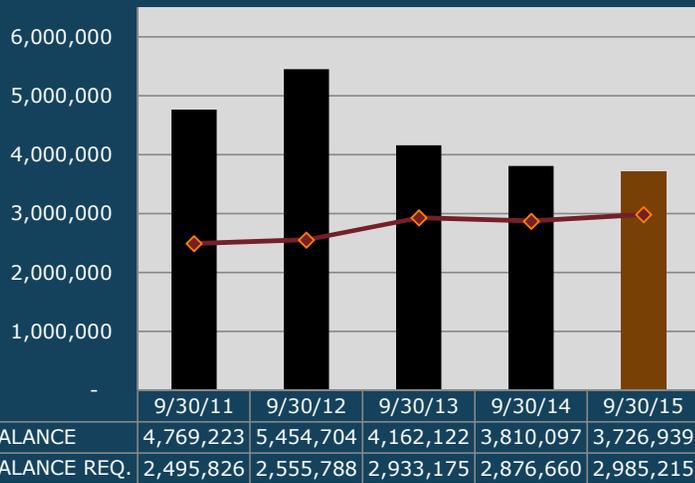
- Report is organized into three sections:
 - Introductory, Financial & Statistical Section
- CAFR has been designed to comply with GAAP/GASB guidelines
- City has received an unqualified opinion from the audit firm
- Two suggested audit adjustments.
 - Final Implementation of GASB 63 – Removed Deferred Bond Charges
 - Implement GASB 68 – Pension Recognition on the Financial Statements

Fund Balance Historical Analysis

Actual vs Policy Requirement

General Fund

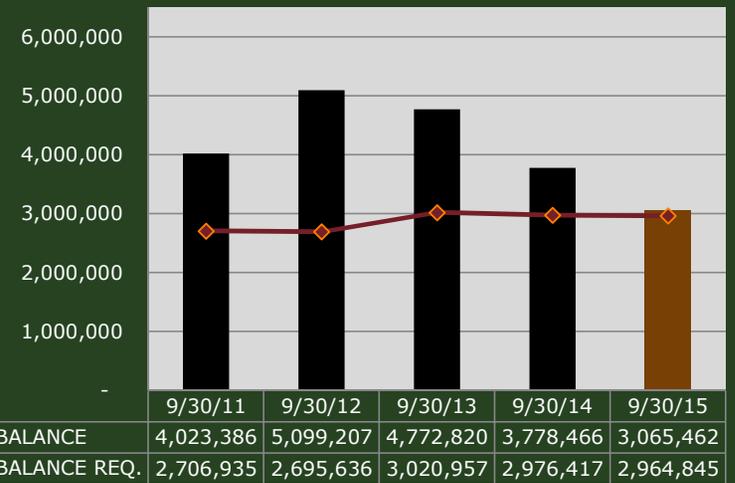
20% of Budgeted Expenditures



Note: For the year ended September 30, 2015, the unassigned fund balance was over the policy target. The fund balance decreased compared to prior year due to the budgeted use of fund balance for the following: \$200,000 for the Public Safety Communications Upgrade, \$60,000 to upgrade the audio/visual equipment in the Council Chambers, \$425,000 for I-35 bridge aesthetics, \$60,000 for the Public Safety needs assessment, \$9,490 to install Wi-Fi in City Hall and \$20,000 to review the Development Process.

Water/Wastewater

25% of Budgeted Expenditures



Note: For the year ended September 30, 2015, the unassigned fund balance was over the policy target. The fund balance decreased compared to prior year due to the budgeted use of fund balance for the following: \$450,000 to repaint the elevated water storage tank and \$61,000 for the Shady Rest project.

ENDING FUND BALANCE COMPARISON

	9/30/2014	9/30/2015	Variance	% Change
Operating Funds ⁽¹⁾	\$11,526,129	\$11,119,908	\$ (406,221)	-3.5%
Reserve Funds ⁽²⁾	328,035	224,419	(103,617)	-31.6%
Internal Service Funds ⁽³⁾	1,772,535	1,587,445	(185,091)	-10.4%
Impact/Escrow Funds	862,245	1,008,342	146,097	16.9%
Bond/Capital Project Funds ⁽⁴⁾	4,279,203	3,250,965	(1,028,237)	-24.0%
Special Revenue Funds	286,536	441,490	154,954	54.1%
Grant Funds	9,808	9,818	9	0.1%
Total all Funds	\$19,064,492	\$17,642,386	\$(1,422,106)	-7.5%

(1) The net decrease in fund balance is due to the budgeted use of fund balance for the Public Safety Communications upgrade, Public Safety needs assessment, Shady Rest Project, Audio/Visual upgrades in the Council Chambers, I-35 bridge aesthetics, Development process study, and to repaint the elevated water storage tank.

(2) Decrease in fund balance is due to the budgeted use of fund balance for debt service payments.

(3) The net decrease in fund balance is due to the budgeted use of fund balance to replace four police vehicles, two fire admin vehicles, an ambulance, a vehicle for technology services and for the replacement of computers and printers.

(4) The net decrease in fund balance is due to budgeted use of fund balance for projects, such as Shady Rest, Tower Ridge, the Public Safety Communications upgrade and Sanitary Sewer rehab for Corinth Shores.

GENERAL LONG-TERM DEBT

As of September 30, 2015

Issue	Original Principal Amount of Issue	Outstanding Principal as of 09/30/15	Outstanding Interest as of 09/30/15	Total Outstanding as of 09/30/15	% Outstanding as of 09/30/15	<u>Fiscal Year 2014-2015</u>			
						General Fund Payment	Water/WW Payment	Drainage Payment	Total Debt Payment
2001 GO	2,000,000	125,000	2,969	127,969	6.3%	128,758	-	-	128,758
2005 GO Refunding	5,080,000	2,050,000	168,663	2,218,663	40.4%	504,446	142,280	-	646,726
2007 GO Refunding	5,250,000	3,500,000	328,599	3,828,599	66.7%	709,477	150,495	-	859,972
2007 CO	24,020,000	16,270,000	5,475,963	21,745,963	67.7%	769,563	843,475	193,999	1,807,037
2010 CO	1,500,000	460,000	38,223	498,223	33.2%	241,100	-	-	241,100
Total	\$ 37,850,000	\$ 22,405,000	\$ 6,014,417	\$ 28,419,417	59.2%	\$ 2,353,344	\$ 1,136,250	\$ 193,999	\$ 3,683,593

General Fund total Outstanding \$14,776,295
Water/Wastewater Fund total Outstanding \$11,257,378
Drainage Fund total Outstanding \$2,385,744

February 10, 2016

To the Honorable Mayor and Members of the City Council of the
City of Corinth, Texas

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Corinth, Texas, (the City) for the year ended September 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 31, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the notes to the financial statements. As described in Note 10 to the financial statements, the City changed accounting policies related to the recognition of its net pension liability and a more comprehensive measure of pension expense by adopting Statement of Governmental Accounting Standards (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, during the year ended September 30, 2015. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Activities. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from management's expectations. The most sensitive estimates affecting the City's financial statements were:

Management's estimate of remaining useful lives of capital assets is based on knowledge and experience about past and current events and assumptions about future events. The allocation of depreciation expense to various programs is based on the usage of those assets in those programs. We evaluated the key factors and assumptions used to develop the estimated useful lives of capital assets and the allocation of depreciation expense to various programs in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for accounts receivable is a sensitive accounting estimate. The amount of the allowance is based on management's evaluation of collectability of accounts receivable, including historical collections experience, economic conditions, and other relevant factors.

Management's estimate of its net pension liability is based on reports received from the Texas Municipal Retirement System (TMRS). The net pension liability reported by TMRS is based on actuarial valuations that utilize various assumptions including the remaining amortization period, discount rate, expected rates of investment return, salary increases, payroll growth rates and mortality rates. The financial statements of the TMRS plan were audited by KPMG, LLP. These financial statements received an unmodified opinion. We evaluated the audited financial statements, census data submitted by the City to TMRS and the City's controls over the census submission process that were used to develop the estimate of its net pension liability to determine that the estimate is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the defined benefit pension plan in Note 7 to the financial statements is a sensitive disclosure. The disclosure is based on various reports provided by TMRS. The reports are based on the audited financial statements of the pension plan and actuarial reports provided by a third party.

Disclosure of contingencies, as well as the disclosures regarding deposit and investment risks and long-term obligations.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit. Management of the City did a commendable job in preparing for the audit. They prepared the requested schedules and documents in a timely manner and were available for questions at all times.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. We proposed adjustments to record the prior and current period effects of implementing GASB Statement No. 68, as discussed above.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 10, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to engagement as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Other Matters

We applied certain limited procedures to management's discussion and analysis, budgetary comparison information, Schedule of Changes in Net Pension Liability and Related Ratios, and Schedule of Employer Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining and individual nonmajor fund financial statements and schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Mayor and the City Council of the City of Corinth, Texas, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Davis Kinard & Co. PC
Certified Public Accountants



City of Corinth
Fund Balance Summary
 For the Period Ended September 2015

	Audited Appropriable Fund Balance 9/30/14	Year-to-Date Revenue	Year-to-Date Expense	Transfers In/(Out)	Audited Fund Balance 9/30/15
OPERATING FUNDS					
100 General Fund (1)	\$ 3,810,097	\$ 14,742,019	\$ 14,091,509	\$ (733,668)	\$ 3,726,939
110 Water/Sewer Operations (2)	3,778,466	11,146,377	10,977,611	(881,770)	3,065,462
120 Storm Water Utility (3)	506,780	693,736	522,354	(138,424)	539,738
130 Economic Development Corporation (4)	2,768,401	647,863	277,075	(50,250)	3,088,939
131 Crime Control & Prevention	195,689	281,761	260,014	-	217,437
132 Street Maintenance Sales Tax (5)	466,696	319,361	95,664	(209,000)	481,393
	<u>\$ 11,526,129</u>	<u>\$ 27,831,117</u>	<u>\$ 26,224,226</u>	<u>\$ (2,013,112)</u>	<u>\$ 11,119,908</u>
RESERVE FUNDS					
200 General Debt Service Fund (6)	\$ 328,035	\$ 2,240,285	\$ 2,363,116	\$ 19,214	\$ 224,419
	<u>\$ 328,035</u>	<u>\$ 2,240,285</u>	<u>\$ 2,363,116</u>	<u>\$ 19,214</u>	<u>\$ 224,419</u>
BOND/CAPITAL PROJECT FUNDS					
193 Governmental Capital Projects (7)	2,277,684	9,058	1,230,438	685,000	1,741,304
194 Water/Wastewater Projects (8)	478,515	1,531	200,824	450,000	729,222
702 2004 Tax Note	18,443	16	2,940	-	15,519
703 2007 C.O. - Streets (9)	521,789	1,422	616,441	485,359	392,129
704 2007 C.O. - Tech	27,094	21	23,415	-	3,699
705 2010 C.O. - Fire	57,874	44	32,880	-	25,038
800 2007 C.O. - Water Projects (10)	530,447	207	564,364	47,134	13,424
801 2007 C.O. - Wastewater Projects	14,714	14	651	-	14,077
802 2007 C.O. - Drainage (11)	352,643	66,103	212,701	110,507	316,552
	<u>\$ 4,279,203</u>	<u>\$ 78,416</u>	<u>\$ 2,884,653</u>	<u>\$ 1,778,000</u>	<u>\$ 3,250,965</u>
INTERNAL SERVICE FUNDS					
300 General Vehicle & Equip Replacement	\$ 218,958	\$ 81,129	\$ 245,000	\$ -	\$ 55,088
301 LCFD Vehicle & Equip Replacement (12)	287,651	94,107	421,204	129,115	89,669
302 Tech Replacement Fund (13)	3,448	21	12,122	24,450	15,797
310 Utility Vehicle & Equip Replacement (14)	330,116	6,560	150,618	125,000	311,058
311 Utility Meter Replacement Fund (15)	722,441	6,066	-	150,000	878,506
320 Insurance Claims and Risk Fund	209,922	46,271	18,866	-	237,327
	<u>\$ 1,772,535</u>	<u>\$ 234,154</u>	<u>\$ 847,810</u>	<u>\$ 428,565</u>	<u>\$ 1,587,445</u>
SPECIAL PURPOSE FUNDS					
400 Hotel-Motel Tax	\$ 64,107	\$ 67,922	\$ -	\$ -	\$ 132,029
401 Keep Corinth Beautiful	25,082	6,727	3,328	-	28,482
404 County Child Safety Program	17,053	26,463	22,220	-	21,296
405 Municipal Court Security	14,471	12,488	-	-	26,959
406 Municipal Court Technology	44,826	16,589	27,407	-	34,008
420 Police Lease Fund	2,922	2,620	1,586	-	3,956
421 Police Donations	2,264	12,392	833	-	13,823
422 Police Confiscation - State	7,712	1,193	5,000	-	3,905
423 Police Confiscation - Federal	287	0	-	-	288
451 Parks Development (16)	66,573	23,210	6,609	50,000	133,174
452 Community Park Improvement	14,385	7,938	-	-	22,323
460 Fire Donations	22,998	2,573	4,324	-	21,246
497 Recreation Donations (17)	3,806	1,650	3,839	(1,616)	-
498 Recreation Scholarship (18)	51	0	-	(51)	-
	<u>\$ 286,536</u>	<u>\$ 181,765</u>	<u>\$ 75,144</u>	<u>\$ 48,333</u>	<u>\$ 441,490</u>
GRANT FUNDS					
522 Bullet Proof Vest Grant	1,441	1	-	-	1,442
523 Tx Dot Grant Fund	8,367	8	-	-	8,375
	<u>\$ 9,808</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,818</u>
IMPACT FEE & ESCROW FUNDS					
610 Water Impact Fees	\$ 206,651	\$ 112,776	\$ 4,323	\$ -	\$ 315,104
611 Wastewater Impact Fees	152,354	88,154	-	-	240,508
620 Storm Drainage Impact Fees	90,266	86	-	-	90,353
630 Roadway Impact Fees (19)	111,722	209,992	-	(111,000)	210,714
699 Street Escrow (20)	301,251	411	-	(150,000)	151,663
	<u>\$ 862,245</u>	<u>\$ 411,420</u>	<u>\$ 4,323</u>	<u>\$ (261,000)</u>	<u>\$ 1,008,342</u>
TOTAL ALL FUNDS	<u>\$ 19,064,492</u>	<u>\$ 30,977,167</u>	<u>\$ 32,399,273</u>	<u>\$ -</u>	<u>\$ 17,642,386</u>



City of Corinth
Fund Balance Summary
For the Period Ended September 2015

TRANSFER IN/(OUT) EXPLANATIONS:

- (1) The transfer in of \$99,230 represents the annual contribution from the Water/Wastewater Fund for the homeowners association water contracts. The \$51 from the Recreation Scholarship Fund closing out the fund. The \$1,616 from the Recreation Donations Fund for non-baseball donations, closing out the fund. The transfer out of \$60,000 to the General Capital Projects for the Public Safety Facility needs assessment. The \$200,000 to the General Capital Projects Fund for the Public Safety Communications Systems upgrade. The \$425,000 to the General Capital Projects Fund for I35 Bridge Aesthetics. The \$129,115 to LCFD Vehicle and Equipment Fund for the future purchase of vehicles and equipment. The \$20,450 to the Technology Replacement Fund for the future purchase of computers.
- (2) The transfer out of \$99,230 represents the annual allocation to the General Fund for the homeowner's association water contracts. The \$150,000 represents the annual contribution to the Utility Meter Replacement Fund for the future purchases of water taps and meters. The \$450,000 to the Utility Capital Project Fund to repaint the elevated water storage tank. The \$100,000 represents the annual contribution to the Vehicle Replacement Fund for future purchase of vehicles and equipment. The \$3,500 represents the annual contribution to the Tech Replacement Fund for the future purchase of computers. The \$18,040 represents the annual allocation to the General Debt Service Fund for the Water/Wastewater portion of the 2007 Technology Certificates of Obligation. The \$61,000 to the Water CIP Fund for the Shady Rest project, as approved by Council on November 20, 2014.
- (3) The transfer out \$25,000 to the Vehicle Replacement Fund for the future purchase of vehicles. The \$1,174 represents the annual allocation to the General Debt Service Fund for the Storm Drainage portion of the 2007 Technology Certificates of Obligation. The \$250 represents the annual contribution to the Tech Replacement Fund for the future purchase of computers. The \$112,000 to the Storm Drainage CIP Fund for the Shady Rest project, as approved by Council on November 20, 2014.
- (4) The transfer out of \$50,000 to the Parks Development Fund for park improvements. The \$250 represents the annual contribution to the Tech Replacement Fund for the future purchase of computers.
- (5) The transfer out of \$209,000 to the Streets CIP Fund for the Shady Rest project, as approved by Council on November 20, 2014.
- (6) The transfer in of \$18,040 represents the annual allocation from the Water/Wastewater Fund for the Utility portion of the 2007 Technology Certificates of Obligation. The \$1,174 from the Storm Drainage Fund for the Storm Drainage portion of the 2007 Technology Certificates of Obligation.
- (7) The transfer in of \$60,000 from the General Fund for the Public Safety Facility needs assessment. The \$200,000 from the General Fund for the Public Safety Communications Systems upgrade. The \$425,000 from the General Fund for I35 Bridge Aesthetics.
- (8) The transfer in of \$450,000 from the Water/Wastewater Fund to repaint the elevated water storage tank.
- (9) The transfer in of \$470,000 from the Streets Sales Tax Maintenance Fund, Roadway Impact Fee Fund, and Street Escrow Fund for the Shady Rest project, as approved by Council on November 20, 2014. The \$15,359 is reallocated bond interest from the Water CIP Fund and the Storm Drainage CIP Fund for the Shady Rest project, as approved by Council on November 20, 2014.
- (10) The transfer in of \$61,000 from the Water Wastewater Fund for the Shady Rest project, as approved by Council on November 20, 2014. The transfer out of \$13,866 is reallocated bond interest to the Streets CIP Fund for the Shady Rest project, as approved by Council on November 20, 2014.
- (11) The transfer in of \$112,000 from the Storm Drainage Fund for the Shady Rest project, as approved by Council on November 20, 2014. The transfer out of \$1,493 is reallocated bond interest to the Streets CIP Fund for the Shady Rest project, as approved by Council on November 20, 2014.
- (12) The transfer in of \$129,115 represents the annual contribution from the Fire Department for the future purchase of vehicles and equipment.
- (13) The transfer in of \$20,450 from the General Fund, \$3,500 from the Water/Wastewater Fund, \$250 from the Storm Drainage Fund and \$250 from the Economic Development Fund represents the annual contribution for the future purchase of computers.
- (14) The transfer in of \$100,000 and \$25,000 represent the annual contribution from the Water/Wastewater Fund and the Storm Drainage Fund for the future purchase of vehicles and equipment.
- (15) The transfer in of \$150,000 from the Water/Sewer Fund for the future purchase of water taps and meters.
- (16) The transfer in of \$50,000 from the Economic Development Fund for park improvements.
- (17) The transfer out of \$1,616 to the General Fund represents non-baseball donations.
- (18) The transfer out of \$51 to the General Fund to close out this fund.
- (19) The transfer out of \$111,000 to the Streets CIP Fund for the Shady Rest project, as approved by Council on November 20, 2014.
- (20) The transfer out of \$150,000 to the Streets CIP Fund for the Shady Rest project, as approved by Council on November 20, 2014.

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: Attorney Services

Submitted For: Lee Ann Bunselmeyer, Acting City Manager

Submitted By: Lee Ann Bunselmeyer, Acting City Manager

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on a Professional Services Agreement between the City of Corinth and Messer, Rockefeller & Fort Law Firm, PLLC for City Attorney Services.

AGENDA ITEM SUMMARY/BACKGROUND

On March 1, 2016, the City of Corinth accepted Statements of Qualifications from nine (9) qualified firms or individuals to provide contract City Attorney services. The legal services to be provided include, but are not limited to:

- 1) Being the legal advisor of, and attorney for, all of the offices and departments of the City.
- 2) Represent the City in any and all litigation and legal proceedings.
- 3) Coordinate with other special counsel, as needed, to assure proper management of legal issues, and proper coordination and transition of legal issues among special counsel
- 4) Reviewing and /or drafting, and approving as to form, all documents, contracts, agreements, deeds, easements, resolutions, ordinances, and legal instruments in which the City may have an interest as may be required by the City Manager or Council.
- 5) Performing other duties that are prescribed in the City's Charter, or by ordinance or resolution of the City Council.
- 6) Providing a variety of proactive, high-quality and timely legal services, opinions and representation to the City Council, City Manager and City staff.

The Professional Services Agreement attached, with the firm of Messer, Rockefeller, & Fort Law Firm, PLLC, is effective on April 22, 2016. Either party may terminate the agreement at any time by notifying the other party in writing.

RECOMMENDATION

Staff recommends approval of the professional services agreement with Messer, Rockefeller, & Fort Law Firm, PLLC for contracted City Attorney services.

Attachments

Legal Services Agreement



April 4, 2016

Lee Ann Bunselmeyer, Acting City Manager
CITY OF CORINTH
3300 Corinth Parkway
Corinth, TX 76208

RE: Legal Services Agreement

Dear Ms. Bunselmeyer:

Messer, Rockefeller & Fort, PLLC (“MRF”) would be honored to represent the City of Corinth as your City Attorney. This letter outlines some of the specific terms of our engagement and our firm’s billing policies.

1. **Client:** Our client will be the City of Corinth (“Corinth”). Our representation in this matter is limited to the City of Corinth and the term “Client” does not include, and we do not represent, any other entities or individuals.
2. **Scope of Work:** Corinth hereby engages MRF to perform the following services:
 - a. Serve as the city attorney for the City of Corinth.
 - b. Perform any other services mutually agreed upon by Corinth and MRF; however, either party may request an addendum to this Agreement in a form mutually agreeable to the parties prior to the provision of additional services hereunder.
3. **Conflicts:** MRF represents that it has reviewed its records and has no conflicts of interest involving Corinth. MRF will do all within reason necessary to prevent and avoid any situation that might constitute a conflict. In the event a conflict arises, MRF shall promptly advise Corinth of such, in writing, and shall notify Corinth of MRF’s proposal to resolve the conflict.
4. **Personnel:** Andy Messer will have the primary responsibility for providing services for this engagement. Other MRF lawyers (including younger lawyers or contract lawyers selected by MRF) and legal assistants may be involved when MRF believes it would be beneficial or is necessary to provide the best level of service to Corinth. MRF recognizes that Sec. 6.03 of the Corinth City Charter authorizes the City Council to retain special counsel.

DALLAS
6351 Preston Rd. • Suite 350
Frisco, TX 75034
P: 972.424.7200 • F: 972.424.7244

MESSER, ROCKEFELLER & FORT LAW FIRM, PLLC
www.txmunicipallaw.com

ABILENE
4400 Buffalo Gap Rd. • Suite 2800
Abilene, TX 79606
P: 325.701.7960 • F: 325.701.7961

5. **Records:** Corinth should retain all originals and copies of documents it desires for future reference. MRF will retain most of its file(s) for a certain period of time, but ultimately the file will be destroyed in accordance with our record retention schedule. MRF does not contact the client prior to such destruction. Corinth recognizes that working papers shall be assembled and accumulated by MRF in connection with this representation, and that same shall belong to and remain the property of MRF, provided Corinth may request and receive copies of particular working papers.

6. **Fees:** MRF shall bill Corinth monthly for services rendered and expenses incurred, in the manner agreed to herein, until such time as this Agreement has expired by its own terms or has been terminated. Attorney's fees are based upon a consideration of time and labor involved, the skill requisite to perform the services properly, the preclusion of other employment by MRF due to acceptance of the matters identified herein, time limitations imposed by Corinth, or other circumstances, results achieved, experience, reputation and ability, extraordinary time requirements, and MRF's hourly rates:

\$180.00 per hour for attorneys
\$ 80.00 per hour for paralegals

Time for legal work is billed in tenth of an hour increments.

7. **Billing Practices and Payment:** MRF bills for matters on a monthly basis, and payment is due upon receipt of the statement. We do not bill for expenses associated with our representation except for filing and recording fees, litigation costs, and charges for extraordinary items which may be generated by the particular demands of the project involved.

If Corinth has a question about MRF's billing procedures or statements, please ask Andy Messer. MRF prefers that questions be raised as soon as possible so that we can address any concerns and be certain Corinth understands our procedures and our statements and is fully satisfied with them.

8. **Termination:** Either party may terminate our representation at any time by notifying the other in writing. In either case, MRF's withdrawal will be accomplished pursuant to applicable ethical requirements. Upon termination of the representation, Corinth will be obligated to pay for all services properly rendered and expenses incurred.

9. **Amendments/Modifications:** Corinth and MRF may amend or modify this Agreement so long as such amendment or modification is reduced to writing and is mutually agreed upon by Corinth and MRF.

10. **Texas Lawyer's Creed:** On November 7, 1989, the Texas Supreme Court adopted the Texas Lawyer's Creed – a Mandate for Professionalism. Paragraph II, subparagraph 1 of the Creed requires us to advise you of its contents when we undertake representation. A copy of the Creed is enclosed. We intend to abide by the Creed.

If Corinth agrees with the foregoing, please sign and return one enclosed copy of this letter and retain the other copy for your records.

We appreciate your consideration of Messer, Rockefeller & Fort, PLLC to represent the City of Corinth. We look forward to working with you and establishing a mutually beneficial relationship.

Very truly yours,

Andy Messer
WM. ANDREW MESSER

WAM:jk

AGREED:

CITY OF CORINTH

By: _____

Its: _____

**THE TEXAS LAWYER'S CREED—
A MANDATE FOR PROFESSIONALISM**

Adopted November 7, 1989

Table of Contents

- I. Our Legal System
- II. Lawyer to Client
- III. Lawyer to Lawyer
- IV. Lawyer to Judge

ORDER OF ADOPTION

THE TEXAS LAWYER'S CREED—A MANDATE FOR PROFESSIONALISM

The conduct of a lawyer should be characterized at all times by honesty, candor, and fairness. In fulfilling his or her primary duty to a client, a lawyer must be ever mindful of the profession's broader duty to the legal system.

The Supreme Court of Texas and the Court of Criminal Appeals are committed to eliminating a practice in our State by a minority of lawyers of abusive tactics which have surfaced in many parts of our country. We believe such tactics are a disservice to our citizens, harmful to clients, and demeaning to our profession.

The abusive tactics range from lack of civility to outright hostility and obstructionism. Such behavior does not serve justice but tends to delay and often deny justice. The lawyers who use abusive tactics instead of being part of the solution have become part of the problem.

The desire for respect and confidence by lawyers from the public should provide the members of our profession with the necessary incentive to attain the highest degree of ethical and professional conduct. These rules are primarily aspirational. Compliance with the rules depends primarily upon understanding and voluntary compliance, secondarily upon

re-enforcement by peer pressure and public opinion, and finally when necessary by enforcement by the courts through their inherent powers and rules already in existence.

These standards are not a set of rules that lawyers can use and abuse to incite ancillary litigation or arguments over whether or not they have been observed.

We must always be mindful that the practice of law is a profession. As members of a learned art we pursue a common calling in the spirit of public service. We have a proud tradition. Throughout the history of our nation, the members of our citizenry have looked to the ranks of our profession for leadership and guidance. Let us now as a profession each rededicate ourselves to practice law so we can restore public confidence in our profession, faithfully serve our clients, and fulfill our responsibility to the legal system.

The Supreme Court of Texas and the Court of Criminal Appeals hereby promulgate and adopt "The Texas Lawyer's Creed—A Mandate for Professionalism" as attached hereto and made a part hereof.

In Chambers, this 7th day of November, 1989.

THE TEXAS LAWYER'S PROFESSIONALISM

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

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.

1. I am passionately proud of my profession. Therefore, "My word is my bond."
2. I am responsible to assure that all persons have access to competent representation regardless of wealth or position in life.
3. I commit myself to an adequate and effective pro bono program.
4. I am obligated to educate my clients, the public, and other lawyers regarding the spirit and letter of this Creed.
5. 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 legal 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.

1. I will advise my client of the contents of this creed when undertaking representation.
2. I will endeavor to achieve my client's lawful objectives in legal transactions and in litigation as quickly and economically as possible.

CREED—A MANDATE FOR

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.

3. 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.
4. I will advise my client that civility and courtesy are expected and are not a sign of weakness.
5. I will advise my client of proper and expected behavior.
6. 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.
7. 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.
8. I will advise my client that we will not pursue tactics which are intended primarily for delay.
9. I will advise my client that we will not pursue any course of action which is without merit.
10. 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.
11. I will advise my client regarding the availability of mediation, arbitration, and other alternative methods of resolving and settling disputes.

III. LAWYER TO LAWYER

TEXAS LAWYER'S CREED

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. Ill 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.

1. I will be courteous, civil, and prompt in oral and written communications.

2. I will not quarrel over matters of form or style, but I will concentrate on matters of substance.

3. I will identify for other counsel or parties all changes I have made in documents submitted for review.

4. 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.

5. 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 cancelled.

6. 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.

7. I will not serve motions or pleadings in any manner that unfairly limits another party's opportunity to respond.

8. I will attempt to resolve by agreement my objections to matters contained in pleadings and discovery requests and responses.

9. 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.

10. 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.

11. 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.

12. 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.

13. I will not attempt to gain an unfair advantage by sending the Court or its staff correspondence or copies of correspondence.

14. I will not arbitrarily schedule a deposition, court appearance, or hearing until a good faith effort has been made to schedule it by agreement.

15. I will readily stipulate to undisputed facts in order to avoid needless costs or inconvenience for any party-

16. I will refrain from excessive and abusive discovery.

17. I will comply with all reasonable discovery requests. I will not resist

STANDARDS FOR APPELLATE CONDUCT

Lawyers are an indispensable part of the pursuit of justice. They are officers of courts charged with safeguarding, interpreting, and applying the law through which justice is achieved. Appellate courts rely on counsel to present opposing views of how the law should be applied to facts established in other proceedings. The appellate lawyer's role is to present the law controlling the disposition of a case in a manner that clearly reveals the legal issues raised by the record while persuading the court that an interpretation or application favored by the lawyer's clients is in the best interest of the administration of equal justice under law.

The duties lawyers owe to the justice system, other officers of the court, and lawyers' clients are generally well-defined and understood by the appellate bar. Problems that arise when duties conflict can be resolved through understanding the nature and extent of a lawyer's respective duties, avoiding the tendency to emphasize a particular duty at the expense of others, and detached common sense. To that end, the following standards of conduct for appellate lawyers are set forth by reference to the duties owed by every appellate practitioner.

Use of these standards for appellate conduct as a basis for motions for sanctions, civil liability or litigation would be contrary to their intended purpose and shall not be permitted. Nothing in these standards alters existing standards of conduct under the Texas Disciplinary Rules of Professional Conduct, the Texas Rules of Disciplinary Procedure or the Code of Judicial Conduct.

LAWYERS' DUTIES TO CLIENTS

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 a real or imagined fear of judicial disfavor or public unpopularity, nor be influenced by mere self-interest. The lawyer's duty to a client does not militate against the concurrent obligation to treat with consideration all persons involved in the legal process and to avoid the infliction of harm on the appellate process, the courts, and the law itself.

1. Counsel will advise their clients of the contents of these Standards of Conduct when undertaking representation.
2. Counsel will explain the fee agreement and cost expectation to their clients. Counsel will then endeavor to achieve the client's lawful appellate objectives as quickly, efficiently, and economically as possible.
3. Counsel will maintain sympathetic detachment, recognizing that lawyers should not become so closely associated with clients that the lawyer's objective judgment is impaired.
4. Counsel will be faithful to their clients' lawful objectives, while mindful of their concurrent duties to the legal system and the public good.

5. Counsel will explain the appellate process to their clients. Counsel will advise clients of the range of potential outcomes, likely costs, timetables, effect of the judgment pending appeal, and the availability of alternative dispute resolution.
6. Counsel will not foster clients' unrealistic expectations.
7. Negative opinions of the court or opposing counsel shall not be expressed unless relevant to a client's decision process.
8. Counsel will keep clients informed and involved in decisions and will promptly respond to inquiries.
9. Counsel will advise their clients of proper behavior, including that civility and courtesy are expected.
10. Counsel will advise their clients that counsel reserves the right to grant accommodations to opposing counsel in matters that do not adversely affect the client's lawful objectives. A client has no right to instruct a lawyer to refuse reasonable requests made by other counsel.
11. A client has no right to demand that counsel abuse anyone or engage in any offensive conduct.
12. Counsel will advise clients that an appeal should only be pursued in a good faith belief that the trial court has committed error or that there is a reasonable basis for the extension, modification, or reversal of existing law, or that an appeal is otherwise warranted.
13. Counsel will advise clients that they will not take frivolous positions in an appellate court, explaining the penalties associated therewith. Appointed appellate counsel in criminal cases shall be deemed to have complied with this standard of conduct if they comply with the requirements imposed on appointed counsel by courts and statutes.

LAWYERS' DUTIES TO THE COURT

As professionals and advocates, counsel assist the Court in the administration of justice at the appellate level. Through briefs and oral submissions, counsel provide a fair and accurate understanding of the facts and law applicable to their case. Counsel also serve the Court by respecting and maintaining the dignity and integrity of the appellate process.

1. An appellate remedy should not be pursued unless counsel believes in good faith that error has been committed, that there is a reasonable basis for the extension, modification, or reversal of existing law, or that an appeal is otherwise warranted.
2. An appellate remedy should not be pursued primarily for purposes of delay or harassment.

3. Counsel should not misrepresent, mischaracterize, misquote, or miscite the factual record or legal authorities.
4. Counsel will advise the Court of controlling legal authorities, including those adverse to their position, and should not cite authority that has been reversed, overruled, or restricted without informing the court of those limitations.
5. Counsel will present the Court with a thoughtful, organized, and clearly written brief.
6. Counsel will not submit reply briefs on issues previously briefed in order to obtain the last word.
7. Counsel will conduct themselves before the Court in a professional manner, respecting the decorum and integrity of the judicial process.
8. Counsel will be civil and respectful in all communications with the judges and staff.
9. Counsel will be prepared and punctual for all Court appearances, and will be prepared to assist the Court in understanding the record, controlling authority, and the effect of the court's decision.
10. Counsel will not permit a client's or their own ill feelings toward the opposing party, opposing counsel, trial judges or members of the appellate court to influence their conduct or demeanor in dealings with the judges, staff, other counsel, and parties.

LAWYERS' DUTIES TO LAWYERS

Lawyers bear a responsibility to conduct themselves with dignity towards and respect for each other, for the sake of maintaining the effectiveness and credibility of the system they serve. The duty that lawyers owe their clients and the system can be most effectively carried out when lawyers treat each other honorably.

1. Counsel will treat each other and all parties with respect.
2. Counsel will not unreasonably withhold consent to a reasonable request for cooperation or scheduling accommodation by opposing counsel.
3. Counsel will not request an extension of time solely for the purpose of unjustified delay.
4. Counsel will be punctual in communications with opposing counsel.
5. Counsel will not make personal attacks on opposing counsel or parties.
6. Counsel will not attribute bad motives or improper conduct to other counsel without good cause, or make unfounded accusations of impropriety.

7. Counsel will not lightly seek court sanctions.
8. Counsel will adhere to oral or written promises and agreements with other counsel.
9. Counsel will neither ascribe to another counsel or party a position that counsel or the party has not taken, nor seek to create an unjustified inference based on counsel's statements or conduct.
10. Counsel will not attempt to obtain an improper advantage by manipulation of margins and type size in a manner to avoid court rules regarding page limits.
11. Counsel will not serve briefs or other communications in a manner or at a time that unfairly limits another party's opportunity to respond.

THE COURT'S RELATIONSHIP WITH COUNSEL

Unprofessionalism can exist only to the extent it is tolerated by the court. Because courts grant the right to practice law, they control the manner in which the practice is conducted. The right to practice requires counsel to conduct themselves in a manner compatible with the role of the appellate courts in administering justice. Likewise, no one more surely sets the tone and the pattern for the conduct of appellate lawyers than appellate judges. Judges must practice civility in order to foster professionalism in those appearing before them.

1. Inappropriate conduct will not be rewarded, while exemplary conduct will be appreciated.
2. The court will take special care not to reward departures from the record.
3. The court will be courteous, respectful, and civil to counsel.
4. The court will not disparage the professionalism or integrity of counsel based upon the conduct or reputation of counsel's client or co-counsel.
5. The court will endeavor to avoid the injustice that can result from delay after submission of a case.
6. The court will abide by the same standards of professionalism that it expects of counsel in its treatment of the facts, the law, and the arguments.
7. Members of the court will demonstrate respect for other judges and courts.

**STANDARDS OF PRACTICE TO BE OBSERVED BY
ATTORNEYS APPEARING IN CIVIL ACTIONS**

Adopted in *Dondi Properties Corp. v. Commerce Sav. and Loan Assn.*,
121 F.R.D. 284 (N.D. Tex., July 14, 1988)

- A. In fulfilling his or her primary duty to the client, a lawyer must be ever conscious of the broader duty to the judicial system that serves both attorney and client.
- B. A lawyer owes, to the judiciary, candor, diligence and utmost respect.
- C. A lawyer owes, to opposing counsel, a duty of courtesy and cooperation, the observance of which is necessary for the efficient administration of our system of justice and the respect of the public it serves.
- D. A lawyer unquestionably owes, to the administration of justice, the fundamental duties of personal dignity and professional integrity.
- E. Lawyers should treat each other, the opposing party, the court, and members of the court staff with courtesy and civility and conduct themselves in a professional manner at all times.
- F. A client has no right to demand that counsel abuse the opposite party or indulge in offensive conduct. A lawyer shall always treat adverse witnesses and suitors with fairness and due consideration.
- G. In adversary proceedings, clients are litigants and though ill feeling may exist between clients, such ill feeling should not influence a lawyer's conduct, attitude, or demeanor towards opposing lawyers.
- H. A lawyer should not use any form of discovery or the scheduling of discovery, as a means of harassing opposing counsel or counsel's client.
- I. Lawyers will be punctual in communications with others and in honoring scheduled appearances and will recognize that neglect and tardiness are demeaning to the lawyer and to the judicial system.
- J. If a fellow member of the Bar makes a just request for cooperation, or seeks scheduling accommodation, a lawyer will not arbitrarily or unreasonably withhold consent.
- K. Effective advocacy does not require antagonistic or obnoxious behavior and members of the Bar will adhere to the higher standard of conduct which judges, lawyers, clients, and the public may rightfully expect.

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: DataBank Scanning Contract

Submitted For: Lee Ann Bunselmeyer, Acting City Manager

Submitted By: Shea Rodgers, Technology Services Manager

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on a contract with DataBank IMX, LLC. to bulk scan documents for Planning and Public Works.

AGENDA ITEM SUMMARY/BACKGROUND

In 2015, the City received a report from Zucker Systems detailing how to streamline the Planning and Zoning process. One of the suggestions was to digitize the large library of paper documents and plans. Having a document management system, LaserFiche, already in place, plans were made to get those documents into that system. Since the City does not have the equipment or staffing necessary to complete this task, Technology Services and Planning have elected to contract this service out to DataBank IMX, LLC., who has sent the attached contract.

If approved, this contract will allow DataBank to move boxes of documents prepared by Planning and Public Works staff to DataBank's facility in Carrollton. Once complete, DataBank will provide Technology Services with the digital documents on a hard drive, which can then be imported into the LaserFiche system, fulfilling the Zucker report's recommendation of utilizing a paperless system.

DataBank is on the Texas DIR (Department of Information Resources) pre-negotiated contract (number: DIR-SDD-2178), which by the City's Purchasing Policy, does not require the City to open a formal bidding process. The company estimates that their portion of this project will be done by September of 2016.

RECOMMENDATION

Staff recommends City Council approve the contract with DataBank IMX, LLC. in the amount of \$67,000 and authorize the Acting City Manager to execute the contract on behalf of the City of Corinth.

Attachments

DataBank Contract

Master Agreement Document Imaging Services and Products

This Agreement for Document Imaging Services and Products (the “**AGREEMENT**”) is made effective as of _____, 2016 (the “**Effective Date**”) by and between DataBank IMX, LLC., a Delaware Limited Liability Corporation with its principal offices located at 620 Freedom Business Center #120, King of Prussia, PA 19406, (“**DataBank IMX**”) and the **City of Corinth, Texas**, a TEXAS municipal corporation with its principal offices located at **3300 Corinth Parkway Corinth, TX 76208** (“**CUSTOMER**”).

WHEREAS, CUSTOMER desires to digitize certain of its documents;

WHEREAS, DataBank IMX desires to provide CUSTOMER with document imaging services and related products;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises set forth herein, and intending to be legally bound, the parties enter into an AGREEMENT as follows:

1. **Services/Products:** This is a master AGREEMENT to which signed statements of work (“**Statements of Work**”) may be attached by the parties from time to time. DataBank IMX shall provide the services (“**Services**”) and/or products (“**Products**”) as set forth in such Statement(s) of Work, each of which shall be attached hereto as Exhibit(s) A, A.1, A.2, and so on. Each Statement of Work will be effective as of the date it is signed by an authorized representative of each party. If any term of a Statement of Work conflicts with the terms of this AGREEMENT, the terms of the Statement of Work will control. DataBank IMX will commence Services or delivery of Products in accordance with a Statement of Work.
2. **Pricing/Schedule of Charges:** The prices CUSTOMER agrees to pay DataBank IMX for Services and Products shall be set forth in the applicable Statement of Work.
3. **Payment Terms for Products and Services:** CUSTOMER agrees to pay for all Services and Products within **Thirty (30) days of receipt of an invoice from DataBank IMX.** CUSTOMER further agrees that amounts outstanding over forty five (45) days shall incur a service charge from the due date of 5% per year.
4. **Taxes:** CUSTOMER shall be responsible for all sales taxes, use taxes and any other similar taxes and charges of any kind imposed by any federal, state or local government entity on the transactions contemplated by this AGREEMENT, excluding taxes from which CUSTOMER is exempt and taxes based solely upon DataBank IMX’s income. When DataBank IMX has the legal obligation to pay or collect such taxes, the appropriate amount will be invoiced to and paid by CUSTOMER unless CUSTOMER provided DataBank IMX with a valid tax exemption certificate authorized by the appropriate taxing authority.

5. **Term:** The term of this AGREEMENT shall be for two (2) years from the Effective Date (the “**Initial Term**”), which term may be extended to the extent a Statement of Work is in effect. The parties may renew the term of this AGREEMENT for successive one (1) year terms upon their written agreement. DataBank IMX shall, within thirty (30) days of expiration or termination of this AGREEMENT, deliver to CUSTOMER all deliverables created under the Statements of Work.

6. **Termination:** This AGREEMENT may be terminated as follows:

If CUSTOMER fails to make any undisputed payment hereunder, and fails to cure such breach within thirty (30) days after receiving written notice from DataBank IMX, then DataBank IMX may immediately and without further notice, terminate this AGREEMENT and declare all sums due and to become due hereunder, immediately payable.

6.1 If either party materially breaches any term or condition of this AGREEMENT and fails to cure such breach within sixty (60) days after receiving written notice of the breach, the non-breaching party may terminate this AGREEMENT on written notice at any time following the end of such sixty (60) day period.

6.2 If CUSTOMER elects to terminate this AGREEMENT for any reason, at any time following the first anniversary by providing at least ninety (90) days written notice.

6.3 Either party may terminate this AGREEMENT immediately upon notice of appointment of a receiver, or an assignee for the benefit of creditors of the other party, or in the event of any insolvency of the other party, except as may be prohibited by applicable bankruptcy laws.

7. **Intellectual Property Infringement.** DATABANK IMX WILL INDEMNIFY, DEFEND AND HOLD HARMLESS CUSTOMER, ITS AFFILIATES, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS AGAINST ANY AND ALL LIABILITIES LOSS, DAMAGE OR EXPENSES (INCLUDING REASONABLE ATTORNEY’S FEES), TO THE EXTENT SUCH LIABILITIES, LOSS, DAMAGE, OR EXPENSES ARE BASED UPON A CLAIM THAT SERVICES OR PRODUCTS INFRINGE UPON THE RIGHTS OF THIRD PARTIES, INCLUDING ANY TRADEMARK, COPYRIGHT, OR PATENT RIGHT.

All document, plans, studies, or other writings provided by CUSTOMER to DataBank IMX in the course of this Agreement shall remain the property of CUSTOMER.

8. **Limits of Liability:** DataBank IMX shall have no liability for the loss, damage or destruction of documents or data received from CUSTOMER, except to the extent caused by the gross negligence of, intentional misconduct of, or breach of this AGREEMENT by DataBank IMX. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY LOSS OF USE, LOSS OF

PROFITS, BUSINESS INTERRUPTION, COST OF COVER OR INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES ARISING UNDER THIS AGREEMENT. DataBank IMX's liability hereunder shall be limited to a maximum of \$1,000,000.

DATABANK IMX TAKES COMMERCIALY REASONABLE STEPS TO DESIGN ITS SOFTWARE TO PROTECT THE SECURITY OF DATA SUBMITTED BY USERS, BUT IT DOES NOT AND CANNOT GUARANTEE THAT ITS SOFTWARE IS 100% SECURE FROM HACKING OR UNAUTHORIZED ACCESS. FURTHER, DATABANK IMX DOES NOT CONTROL THE SERVERS ON WHICH ITS PORTAL WILL BE HOSTED, OR THE COMPUTERS, DEVICES, OR THE INTERNET OVER WHICH USERS MAY CHOOSE TO ENTER CONFIDENTIAL OR PERSONAL INFORMATION. DATABANK IMX THEREFORE CANNOT PREVENT INTERCEPTIONS OR COMPROMISES TO USER DATA WHILE IN TRANSIT TO PROVIDER, NOR CAN DATABANK IMX PREVENT ALL UNAUTHORIZED ACCESS TO [CUSTOMER'S] COMPUTER NETWORKS OR THE DATA STORED ON [CUSTOMER'S] COMPUTER NETWORKS. DATABANK IMX MAKES NO GUARANTEE AS TO THE SECURITY, INTEGRITY, OR CONFIDENTIALITY OF ANY INFORMATION TRANSMITTED BY MEANS OF DATABANK IMX'S SOFTWARE OR PORTAL. CUSTOMER] UNDERSTANDS AND ACKNOWLEDGES THAT IT IS RESPONSIBLE FOR MAINTAINING THE SECURITY OF ITS COMPUTER NETWORKS.

9. **Confidentiality:** Each party (the "**Recipient**") acknowledges that it has or may be exposed to confidential and proprietary information of the other party (the "**Disclosing Party**"). For purposes of this AGREEMENT, "**Confidential Information**" shall mean any confidential or proprietary information of a Disclosing Party that is marked or otherwise designated in writing as confidential or would appear to a reasonably prudent person to be non-public, confidential or proprietary in nature, and includes, without limitation, trade secrets, technical information, business and product information, and information regarding, third-party suppliers and customers. Confidential Information shall not include (i) information already known or independently developed by the Recipient without reference to the Disclosing Party's Confidential Information; (ii) information in the public domain through no wrongful act of the Recipient; (iii) information received by the Recipient from a third party who was free to disclose it without obligation to the Disclosing Party or any third party; or (iv) information disclosed by the Recipient as required by the Texas Public Information Act or other law, provided that the Recipient provides the Disclosing Party with prior notice in sufficient time before disclosure, so that a reasonable protective order may be sought. Except as expressly authorized by the Disclosing Party, the Recipient shall not disclose the Disclosing Party Confidential Information to any person or entity, except to the Recipient's employees or agents having a "need to know", and shall not use the Disclosing Party's Confidential Information for purposes other than performing this AGREEMENT. The Recipient and its personnel shall use at least the same degree of care in safeguarding the Disclosing Party's Confidential Information as the Recipient uses in safeguarding its own confidential information, but in no event less than a reasonable degree of care. The parties agree that this Agreement and any Statements of Work and Pricing Schedule are not Confidential Information. The provisions of this Section shall survive the termination or expiration of this AGREEMENT.

- 10. Notices:** Written notices under this AGREEMENT may be given by personal delivery, by registered or certified mail, postage prepaid, return receipt requested, or by commercial carrier requesting overnight delivery. Notices shall be deemed communicated upon receipt. Notices to CUSTOMER shall be delivered to City of Corinth City Hall, Corinth, TX 76208, with a copy to Attention: Legal Department (Contracts). Notices to DataBank IMX shall be delivered to DataBank IMX LLC., 620 Freedom Business Center #120, King of Prussia, PA 19406, Attention: Contract Compliance Administrator with copy to DataBank IMX LLC., (Insert DataBank regional address) .
- 11. Assignment:** This AGREEMENT may not be assigned by either party without the prior written consent of the other party. Such consent shall not be unreasonably withheld. Notwithstanding the foregoing, Either party may assign this AGREEMENT in whole to an affiliate, or in connection with the transfer or sale of all or substantially all of its business or business unit to which this AGREEMENT pertains, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this AGREEMENT.
- 12. Arbitration:** Any controversy or claim arising out of this AGREEMENT, or alleged breach thereof, shall be settled by binding arbitration by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction.
- 13. Attorney's Fees:** If any action is brought to enforce or interpret the terms of this AGREEMENT, whether in court or other tribunal, in each case having jurisdiction, the prevailing party shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief granted.
- 14. No Waiver:** All rights and remedies conferred under this AGREEMENT or by any other instrument or law shall be cumulative, and may be exercised singularly or concurrently. Failure by either party to enforce any provision of this AGREEMENT shall not be deemed a waiver of future enforcement of that or any other provision of this AGREEMENT.
- 15. Governing Law:** This AGREEMENT shall be governed by and construed in accordance with the laws of the State of Texas without regard to its conflict of laws principles, and venue shall be in Denton County, Texas.
- 16. Parties Relationship:** Nothing in this AGREEMENT shall be construed as creating any joint venture, partnership or agency relationship between the parties for any purpose whatsoever or as constituting either party as the legal representative, employee or agent of the other.

- 17. Successors and Assigns:** This AGREEMENT shall be binding on and inure to the benefit of the parties, their successors, and permitted assigns.
- 18. Severability:** If a court or other tribunal, in each case having jurisdiction, holds any provision of this AGREEMENT to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions shall not be affected.
- 19. Counterparts:** This AGREEMENT may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 20. Change in Scope.** CUSTOMER hereby acknowledges that the rates and charges for the Services within a Statement of Work are based upon, among other factors, the current situation set forth on such Statement of Work. DataBank IMX, therefore, reserves the right to change its rates and charges to CUSTOMER under any given Statement of Work with the written consent of CUSTOMER if the current situation is materially different, as determined by both parties, than the circumstances presented by the CUSTOMER. In the event CUSTOMER requests any change in the Services after execution of any given Statement of Work, the parties may agree to modify the Statement of Work to reflect such changes. If the changes impact labor, materials, time or other direct or indirect costs, then new prices will be mutually determined by DataBank IMX and CUSTOMER. The parties agree that DataBank IMX shall not be required to perform any additional or modified Services until such time as the parties shall have executed and delivered to the other written amendments to the Statement of Work (including its pricing schedule and payment terms) to reflect such additional or modified Services.
- 21. Warranties:** DataBank IMX warrants to CUSTOMER that: (i) all Services provided hereunder shall be performed in a competent, timely and workmanlike manner and consistent with generally accepted industry standards, and each of DataBank IMX' employees, independent contractors or agents assigned to perform the Services shall have the training, background and skills reasonably commensurate with the level of performance required under this AGREEMENT; and (ii) all Products provided by DataBank IMX hereunder will be free from material defects and perform substantially in accordance with their documentation, and DataBank IMX shall promptly correct any Product errors or malfunctions at no charge to CUSTOMER, and if DataBank IMX is unable to correct such errors or malfunctions, then it shall reimburse CUSTOMER the amounts paid for such Product. Except for the foregoing, DataBank IMX makes no warranties, including warranties of fitness or merchantability.
- 22. Survival:** The terms and provisions of this AGREEMENT that, by their sense and context, are intended to survive the completion or termination of this

AGREEMENT shall so survive the completion of performance and termination of this AGREEMENT.

23. Publicity: Neither party shall publish any advertising, marketing, sales promotion or other publicity matter relating to products furnished or services performed or contemplated by this AGREEMENT wherein the other party, its affiliates, or the names of their respective customers or personnel, are mentioned, without such other party's prior written approval.

24. Entire Agreement: This AGREEMENT, including any executed Statements of Work, constitute the entire AGREEMENT between CUSTOMER and DataBank IMX regarding its subject matter and may be amended only by a writing executed by both. This AGREEMENT supersedes all agreements, proposals, oral or written, and other communications between the parties relating to the subject matter of this AGREEMENT. No amendment or modification to this AGREEMENT and no waiver of any provision shall be valid unless in writing and signed by both parties. If either party issues a purchase order, invoice, sales acknowledgement, memorandum or other instrument hereunder, such instrument shall be for such party's internal purposes only, and any and all terms and conditions contained therein, whether printed or written, shall not vary, modify or add to the terms and conditions of this AGREEMENT.

25. Attachments: The following documents are attached hereto as Exhibits, and are incorporated by reference in their entirety:

25.1 Exhibit A (Statement of Work for Document Conversion Services, Document Storage Services and DataBank Online Hosting Services)

25.2 Exhibit B (Pricing Schedule)

Additional documents such as Change Orders and/or Evidentiary Attachments to the Statements of Work for additional Document Conversion and/or Scanning Services, etc. may be subsequently attached to this AGREEMENT when duly executed and approved by both parties.

IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed by their respective, duly authorized representatives, as of the Effective Date.

City of Corinth

DataBank IMX LLC

Signature:_____

Signature:_____

Name:_____

Name:_____

City of Corinth

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A
STATEMENT OF WORK



A Proposal for City Of Corinth For
scanning and indexing of
Development and Planning records

Presented on
March 2016

By
Lance Gonzales – Databank IMX

Texas DIR Vendor-State Contract Number DIR-SDD-2178

The information disclosed in this document is the property of Databank IMX. Databank IMX reserves all rights to this document except to the extent said rights are expressly granted to others.

EXHIBIT A

STATEMENT OF WORK

1. Current Situation

City of Corinth currently has planning and development records that require digital conversion and indexing. Records are permits, plats, capital improvements and other record types that are stored in house in filing cabinets. Databank IMX provides the required experience, knowledge, and services to effectively capture, repair, and index these records. City of Corinth will allow offsite scanning services for this project. Objective is to effectively scan, clean up, index and import data into the existing Laserfiche document management system. It is the desire of the City to scan and Index all planning and development records.



Databank IMX will ensure that investment in our services will save time and resources by having a complete solution that fully meets the needs of City of Corinth.

1.1 Objectives

The most important objectives that will help solve the needs of City of Corinth consist of:

- High resolution scanning of original documents on specialized high quality paper scanners.
- Advanced Image Processing to enhance poor and light copies, text.
- Custom image and index formatting to import into existing Laserfiche Document Management system.
- Double blind key indexing services for accurate data entry and image retrieval.
- Data will be checked throughout the entire workflow process
- Staff has over 25 years of data entry experience with handwritten and typed records.
- Databank IMX has a State Contract with Texas DIR for all Records Management Services. DIR-SDD-2178

1.2 Benefits

Databank IMX scanning solutions provide digital preservation while enhancing and repairing difficult to read images with our custom software and years of experience. Databank IMX will ensure that the investment in our services will save time and resources by having a complete solution that fully meets the needs of the City. Highlights of the benefits of this project are:

- Complete Digital Preservation and data backup of City records.
- Expert Image Quality and specialized software to enhance difficult to read original documents.
- High quality production Kodak, Contex and IBML Scanners ensure high image quality
- Custom software enhancements and difficult to read text-if necessary.
- Full Indexing staff on hand with 25 years of experience specializing in handwritten and typed records.
- Fast access to records once digitized and imported into Laserfiche system.
- Staff available for onsite scanning services. (if needed)

EXHIBIT A STATEMENT OF WORK

- Databank IMX office is SOCII Type 2 Compliant
- Our capture centers have all obtained SOC2 Type II (formerly SAS70) compliance, as well as PCI Data Security Standard accreditation and we have successfully been audited to show that we correctly abide by all auditing and security requirements.



The infographic is titled "Security / Compliance" and is divided into three main sections. The first section is "Statement on Auditing Standards SOC2 Compliance", which lists that it is designed for service organizations, audited by AICPA, has a written description of controls, and is an independent auditor's report in accordance with AT Section 101. It also notes that Type I is relatively easy and Type II is much more difficult. The second section is "Payment Card Industry (PCI) Data Security Standard (DSS)", which is designed for the credit card industry, mandated for merchants and service providers, and involves complex reporting requirements and management of security policies, network architecture, and software design. The third section is "HIPAA", which covers privacy and data exchange. Logos for AICPA SOC, PCI Security Standards Council, and HHS are included.

- Cost savings utilizing Databank IMX's Texas State Contract for Scanning Services using Texas DIR.
Contract number DIR-SDD-2178.

DataBank facilities all contain the following:

- Physical Security and Access Control Systems – access to our facility and secure areas require the use of both a magnetic employee card as well as, a finger print authorization.
- Environmental Controls – to maintain proper air conditioning and heating at all times. Backup Generators allow for no power outage.
- Automatic Fire Detection – proper fire detection and suppression is present at all facilities.
- Emergency Opening and Alarm Activation – each facility contains the compliant government and safety code equipment to meet all standards.
- Police and Fire monitoring takes place 24 hours per day and 365 days per year.
- All employees are trained on the proper handling of documents and no food or drinks are allowed in the client production or storage areas.
- In addition, all client documents are transported in closed and locked vehicles and each company driver has been trained in the proper methodology to secure documents to ensure the safety and protection of each document.

EXHIBIT A

STATEMENT OF WORK

2 Implementation Plan

2.1 Schedule

Databank IMX will work directly with the City staff to provide a fast and effective means of completing work. Our team understands the interference that can be created by a scanning project and takes specific steps to minimize the interruption. Upon approval of quote, Databank IMX will assign a project manager specifically for this project and will coordinate all schedules and timeline with the City once the records are scanned and indexed, at our secure facility in Carrollton, Texas. Pickup will be scheduled for Monday afternoon and Friday afternoon deliveries.

It is the desire of the City to start this project in as soon as possible for a completion date of September 30, 2016.

3 Qualifications

Databank IMX is uniquely qualified to deliver this solution. Starting in 1995, our team has been creating, managing, and providing records capture, indexing, and customized solutions for Texas counties. With the recent acquisition of Scantiva, and Cogniserv, Databank IMX has gained a vast amount of experience and knowledge with the new team.

Costs

Price includes the following deliverables and services:

- High resolution 300dpi scanning with high quality document and book scanners
- QC, rescans if needed once scanned
- Basic Image Processing for pages needing basic image cleanup-Border removal.
- Indexing Services and formatting per Laserfiche specifications
- Indexing specs-per department specifications-
 - Building Permits
 - Address
 - Subdivision
 - Block
 - Lot
 - Capital improvements
 - Address
 - Project name
 - Development name
 - Year approved
 - Plans
 - Address
 - Project name
 - Date
 - Plan title

EXHIBIT A STATEMENT OF WORK

- Private Development
 - Address
 - Subdivision
 - Applicant developer
 - Development type
 - Year approved
- Right of way
 - Address
 - Lot
 - Project name
 - Development type
 - Year approved
 -
- Hard drive or FTP copy delivered to City for import into Laserfiche
- Pickup and Delivery of records in 15-20 box batches per week
- Billing is NET 30 for work performed each month.

EXHIBIT B STATEMENT OF WORK

		Number of boxes/maps	Cost per box/map	Indexing Cost per Record	Total
Black & White or Grayscale Scanning at 300 DPI includes prep, scanning of paper, image cleanup and indexing of 4 fields. OCR data to load into laserfiche		130 boxes est	\$285.00	Included	\$37,050.00
City of Corinth staff will box up records each week (15-20) boxes for pickup during initial startup. Goal would be 25-30 boxes per week after 1 month.					
Oversized maps		12,768 est maps	\$2.25 per map	included	\$27,000.00
Pick and delivery of books					included
Preliminary assessment Cost					\$64,050.00- \$67,000.00
Optional Services Below					
Microfilm backup	\$75.00 per roll				

Agreed to:

City of Corinth

By:

_____ Authorized signature

Title: _____

Name (type or print): _____

Date: _____

Agreed to:

Databank IMX

By:

_____ Authorized signature

Title: _____

Name (type or print): _____

Date: _____

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: Solid Waste Rate

Submitted For: Lee Ann Bunselmeyer, Acting City Manager

Submitted By: Lee Ann Bunselmeyer, Acting City Manager

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on an ordinance approving a rate increase for the collection of Solid Waste in the master fee schedule and providing an effective date.

AGENDA ITEM SUMMARY/BACKGROUND

On December 6, 2012 the City Council approved a five year contract with an option for three one-year renewals with Community Waste Disposal for solid waste collections. The contract included provisions that on April 1, 2014 or on April 1 of any year thereafter, Community Waste Disposal could request an annual market adjustment. The contract stipulates that the rate request be based upon the change in the Consumer Price Index (CPI) each March (U.S. City Average, All Urban Consumers, Not Seasonally Adjusted, All Items Less Food and Energy) from March 1 of the previous year.

On March 24, 2016 Community Waste Disposal submitted a request for a 1.6% market adjustment effective October 1, 2016. The table below reflects a sample of the adjustment for Corinth's customer base. The rates below include the City's franchise fee of 7.5%, which equates to \$0.66 for residential and \$0.58 for Senior Residential. A comprehensive list of solid waste collection rates is included in the ordinance attached.

Rate Description	Current Rate	Proposed Rate	Increase
Residential Rate	\$9.34	\$9.50	\$0.16
Senior Residential Rate	\$8.23	\$8.36	\$0.13

RECOMMENDATION

Staff recommends approving the Solid Waste Rates, as presented by Community Waste Disposal and providing an effective date of October 1, 2016.

Attachments

Ordinance

ORDINANCE NO. 16-04-21-

AN ORDINANCE OF THE CITY OF CORINTH AMENDING SECTION 52.07 OF THE CORINTH CODE OF ORDINANCES RELATING TO CHARGES FOR CERTAIN REFUSE AND RECYCLING SERVICES; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Corinth is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, on March 24, 2016, Community Waste Disposal requested that certain rates be increased; and

WHEREAS, the City Council of the City of Corinth deems it necessary to amend Section 52.07 of the Corinth Code of Ordinances to amend the rates for collection and disposition of certain garbage and refuse within the City; **NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS:**

SECTION 1.

That subsection (A) of Section 52-07 of the Code of Ordinances of the City of Corinth, Texas is hereby amended to read as follows:

“§ 52.07 GARBAGE COLLECTION FEES.

(A) Fees for the collection of garbage and recycling from a residential unit are as follows:

<i>Collection</i>	<i>Fee</i>
Weekly pickup/recycling/on demand household hazardous waste pickup.	\$9.50
Weekly pickup/recycling (Senior Citizens - 65 years)	\$8.36

SECTION 2.

That subsections (D)(3) and (D)(5) of Section 52-07 of the Code of Ordinances of the City of Corinth, Texas are hereby amended to read as follows:

“§ 52.07 GARBAGE COLLECTION FEES.

...
(D)
...

(3) Front load container rates:

A fee of \$6.08 per pickup will be charged for gates, locks and casters:

<u>Size/Pickup</u>	<u>1xWeek</u>	<u>2xWeek</u>	<u>3xWeek</u>	<u>4xWeek</u>	<u>5xWeek</u>	<u>6xWeek</u>	<u>Extra</u>
2 Cu Yd	50.14	96.48	130.99	157.26	197.82	264.15	37.61
3 Cu Yd	55.41	106.23	142.36	169.49	222.13	284.78	38.72
4 Cu Yd	80.53	156.59	215.83	278.39	337.92	402.97	39.82
6 Cu Yd	101.43	163.77	229.75	302.58	357.60	445.18	42.03
8 Cu Yd	114.01	207.03	286.04	372.94	462.12	551.06	43.15

...

(5) Compactors: *

6 Cubic Yard Per Haul (Including Disposal)	63.98
8 Cubic Yard Per Haul (Including Disposal)	79.19
30 Cubic Yard Per Haul (Including Disposal)	280.23
35 Cubic Yard Per Haul (Including Disposal)	280.23
42 Cubic Yard Per Haul (Including Disposal)	280.23

* These rates include disposal fees for a haul of four tons. There is an additional fee of \$31.60 per ton for loads exceeding four tons. Loads that exceed 54,000 lbs. will be charged an additional \$79.01 for each ton in excess of 54,000 pounds.”

**SECTION 3.
CUMULATIVE CLAUSE**

This ordinance shall be cumulative of all provisions of ordinances of the City of Corinth, Texas, relating to garbage except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

**SECTION 4.
SAVINGS CLAUSE**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the inclusion in this ordinance of any such unconstitutional phrase, clause, sentence paragraph or section.

**SECTION 5.
EFFECTIVE DATE**

This ordinance shall become effective upon its approval.

PASSED AND APPROVED ON THIS 21st DAY OF APRIL, 2016.

BILL HEIDEMANN, MAYOR

ATTEST:

KIMBERLY PENCE, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

DEBRA A. DRAYOVITCH, CITY ATTORNEY

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: Tree Mitigation Fund

Submitted For: Fred Gibbs, Director

Submitted By: Chris Rodriguez, Financial Services Manager

Finance Review: Yes

Legal Review: N/A

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on an Ordinance of the City of Corinth, Texas approving an amendment to the Fiscal Year 2015-16 City of Corinth Budget and Annual Program of Services to provide for the expenditure of funds from the Tree Mitigation Fund for the purchase of trees for the Shady Rest Lane project and the Community Park Soccer Complex.

AGENDA ITEM SUMMARY/BACKGROUND

The current FY 2015-16 City of Corinth Annual Program of Services does not include a budget for the Tree Mitigation Fund. This fund was approved by City Council and established by Ordinance 15-11-19-23 on November 19, 2015. This fund was established to receive the Fee in Lieu of Replacement Trees paid by developers if certain criteria is met and approved by City Council.

The Tree Fund can be used only for the following purposes: to purchase, plant and irrigate trees on public property, to preserve wooded property that remains in a naturalistic state in perpetuity, to perform and maintain a city-wide tree inventory and to educate citizens and developers on the benefits and value of trees.

A budget amendment in the amount of \$14,220 is proposed to purchase and plant trees on Shady Rest Lane and \$11,800 is proposed to purchase and plant trees on the Community Park Soccer Complex. It is recommended this be funded out of the Tree Mitigation Fund balance, which has a fund balance of \$172,956 as of the March 2016 Financials.

RECOMMENDATION

Staff recommends the City Council approve the budget amendment and provide for the expenditure of funds from the Tree Mitigation Fund for the purchase and planting of trees for the Shady Rest Lane project and the Community Park Soccer Complex.

Attachments

Budget Amendment

ORDINANCE NO. 16-04-21-___

AN ORDINANCE OF THE CITY OF CORINTH, TEXAS APPROVING AN AMENDMENT TO THE FISCAL YEAR 2015-2016 CITY OF CORINTH BUDGET AND ANNUAL PROGRAM OF SERVICES TO PROVIDE FOR EXPENDITURES OF FUNDS TO PAY FOR TREES ON SHADY REST AND THE COMMUNITY PARK SOCCER FIELDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Corinth is a home-rule municipality acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the local Government Code; and

WHEREAS, the City Council adopted a budget and appropriated resources for the budget year beginning October 1, 2015, and ending September 30, 2016; and

WHEREAS, the current adopted budget for fiscal year 2015-2016 does not have adequate funding to pay \$26,020 for trees on Shady Rest and the Community Park soccer fields; and

WHEREAS, the City Council deems it appropriate and necessary to amend the budget to reflect expenditures to pay \$26,020 for trees on Shady Rest and the Community Park soccer fields; and

WHEREAS, the Council finds that this budget amendment is consistent with § 9.05 of the City Charter and the proposed change in the budget is for a municipal purpose; **NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CORINTH HEREBY ORDAINS:**

SECTION I

The findings set forth in the above preamble to this Ordinance are true and correct.

SECTION II

Ordinance No. 15-09-17-18, the budget for the fiscal year beginning October 1, 2015, and ending September 30, 2016 shall be amended as follows:

Twenty-six thousand and twenty dollars (\$26,020); shall be appropriated into the Expenditures Line Items for the Tree Mitigation Fund budget from the unappropriated Fund Balance of the Tree Mitigation Fund.

Ordinance No. 16-04-21____

SECTION III

The City of Corinth Budget and Annual Program of Services is hereby amended to appropriate the sum of **\$26,020** from the unappropriated Fund balance of the Tree Mitigation Fund for trees on Shady Rest and the Community Park soccer fields. Further, the City Council affirms its approval of the expenditure of funds for the afore-mentioned purposes.

SECTION IV

The City Secretary is hereby directed to attach a copy of this Ordinance to Ordinance No. 15-09-17-18.

SECTION V

Pursuant to Section 102.009 of the Texas Local Government Code, the municipal budget officer is directed to file a true copy of this amendment with the Denton County Clerk. If the mayor objects to this ordinance, it shall be adopted by a majority of the entire City Council.

SECTION VI

This Ordinance shall be in full force and effect after its passage, and it is so ordained.

PASSED AND APPROVED ON THIS THE 21st DAY OF APRIL 2016.

SEAL

Bill Heidemann, Mayor

ATTEST:

Kimberly Pence, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Debra Drayovitch, City Attorney

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: Capital Improvement Program Budget Adjustment

Submitted For: Lee Ann Bunselmeyer, Acting City Manager

Submitted By: Lee Ann Bunselmeyer, Acting City Manager

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on approval of project budget adjustments for the Capital Improvement Program (CIP).

AGENDA ITEM SUMMARY/BACKGROUND

It is expected and routine with any capital project to encounter the need to adjust the funding levels between project accounts. This becomes necessary due to the preliminary nature of the Engineer's estimate and the reality of actually constructing the project. Listed below are necessary adjustments to finalize the accounting for completed projects and to reallocate funds to various projects in progress.

2007 CERTIFICATES OF OBLIGATION:

The bonds were issued in August 2007 for 1) constructing and improving streets and roads 2) constructing, installing improvements to the City's waterworks and sanitary sewer system, 3) computers and technology equipment and upgrades for the City's information technology and communication system 4) acquiring and installing security and fire suppression systems for City buildings 5) legal, fiscal and engineering fees in connection with such projects, and 6) to pay costs associated with the issuance of bonds.

Out of the twenty four (24) budgeted projects only the Shady Rest Lane project remains in progress. Due to construction delays and change orders in the Shady Rest project the following budget adjustment is needed, which includes additional funding of \$51,670. The remaining amount of \$129,464, due to savings in the Pinnell Point Drainage, Ground Storage Tank projects, and unallocated interest will be allocated to the Lake Sharon Extension project for costs associated with the addition of the box culvert to mitigate the rise in the floodway and right-of-way acquisition. This fund will be closed effective September 30, 2016 and the remaining balance in budgeted issuance costs and unallocated interest will be transferred to Fund 200 - General Debt Service Fund.

Project Name	Fund	Project Status	Project Budget	Budget Adjustment	Revised Project Budget	Total Obligations	Available Budget
1.5 MG Ground Storage Tank	800	Complete	\$2,100,000	(\$41,646)	\$2,058,354	\$2,058,354	\$0
Shady Rest Lane - Streets	703	In Progress	\$1,060,500	\$211,763	\$1,272,263	\$1,272,263	\$0
Shady Rest Lane - Water	800	In Progress	\$61,000	\$12,567	\$73,567	\$73,567	\$0
Shady Rest Lane - Drainage	802	In Progress	\$433,500	(\$172,660)	\$260,840	\$260,840	\$0
FM 2181 Relocations	800	Complete	\$4,663,438	\$3,844	\$4,667,282	\$4,667,282	\$0
Pinnell Point Drainage	802	Complete	\$388,423	(\$140,000)	\$248,423	\$248,423	\$0
Lake Sharon Extension	703	In Progress	\$0	\$129,464	\$129,464	\$129,464	\$0

Issuance Costs			\$136,897	\$0	\$136,897	\$76,195	\$60,702
Unallocated Interest / Proceeds	703,704 800,801 802		\$3,332	(\$3,332)	\$0	\$0	\$0
Total			\$8,847,090	\$0	\$8,847,090	\$8,786,388	\$60,702

2010 CERTIFICATES OF OBLIGATION:

The bonds were issued in December 2010 to purchase replacement vehicles and equipment for the Fire Department and to pay costs associated with the issuance of bonds.

Project savings were used to replace all of the radio equipment for the Outdoor Warning system including radios, the repeater, antennas and base stations. This backup is used in case Denton County has a radio system failure, and it is used for Public Works coordination during storms. The system was in a frequency band that was closed by the Federal Government and the city had to apply for a new license for different frequencies to run our system. After the budget adjustment of \$17,056 shown below, the fund will have a balance of \$1,142. All projects budgeted out of this fund have been completed and this fund will be closed effective September 30, 2016. The remaining fund balance of unallocated interest and bond proceeds will be transferred to Fund 200 - General Debt Service Fund.

Project Name	Fund	Project Status	Project Budget	Budget Adjustment	Revised Project Budget	Total Obligations	Available Budget
Rescue Tools	705	Complete	\$346,631	(\$9,391)	\$337,240	\$337,240	\$0
Radio System	705	Complete	\$0	\$17,056	\$17,056	\$17,056	\$0
Issuance Costs/ Admin Fees	705	Complete	\$29,538	\$0	\$29,538	\$29,158	\$380
Unallocated Interest / Proceeds	705		\$8,427	(\$7,665)	\$762	\$0	\$762
Total			\$384,596	\$0	\$384,596	\$383,454	\$1,142

GENERAL CAPITAL PROJECT FUND:

The General Capital project fund was created in 2012 to limit or eliminate the issuance of debt by funding capital expenditures with current revenues and the use of fund balance for Streets, Parks, Facilities and Communication Equipment.

The budget adjustment below reallocates a total of \$58,522 from project savings (from the Community Park Improvements and Tower Ridge projects) to the Public Safety Facility and Lake Sharon Extension Projects. The adjustment on the Public Safety Facility project of \$19,651 will fund the building assessment and appraisal on the Joint Public Safety Facility proposed site. Additional funding for the Lake Sharon project of \$38,871 is needed for unanticipated costs associated with the addition of the box culvert to mitigate the rise in the floodway.

Project Name	Fund	Project Status	Project Budget	Budget Adjustment	Revised Project Budget	Total Obligations	Available Budget
Public Safety Facility	193	Complete	\$60,000	\$19,651	\$79,651	\$79,651	\$0
Public Safety Communication System	193	In Progress	\$600,000	\$0	\$600,000	\$525,813	\$74,187

Lake Sharon Extension	193	In Progress	\$1,500,000	\$38,871	\$1,538,871	\$311,308	\$1,227,563
I-35 Aesthetics & Entryway Features	193	In Progress	\$425,000	\$0	\$425,000	\$0	\$425,000
Community Park Improvements	193	Complete	\$868,345	(\$3,648)	\$864,697	\$864,697	\$0
Tower Ridge	193	Complete	\$1,045,000	(\$54,874)	\$990,126	\$990,126	\$0
Unallocated Interest	193		\$28,828	\$0	\$28,828	\$0	\$28,828
Total			\$4,527,173	\$0	\$4,527,173	\$2,771,595	\$1,755,578

RECOMMENDATION

Staff recommends approval of the budget adjustment to the capital project funds.

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: Issue of certificates of obligation

Submitted By: Lee Ann Bunselmeyer, Acting City Manager

Finance Review:

Legal Review:

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider adoption of an ordinance authorizing the issuance and sale of City of Corinth, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2016; levying an annual ad valorem tax and providing for the security for and payment of said certificates; approving the official statement; providing an effective date; an enacting other provisions relating to the subject.

AGENDA ITEM SUMMARY/BACKGROUND

On February 4, 2016, the City Council approved a Intent to Sell resolution to issue certificates of obligation for Capital Projects. The notice was published on February 11 and February 18, 2016 in the Denton Record Chronicle. The certificates are being sold for 1) Constructing and improving streets and roads, 2) City Hall facilities and equipment, and 3) Public Safety facilities, equipment and furniture and will include the costs of issuance.

Bond proceeds from the 2016 Certificates of Obligation will fund the following projects:

- Public Safety Joint Facility and Fire Station No. 3 - \$12 million
- Lake Sharon Road Extension - \$2.5 million
- Facility Renovations/Improvements to City Hall and Fire Station No.2 - \$500,000

The attached ordinance is complete except for information that will be inserted when the terms of sale are determined at the City Council meeting on April 21, 2016.

RECOMMENDATION

Staff recommends adoption of the ordinance authorizing the issuance and sale of Certifications of Obligations, Series 2016 and the approval of the official statement..

Attachments

Ordinance

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF CORINTH, TEXAS, COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2016; LEVYING AN ANNUAL AD VALOREM TAX AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID CERTIFICATES; APPROVING THE OFFICIAL STATEMENT; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

THE STATE OF TEXAS §
COUNTY OF DENTON §
CITY OF CORINTH §

WHEREAS, the City Council of the City of Corinth, Texas (the "Issuer"), deems it advisable to issue Certificates of Obligation in the amount of \$15,310,000 for the purposes hereinafter set forth;

WHEREAS, the Certificates of Obligation hereinafter authorized and designated are to be issued and delivered for cash pursuant to Subchapter C of Chapter 271, Local Government Code and Subchapter B, Chapter 1502, Government Code;

WHEREAS, the City Council has heretofore passed a resolution authorizing and directing the City Secretary to give notice of intention to issue Certificates of Obligation, and said notice has been duly published in a newspaper of general circulation in said City, said newspaper being a "newspaper" as defined in §2051.044, Texas Government Code;

WHEREAS, the City received no petition from the qualified electors of the City protesting the issuance of such Certificates of Obligation;

WHEREAS, it is considered to be to the best interest of the City that said interest-bearing Certificates of Obligation be issued to pay costs related to constructing, improving, acquiring and equipping the public improvements described below; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Tex. Gov't Code Ann. ch. 551; Now, Therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS:

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE CERTIFICATES. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The certificates of the City of Corinth, Texas (the "Issuer"), are hereby authorized to be issued and delivered in the aggregate principal amount of \$15,310,000 for paying all or a portion of the Issuer's contractual obligations incurred in connection with (i) constructing and improving streets, roads, alleys and sidewalks, and related utility relocation, drainage, signalization, landscaping, lighting and signage; (ii) constructing and equipping improvements and renovations to City Hall; (iii) acquiring, improving and equipping a public safety facility for the police and fire departments; (iv) constructing and equipping a new fire station and improvements to existing fire stations; (v) constructing, acquiring, installing and equipping additions, extensions and improvements to the City's waterworks and sewer system; and (vi) paying legal, fiscal and engineering fees in connection with such projects (collectively, the "Project").

Section 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS, AND MATURITIES AND INTEREST RATES OF CERTIFICATES. Each certificate issued pursuant to this Ordinance shall be designated: "CITY OF CORINTH, TEXAS, COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATE OF OBLIGATION, SERIES 2016," and initially there shall be issued, sold, and delivered hereunder one fully registered certificate, without interest coupons, dated April 15, 2106, in the principal amount stated above and in the denominations hereinafter stated, numbered T-1, with certificates issued in replacement thereof being in the denominations and principal amounts hereinafter stated and numbered consecutively from R-1 upward, payable to the respective Registered Owners thereof (with the initial certificate being made payable to the initial purchaser as described in Section 10 hereof), or to the registered assignee or assignees of said certificates or any portion or portions thereof (in each case, the "Registered Owner"), and said certificates shall mature and be payable serially on February 15 in each of the years and in the principal amounts, respectively, and shall bear interest from the dates set forth in the FORM OF CERTIFICATE set forth in Section 4 of this Ordinance to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the following schedule:

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rates</u>	<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rates</u>
2019	\$ 160,000		2028	\$ 885,000	
2020	405,000		2029	910,000	
2021	755,000		2030	940,000	
2022	765,000		2031	975,000	
2023	780,000		2032	1,010,000	
2024	795,000		2033	1,045,000	
2025	815,000		2034	1,085,000	
2026	835,000		2035	1,125,000	
2027	860,000		2036	1,165,000	

The term "Certificates" as used in this Ordinance shall mean and include collectively the certificates initially issued and delivered pursuant to this Ordinance and all substitute certificates exchanged therefor, as well as all other substitute certificates and replacement certificates issued pursuant hereto, and the term "Certificate" shall mean any of the Certificates.

Section 3. CHARACTERISTICS OF THE CERTIFICATES.

(a) Appointment of Paying Agent/Registrar. The Issuer hereby appoints _____, _____, _____, to serve as paying agent and registrar for the Certificates (the "Paying Agent/Registrar"). The Mayor or City Manager is authorized and directed to execute and deliver in the name and on behalf of the Issuer a Paying Agent/Registrar Agreement with the Paying Agent/Registrar in substantially the form presented at this meeting.

(b) Registration, Transfer, Conversion and Exchange. The Issuer shall keep or cause to be kept at the corporate trust office of the Paying Agent/Registrar books or records for the registration of the transfer, conversion and exchange of the Certificates (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the

registered owner of each Certificate to which payments with respect to the Certificates shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Certificate or Certificates. Registration of assignments, transfers, conversions and exchanges of Certificates shall be made in the manner provided and with the effect stated in the FORM OF CERTIFICATE set forth in this Ordinance. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate.

(c) Authentication. Except as provided in subsection (i) of this section, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate, date and manually sign said Certificate, and no such Certificate shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Certificates and Certificates surrendered for conversion and exchange. No additional ordinances, orders or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing conversion and exchange of any Certificate or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Certificates in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of conversion and exchange of Certificates as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the converted and exchanged Certificate shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Certificates which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(d) Payment of Principal and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Certificates, and of all conversions and exchanges of Certificates, and all replacements of Certificates, as provided in this Ordinance. However, in the event of a nonpayment 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 Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 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 registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(e) Payment to Registered Owner. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Registration Books as the absolute owner of such Certificate for the purpose of payment of principal and interest with respect to such Certificate, for the purpose of registering transfers with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of and interest on the Certificates to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall

receive a Certificate certificate evidencing the obligation of the Issuer to make payments of principal and interest pursuant to this Ordinance.

(f) Paying Agent/Registrar. The Issuer covenants with the registered owners of the Certificates that at all times while the Certificates are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution or other agency to act as and perform the services of Paying Agent/Registrar for the Certificates under this Ordinance, and that the Paying Agent/Registrar will be one entity. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(g) Substitute Paying Agent/Registrar. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Certificates, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Certificates, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar.

(g) Book-Entry Only System. The Certificates issued in exchange for the Certificates initially issued to the purchaser or purchasers specified herein shall be initially issued in the form of a separate single fully registered Certificate for each of the maturities thereof and the ownership of each such Certificate shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC"), and except as provided in subsections (i) and (j) of this Section, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(h) Blanket Letter of Representations. The previous execution and delivery of the Blanket Letter of Representations with respect to obligations of the Issuer is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Certificates. Notwithstanding anything to the contrary contained herein, while the Certificates are subject to DTC's Book-Entry Only System and to the extent permitted by law, the Letter of Representations is hereby incorporated herein and its provisions shall prevail over any other provisions of this Ordinance in the event of conflict.

(i) Certificates Registered in the Name of Cede & Co. With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of Certificates, as shown on the Registration Books, of any notice with respect to the Certificates, or (iii) the payment to any DTC Participant or any other person, other than a

registered owner of Certificates, as shown in the Registration Books of any amount with respect to principal of or interest on the Certificates. 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 being mailed to the registered owner at the close of business on the Record date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(j) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Issuer to DTC or that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts. In such event, the Certificates shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

(k) Payments to Cede & Co. 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 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 of the Issuer to DTC.

(l) General Characteristics of the Certificates. The Certificates (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates to be payable only to the Registered Owners thereof, (ii) may and shall be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Certificates, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Certificates shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Certificates, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF CERTIFICATE set forth in this Ordinance. The Certificates initially issued and delivered pursuant to this Ordinance is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Certificate issued in conversion of and exchange for any Certificate or Certificates issued under this Ordinance the Paying Agent/Registrar shall execute the Paying Agent/Registrar's Authentication Certificate, in the FORM OF CERTIFICATE set forth in this Ordinance.

(m) Cancellation of Initial Certificate. On the closing date, one initial Certificate representing the entire principal amount of the Certificates, payable in stated installments to the order of the initial purchaser of the Certificates or its designee, executed by manual or facsimile signature of the Mayor and City Secretary, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to such purchaser or its designee. Upon payment for the initial Certificate, the Paying Agent/Registrar shall insert the Delivery Date on Certificate No. T-1, cancel each of the initial Certificates and deliver to The Depository Trust Company ("DTC") on behalf of such purchaser one registered definitive Certificate for each year of maturity of the Certificates, in the aggregate principal amount of all of the Certificates for such maturity, registered in the name of Cede & Co., as nominee of DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System,

pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Certificates in safekeeping for DTC.

Section 4. FORM OF CERTIFICATES. The form of the Certificates, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Certificates initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance.

(a) Form of Certificate.

NO. R-	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF CORINTH, TEXAS COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATE OF OBLIGATION SERIES 2016	PRINCIPAL AMOUNT \$ _____
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Interest Rate	Delivery Date	Maturity Date	CUSIP No.
	May 19, 2016	February 15, ____	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

ON THE MATURITY DATE specified above, the City of Corinth, in Denton County, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above. The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date specified above at the Interest Rate per annum specified above. Interest is payable on February 15, 2017 and semiannually on each August 15 and February 15 thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except, if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Certificate are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate shall be paid to the registered owner hereof upon presentation and surrender of this Certificate at maturity, or upon the date fixed for its redemption prior to maturity, at the principal corporate trust office of _____, _____, _____, which is the "Paying Agent/Registrar" for this Certificate. The payment of interest on this Certificate shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment

date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the ordinance authorizing the issuance of this Certificate (the "Certificate Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared at the close of business on the last business day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Certificate appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Certificate prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Certificate for redemption and payment at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Certificate that on or before each principal payment date and interest payment date for this Certificate it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Certificate Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates, when due.

IF THE DATE for the payment of the principal of or interest on this Certificate shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the principal 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 that is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE is one of a series of Certificates dated April 15, 2106, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$15,310,000 for paying all or a portion of the Issuer's contractual obligations incurred in connection with constructing and improving streets, roads, alleys and sidewalks, and related utility relocation, drainage, signalization, landscaping, lighting and sign age; constructing and equipping improvements and renovations to City Hall; acquiring, improving and equipping a public safety facility for the police and fire departments; constructing and equipping a new fire station and improvements to existing fire stations; constructing, acquiring, installing and equipping additions, extensions and improvements to the City's waterworks and sewer system; and paying legal, fiscal and engineering fees in connection with such projects.

ON FEBRUARY 15, 2026, or on any date thereafter, the Certificates of this series may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Certificates, or portions thereof, to be redeemed shall be selected and designated by the Issuer (provided that a portion of a Certificate may be redeemed only in an integral multiple of \$5,000), at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

AT LEAST 30 days prior to the date fixed for any redemption of Certificates or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption, to the registered owner of each Certificate to be redeemed at its address as it appeared on the 45th day prior to such redemption date; provided, however, that the failure of the registered owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Certificate. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates or portions thereof that are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Certificates or portions thereof that are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Certificate shall be redeemed, a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Certificate Ordinance.

IF AT THE TIME OF MAILING of notice of optional redemption there shall not have either been deposited with the Paying Agent/Registrar or legally authorized escrow agent immediately available funds sufficient to redeem all the Certificates called for redemption, such notice may state that it is conditional, and is subject to the deposit of the redemption moneys with the Paying Agent/Registrar or legally authorized escrow agent at or prior to the redemption date. If such redemption is not effectuated, the Paying Agent/Registrar shall, within five days thereafter, give notice in the manner in which the notice of redemption was given that such moneys were not so received and shall rescind the redemption.

ALL CERTIFICATES OF THIS SERIES are issuable solely as fully registered certificates, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Certificate Ordinance, this Certificate may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered certificates, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Certificate to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Certificate Ordinance. Among other requirements for such assignment and transfer, this Certificate must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Certificate or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange (i)

during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Certificate or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Certificates is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Certificate Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Certificates.

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Certificate have been performed, existed and been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said Issuer, and have been pledged for such payment, within the limit prescribed by law, and that this Certificate is additionally secured by and payable from a limited pledge of the Surplus Revenues of the Issuer's waterworks and sewer system remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve and other requirements in connection with all of the Issuer's revenue obligations (now or hereafter outstanding) that are payable from all or part of said revenues, all as provided in the Certificate Ordinance.

THE ISSUER HAS RESERVED THE RIGHT to amend the Certificate Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Certificates.

BY BECOMING the registered owner of this Certificate, the registered owner thereby acknowledges all of the terms and provisions of the Certificate Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Certificate Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Certificate and the Certificate Ordinance constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Certificate to be signed with the manual or facsimile signature of the Mayor of the Issuer (or in the Mayor's absence, by the Mayor Pro Tem) and countersigned with the manual or facsimile signature of the City Secretary of said Issuer (or in the City Secretary's absence, by the Assistant City Secretary), and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Certificate.

(signature)
City Secretary

(signature)
Mayor

(SEAL)

(b) Form of Paying Agent/Registrar's Authentication Certificate.

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Certificate is not accompanied by an executed Registration
Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Certificate has been issued under the provisions of the Certificate Ordinance described in the text of this Certificate; and that this Certificate has been issued in conversion or replacement of, or in exchange for, a certificate, certificates, or a portion of a certificate or certificates of a series that originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____, _____, Texas
Paying Agent/Registrar

By: _____
Authorized Representative

(c) Form of Assignment.

ASSIGNMENT
(Please type or print clearly)

For value received, the undersigned hereby sells, assigns and transfers
unto: _____

Transferee's Social Security or Taxpayer Identification Number: _____

Transferee's name and address, including zip code: _____

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

Dated: _____.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Certificate in every particular, without alteration or enlargement or any change whatsoever.

(d) Form of Registration Certificate of the Comptroller of Public Accounts.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that there is on file and of record in my office a true and correct copy of the opinion of the Attorney General of the State of Texas approving this Certificate and that this Certificate has been registered this day by me.

Witness my signature and seal this _____.

Comptroller of Public Accounts of the State of

Texas

(COMPTROLLER'S SEAL)

(e) Initial Certificate Insertions.

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

A. immediately under the name of the Certificate, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. _____" shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"THE CITY OF CORINTH, TEXAS, in Denton County, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on February 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

Years	Principal Installments	Interest Rates
_____	_____	_____

(Information from Section 2 to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date specified above at the respective Interest Rate per annum specified above. Interest is payable on February 15, 2017, and semiannually on each August 15 and February 15 thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full."

C. The Initial Certificate shall be numbered "T-1."

Section 5. INTEREST AND SINKING FUND; SURPLUS REVENUES.

(a) A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the Issuer as a separate fund or account and the funds therein shall be deposited into and held in an account at an official depository bank of said Issuer. Said Interest and Sinking Fund shall be kept separate and apart

from all other funds and accounts of said Issuer, and shall be used only for paying the interest on and principal of said Certificates. All amounts received from the sale of the Certificates as accrued interest shall be deposited upon receipt to the Interest and Sinking Fund, and all ad valorem taxes levied and collected for and on account of said Certificates shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Certificates are outstanding and unpaid, the governing body of said Issuer shall compute and ascertain a rate and amount of ad valorem tax that will be sufficient to raise and produce the money required to pay the interest on said Certificates as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Certificates as such principal matures (but never less than 2% of the original amount of said Certificates as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said Issuer, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said Issuer, for each year while any of said Certificates are outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Certificates, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

(b) The Certificates are additionally secured by a limited pledge, not to exceed \$1,000, of revenues of the Issuer's waterworks and sewer system that remain after the payment of all maintenance and operation expenses thereof, and all debt service, reserve and other requirements in connection with all of the Issuer's revenue obligations (now or hereafter outstanding) that are secured by a lien on all or any part of the net revenues of the Issuer's waterworks and sewer system, constituting "Surplus Revenues". The Issuer shall deposit such Surplus Revenues to the credit of the Interest and Sinking Fund created pursuant to subsection (a) of this section, to the extent necessary to pay the principal and interest on the Certificates. Notwithstanding the requirements of subsection (a) of this section, if Surplus Revenues or other lawfully available moneys of the Issuer are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been required to be levied pursuant to Section 6 may be reduced to the extent and by the amount of the Surplus Revenues or other lawfully available funds then on deposit in the Interest and Sinking Fund.

(c) Article 1208, Government Code, applies to the issuance of the Certificates of Obligation and the pledge of the taxes and Surplus Revenues granted by the Issuer under this Section and Section 9, respectively, and is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Certificates of Obligation are outstanding and unpaid, the result of such amendment being that the pledge of the taxes and Surplus Revenues granted by the Issuer under this Section and Section 9, respectively, is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, in order to preserve to the registered owners of the Certificates of Obligation a security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing of a security interest in said pledge to occur.

Section 6. DEFEASANCE OF CERTIFICATES.

(a) Any Certificate and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Certificate") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Certificate, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful

money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates shall have become due and payable. At such time as a Certificate shall be deemed to be a Defeased Certificate hereunder, as aforesaid, such Certificate and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. 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 subsection 6(a)(i) or (ii) shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Issuer 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 making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Certificates and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Certificates may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection 6(a)(i) or (ii). All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Certificates, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

(c) The term "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to refund, retire or otherwise discharge obligations such as the Certificates.

(d) Until all Defeased Certificates shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) In the event that the Issuer elects to defease less than all of the principal amount of Certificates of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Certificates by such random method as it deems fair and appropriate.

Section 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES.

(a) Replacement Certificates. In the event any outstanding Certificate is damaged, mutilated, lost, stolen or destroyed, the Paying Agent/Registrar shall cause to be printed, executed and delivered, a new certificate of the same principal amount, maturity and interest rate, as the damaged, mutilated, lost, stolen or destroyed Certificate, in replacement for such Certificate in the manner hereinafter provided.

(b) Application for Replacement Certificates. Application for replacement of damaged, mutilated, lost, stolen or destroyed Certificates shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft or destruction of a Certificate, the registered owner applying for a replacement certificate shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Certificate, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Certificate, as the case may be. In every case of damage or mutilation of a Certificate, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Certificate so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Certificate shall have matured, and no default has occurred that is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Certificate, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Certificate) instead of issuing a replacement Certificate, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Certificates. Prior to the issuance of any replacement certificate, the Paying Agent/Registrar shall charge the registered owner of such Certificate with all legal, printing, and other expenses in connection therewith. Every replacement certificate issued pursuant to the provisions of this Section by virtue of the fact that any Certificate is lost, stolen or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen or destroyed Certificate shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Certificates duly issued under this Ordinance.

(e) Authority for Issuing Replacement Certificates. In accordance with Sec. 1206.022, Government Code, this Section 7 of this Ordinance shall constitute authority for the issuance of any such replacement certificate without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such certificates is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificates in the form and manner and with the effect, as provided in Section 3(a) of this Ordinance for Certificates issued in conversion and exchange for other Certificates.

Section 8. CUSTODY, APPROVAL, AND REGISTRATION OF CERTIFICATES; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED; ENGAGEMENT OF BOND COUNSEL.

(a) The Mayor of the Issuer is hereby authorized to have control of the Certificates initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Certificates pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Certificates said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificates, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Certificates issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Certificates. In addition, if bond insurance is obtained, the Certificates may bear an appropriate legend as provided by the insurer.

(b) The obligation of the initial purchaser to accept delivery of the Certificates is subject to the initial purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the Issuer, which opinion shall be dated as of and delivered on the date of initial delivery of the Certificates to the initial purchaser. The engagement of such firm as bond counsel to the Issuer in connection with issuance, sale and delivery of the Certificates is hereby approved and confirmed. The execution and delivery of an engagement letter between the Issuer and such firm, with respect to such services as bond counsel, is hereby authorized in such form as may be approved by the Mayor or City Manager, and the Mayor or City Manager is hereby authorized to execute such engagement letter.

Section 9. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE CERTIFICATES.

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

(1) to take any action to assure that no more than 10 percent of the proceeds of the Certificates (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates, in contravention of section 141(b)(2) of the Code;

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

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

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

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

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

(A) proceeds of the Certificates invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 30 days or less until such proceeds are needed for the purpose for which the bonds are issued,

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

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

(7) to otherwise restrict the use of the proceeds of the Certificates or amounts treated as proceeds of the Certificates, as may be necessary, so that the Certificates do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings);

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

(9) to assure that the proceeds of the Certificates will be used solely for new money projects.

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

(c) Use of Proceeds. For purposes of the foregoing covenants (a)(1) and (a)(2), the Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Certificates. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated that modify or expand provisions of the Code, as applicable to the Certificates, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated that impose additional requirements applicable to the Certificates, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Mayor, the City Manager or the Assistant City Manager/Chief Financial Officer of the Issuer to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, that may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates.

(d) Allocation of, and Limitation on, Expenditures for the Project. The Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the construction and acquisition of the Project on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed. The foregoing notwithstanding, the Issuer shall not expend proceeds of the sale of the Certificates or investment earnings thereon more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates, or (2) the date the

Certificates are retired, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such expenditure will not adversely affect the status, for federal income tax purposes, of the Certificates or the interest thereon. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

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

Section 10. SALE OF CERTIFICATES AND APPROVAL OF OFFICIAL STATEMENT; FURTHER PROCEDURES.

(a) The Certificates are hereby sold and shall be delivered to _____ (the "Purchaser") for cash for the par value thereof plus a premium of \$ _____, to be used to pay costs of issuance. The Certificates shall initially be registered in the name of such purchaser or its designee. It is officially found, determined, and declared that the Certificate have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Bidding Instructions and Preliminary Official Statement prepared and distributed in connection with the sale of the Certificates, and that the terms of this sale are the most advantageous reasonably obtainable. Said Official Notice of Sale and Bidding Instructions and Preliminary Official Statement, and any addenda, supplement, or amendment thereto have been and are hereby approved by the governing body of the Issuer, and their use in the offer and sale of the Certificates is hereby approved. The Initial Certificate shall be registered in the name of the Purchaser or its designee.

(b) The Issuer hereby approves the form and content of the Official Statement relating to the Certificates and any addenda, supplement or amendment thereto, and approves the distribution of such Official Statement in the reoffering of the Certificates by the Purchaser in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement dated _____, 2106, prior to the date hereof is hereby ratified and confirmed.

(c) The Mayor and Mayor Pro Tem, the City Manager, City Secretary and Assistant City Manager/Chief Financial Officer and all other officers, employees and agents of the Issuer, and each of them, shall be and they are hereby expressly 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 of the Issuer all other such documents, certificates and 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 Certificates, the sale of the Certificates and the Official Statement. In case any officer 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 11. INTEREST EARNINGS ON CERTIFICATE PROCEEDS. Interest earnings derived from the investment of proceeds from the sale of the Certificates shall be used along with other certificate proceeds for the Project; provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on certificate proceeds that are required to be rebated to the United States of America pursuant to Section 9 hereof in order to prevent the Certificates from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

Section 12. CONSTRUCTION FUND.

(a) The Issuer hereby creates and establishes and shall maintain on the books of the Issuer a separate fund to be entitled the "Series 2016 Combination Tax and Limited Surplus Revenue Certificate of Obligation Construction Fund" for use by the Issuer for payment of all lawful costs associated with the acquisition and construction of the Project as hereinbefore provided. Upon payment of all such costs, any moneys remaining on deposit in said Fund shall be transferred to the Interest and Sinking Fund. Amounts so deposited to the Interest and Sinking Fund shall be used in the manner described in Section 5 of this Ordinance.

(b) The Issuer may place proceeds of the Certificates (including investment earnings thereon) and amounts deposited into the Interest and Sinking Fund in investments authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended; provided, however, that the Issuer hereby covenants that the proceeds of the sale of the Certificates will be used as soon as practicable for the purposes for which the Certificates are issued.

(c) All deposits authorized or required by this Ordinance shall be secured to the fullest extent required by law for the security of public funds.

Section 13. COMPLIANCE WITH RULE 15c2-12.

(a) Definitions. That as used in this Section, the following terms have the meanings ascribed to such terms below:

"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.

(b) Annual Reports.

(i) The Issuer shall provide annually to the MSRB, in an electronic format as prescribed by the MSRB, within six months after the end of each fiscal year ending in or after 2106, financial information and operating data with respect to the Issuer of the general type included in the final Official Statement authorized by Section 10 of this Ordinance, being the information described in Exhibit A hereto. The City will additionally provide audited financial statements when and if available, and in any event, within 12 months after the end of each fiscal year ending in or after 2106. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City will file unaudited financial statements within such 12 month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in Appendix B to the Official Statement, or such other

accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation.

(ii) If the Issuer changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet website or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(c) Event Notices.

(i) The Issuer shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Certificates, if such event is material within the meaning of the federal securities laws:

1. Non-payment related defaults;
2. Modifications to rights of Certificateholders;
3. Certificate calls;
4. Release, substitution, or sale of property securing repayment of the Certificates;
5. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and
6. Appointment of a successor or additional trustee or the change of name of a

trustee.

(ii) The Issuer shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Certificates, without regard to whether such event is considered material within the meaning of the federal securities laws:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or

other notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;

6. Tender offers;
7. Defeasances;
8. Rating changes; and
9. Bankruptcy, insolvency, receivership or similar event of an obligated person.

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

(d) Limitations, Disclaimers, and Amendments.

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

(ii) The provisions of this Section are for the sole benefit of the registered owners 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 Issuer 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 Issuer'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 Issuer 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.

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

(iv) No default by the Issuer in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

(v) Should the Rule be amended to obligate the Issuer to make filings with or provide notices to entities other than the MSRB, the Issuer hereby agrees to undertake such obligation with respect

to the Certificates in accordance with the Rule as amended. The provisions of this Section may be amended by the Issuer 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 Issuer, 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 since such offering as well as such changed circumstances and (2) either (a) the registered owners 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) person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the registered owners and beneficial owners of the Certificates. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates. If the Issuer 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 reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Section 14. METHOD OF AMENDMENT. The Issuer hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

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

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

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

(4) Modify the terms of payment of principal or of interest or redemption premium on outstanding Certificates or any of them or impose any condition with respect to such payment; or

(5) Change the minimum percentage of the principal amount of any series of Certificates necessary for consent to such amendment.

(c) If at any time the Issuer shall desire to amend this Ordinance under this Section, the Issuer shall send by U.S. mail to each registered owner of the affected Certificates a copy of the proposed amendment. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the Issuer for inspection by all holders of such Certificates.

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

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

(f) Any consent given by the holder of a Certificate pursuant to the provisions of this Section shall be irrevocable for a period of 6 months from the date of such consent, and shall be conclusive and binding upon all future holders of the same Certificate during such period. Such consent may be revoked at any time after 6 months from the date of such consent by the holder who gave such consent, or by a successor in title, by filing notice with the Issuer, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the affected Certificates then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

(g) For the purposes of establishing ownership of the Certificates, the Issuer shall rely solely upon the registration of the ownership of such Certificates on the registration books kept by the Paying Agent/Registrar.

Section 15. DEFAULT AND REMEDIES

(a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Certificates when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the registered owners of the Certificates, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the City.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the City for the purpose of protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies.

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

(c) Remedies Not Exclusive.

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

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

(iii) By accepting the delivery of a Certificate authorized under this Ordinance, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the City or the City Council.

Section 16. APPROPRIATION. To pay the debt service coming due on the Certificates prior to receipt of the taxes levied to pay such debt service, if any, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

Section 17. EFFECTIVE DATE. In accordance with the provisions of V.T.C.A., Government Code, Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the City Council.

Section 18. SEVERABILITY. If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Ordinance, despite such invalidity, which remaining portions shall remain in full force and effect.

(Execution Page Follows)

PASSED, APPROVED AND EFFECTIVE this April 21, 2016.

Bill Heidemann, Mayor
City of Corinth, Texas

ATTEST:

Kimberly Pence, City Secretary
City of Corinth, Texas

APPROVED AS TO FORM AND LEGALITY

City Attorney

[CITY SEAL]

EXHIBIT A

Annual Financial Statements and Operating Data

Annual Financial Information and Operating Data

The financial information and operating data with respect to the Issuer to be provided annually in accordance with Section 13(b) are as specified (and included in the Tables or Appendix of the Official Statement referred to) below:

-- Tables 1 through 6, inclusive, and 8 through 14, inclusive.

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: General Obligation Refunding Bonds, Series 2016

Submitted For: Lee Ann Bunselmeyer, Acting City Manager

Submitted By: Caryn Riggs, Assistant Director

Finance Review: Yes

Legal Review: N/A

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider adoption of an ordinance authorizing the issuance and sale of City of Corinth, Texas General Obligation Refunding Bonds, Series 2016; levying an annual ad valorem and providing for the security for an payment of said bonds; approving the official statement; providing an effective date; and enacting other provisions relating to the subject.

AGENDA ITEM SUMMARY/BACKGROUND

On February 4, 2016, the City Council approved an Intent to Sell resolution to issue certificates of obligations for Capital Projects. The refunding bonds are being offered by the City concurrently with the certificates of obligations for Capital Projects under a common official statement. Proceeds from the refunding will be used to 1) refund a portion of the City's outstanding debt for debt service savings and 2) pay the costs associated with the issuance of the Bonds.

The attached ordinance is complete except for information that will be inserted when the terms of sale are determined at the City Council meeting on April 21, 2016.

RECOMMENDATION

Staff recommends adoption of the ordinance authorizing the issuance and sale of the General Obligation Refunding Bonds, Series 2016 and approval of the official statement.

Attachments

Ordinance

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF CORINTH, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016; LEVYING AN ANNUAL AD VALOREM TAX AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID BONDS; APPROVING THE OFFICIAL STATEMENT; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

THE STATE OF TEXAS §
COUNTY OF DENTON §
CITY OF CORINTH §

WHEREAS, there are presently outstanding obligation of the Issuer described in Schedule I attached hereto and incorporated herein (collectively, the "Refunded Obligations");

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

WHEREAS, Chapter 1207, Texas Government Code, further authorizes the Issuer to enter into an escrow agreement with such paying agent for the Refunded Obligations or trust company or commercial bank with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the Issuer and such paying agent or trust company or commercial bank may agree;

WHEREAS, The Bank of New York Mellon Trust Company, N.A., is a paying agent for certain of the Refunded Obligations and the Escrow Agreement, wherein The Bank of New York Mellon Trust Company, N.A., Dallas, Texas is the Escrow Agent, hereinafter authorized constitutes an escrow agreement of the kind authorized and permitted by said Chapter 1207;

WHEREAS, the City Council hereby finds and declares a public purpose and it is in the best interests of the Issuer to refund the Refunded Obligations is in order to achieve a debt service savings and to restructure the Issuer's outstanding debt service, and that such refunding will result in a present value debt service savings of approximately \$_____ and an actual debt service savings of approximately \$_____ to the Issuer;

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

WHEREAS, the Bonds hereinafter authorized to be issued, sold and delivered pursuant to the general laws of the State of Texas, including Tex. Gov't Code Ann. Chapters 1207, as amended; and

WHEREAS, It is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Tex. Gov't Code Ann. ch. 551; Now, Therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS:

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE BONDS. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The bonds of the City of Corinth, Texas (the "Issuer") are hereby authorized to be issued and delivered in the aggregate principal amount of \$1,550,000 for refunding certain outstanding obligations of the Issuer and paying costs of issuance of the Bonds.

Section 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS, AND MATURITIES AND INTEREST RATES OF BONDS. Each bond issued pursuant to this Ordinance shall be designated: "CITY OF CORINTH, TEXAS GENERAL OBLIGATION REFUNDING BOND, SERIES 2016," and initially there shall be issued, sold, and delivered hereunder one fully registered bond, without interest coupons, dated April 15, 2016, in the principal amount stated above and in the denominations hereinafter stated, numbered T-1, with bonds issued in replacement thereof being in the denominations and principal amounts hereinafter stated and numbered consecutively from R-1 upward, payable to the respective Registered Owners thereof (with the initial bond being made payable to the initial purchaser as described in Section 9 hereof), or to the registered assignee or assignees of said bonds or any portion or portions thereof (in each case, the "Registered Owner"), and said bonds shall mature and be payable serially on February 15 in each of the years and in the principal amounts, respectively, and shall bear interest from the dates set forth in the FORM OF BOND set forth in Section 4 of this Ordinance to their respective dates of maturity at the rates per annum, as set forth in the following schedule:

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rates</u>
2017	\$ 200,000	
2018	450,000	
2019	445,000	
2020	455,000	

The term "Bonds" as used in this Ordinance shall mean and include collectively the bonds initially issued and delivered pursuant to this Ordinance and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

Section 3. CHARACTERISTICS OF THE BONDS.

(a) Appointment of Paying Agent/Registrar. The Issuer hereby appoints _____, _____, Texas, to serve as paying agent and registrar for the Bonds (the "Paying Agent/Registrar"). The Mayor or City Manager is authorized and directed to execute and deliver in the name and under the corporate seal and on behalf of the Issuer a Paying Agent/Registrar Agreement with the Paying Agent/Registrar in substantially the form presented at this meeting.

(b) Registration, Transfer, Conversion and Exchange. The Issuer shall keep or cause to be kept at the corporate trust office of the Paying Agent/Registrar books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which

payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

(c) Authentication. Except as provided in subsection (i) of this section, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(d) Payment of Principal and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Ordinance. However, in the event of a nonpayment 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 Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 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 registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(e) Payment to Registered Owner. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the Issuer to make payments of principal and interest pursuant to this Ordinance.

(f) Paying Agent/Registrar. The Issuer covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(g) Substitute Paying Agent/Registrar. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar.

(g) Book-Entry Only System. The Bonds issued in exchange for the Bonds initially issued to the purchaser or purchasers specified herein shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof and the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC"), and except as provided in subsections (i) and (j) of this Section, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(h) Blanket Letter of Representations. The previous execution and delivery of the Blanket Letter of Representations with respect to obligations of the Issuer is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Bonds. Notwithstanding anything to the contrary contained herein, while the Bonds are subject to DTC's Book-Entry Only System and to the extent permitted by law, the Letter of Representations is hereby incorporated herein and its provisions shall prevail over any other provisions of this Ordinance in the event of conflict.

(i) Bonds Registered in the Name of Cede & Co. With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. 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 being mailed to the registered owner at the close of business on the Record date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(j) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Issuer to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

(k) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the Issuer to DTC.

(l) General Characteristics of the Bonds. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Registered Owners thereof, (ii) may be transferred and assigned, (iii) may be converted and exchanged for other Bonds, (iv) shall have the characteristics, (v) shall be signed, sealed, executed and authenticated, (vi) the principal of and interest on the Bonds shall be payable, and (vii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Ordinance. The Bonds initially issued and delivered pursuant to this Ordinance is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Ordinance the Paying Agent/Registrar shall execute the Paying Agent/Registrar's Authentication Bond, in the FORM OF BOND set forth in this Ordinance.

(m) Cancellation of Initial Bond. On the closing date, one initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the order of the initial purchaser of the Bonds or its designee, executed by manual or facsimile signature of the President and Secretary of the Board, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to such purchaser or its designee. Upon payment for the initial Bond, the Paying Agent/Registrar shall insert the Issuance Date on Bond No. T-1, cancel each of the initial Bonds and deliver to The Depository Trust Company ("DTC") on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

Section 4. FORM OF BONDS. The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Bonds initially issued and

delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance.

(a) Form of Bond.

NO. R-	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF CORINTH, TEXAS GENERAL OBLIGATION REFUNDING BOND SERIES 2016	PRINCIPAL AMOUNT \$ _____
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Interest Rate	Delivery Date	Maturity Date	CUSIP No.
	May 19, 2016	February 15, ____	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

ON THE MATURITY DATE specified above, the City of Corinth, in Denton County, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above. The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date specified above at the Interest Rate per annum specified above. Interest is payable on August 15, 2016, and semiannually on each February 15 and August 15 thereafter to the Maturity Date specified above; except, if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity, at the principal corporate trust office of _____, _____, _____, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the ordinance authorizing the issuance of this Bond (the "Bond Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared at the close of business on the last business day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying

Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity of this Bond prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the principal 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 that is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND is one of a series of Bonds dated April 15, 2016, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$1,550,000 for refunding certain outstanding obligations of the Issuer and paying costs of issuance of the Bonds.

THE BONDS ARE NOT subject to optional redemption prior to maturity.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Bond Ordinance, this Bond may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect

thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed and been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said Issuer, and have been pledged for such payment, within the limit prescribed by law.

THE ISSUER HAS RESERVED THE RIGHT to amend the Bond Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Bonds.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Bond Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Ordinance constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the Mayor of the Issuer (or in his absence, by the Mayor Pro Tem) and countersigned with the manual or facsimile signature of the City Secretary of said Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

(signature)
City Secretary

(signature)
Mayor

(SEAL)

(b) Form of Paying Agent/Registrar's Authentication Certificate.

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Bond is not accompanied by an executed Registration
Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a series that originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____, _____, Texas
Paying Agent/Registrar

By: _____
Authorized Representative

(c) Form of Assignment.

ASSIGNMENT
(Please type or print clearly)

For value received, the undersigned hereby sells, assigns and transfers
unto: _____

Transferee's Social Security or Taxpayer Identification Number: _____

Transferee's name and address, including zip code: _____

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

Dated: _____.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

(d) Form of Registration Certificate of the Comptroller of Public Accounts.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that there is on file and of record in my office a true and correct copy of the opinion of the Attorney General of the State of Texas approving this Certificate and that this Certificate has been registered this day by me.

Witness my signature and seal this _____.

Texas

(COMPTROLLER'S SEAL)

(e) Initial Bond Insertions.

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

A. immediately under the name of the Bond, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. _____" shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"THE CITY OF CORINTH, TEXAS, in Denton County, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on February 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
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(Information from Section 2 to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date specified above at the respective Interest Rate per annum specified above. Interest is payable on August 15, 2016, and semiannually on each February 15 and August 15 thereafter to the date of payment of the principal installment specified above; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

C. The Initial Bond shall be numbered "T-1."

Section 5. INTEREST AND SINKING FUND.

(a) A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the Issuer as a separate fund or account and the funds therein shall be deposited into and held in an account at an official depository bank of said Issuer. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said Issuer, and shall be used only for paying the interest on and principal of said Bonds. All amounts received from the sale of the Bonds as accrued interest shall be deposited upon receipt to the Interest and Sinking Fund, and all ad valorem taxes levied and collected for and on account of said Bonds shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Bonds are outstanding and unpaid, the governing body of said Issuer shall

compute and ascertain a rate and amount of ad valorem tax that will be sufficient to raise and produce the money required to pay the interest on said Bonds as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Bonds as such principal matures (but never less than 2% of the original amount of said Bonds as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said Issuer, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said Issuer, for each year while any of said Bonds are outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Bonds, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law. Notwithstanding the requirements of this subsection, if lawfully available moneys of the Issuer are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been required to be levied pursuant to this subsection may be reduced to the extent and by the amount of lawfully available funds then on deposit in the Interest and Sinking Fund.

(b) Article 1208, Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the Issuer under this Section and is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Bonds are outstanding and unpaid, the result of such amendment being that the pledge of the taxes granted by the Issuer under this Section is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, in order to preserve to the registered owners of the Bonds a security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing of a security interest in said pledge to occur.

Section 6. DEFEASANCE OF BONDS.

(a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in Subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Issuer expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in Subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

(c) The term "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to refund, retire or otherwise discharge obligations such as the Bonds.

(d) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) In the event that the Issuer elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

Section 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.

(a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen or destroyed, the Paying Agent/Registrar shall cause to be printed, executed and delivered, a new Bond of the same principal amount, maturity and interest rate, as the damaged, mutilated, lost, stolen or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft or destruction of a Bond, the registered owner applying for a replacement Bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Bond, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this , in the event any such Bond shall have matured, and no default has occurred that is then continuing in the payment of the principal of or interest on the Bond, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement Bond issued pursuant to the provisions of this Section

by virtue of the fact that any Bond is lost, stolen or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bonds. In accordance with Sec. 1206.022, Government Code, this Section 7 of this Ordinance shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 3(a) of this Ordinance for Bonds issued in conversion and exchange for other Bonds.

Section 8. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS.

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

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed by the Bonds (the "Project") are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

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

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

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

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

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

(A) proceeds of the Bonds invested for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds are issued,

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

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

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings);

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

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

(c) Use of Proceeds. For purposes of the foregoing covenants (a)(1) and (a)(2), the Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of the Bonds, transferred proceeds (if any) and proceeds of the Refunded Obligations expended prior to the date of issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated that modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated that impose additional requirements applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Mayor, the City Administrator or the Finance Director to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, that may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

(d) Allocation of, and Limitation on, Expenditures for the Project. The Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the construction and acquisition of the Project on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed. The foregoing notwithstanding, the Issuer shall not expend proceeds of the sale of the Bonds or investment earnings thereon more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such expenditure will

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

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

Section 9. SALE OF BONDS AND APPROVAL OF OFFICIAL STATEMENT; FURTHER PROCEDURES.

(a) The Bonds are hereby sold and shall be delivered to _____ (the "Purchaser") for cash for the par value thereof plus a premium of \$_____. The Bonds shall initially be registered in the name of such purchaser or its designee. It is officially found, determined, and declared that the Bond have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Bidding Instructions and Preliminary Official Statement prepared and distributed in connection with the sale of the Bonds, and that the terms of this sale are the most advantageous reasonably obtainable. Said Official Notice of Sale and Bidding Instructions and Preliminary Official Statement, and any addenda, supplement, or amendment thereto have been and are hereby approved by the governing body of the Issuer, and their use in the offer and sale of the Bonds is hereby approved. The Initial Bond shall be registered in the name of the Purchaser or its designee.

(b) The Issuer hereby approves the form and content of the Official Statement relating to the Bonds and any addenda, supplement or amendment thereto, and approves the distribution of such Official Statement in the reoffering of the Bonds by the Purchaser in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement dated _____, prior to the date hereof is hereby ratified and confirmed.

(c) The Mayor, City Manager, City Secretary and Finance Director, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such documents, certificates and 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 Bonds, the sale of the Bonds and the Official Statement. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, 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 10. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED; ENGAGEMENT OF BOND COUNSEL.

(a) The Mayor of the Issuer is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Bond. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Bonds issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. In addition, if bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

(b) The obligation of the initial purchaser to accept delivery of the Bonds is subject to the initial purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the Issuer, which opinion shall be dated as of and delivered on the date of initial delivery of the Bonds to the initial purchaser. The engagement of such firm as bond counsel to the Issuer in connection with issuance, sale and delivery of the Bonds is hereby approved and confirmed. The execution and delivery of an engagement letter between the Issuer and such firm, with respect to such services as bond counsel, is hereby authorized in such form as may be approved by the Mayor or City Manager, and the Mayor or City Manager is hereby authorized to execute such engagement letter.

Section 11. COMPLIANCE WITH RULE 15c2-12.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"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.

(b) Annual Reports.

(i) The Issuer shall provide annually to the MSRB, in an electronic format as prescribed by the MSRB, within six months after the end of each fiscal year ending in or after 2016, financial information and operating data with respect to the Issuer of the general type described in Exhibit A attached hereto. The Issuer will additionally provide audited financial statements when and if available, and in any event, within 12 months after the end of each fiscal year ending in or after 2016. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the Issuer will file unaudited financial statements within such 12 month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in Appendix B to the Official Statement, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation.

(ii) If the Issuer changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet website or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(c) Event Notices.

(i) The Issuer shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

1. Non-payment related defaults;
2. Modifications to rights of Bondholders;
3. Bond calls;
4. Release, substitution, or sale of property securing repayment of the Bonds;
5. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and
6. Appointment of a successor or additional trustee or the change of name of a trustee.

(ii) The Issuer shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any

of the following events with respect to the Bonds, without regard to whether such event is considered material within the meaning of the federal securities laws:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
6. Tender offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of an obligated person

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

(d) Limitations, Disclaimers, and Amendments.

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

(ii) The provisions of this Section are for the sole benefit of the registered owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer 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 Issuer'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 Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM

ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(iv) No default by the Issuer in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

(v) Should the Rule be amended to obligate the Issuer to make filings with or provide notices to entities other than the MSRB, the Issuer hereby agrees to undertake such obligation with respect to the Bonds in accordance with the Rule as amended. The provisions of this Section may be amended by the Issuer 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 Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the registered owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the registered owners and beneficial owners of the Bonds. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If the Issuer 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 reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Section 12. METHOD OF AMENDMENT. The Issuer hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

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

(b) Except as provided in paragraph (a) above, the holders of Bonds aggregating in principal amount 51% of the aggregate principal amount of then outstanding Bonds that are the subject of a proposed

amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the Issuer; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then outstanding Bonds, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bonds so as to:

- (1) Make any change in the maturity of any of the outstanding Bonds;
- (2) Reduce the rate of interest borne by any of the outstanding Bonds;
- (3) Reduce the amount of the principal of payable on any outstanding Bonds;
- (4) Modify the terms of payment of principal or of interest on outstanding Bonds or any of them or impose any condition with respect to such payment; or
- (5) Change the minimum percentage of the principal amount of any series of Bonds necessary for consent to such amendment.

(c) If at any time the Issuer shall desire to amend this Ordinance under this Section, the Issuer shall send by U.S. mail to each registered owner of the affected Bonds a copy of the proposed amendment. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the Issuer for inspection by all holders of such Bonds.

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

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

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

For the purposes of establishing ownership of the Bonds, the Issuer shall rely solely upon the registration of the ownership of such Bonds on the registration books kept by the Paying Agent/Registrar.

Section 13. DEFAULT AND REMEDIES.

(a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the Issuer, the failure to perform which materially, adversely affects the rights of the registered owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the Issuer.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the Issuer for the purpose of protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies.

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

(c) Remedies Not Exclusive.

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

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

(iii) By accepting the delivery of a Bond authorized under this Ordinance, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the Issuer or the City Council.

Section 14. APPROVAL OF ESCROW AGREEMENT AND TRANSFER OF FUNDS. The Mayor or City Manager of the Issuer is hereby authorized and directed to execute and deliver an Escrow Agreement with The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, in substantially the form presented at this meeting, and to authorize and execute such contributions and investments as may be necessary for the Escrow Fund.

Section 15. REDEMPTION OF REFUNDED OBLIGATIONS.

(a) The Issuer hereby directs that the Refunded Obligations be called for redemption on the dates set forth on Schedule II. Each of such Refunded Obligations shall be redeemed at the redemption price of par plus accrued interest. The Mayor of the Issuer is hereby authorized and directed to issue or cause to be

provide notice of redemption of the Refunded Obligations described in Exhibit B attached hereto to the Paying Agent/Registrars for the Refunded Obligations.

(b) In addition, the Paying Agent/Registrars for the Refunded Obligations are hereby directed to provide the appropriate notices of redemption and defeasance as specified by the ordinances authorizing the issuance of the Refunded Obligations and are hereby directed to make appropriate arrangements so that the Refunded Obligations may be redeemed on their respective redemption dates. The Refunded Obligations shall be presented for redemption at the Paying Agent/Registrars therefore, and shall not bear interest after the date fixed for redemption.

(c) The source of funds for payment of the principal of and interest on the Refunded Obligations on their respective maturity or redemption dates shall be from the funds placed in escrow with the Escrow Agent, pursuant to the Escrow Agreement approved in Section 16 of this Ordinance.

Section 16. APPROPRIATION. To pay the debt service coming due on the Bonds, if any, prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

Section 17. EFFECTIVE DATE. In accordance with the provisions of V.T.C.A., Government Code, Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the City Council.

Section 19. SEVERABILITY. If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Ordinance, despite such invalidity, which remaining portions shall remain in full force and effect.

(Execution Page Follows)

PASSED, APPROVED AND EFFECTIVE this April 21, 2016.

Bill Heidemann, Mayor
City of Corinth, Texas

ATTEST:

Kimberly Pence, City Secretary
City of Corinth, Texas

APPROVED AS TO FORM AND LEGALITY

City Attorney

[CITY SEAL]

SCHEDULE I

Schedule of Refunded Obligations

Description	Maturity Date	Principal Amount Outstanding	Principal Amount Refunded
General Obligation Refunding Bonds, Series 2005	2/15/2017	\$ 555,000	\$ 555,000
	2/15/2018	580,000	580,000
	2/15/2019	175,000 ^(a)	175,000
	2/15/2020	180,000 ^(a)	180,000
Total		\$ 1,490,000	\$ 1,490,000

^(a) Term Bond maturing February 15, 2020

Redemption Date: June 22, 2016.

EXHIBIT A

ANNUAL FINANCIAL INFORMATION AND OPERATING DATA

The following information is referred to in Section 11(b) of this Ordinance:

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

-- Tables 1 - 6 and 8 - 14

City Council Regular and Workshop Session

Meeting Date: 04/21/2016
Title: Budget Amendment Master Plan
Submitted For: Fred Gibbs, Director
Submitted By: Chris Rodriguez, Financial Services Manager
Finance Review: Yes **Legal Review:** N/A
Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on an Ordinance of the City of Corinth, Texas approving an amendment to the Fiscal Year 2015-16 City of Corinth Budget and Annual Program of Services to provide for the expenditure of funds from the Water Impact Fee Fund, the Wastewater Impact Fee Fund, and the Roadway Impact Fee Fund for the Water and Wastewater Master Plan Update and the Water, Wastewater, and Roadway Impact Fee Update.

AGENDA ITEM SUMMARY/BACKGROUND

The FY 2015-16 Annual Budget, approved on September 17, 2015, includes funding of \$180,000 for an Impact Fee Study. The City must undertake an impact fee study update every five years to re-evaluate the fees levied. Funding is budgeted from the following funds: Water Impact Fee Fund, \$72,180; the Wastewater Impact Fee Fund, \$72,179; and the Roadway Impact Fee Fund, \$35,641.

Staff is recommending that a Water and Wastewater Master Plan Update be conducted in conjunction with the Impact Fee Study. A Water and Wastewater Master Plan will provide the City a comprehensive plan for the development of its infrastructure to meet both the short and long term growth of the City.

The total cost of both projects is \$285,400 and will require additional funding of \$105,400. The proposed budget amendment would allocate the necessary funds to complete both projects. Additional funding would be budgeted from the following funds: Water Impact Fee Fund, \$38,853; Wastewater Impact Fee Fund, \$55,355; and the Roadway Impact Fee Fund is \$11,192. The fund balances as of the March 2016 Financials are; the Water Impact Fee Fund - \$357,859; the Wastewater Impact Fee Fund - \$276,143; the Roadway Impact Fee Fund - \$244,114.

RECOMMENDATION

Staff recommends the City Council approve the budget amendment and provide for the expenditure of funds from the Water, Wastewater, and Roadway Impact Fee Funds for the Water and Wastewater Master Plan Update and Water, Wastewater, and Roadway Impact Fee Update.

Attachments

Ordinance: Budget Amendment Impact Fees

ORDINANCE NO. 16-04-21-___

AN ORDINANCE OF THE CITY OF CORINTH, TEXAS APPROVING AN AMENDMENT TO THE FISCAL YEAR 2015-2016 CITY OF CORINTH BUDGET AND ANNUAL PROGRAM OF SERVICES TO PROVIDE FOR EXPENDITURES OF FUNDS TO PAY FOR THE WATER AND WASTEWATER MASTER PLAN UPDATE AND THE WATER, WASTEWATER, AND ROADWAY IMPACT FEE UPDATE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Corinth is a home-rule municipality acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the local Government Code; and

WHEREAS, the City Council adopted a budget and appropriated resources for the budget year beginning October 1, 2015, and ending September 30, 2016; and

WHEREAS, the current adopted budget for fiscal year 2015-2016 does not have adequate funding to pay \$105,400 for the Water & Wastewater Master Plan Update and the Water, Wastewater and Roadway Impact Fee Update; and

WHEREAS, the City Council deems it appropriate and necessary to amend the budget to reflect expenditures to pay \$105,400 for the Water & Wastewater Master Plan Update and the Water, Wastewater and Roadway Impact Fee Update; and

WHEREAS, the Council finds that this budget amendment is consistent with § 9.05 of the City Charter and the proposed change in the budget is for a municipal purpose; **NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CORINTH HEREBY ORDAINS:**

SECTION I

The findings set forth in the above preamble to this Ordinance are true and correct.

SECTION II

Ordinance No. 15-09-17-18, the budget for the fiscal year beginning October 1, 2015, and ending September 30, 2016 shall be amended as follows:

Thirty-eight thousand, eight hundred and fifty-three dollars (\$38,853); shall be appropriated into the Expenditures Line Items for the Water Impact Fee Fund budget from the unappropriated Fund Balance of the Water Impact Fee Fund.

Fifty-five thousand, three hundred and fifty-five dollars (\$55,355); shall be appropriated into the Expenditures Line Items for the Wastewater Impact Fee Fund budget from the unappropriated Fund Balance of the Wastewater Impact Fee Fund.

Eleven thousand, one hundred and ninety-two dollars (\$11,192); shall be appropriated into the Expenditures Line Items for the Roadway Impact Fee Fund budget from the unappropriated Fund Balance of the Roadway Impact Fee Fund.

Ordinance No. 16-04-21____

SECTION III

The City of Corinth Budget and Annual Program of Services is hereby amended to appropriate the sum of **\$38,853** from the unappropriated Fund balance of the Water Impact Fee Fund, **\$55,355** from the unappropriated Fund balance of the Wastewater Impact Fee Fund, and **\$11,192** from the unappropriated Fund balance of the Roadway Impact Fee Fund for the Water and Wastewater Master Plan Update and the Water, Wastewater, and Roadway Impact Fee Update. Further, the City Council affirms its approval of the expenditure of funds for the aforementioned purposes.

SECTION IV

The City Secretary is hereby directed to attach a copy of this Ordinance to Ordinance No. 15-09-17-18.

SECTION V

Pursuant to Section 102.009 of the Texas Local Government Code, the municipal budget officer is directed to file a true copy of this amendment with the Denton County Clerk. If the mayor objects to this ordinance, it shall be adopted by a majority of the entire City Council.

SECTION VI

This Ordinance shall be in full force and effect after its passage, and it is so ordained.

PASSED AND APPROVED ON THIS THE 21st DAY OF APRIL 2016.

SEAL

Bill Heidemann, Mayor

ATTEST:

Kimberly Pence, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Debra Drayovitch, City Attorney

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: Master Plan and Impact Fee Update Contract

Submitted For: Fred Gibbs, Director

Submitted By: Elaine Herzog, Business Manager

Finance Review: Yes

Legal Review: Yes

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on a contract with Kimley-Horn and Associates, Inc. to update the City's Water and Wastewater Master Plans and to update the Water, Wastewater and Roadway Studies and the associated Impact Fees.

AGENDA ITEM SUMMARY/BACKGROUND

The City must conduct an impact fee update every five years to re-evaluate the fees levied. We have reached the five (5) year term limit again that requires Corinth to update the Impact Fee Studies and associated fee structures. Also, staff previously recognized the Water and Wastewater Master Plans are out dated. Staff is recommending that a Water and Wastewater Plan Update be conducted in conjunction with the Impact Fee Study. A Water and Wastewater Plan will provide the City a comprehensive plan for the development of its infrastructure to meet the short and long term growth of the City.

The last Water and Wastewater Master Plans update was conducted in 2005. It has been eleven (11) years since that update and many aspects of the City have changed; completed CIP projects, population growth and Future Land Use Assumptions are a few examples. There is no requirement for the City to update its' Master Plans within any specific time frame. However, updating the Master Plans and Impact Fee Studies at the same time is economically sound to avoid duplication of efforts and costs associated with those efforts (i.e. Land Use Assumption Updates).

The Strategic Plan and the Zucker Report identify the update of these items respectively as goals to achieve. Kimley-Horn and Associates, Inc.(KHA) has updated the City's Impact Fee Studies in the past and has performed other professional design services for the city over many years. Based on their qualifications and the good working relationship Corinth has with KHA, staff is presenting a contract for Council's consideration to Update the Water and Wastewater Master Plans and Update the Water, Wastewater and Roadway Impact Fee Studies and associated fee structures.

RECOMMENDATION

Staff recommends City Council approve the contract with Kimley-Horn and Associates, Inc. in the amount of \$285,400 and authorize the Acting City Manager to execute the contract on behalf of the City of Corinth.

Attachments

Contract

Contract Cost Breakdown

**AGREEMENT FOR WATER AND WASTEWATER MASTER PLAN UPDATE AND
WATER, WASTEWATER AND ROADWAY IMPACT FEE UPDATE**

STATE OF TEXAS
COUNTY OF DENTON

§
§

This Agreement ("Agreement") is entered into by the CITY OF CORINTH, hereinafter called "Owner" and KIMLEY-HORN AND ASSOCIATES, INC., hereinafter called "KH". This Agreement includes all of the provisions herein, and expressly incorporates by reference as if fully set forth herein Attachments TC, SC and CO. In consideration of the Agreements herein, the parties agree as follows:

- I. **EMPLOYMENT OF KH:** In accordance with the terms of this Agreement, Owner agrees to employ KH; KH agrees to perform professional services in connection with the Project; Owner agrees to pay to KH compensation. The Project is described as follows: **Water and Wastewater Master Plan Update and Water, Wastewater and Roadway Impact Fee Update**, and is more particularly described in Attachment SC.

- II. **INDEPENDENT CONTRACTOR:** In performing its obligations hereunder, KH shall be deemed an independent contractor and not an agent or employee of Owner. KH shall have exclusive authority to manage, direct and control the Services and any work in connection with providing said Services. Owner is interested only in the results obtained and not in the methods used in achieving the results.

- III. **WARRANTIES:** KH shall exercise its skill and judgment in furnishing the Services and shall perform the Services in an expeditious and economical manner and in accordance with the standards of its profession as well as applicable federal, state and local laws and regulations which are in effect on the date that this Agreement is signed. KH shall perform its Services in accordance with the standard of care normally practiced by professional firms in performing services of a similar nature at the time and place the Services are performed.

KH shall be responsible for providing a quality Project in conformance with the written directions of Owner and with the provisions of this Agreement.

In addition to other representations and warranties contained herein, KH covenants, represents and warrants that any and all work done in connection with providing the Services and completing the Project shall be done in conformance with the prevailing professional standard of care, and will conform to the requirements of the Agreement and the written directives of Owner.

- IV. **INDEMNIFICATION:** Except as hereinafter set forth, KH shall indemnify and hold harmless the Owner and Owner's Representative and their respective agents and employees from and against claims, damages, losses and expenses, including but not limited to, attorneys' fees arising out of or resulting from negligent performance of the services and any and all construction representation as set forth in Paragraph 10 Attachment TC hereto, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property but only to the extent

caused by negligent acts or omissions of KH, a Subcontractor to KH, anyone directly or indirectly employed or contracted by them or anyone for whose acts they may be liable.

V. **SCOPE OF SERVICES:** KH shall render professional services ("Services") in connection with the Project as set forth in Attachment SC - Scope of Services and Responsibilities of Owner, which is attached to and made a part of this Agreement.

VI. **COMPENSATION:** OWNER agrees to pay KH for all professional services rendered under this AGREEMENT in accordance with Attachment CO - Compensation which is attached hereto and made a part of this AGREEMENT. KH shall perform professional services as outlined in the "Scope of Services" for a not to exceed fee of \$285,400.00. Details concerning the fee are included in Attachment CO.

If KH's services are delayed or suspended by Owner, or if KH's services are extended for more than 90 days through no fault of KH, KH shall be entitled to equitable adjustment of rates and amounts of compensation to reflect reasonable costs incurred by KH in connection with such delay or suspension and reactivation and the fact that the time for performance under this Agreement has been revised.

VII. **TERMS AND CONDITIONS OF AGREEMENT:**

- A. The Terms and Conditions of this Agreement and as set forth as Attachment TC shall govern the relationship between the Owner and KH.
- B. Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Owner and KH, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and KH and not for the benefit of any other party.
- C. The parties agree that this Agreement contains the entire Agreement between the parties and supersedes any and all prior Agreements, arrangements or other understandings between the parties relating to the subject matter hereof. No oral understanding, statements or promises contrary to the terms of this Agreement exists or have been made. This Agreement can be amended only by written instrument signed by all parties hereto.
- D. If any provision of this Agreement is held to be illegal, invalid, void, or unenforceable under present or future laws effective during the terms of this Agreement, the legality, validity, and enforceability of the remaining provisions of this Agreement shall not be affected thereby, and in lieu of such illegal, invalid, void, or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, void, or unenforceable provisions as may be legal, valid, and enforceable.
- E. This Agreement shall be governed by and interpreted and construed under the laws of the State of Texas. Any suit brought by any party to enforce any provision of this Agreement shall be filed and maintained in Denton County, Texas.

- F. All notices required under this Agreement must be given by certified or registered mail, addressed to the proper party, at the following addresses:

Owner: City of Corinth
ATTN: Fred Gibbs
Director of Planning and Development
3300 Corinth Parkway
Corinth, TX 76208

KH: Kimley-Horn and Associates, Inc.
ATTN: M. Anthony Samarripas, P.E.
12750 Merit Drive, Ste. 1000
Dallas, TX 75251

- G. A copy of any notices, except the technical notices defined in the Attachment SC hereto, sent to the Owner shall also be sent to the Owner's attorney:

City Attorney
3300 Corinth Parkway
Corinth, TX 76208

- H. Any notice required by this Agreement shall be deemed given and received when deposited in a facility maintained by and under the control of the United States Postal Service, postage prepaid, and properly addressed in accordance with this paragraph. Either party may change the address to which notices are to be sent by sending written notice of the new address to the other party in accordance with the provisions of this paragraph.
- I. Each signatory hereto expressly asserts that he or she has proper authority to enter in this Agreement.
- J. Neither party shall assign their interest in this Agreement without the written consent of the other except as to the assignment of the proceeds.
- K. The failure of either party to insist, in any one or more instances, on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant or right with respect to further performance.
- L. The parties hereto expressly agree that this Agreement was jointly drafted and that they both had an opportunity to negotiate its terms and to obtain the assistance of counsel in reviewing its terms prior to execution. Therefore, this Agreement shall be considered neither against nor in favor of either party, but shall be construed in a neutral manner.

- M. The provisions of this Agreement, which by their nature are intended to survive the termination, cancellation, completion or expiration of the Agreement, including, but not limited to, any indemnities or any expressed limitations of or releases from liability, shall continue as valid and enforceable obligations of the parties notwithstanding any such termination, cancellation, completion or expiration.
- N. Both parties agree that time is of the essence in the performance of this Agreement. However, times for performance shall be extended as necessary, and neither party shall have liability for or be deemed in breach because of delays caused by any factor outside of the reasonable control of the party and which, by the exercise of due diligence, the party is unable to prevent or overcome.
- O. Notwithstanding any provision in this Agreement, any Attachment or any Rider hereto, any change or addition to the Services or the amount of compensation shall be made only by written amendment signed by both parties prior to performing any changes or additional Service.
- P. This Agreement may be executed by facsimile and in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and a single instrument. This Agreement shall only be binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as signatories.

IN TESTIMONY HEREOF, they have executed this Agreement, the _____ day of _____ 2016.

ATTEST: CITY OF CORINTH, TEXAS
(OWNER)

_____ By: _____

ATTEST: KIMLEY-HORN AND ASSOCIATES, INC.
(KH)

_____ By: _____

TERMS AND CONDITIONS OF AGREEMENT

1. **DEFINITIONS:** The term Owner as used herein refers to the CITY OF CORINTH. The term KH as used herein refers to Kimley-Horn and Associates, Inc., its employees and agents; also its subcontractors and their employees and agents. As used herein, Services refers to the professional services performed by KH pursuant to the Agreement.
2. **CHANGES:** Owner, without invalidating the Agreement, may order changes within the general scope of the Work required by the Agreement by altering, adding to and/or deducting from the Work to be performed. If any change under this clause causes an increase or decrease in KH's cost of, or the time required for, the performance of any part of the Services under the Agreement, an equitable adjustment will be made by mutual Agreement prior to performance of the work and the Agreement modified in writing accordingly.
3. **TERMINATION, SUSPENSION OR COMPLETION**

A. TERMINATION BY KH

1. **TERMINATION.** Upon seven (7) days' written notice to the Owner, KH may terminate this Agreement if Owner materially breaches this Agreement and if, during such seven (7) day period Owner fails to either cure or if the breach is not capable of being cured in seven days, commence and continue reasonable remedial measures.
2. **PAYMENT.** Upon termination by KH in accordance with the preceding paragraph, KH shall be entitled to recover from the Owner payment for all Services correctly performed until termination of the Agreement, and Owner shall have no further liability to KH.

B. OWNER'S RIGHT TO PERFORM KH'S OBLIGATIONS AND TERMINATION BY THE OWNER FOR CAUSE

1. **OWNER'S PERFORMANCE.** If KH fails to perform any of its obligations under this Agreement, including but not limited to: if KH shall fail to commence the Work in accordance with the provisions of this Agreement or fail to diligently prosecute the Work to completion thereof in a diligent, efficient and, workmanlike manner and in strict accordance with the provisions of this Agreement, fail to use an adequate amount or quality of personnel or equipment to complete the Work without undue delay, fail to perform any of its obligations under this Agreement, or fail to make payments to its Subcontractors in accordance with the Subcontracts or to make payments to materialmen or laborers and KH's default is not

otherwise excused under one or more provisions of this Agreement, then the Owner may, after seven (7) days' written notice, during which period KH fails to either perform the obligation, or if the breach is not in the Owner's opinion, capable of being cured in seven days, to commence and continue reasonable remedial measures, undertake to perform such obligations or terminate this Agreement. In addition to any other remedy Owner may have, and notwithstanding any other provision herein, the Owner may reduce KH's compensation by the cost to the Owner, if any, of performing such obligation. If after exercising any such remedy, the cost to Owner of the performance of the balance of the Work is in excess of that part of the not-to-exceed fee, if any, which has not theretofore been paid to KH hereunder, in addition to all other remedies to Owner, KH shall be liable for and shall reimburse Owner for such excess.

2. TERMINATION. In addition to the provisions set forth above, upon seven (7) days' written notice to KH, the Owner may terminate this Agreement for any of the following reasons if, during such seven (7) day period KH fails to either cure or commence and continue reasonable remedial measures for any of the items listed in the previous paragraph, or:
- a. if KH fails to abide by the orders, regulations, rules, ordinances or laws of governmental authorities having jurisdiction; or
 - b. if KH otherwise materially breaches or defaults in performance of its obligations under this Agreement.

Upon termination, Owner shall have no further liability to KH and Owner may complete the Services utilizing any reasonable means, and Owner shall be entitled to all remedies both in law and in equity, including specific performance, all costs and damages, including but not limited to actual, incidental, special and/or consequential damages. Such damages may include, but are not limited to, liability for loss of use of property, loss of profits or other revenue, interest, loss of product, increased expenses or business interruption, costs of investigation, consultant or attorney's fees, and costs of repair or replacement of any and all portions of the Project.

- C. BANKRUPTCY. Notwithstanding anything contained herein to the contrary, if KH files a petition or has a petition for involuntary bankruptcy filed against it under the Bankruptcy Code, KH shall be in default of this Agreement and this Agreement shall automatically terminate for cause upon filing of the bankruptcy petition and Owner shall be entitled to all remedies set forth in paragraph B of this Section 3 and all other remedies at law and in equity.

- D. **TERMINATION BY OWNER WITHOUT CAUSE.** If Owner terminates this Agreement for a reason other than as set forth in Paragraph B and C of this Section, Owner shall provide written notice of termination to KH and shall pay KH for all Services correctly performed through the date of such notice of termination. Owner shall have no further liability to KH.
- E. **TERMINATION BY KH WITHOUT CAUSE.** If KH terminates this Agreement other than as set forth in Paragraph A of this Section, KH shall provide written notice of termination to Owner and Owner shall be entitled to all remedies set forth in Paragraph B of this Section 3 and all other remedies at law.
- F. **FAILURE TO FUND.** Nothing in this Agreement shall bind Owner or the current or future city council to any expenditure of funds past the budget year in which this Agreement is executed by Owner. In the event the city council declines to further fund the Project, this Agreement shall automatically terminate and KH shall be entitled to all remedies in paragraph A.2. of this Section 3.
- G. **SUSPENSION BY THE OWNER FOR CONVENIENCE.** The Owner may order KH in writing to suspend, delay or interrupt all or any part of the Services without cause for such period of time as the Owner may determine to be appropriate for its convenience, consistent with Item VI of this Agreement.
- H. **DELIVERY OF DOCUMENTS UPON TERMINATION OR COMPLETION OF PROJECT.** Upon termination of this Agreement for any reason, including but not limited to paragraphs A through F of this Section 3, or upon completion of the Project and/or Services, KH shall deliver to Owner immediately upon such termination or completion, and Owner shall take possession of copies of all of KH's plans, maps, designs, drawings, reports, surveys, plats, schedules, graphs, projections, data and documents used by or prepared by KH in the performance of the Services and prosecution of the Project as same have been prepared, drawn or drafted and in whatever state or condition in which they might exist at the time of termination or completion. KH shall be compensated for all reasonable expenses by the Owner for production and delivery of these document copies in accordance with Attachment CO.
4. **INFORMATION FURNISHED BY OWNER:** Owner will assist KH by placing at KH's disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project.
5. **INSURANCE:** KH shall purchase from and maintain in a company or companies lawfully authorized to do business in the jurisdiction in which the project is located such insurance as will protect KH from claims set forth below which may arise out of or result from KH's operations under the Agreement and for which KH may be legally liable, whether such

operations be by KH or by a Subcontractor or by anyone directly or indirectly employed or contracted by any of them, or by anyone for whose acts any of them may be liable. KH must carry, at a minimum, the following insurance coverage, name Owner as an additional insured except to the Workers' Compensation and Professional Liability insurance, and keep the coverage in force until KH's obligations have been fully performed and accepted by the Owner. Certificates of insurance evidencing the existence of all such coverage(s), on a replacement cost basis, where applicable, must be delivered to the Owner at the time of contract execution.

Commercial General Liability

General Aggregate \$2,000,000

Automobile Liability (Any Autos)

CSL \$1,000,000

Workers' Compensation

Each Accident \$ 500,000

Professional Liability

Annual Aggregate \$3,000,000

KH and all Subcontractors shall provide the Owner a full and complete copy of any insurance policy promptly upon request by the Owner, and without charge to the Owner. KH shall comply with the Owner's insurance endorsement requirements on file with the Owners purchasing agent.

6. **SUBCONTRACTS:** If, for any reason, at any time during the progress of providing Services, Owner determines that any subcontractor for KH is incompetent or undesirable, Owner will notify KH accordingly and KH shall take immediate steps for cancellation of such subcontract. Subletting by subcontractors shall be subject to the same regulations. Nothing contained in the Agreement shall create any contractual relation between any subcontractor and Owner.

7. **OWNERSHIP OF DOCUMENTS:** All drawings, reports, data and other project information developed in the execution of the Services provided under this Agreement shall be the property of the Owner upon payment of KH's fees for services. KH may retain copies for record purposes. KH may reuse all drawings, report data and other project information in the execution of the Services provided under this Agreement in KH's other activities. Any reuse by KH will be at KH's sole risk and without liability or legal exposure to Owner, and KH shall indemnify and hold harmless Owner from all claims, liability damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Owner may reuse data developed by KH and provided to City under this Agreement and is entitled to rely on the calculations and determinations performed by

KH in providing the services hereunder to the extent such reuse is for subsequent updates of impact fees and purposes consistent with the purposes of the City's Master Plans. Any other use is at Owner's risk. Any use of drawings, report data or other project information for projects other than contemplated under this agreement will be at Owner's sole risk and without liability or legal exposure to KH.

8. **POLLUTANTS AND HAZARDOUS WASTES:** It is understood and agreed that KH has neither created nor contributed to the creation or existence of any hazardous, radioactive, toxic, irritant, pollutant, or otherwise dangerous substance or condition at the site, if any, and its compensation hereunder is in no way commensurate with the potential risk of injury or loss that may be caused by exposures to such substances or conditions. The parties agree that in performing the Services required by this Agreement, KH does not take possession or control of the subject site, but acts as an invitee in performing the services, and is not therefore responsible for the existence of any pollutant present on or migrating from the site. Further, KH shall have no responsibility for any pollutant during clean-up, transportation, storage or disposal activities.

9. **OPINION OF PROBABLE COSTS:** KH will furnish an opinion of probable project development cost based on present day cost, but does not guarantee the accuracy of such estimates. Opinions of probable cost, financial evaluations, feasibility studies, economic analyses of alternate solutions and utilitarian considerations of operations and maintenance costs prepared by KH hereunder will be made on the basis of KH's experience and qualifications and represent KH's judgment as an experienced and qualified design professional. It is recognized, however, that KH does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractors' methods of determining their prices.

10. **CONSTRUCTION REPRESENTATION:** If required by the Agreement, KH will furnish Construction Representation according to the defined scope for these Services. KH will observe the progress and the quality of Work to determine in general if the Work is proceeding in accordance with the Construction Contract Documents. In performing these Services, KH will endeavor to protect Owner against defects and deficiencies in the Work of Contractors; KH will report any observed deficiencies to Owner, however, it is understood that KH does not guarantee the Contractor's performance, nor is KH responsible for the supervision of the Contractor's operation and employees. KH shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the Contractor, or the safety precautions and programs incident to the work of the Contractor. KH shall not be responsible for the acts or omissions of any person (except his own employees or agents) at the Project site or otherwise performing any of the work of the Project. If Owner designates a person to serve in the capacity of Resident Project Representative who is not KH's employee or KH's agent, the duties, responsibilities and limitations of authority of such Resident Project Representative(s) will be set forth in writing and made a part of this Agreement before the Construction Phase of the Project begins.

11. **PAYMENT:** Progress payments may be requested by KH based on the amount of Services completed. Payment for the Services of KH shall be due and payable upon submission of a statement for services to Owner. Statements for Services shall not be submitted more frequently than monthly. Any applicable new taxes imposed upon services, expenses, and charges by any governmental body after the execution of this Agreement will be added to KH's compensation.
12. **ARBITRATION:** No arbitration arising out of, or relating to, this Agreement involving one Party to this Agreement may include the other Party to this Agreement without their written approval.
13. **SUCCESSORS AND ASSIGNMENTS:** Owner and KH each are hereby bound and the partners, successors, executors, administrators and legal representatives of Owner and KH are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements and obligations of this Agreement.

Neither Owner nor KH shall assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent KH from employing such independent associates and consultants, as KH may deem appropriate to assist in the performance of Services hereunder.\

14. **PURCHASE ORDERS:** If a Purchase Order is used to authorize KH's Services, only the terms, conditions/instructions typed on the face of the Purchase Order shall apply to this Agreement. Should there be any conflict between the Purchase Order and the terms of this Agreement, then this Agreement shall prevail and shall be determinative of the conflict.

Attachment SC

Scope of Services

City of Corinth

**Water and Wastewater Master Plan Update and
Water, Wastewater and Roadway Impact Fee Update**

Scope of Services: The scope of Services includes the following primary Tasks:

Article I - Basic Services

- Task 1 - Project Initiation
- Task 2 - Land Use Assumptions
- Task 3 - Water Master Plan Update
- Task 4 - Wastewater Master Plan Update
- Task 5 - Water Impact Fee Update
- Task 6 - Wastewater Impact Fee Update
- Task 7 - Roadway Impact Fee Update
- Task 8 - Public Hearings, Workshops and Approval

Article II - Special Services

- Task 9 - Financial Analysis and Impact Fee Credit
- Task 10 - Wastewater Flow Metering
- Task 11 - Impact Fee Spreadsheet

ARTICLE I - BASIC SERVICES

Task 1 - Project Initiation

- 1.1 Data Collection. Request data required for project. Data to be provided by the City may include, but not be limited to the following:
 - A. Water and wastewater infrastructure record drawings
 - B. Water usage history - Annual water usage and maximum day usage records for the past ten (10) years for development of the service unit projection.
 - C. Wastewater usage history – Annual wastewater usage and peak usage records for the past ten (10) years for development of the service unit projection
 - D. Water and wastewater wholesale service contracts
 - E. Water pumping and lift station pumping data
 - F. Elevated tank operational data
 - G. Building permit/population growth data from the past 10 years
 - H. Costs for infrastructure constructed between 2011-2016
 - I. Currently adopted Land Use Assumptions and/or Comprehensive Master Plans,

- J. Available demographic projections from the North Central Texas Council of Governments (NCTCOG),
 - K. UTRWD rate calculation with regards to the City's cost obligation for UTRWD water delivery facilities.
 - L. UTRWD and City of Denton wastewater collection facilities rate calculation with regards to the City's cost obligation.
 - M. Historical Project Costing Information: The Owner will provide available actual City costs for previously completed water infrastructure to:
 - (1) Assist in the development of planning level project costs for future projects by providing the actual construction cost for previously complete projects similar to those in the impact fee CIP.
 - (2) Include any project costs for previously completed projects with excess capacity available to serve future growth.
 - N. Development Agreements: The Owner will provide any existing development agreements that involve potential projects on the impact CIP.
 - O. Infrastructure Capacity Criteria: Utilize the criterion and findings established during Master Plan (Task 3) update for determining the ten (10) year capacity of the following infrastructure:
 - (1) Future Transmission Lines (12-inch and larger)
 - (2) Existing Transmission Lines, only if specifically identified in the kick-off meeting
 - (3) Existing and Future Elevated Storage Tanks
 - (4) Existing and Future Ground Storage Tanks
 - (5) Existing and Future Pump Stations
 - P. Infrastructure Capacity Criteria: Utilize the criterion and findings established during Master Plan (Task 4) update for determining the ten (10) year capacity of the following infrastructure:
 - (1) Existing Trunk Lines that are 12-inch and larger
 - (2) Future Trunk Lines (12-inch and larger)
 - (3) Existing and Future Lift Stations
 - (4) Existing and Future Force Mains
 - Q. Maps - Available GIS shape files, associated databases, and layer files in ESRI ArcGIS 8.x format. Data should be projected in NAD 83 State Plane, North Central Texas Zone coordinates. Data should include:
 - (1) Current Land Use or Zoning Map;
 - (2) Future Land Use Plan Map;
 - (3) City Limits and ETJ Map; and
 - (4) Most recent digital orthographic (DOQ) of the City.
- 1.2 Prepare for and attend two kick-off meetings with Owner. One meeting will be held for Master Plan Update kickoff and another will be held for Impact Fee kickoff.
- A. Establish project goals, schedule and objectives
 - B. Establish project milestones
 - C. Establish Public Meeting plan

- D. Identify the Owner's desire to modify Service Area Boundaries for water, wastewater, and roadway impact fees
- E. Publish meeting notes to facilitate incorporation in impact fee report

Task 2 - Land Use Assumptions - Assist the Owner in developing the land use assumptions in conformance with Chapter 395 of the Local Government Code. Land use will be used for Master Plan purposes as well as for impact fee purposes. Land use assumptions will include existing, 5-year, 10-year and build out projections.

2.1 Land Use Assumptions

- A. Provide Owner's staff with an overview of the information required as part of the Land Use Assumptions for Impact Fees.
- B. Work with the Owner, the Owner's existing comprehensive master plan, and the corresponding NCTCOG demographic projections to develop the following for use in the Master Plan and Impact Fee calculations:
 - (1) Existing population and employment information by service area for the Year 2016;
 - (2) Build-out population and employment projections by service area (if desired by the Owner); and
 - (3) Five Year and Ten Year population and employment projections by service area for the Years 2021 and 2026.
 - (a) Report population data by number of persons and number of dwelling units
 - (b) Report employment data classified as number of square feet of floor area (or acres) for Basic, Service, and Retail employment.
- C. Establish projections for build out to be utilized for master plan purposes.

2.2 Documentation: Incorporate the service area boundaries and Land Use Assumptions information into Impact Fee report. No additional documentation will be produced summarizing the land use assumptions.

2.3 Meetings: Prepare for and attend one (1) meeting with the Owner's staff to discuss and review the proposed Service area boundaries and Land Use Assumptions.

Task 3 - Water Master Plan Update - Prepare an update to the water master plan:

3.1 Demand Evaluation: This task involves evaluating the historic demands in the City's water system and comparing it to those projected in the model. As part of this task, future demands will be evaluated and projected demands will be allocated throughout the system.

- A. Review historic demands over the previous five (5) years and reevaluate the existing peaking factors, diurnal curve, per acre and per capita demand per land use.
- B. Utilize land use assumptions to develop projected demands for existing, 2021, 2026, and build out conditions.
- C. Evaluate existing water supply contract and compare to projected water demands. Project additional amount of water supply needed.
- D. Meet with UTRWD to discuss existing and future water demands.

3.2 Hydraulic Model Update

- A. Meet with City staff to identify existing infrastructure to be shown in model. One meeting is anticipated for water and wastewater. City staff will provide information regarding infrastructure which has been constructed since the last model update.
- B. Utilize record drawing information to add additional existing infrastructure to the model accurately. Perform a general review of existing infrastructure shown in the model compared to record drawings to validate sizes, length, capacities, etc.
- C. Water line infrastructure shown in the model will be limited to transmission lines and will not include smaller distribution lines. Typically water lines located within individual neighborhoods will not be shown unless they provide system looping. We will identify critical lines within the water system and will include those lines in the model.
- D. Allocate demand projections within model for existing, 2021, 2026 and build out conditions. Demands will be allocated over various nodes within the model to represent system conditions.
- E. Utilize diurnal curve developed to create an extended period simulation (EPS) model. Model will represent a 24 hour simulation. An EPS model will allow for the evaluation of tank levels throughout the day along with pumping rates.
- F. Perform up to ten (10) fire flow tests. Fire flow data will be utilized to evaluate accuracy of model results. Model will be calibrated based on fire flow data obtained.
- G. Coordinate with the City's operations staff to better understand how the pump stations and elevated storage tanks are operated and calibrate the model based on this information.
- H. Confirm pumping and storage characteristics shown in the model are representative of City's system.
- I. Prepare system map showing existing infrastructure.

3.3 Infrastructure Evaluation

- A. Determine system criteria to be utilized for evaluation. TCEQ stipulates system minimum requirements, but in some instances the City may elect to utilize a more stringent criteria. Criteria applies to water line sizing, pumping, storage and water supply. Work with the City to determine if any additional design requirements above the TCEQ requirements should be implemented.
- B. Evaluate infrastructure based on model results for existing, 2021, 2026 and build out conditions. Determine required improvements to meet system criteria. Prepare a capital improvements project (CIP) list and prioritize the list. Prepare construction cost projections for CIP.
- C. Determine if a future elevated storage tank is required and if one is required identify possible site locations. Potential locations will be determined based on ground elevation, location within the water system and availability of undeveloped land.
- D. Prepare CIP maps showing future projects.
- E. Meet with City to review future projects and discuss CIP, one meeting to discuss both Water and Wastewater Master Plans.

3.4 Report: It is assumed that one report will be prepared which will include the Water and Wastewater Master Plans.

- A. Master Plan Report will include the following:
 - (1) Executive Summary
 - (2) Introduction
 - (3) Design Criteria

- (4) Methodology
 - (5) Description of Existing Infrastructure
 - (6) Recommendations
 - (7) Capital Improvement Plans (CIP List)
 - (8) Map of Existing System
 - (9) Map of Build-Out System
 - (10) Opinion of Probable Construction Costs
- B. Meet with the City to review the draft report, one meeting to discuss both water and wastewater. Incorporate any comments and provide final report.

3.5 Deliverables

- A. Electronic (.pdf) copy of the Draft Master Plan Report
- B. Three (3) Copies of the Draft Master Plan Report for staff review
- C. Electronic (.pdf) copy of the Final Master Plan Report
- D. Five (5) Copies of the Final Master Plan Report

Task 4 - Wastewater Master Plan Update - Prepare an update to the wastewater master plan:

- 4.1 Demand Evaluation: This task involves evaluating the historic demands in the City's wastewater system and comparing it to those projected in the model. As part of this task, future demands will be evaluated and projected demands will be allocated throughout the system.
- A. Review historic demands over the previous five (5) years and reevaluate the existing peaking factors, diurnal curve, and per capita demand per land use.
 - B. Evaluate historic rain data and compare peak wastewater demands to rainfall.
 - C. Utilize land use assumptions to develop projected demands for existing, 2021, 2026, and build out conditions.
 - D. Evaluate existing wastewater discharge contracts and compare to projected wastewater loading.
 - E. Meet with UTRWD and City of Denton to discuss existing and future wastewater loads. Up to two (2) meetings are anticipated.
- 4.2 Hydraulic Model Update
- A. Meet with City staff to identify existing infrastructure to be shown in model. One meeting is anticipated for water and wastewater. City staff will provide information regarding infrastructure which has been constructed since the last model update.
 - B. Utilize record drawing information to add additional existing infrastructure to the model accurately. Perform a general review of existing infrastructure shown in the model compared to record drawings to validate sizes, length, capacities, etc.
 - C. Wastewater line infrastructure shown in the model will be limited to interceptor lines and large collectors, but will not include smaller collector/service lines. Typically wastewater lines located within individual neighborhoods will not be shown unless they are part of the system's backbone. We will identify critical lines within the wastewater system and will include those lines in the model.
 - D. Allocate loading projections within model for existing, 2021, 2026 and build out conditions. Loads will be allocated over various nodes within the model to represent system conditions.

- E. Utilize diurnal curve developed to create an extended period simulation (EPS) model. Model will represent a 24 hour simulation. An EPS model will allow for the evaluation of instantaneous peak flows as well as daily maximum flows.
- F. Coordinate with the City's operations staff to better understand how the lift stations are operated and calibrate the model based on this information.
- G. Incorporate flow meter data obtained in Task 10. Utilize data to confirm wastewater loading and diurnal curves.
- H. Confirm pumping characteristics shown in the model are representative of City's system.
- I. Prepare system map showing existing infrastructure.

4.3 Infrastructure Evaluation

- A. Determine system criteria to be utilized for evaluation. TCEQ stipulates system minimum requirements, but in some instances the City may elect to utilize a more stringent criteria. Criteria applies to wastewater line sizing and pumping. We will work with the City to determine if any additional design requirements above the TCEQ requirements should be implemented.
- B. Evaluate infrastructure based on model results for existing, 2021, 2026 and build out conditions. Determine required improvements to meet system criteria. Prepare a capital improvements project (CIP) list and prioritize the list. Prepare construction cost projections for CIP.
- C. Evaluate City of Denton CIP and determine if any future projects are planned for servicing City of Corinth flows. Incorporate any City of Denton future projections into CIP.
- D. Prepare CIP maps showing future projects.
- E. Meet with City to review future projects and discuss CIP, one meeting to discuss both Water and wastewater Master Plans

4.4 Report: It is assumed that one report will be prepared which will include the Water and Wastewater Master Plans.

- A. Master Plan Report will include the following:
 - (11) Executive Summary
 - (12) Introduction
 - (13) Design Criteria
 - (14) Methodology
 - (15) Description of Existing Infrastructure
 - (16) Recommendations
 - (17) Capital Improvement Plans (CIP List)
 - (18) Map of Existing System
 - (19) Map of Build-Out System
 - (20) Opinion of Probable Construction Costs
- B. Meet with the City to review the draft report, one meeting to discuss both water and wastewater. Incorporate any comments and provide final report.

4.5 Deliverables

- A. Electronic (.pdf) copy of the Draft Master Plan Report
- B. Three (3) Copies of the Draft Master Plan Report for staff review
- C. Electronic (.pdf) copy of the Final Master Plan Report

D. Five (5) Copies of the Final Master Plan Report

Task 5 - Water Impact Fee Update - Prepare the water impact fee update in conformance with Chapter 395 of the Local Government Code. It is assumed that the water and wastewater impact fee reports will be combined into one report. Roadway impact fee report will be a separate document:

- 5.1 Water Impact Fee Capital Improvements Plan: Coordinate with the Owner to develop the Water Impact Fee Capital Improvements Plan
 - A. City Impact Fee eligible infrastructure to be reviewed and analyzed includes:
 - (1) Future Transmission Lines (12-inch and larger)
 - (2) Existing transmission lines will not be included unless specifically identified in the kick-off meeting
 - (3) Existing and Future Elevated Storage Tanks
 - (4) Existing and Future Ground Storage Tanks
 - (5) Existing and Future Pump Stations
 - B. Capacity Analysis:
 - (1) Determine the overall capacity of existing and future infrastructure planned for the 10 year period
 - (2) Determine the capacity that is obligated to serve the existing City demands
 - (3) Determined the capacity to be used in the 10 year period based on the infrastructure capacity criteria, using land use assumptions and the existing water master plan.
 - C. Impact Fee CIP
 - (1) Identify each impact CIP project with a unique name which includes its location
 - (2) Prepare an exhibit identifying the limits and the location of the impact CIP project
 - (3) Apply planning level cost to prepare an updated impact CIP opinion of cost indentifying eligible ineligible cost.
 - D. UTRWD Infrastructure: Analyze the UTRWD rate calculation to determine if existing or future UTRWD facilities may be accounted for as part of the Impact Fee Capital Improvements Plan.
- 5.2 Maximum Assessable Water Impact Fee Calculation:
 - A. Calculate the additional service units based on the Land Use Assumptions.
 - B. Calculate the impact fee per service unit, unit equivalents by meter size and the Maximum Assessable Water Impact Fee table by meter size. Incorporate the financial analysis performed, if performed, to determine the maximum assessable impact fee by service unit.
- 5.3 Water Impact Fee Update Report: prepare a draft and final Water Impact Fee Report. The report will include:
 - A. Water service area
 - B. Narrative of the impact fee update methodology
 - C. Impact fee calculations
 - D. Water Impact Fee CIP
 - E. Exhibits
- 5.4 Meetings. Prepare for and attend the following meetings:

- A. One (1) meeting with staff to review Water Impact Fee Capital Improvements Plan, one meeting to discuss both water and wastewater
- B. One (1) meeting with staff to review Maximum Assessable Water Impact Fees, one meeting to discuss both water and wastewater

5.5 Deliverables

- A. Electronic (.pdf) copy of the Draft Water/Wastewater Impact Fee Report
- B. Three (3) Copies of the Draft Water/Wastewater Impact Fee Reports for staff review
- C. Electronic (.pdf) copy of the Final Water/Wastewater Impact Fee Report
- D. Ten (10) Copies of the Final Water/Wastewater Impact Fee Report

Task 6 - Wastewater Impact Fee Update - Prepare the wastewater impact fee update in conformance with Chapter 395 of the Local Government Code. It is assumed that the water and wastewater impact fee reports will be combined into one report. Roadway impact fee report will be a separate document:

- 6.1 Wastewater Impact Fee Capital Improvements Plan. Coordinate with the Owner to develop the Wastewater Impact Fee Capital Improvements Plan.
 - A. City Impact Fee eligible infrastructure to be reviewed analyzed includes:
 - (1) Existing Trunk Lines that are 12-inch and larger
 - (2) Future Trunk Lines (12-inch and larger)
 - (3) Existing and Future Lift Stations
 - (4) Existing and Future Force Mains
 - B. Capacity Analysis:
 - (1) Determine the overall capacity of existing and future infrastructure planned for the 10 year period
 - (2) Determine the capacity that is obligated to serve the existing City demands
 - (3) Determined the capacity to be used in the 10 year period based on the infrastructure capacity criteria, using land use assumptions and the existing wastewater master plan.
 - C. Impact Fee CIP
 - (1) Identify each impact CIP project with a unique name which includes its location
 - (2) Prepare an exhibit identifying the limits and the location of the impact CIP project
 - (3) Apply planning level cost to prepare an updated impact CIP opinion of cost indentifying eligible ineligible cost.
 - D. UTRWD and City of Denton Infrastructure: Analyze the UTRWD and City of Denton rate calculation to determine if existing or future UTRWD facilities may be accounted for as part of the Impact Fee Capital Improvements Plan
- 6.2 Maximum Assessable Wastewater Impact Fee Calculation:
 - A. Calculate the additional service units based on the Land Use Assumptions.
 - B. Calculate the impact fee per service unit, unit equivalents by meter size and the Maximum Assessable Wastewater Impact Fee table by meter size. Incorporate the financial analysis, if performed, to determine the maximum assessable impact fee by service unit.
- 6.3 Wastewater Impact Fee Update Report: prepare a draft and final Wastewater Impact Fee Report. The report will include:
 - A. Wastewater service area

- B. Narrative of the impact fee update methodology
- C. Impact fee calculations
- D. Water Impact Fee CIP
- E. Exhibits

6.4 Meetings - Prepare for and attend the following meetings:

- A. One (1) meeting with staff to review Wastewater Impact Fee Capital Improvements Plan, one meeting to discuss both water and wastewater
- B. One (1) meeting with staff to review Maximum Assessable Wastewater Impact Fees, one meeting to discuss both water and wastewater

6.5 Deliverables

- A. Electronic (.pdf) copy of the Draft Water/Wastewater Impact Fee Report
- B. Three (3) Copies of the Draft Water/Wastewater Impact Fee Reports for staff review
- C. Electronic (.pdf) copy of the Final Water/Wastewater Impact Fee Report
- D. Ten (10) Copies of the Final Water/Wastewater Impact Fee Report

Task 7 - Roadway Impact Fee Update - Prepare the Roadway Impact Fee update in conformance with Chapter 395 of the Local Government Code which shall include:

7.1 Data Collection: The Owner will provide when available, and shall assist KHA in obtaining:

- A. Traffic Counts:
 - (1) Collect available traffic counts from TxDOT for state and federal roadway facilities.
 - (2) The Owner will provide available data (current and historical) for all City roadway segments on the current Master Thoroughfare Plan.
 - (3) Additional traffic counts deemed necessary to supplement the counts listed above. KHA will collect new PM peak hour traffic count data at up to five (5) locations within the City for use in the roadway impact fee analysis.
- B. Historical Project Costing Information: The Owner shall provide available data on the actual City costs for previously completed arterial roadway improvement projects to:
 - (1) Assist in the development of planning level project costs for future projects by providing the actual construction cost for previously complete projects similar to those in the impact fee CIP.
 - (2) Include any project costs for previously completed projects with excess capacity available to serve future growth.
- C. Development Agreements: The City will provide any existing development agreements that involve potential projects on the impact CIP
- D. Other Agreements: The City will provide any existing agreements for County or State contributions.

7.2 10-Year Growth Projections and Capacity Analysis

- A. Determine land use categories to be included in the land use vehicle-mile equivalency table, using the service area boundaries established as part of Task 1 (Project Initiation).
- B. Identify the service units for new development and the average trip length
 - (1) Using the Eighth Edition of the Institute of Transportation Engineer's (ITE) Trip Generation Manual,
 - (2) Develop updated trip generation and pass-by trip rates as necessary.

- C. Perform an analysis of existing conditions. This will include a determination of:
 - (1) roadway capacities
 - (2) volumes
 - (3) vehicle-miles of supply
 - (4) vehicle-miles of demand
 - (5) existing excess capacity
 - (6) Existing deficiencies.
 - D. Project traffic conditions including for:
 - (1) The ten-year planning period
 - (2) The target year for the impact fee growth projections.
 - (3) This will include growth and new demand by service area. KHA will determine the capacity available for new growth.
- 7.3 Roadway Impact Fee Capital Improvements Plan
- A. Develop a Roadway Impact Fee Capital Improvements Plan, including:
 - (1) Planning level cost projections for anticipated projects to be included in the impact fee CIP for:
 - (a) Existing oversized facilities
 - (b) Proposed facilities designated to serve future development
 - (2) A general description of the project
 - (3) An exhibit depicting the location and limits of the Impact CIP Project
 - B. Capacity Analysis:
 - (1) Identify the portion of project improvements required to serve existing demand
 - (2) Identify the portion of project improvements required to serve new development within the 10-year planning period.
- 7.4 Maximum Assessable Roadway Impact Fee Calculation - Using the newly developed 10-year growth projections, roadway impact fee capital improvements plan, and capacity available for new growth, calculate and provide the following:
- A. Determine the cost of roadway improvements by service area
 - B. The maximum costs per service unit
 - C. The resulting maximum assessable roadway impact fees by service area. Incorporating the financial analysis, if performed, to determine the maximum assessable impact fee per service unit.
- 7.5 Roadway Report - Prepare a draft and final Roadway Impact Fee Report incorporating City comments:
- A. Roadway service areas
 - B. Narrative of the impact fee update methodology
 - C. Impact fee calculations as described in 7.4
 - D. Roadway Impact Fee CIP
 - E. Exhibits for above items
- 7.6 Meetings. Prepare for and attend the following meetings:
- A. One (1) meeting with staff to review Roadway Impact Fee Capital Improvements Plan
 - B. One (1) meeting with staff to review Maximum Assessable Impact Fees

7.7 Deliverables

- A. Electronic (.pdf) copy of the Draft Roadway Impact Fee Report
- B. Three (3) Copies of the Draft Roadway Impact Fee Reports for staff review
- C. Electronic (.pdf) copy of the Final Roadway Impact Fee Report
- D. Ten (10) Copies of the Final Roadway Impact Fee Report

Task 8 - Public Hearings, Workshops and Approvals

8.1 Benchmarking:

- A. Collect information on actual impact fees collected for up to ten (10) benchmark DFW area cities for up to two (2) different land uses
 - (1) Residential
 - (2) Commercial
- B. Provided information to the Client in electronic (.xls) tabular format for use in the development of comparison tables.

8.2 Workshops –

- (1) Prepare for and attend one (1) workshop to present water and wastewater master plan components for review and comment to the City Council. Present land use assumptions.
- (2) Prepare for and attend two (2) workshops to present fundamentals of Impact Fees to the CIAC and the City Council.
- (3) Prepare for and attend one (1) miscellaneous workshop as directed by City Staff.

8.3 Public Hearings:

- A. Prepare for and attend one (1) Public Hearing with the CIAC to present the Impact Fee methodology and the respective CIP's and Maximum Assessable Impact Fees.
 - (1) Prepare Impact Fee Presentation for CIAC including Land Use Assumptions, Water, Wastewater, Roadway, and Financial Analysis components the Impact Fee Update.
- B. Prepare for and attend one (1) Public Hearing with the council to present the Impact Fee methodology and the respective CIP's and Maximum Assessable Impact Fees.
 - (1) Prepare Impact Fee Presentation for City Council including Land Use Assumptions, Water, Wastewater, Roadway, and Financial Analysis components the Impact Fee Update.

- 8.4 Ordinance Preparation: Assist the Owner in preparation of an impact fee ordinance by reviewing and providing comments for up to two (2) iterations of the ordinance as drafted by the City Attorney.

ARTICLE II - SPECIAL SERVICES

Task 9 - Financial Analysis and Impact Fee Credit Determination

- 9.1 Credit Determination: Determine the appropriate credit, if any, and apply this credit to the impact fee determination in accordance with Chapter 395 requirements.
 - A. Examination of funding practices involving existing projects that are impact fee eligible under the newly calculated impact fees.

- B. Determine whether to maintain or modify the existing funding practice for existing projects in accordance with Chapter 395 for credit for ad valorem taxes and/or utility service revenues from new service units used to fund impact fee eligible projects.

9.2 Impact Fee Determination:

- A. Incorporate the credit into the impact fee calculation using a financial model which recognizes the requirements of Chapter 395, including the recognition of cash and/or debt financing, interest earnings, fund balances, ad valorem taxes, and utility rate revenues.

9.3 Meetings - Prepare for and attend the following meetings:

- A. One (1) meeting with Owner Staff to review the impact fee determination and address any outstanding issues and/or concerns. Staff's comments and recommendations will be incorporated where appropriate.
- B. One (1) public hearing

9.4 Deliverables: There are no deliverables for this task. All documentation will be included in the impact fee reports for Water, Wastewater and Roadway.

Task 10 - Wastewater Flow Metering – This task involves installation of temporary wastewater flow meters to help evaluate existing demands and determine peak factors.

10.1 Install up to two (2) wastewater meters at different locations for monitoring. Meters will be installed for up to thirty (30) days and record continuous data. If additional meters are required or meter duration is extended additional budget may be required.

10.2 Install up to two (2) rain gauges at different locations for precipitation monitoring. Rain data will be utilized when evaluating flow meter data to determine a correlation between rain fall and peak wastewater flow (i.e. inflow and infiltration)

10.3 Report

- A. Prepare report detailing flow data and conclusions. The report is anticipated to include the following:

- (1) Executive Summary
- (2) Study Area Description
- (3) Flow and Rain Gauge Sites
- (4) Recorded Rainfall
- (5) Description of tasks
- (6) Dry/Wet weather flow Summary
- (7) Dry Weather Flow Summary
- (8) Wet Weather Flow Summary
- (9) Rainfall Dependent Infiltration/Inflow Analysis
- (10) Conclusions and Recommendations
- (11) Appendix of flow data, hydrographs, rainfall data, mapping, manhole inspections, survey data, and photographs

Task 11 - Impact Fee Worksheet – This task involves updating the City's current impact fee worksheet as well as including into the worksheet impact fees for all previously adopted impact fees beginning in 1990.

ARTICLE III -ADDITIONAL SERVICES: ADDITIONAL SERVICES TO BE PERFORMED BY CONSULTANT, ONLY IF AUTHORIZED BY OWNER IN WRITING PRIOR TO THE PERFORMANCE OF THE SERVICE, AND ARE NOT INCLUDED IN THE ABOVE DESCRIBED BASIC SERVICES, OR SPECIAL SEVICES.

ARTICLE IV -TIME OF COMPLETION:

CONSULTANT IS AUTHORIZED TO COMMENCE WORK ON THE PROJECT UPON EXECUTION OF THIS AGREEMENT AND AGREES TO COMPLETE THE SERVICES IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

Master Plan and Impact Fee Update Completion 270 days following Notice to Proceed

If CONSULTANT’s services are delayed through no fault of CONSULTANT, CONSULTANT shall be entitled to adjust contract schedule consistent with the number of days of delay. These delays may include but are not limited to delays in OWNER or regulatory reviews, delays on the flow of information to be provided to CONSULTANT, governmental approvals, etc. These delays may result in an adjustment to compensation as outlined on the face of this AGREEMENT and in Attachment CO.

ARTICLE V - RESPONSIBILITIES OF OWNER:

OWNER SHALL PERFORM THE FOLLOWING IN A TIMELY MANNER SO AS NOT TO DELAY THE SERVICES OF CONSULTANT:

- A. Designate in writing a person to act as OWNER’s representative with respect to the services to be rendered under this AGREEMENT. Such person shall have contract authority to transmit instructions, receive information, interpret and define OWNER’s policies and decisions with respect to CONSULTANT’s services for the Project.
- B. Provide available information as to OWNER’s requirements for the Project, including objectives and constraints, performance requirements, and any budgetary limitations.
- C. Assist CONSULTANT by placing at CONSULTANT’s disposal available information pertinent to the Project including previous reports and any other data relative to the Project.
- D. Arrange for access to and make all provisions for CONSULTANT to enter upon public and private property as required for CONSULTANT to perform services under this AGREEMENT.
- E. Examine all studies, reports, sketches, drawings, proposals and other documents presented by CONSULTANT, obtain advice of an attorney, insurance counselor and other consultants as OWNER deems appropriate for such examination and render in writing decisions pertaining thereto within a reasonable time so as not to delay the services of CONSULTANT.
- F. Furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.
- G. Give prompt written notice to CONSULTANT whenever OWNER observes or otherwise becomes aware of any development that affects the scope or timing of CONSULTANT's services.
- H. Furnish, or direct CONSULTANT to provide, Additional Services as stipulated in Attachment SC, Article III of this AGREEMENT or other services as required.

ARTICLE VI - DESIGNATED REPRESENTATIVES:

CONSULTANT and Owner designate the following representatives, and hereby agree and represent that such individuals shall have contract authority to transmit instructions, receive information, interpret and

define their respective party's policies and make necessary decisions with respect to this Agreement.

Owner's Designated Representative -

Name: Fred Gibbs
Address: 3300 Corinth Parkway
Corinth, TX 76208
Phone: 940-498-3200
E-mail: fgibbs@cityofcorinth.com

CONSULTANT's Project Manager -

Name: M. Anthony Samarripas, P.E.
Address: 12750 Merit Drive, Suite 1000
Dallas, TX 75251
Phone: 972/770-1300
Fax: 972/239-3820
E-mail: anthony.samarripas@kimley-horn.com

ATTACHMENT "CO"**COMPENSATION****City of Corinth Master Plan and Impact Fee Update**

For Tasks 1 thru 8 included in ATTACHMENT "SC" (Scope of Services, Corinth Impact Fee Update), the OWNER agrees to pay the ENGINEER an amount not to exceed the following fee schedule:

Basic Services

Task 1 – Project Initiation	\$9,000
Task 2 – Land Use Assumption	\$15,000
Task 3 – Water Master Plan Update	\$64,200
Task 4 – Wastewater Master Plan Update	\$64,200
Task 5 – Water Impact Fee Update	\$ 22,500
Task 6 – Wastewater Impact Fee Update	\$ 22,500
Task 7 – Roadway Impact Fee Update	\$ 22,500
Task 8 –Public Hearings, Workshops and Approvals	\$16,500
Total Basic Services Fee	\$236,400

Special Services

Task 9 – Financial Analysis and Impact Fee Credit	\$27,500
Task 10 – Wastewater Flow Metering	\$16,500
Task 11 – Impact Fee Worksheet	\$5,000

Special Services Fee **\$49,000**

If the OWNER requests the KHA provide additional services that are not included in the scope of services as specified in Attachment "SC", an equitable adjustment will be made through an amendment to this AGREEMENT with appropriate OWNER approval.

II. BASIS FOR COMPENSATION

For Tasks 1 thru 8, the OWNER shall compensate the Consultant for the professional engineering services included in ATTACHMENT "SC" on an hourly basis with a not to exceed amount as shown above. Labor fee will be billed according to the attached rate schedule, which is subject to annual adjustment. Direct reimbursable expenses such as express delivery services, fees, air travel, and other direct expenses will be billed at 1.10 times cost. A 6% fee will be added to each invoice to cover certain other expenses such as in-house duplicating, local mileage, telephone calls, facsimiles, postage, and word processing.

The ENGINEER shall be paid monthly based on statements submitted to the OWNER for the work accomplished during the preceding month. Monthly statements for lump sum services will be based upon a reasonable estimation of percent complete for each task.

For Special Services – Task 9 thru 11 and Additional Services, the OWNER shall compensate the Consultant for the professional engineering services on a (reimbursable) basis. Special services and additional services will only be performed if the OWNER provides authorization. Labor fee will be billed according to the attached rate schedule, which is subject to annual adjustment. Direct reimbursable expenses such as express delivery services, fees, air travel, and other direct expenses will be billed at 1.10 times cost. A 6% fee will be added to each invoice to cover certain other expenses such as in-house duplicating, local mileage, telephone calls, facsimiles, postage, and word processing. .

Fees for these tasks will be invoiced monthly based on the actual amount of service performed and expenses incurred.

Kimley-Horn and Associates, Inc.

Company Wide Rates

(Hourly Rate)

Senior Professional I	\$180 - \$220
Senior Professional II	\$140 - \$185
Professional	\$80 - \$125
Designer	\$120 - \$135
Technical Support	\$40 - \$110
Clerical/Administrative Support	\$60 - \$85

Effective January 1, 2016

Master Plan and Impact Fee Contract Breakdown

	<u>Water</u>	<u>Wastewater</u>	<u>Roadway</u>
Project Initiation	\$3,000.00	\$3,000.00	\$3,000.00
Impact Fee Update	\$22,500.00	\$22,500.00	\$22,500.00
Mater Plans	\$64,200.00	\$64,200.00	
Land Use Assumptions	\$5,000.00	\$5,000.00	\$5,000.00
Public Hearings, Work- shops, and CC Mtgs.	\$5,500.00	\$5,500.00	\$5,500.00
Financial Analysis	\$9,166.67	\$9,166.67	\$9,166.66
Wastewater Flow Metering		\$16,500.00	
Impact Fee Worksheet	\$1,666.66	\$1,666.67	\$1,666.67
	\$111,033.33	\$127,533.34	\$46,833.33

RED = Special Services

Total

\$285,400.00

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: Board & Committee Appointment Procedures

Submitted For: Lee Ann Bunselmeyer, Acting City Manager

Submitted By: Lee Ann Bunselmeyer, Acting City Manager

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on a Resolution of the City Council of the City of Corinth amending Resolution No. 11-03-03-06 which provides procedures and rules for recruiting and appointment of members to serve on city boards, commissions, and committees; providing for severability; and providing an effective date.

AGENDA ITEM SUMMARY/BACKGROUND

The City Council has established and created by Charter or separate ordinance seven Boards, Commissions, and Committees: Board of Adjustments, Board of Construction Appeals, Citizen Finance Audit Committee, Corinth Economic Development Corporation, Ethics Committee, Keep Corinth Beautiful, and Planning and Zoning Commission.

In 2009, with an amendment in 2011, the City Council approved a Resolution to provide uniform rules and procedures for the recruiting and appointment of volunteers to the various boards, commissions, and committees created by the City. The recommended changes to the existing procedures further clarify the reappointment process providing priority to incumbents and current alternates on existing boards, commissions, and committees. These changes can be found on page 2, lines 47-55. Minor changes were made throughout the document correcting grammar and updating content.

RECOMMENDATION

Staff recommends approval of the resolution approving the restated procedures and rules for the recruitment and appointment of volunteers to serve on City Boards, Commissions and Committees.

Attachments

Resolution

Boards Rules & Procedures

RESOLUTION NO. 16-04-21-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORINTH AMENDING RESOLUTION NO. 11-03-03-06 WHICH PROVIDES PROCEDURES AND RULES FOR RECRUITING AND APPOINTMENT OF MEMBERS TO SERVE ON CITY BOARDS, COMMISSIONS, AND COMMITTEES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Corinth, Texas has established and created by Charter or separate ordinance, the Planning and Zoning Commission, and the Zoning Board of Adjustment and other boards and commissions and committees; and

WHEREAS, the City Council has adopted certain policies and rules for the recruiting and appointment of volunteers to serve on various city boards, commissions, and committees; and

WHEREAS, the City Council deems it necessary and desirable to amend certain procedures and rules for the conduct of business of City boards, commissions and committees to serve in the best interest of the City of Corinth; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS:

SECTION 1. Incorporation of Premises.

That all of the above premises are found to be true and correct and are incorporated into the body of this Resolution as if copied in their entirety.

SECTION 2. Adoption of Policies and Rules for City Boards, Commissions, and Committees.

That **Exhibit A** to Resolution No. 11-03-03-06 be amended so that hereafter, said **Exhibit A** shall read as set forth in the attached **Exhibit A** and shall serve as the Rules and Procedures of Corinth Boards, Commissions, and Committees.

SECTION 3. Repeal.

This Resolution shall real Resolution No. 11-03-03-06 and any other rules or policies or procedures of boards, commissions, and committees, except insofar as the provisions hereof may conflict with the provisions of the Corinth Charter or Code of Ordinances, in which case the provisions of the City Charter and Code of Ordinances shall be controlling.

SECTION 4. Severability

If any section, article, paragraph, sentence, clause, phrase, or word in this Resolution, or application to any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Resolution.

SECTION 5. Effective Date.

This Resolution shall become effective immediately upon its passage.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
CORINTH, TEXAS ON THE _____ DAY OF _____, 2016.**

Bill Heidemann, Mayor

ATTEST:

Kimberly Pence, City Secretary

1 **City of Corinth**
2 **Boards, Commissions, and Committees**
3 **Rules and Procedures**
4

5 **I. PURPOSE**

6 The purpose of this Resolution is to provide uniform rules and procedures for the recruitment and
7 appointment of volunteers to and the conduct of business of the various boards, commissions, and
8 committees created by the Charter and Ordinances of the City. This Resolution is not intended to conflict
9 with mandates of state statutes or other City rules of policy and procedure; rather, the City Council desires
10 to provide guidance on the efficient conduct of meetings and related decorum.
11

12 **II. VOLUNTEER RECRUITMENT**

- 13
- 14 1. A continuous recruiting effort will be conducted to solicit citizen interest in serving on City boards,
15 commissions, and committees. All citizens of Corinth that are eligible to serve on City boards should
16 be encouraged to file an application to be considered for appointment to any such board, commission,
17 or committee.
 - 18 2. Each year the appointed terms of several positions on the various boards, commissions, and committee
19 expire. This results in the need for re-appointments or new appointments to be made by the City Council.
20 To be considered for appointment to any board, commission, or committee, an applicant must submit
21 an application to the City Secretary. Applications are available at City Hall. The City Council reviews
22 the applications and the discussion of the appointments may be conducted in closed session for the
23 Planning and Zoning Commission (P & Z) and the Zoning Board of Adjustments (BOA). Discussion of
24 the appointments for all other boards, commissions, and committees is conducted in open session. All
25 appointments are made during the public portion of regular council meetings.
26
 - 27 3. The application submitted to the City Secretary for consideration by the City Council shall be completed
28 in its entirety with an affirmation under oath that all information contained therein is true and correct.
29 This information shall be subject to verification and may also be released for other purposes, such as
30 conducting a background check. Any material misinformation contained on the application, as
31 determined by the City Council, shall be cause for immediate removal by majority vote of the City
32 Council.
33
 - 34 4. Applicants may be invited to meet with the Council during a workshop session prior to placing their
35 name in nomination. Applicants not initially appointed to a position on a board, commission, or
36 committee will remain eligible for future consideration as vacancies occur. City Staff will maintain a
37 list of all applications and those applicants may be considered at a later time for an appointment. Prior
38 to an appointment at a later time, staff will contact any applicant being considered for an appointment
39 to determine if the applicant is still available for appointment.
40

41 **III. APPOINTMENTS**

- 42
- 43 1. Councilmembers may offer recommendations to the Mayor for positions on the P & Z and BOA in
44 closed session conducted prior to the open session in which an applicant's name is placed in nomination.
45 The Mayor may make recommendations in accordance with Article 3 of the Corinth City Charter.

- 46
47 2. As vacancies occur on boards, commissions, and committees, the Council will consider the applications
48 for positions using the following priority:
49
50 a. Individuals seeking reappointment to their current place on the board, commission, or committee
51 will be considered first.
52 b. If no individual is seeking reappointment or, if at the City Council discretion, the incumbent was
53 not reappointed, individuals that have served as an alternate member of the board, commission,
54 or committee will then be considered.
55 c. Final consideration will be given to applications from other applicants.
56
57 3. All appointments are for terms of two years (except that the initial appointments to a board, commission
58 or committee may be for a shorter term) or to the end of the unexpired term in case of a vacancy.
59
60 4. Appointments to all boards, commission, and committees shall be made so that one half of the positions
61 come up for appointment or re-appointment each year. Staggered terms provide for the new members
62 as well as continuity for all boards, commission, and committees.
63

64 **IV. ELIGIBILITY**

- 65
66 1. All voting board, commission, and committee members shall be qualified voters of the City and shall
67 remain eligible to vote in City elections during their tenure.
68
69 2. Non-residents may serve in an advisory capacity to boards, commissions, and committees in order to
70 provide subject matter expertise, e.g., engineers, architects, arborists, etc.

71 **V. OATH OF OFFICE**

- 72
73 1. Each individual, who takes a position as a public official, whether appointed, re-appointed, or elected,
74 shall take an oath of office. The oath of office for an appointed official is as follows:

75 “I _____, do solemnly swear (or affirm) that I will faithfully execute
76 the duties of the office of _____ of the City of Corinth, and will to the
77 best of my ability preserve, protect, and defend the Constitution and laws of the United
78 States, of the State of Texas, and the Charter and Ordinances of the City of Corinth,
79 Texas. I furthermore solemnly swear that I have not directly or indirectly paid, offered,
80 promised to pay, contributed, or promised to contribute any money or thing of value, or
81 promised any public office or employment, as a reward to secure my appointment or
82 confirmation thereof, so help me God.”

- 83 2. Each member must be sworn in no later than the day in which they are to perform the duties of the office
84 to which they were appointed. Only the following City officials may administer the oath: 1) Mayor or
85 Mayor Pro Tem 2) City Secretary or Deputy City Secretary.
86

87 **VI. TRAINING**

- 88
89 1. All board, commission, and committee members shall receive training on the Texas Open Meetings Act,
90 Robert's Rules of Order, and ethics for organization members. City Council recommends and supports
91 other training courses through staff availability and budget allocation.
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93 2. The Chairperson and Vice-Chairperson as well as all members of any board, commission, or committee
94 may be required to attend training courses designed to improve their knowledge as a member of any
95 City organization.

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VII. ATTENDANCE

1. To ensure a productive board, commission, or committee, the Council hereby establishes a mandatory attendance policy. The attendance policy requires that a regular and/or alternate member of a board, commission, or committee may not miss more than three (3) consecutive regularly scheduled meetings and in no event shall a member miss more than 25% of the regular meetings during a single term year. The Chairperson or staff liaison shall record the attendance of the board, commission, or committee members and submit the same to the City Manager. When a member has not complied with the attendance requirement, the City Manager will be notified and he/she will advise the Council of the member's attendance record in order that the Council may consider replacing the member.
2. Alternate members shall be given an opportunity to participate in the discussion and ask questions of staff and the applicant. Only regular members and alternate members serving for absent regular members have voting privileges.

VIII. REMOVAL, RESIGNATION AND VACANCIES

1. A board, commission or committee member may be removed and the board, commission or committee member's position may be declared vacant if a term expires, or if any member misses three (3) consecutive regularly scheduled meetings or misses more than 25% of the regular meetings during a term year. This does not limit the authority of the City Council to otherwise replace or remove members.
2. The City Council shall appoint a replacement to fill an unexpired term of a board, commission or committee member in case of a vacancy. At the discretion of the Council, then current alternate members may be considered for appointment prior to consideration of new applicants.
 - a. The alternate member with the longest tenure shall assume the duties of the vacant position until the expiration of the term of office of the vacated position unless Council otherwise appoints a replacement.
 - b. In the event more than one vacancy on a board or commission exists, the alternate members with the longest tenures shall assume the duties of the vacant positions with the alternate member with the longest tenure assuming the longest remaining term of office, unless Council otherwise appoints a replacement.
3. Resignation of a member of a board, commission, or committee should be in writing. Resignation by a member of a board, commission or committee is effective, and not subject to revocation, upon tendering written notification to the City Secretary and such vacancy shall be filled by the City Council for the remaining term, as set forth herein.
4. Regular and alternate members may be removed from office prior to the expiration of the term by a majority vote of the City Council. Members generally serve at the pleasure of the Council and removal for cause is required only if expressly provided herein, by state statute or other City Ordinance.
5. A member or alternate member who ceases to reside in the City or is no longer a qualified voter during his term of office shall immediately forfeit his office. Notice must be submitted to the City Secretary as soon as practicable. In limited cases, state law allows for certain appointments of non-residents.

147 **IX. SUCCESSION OF LEADERSHIP**

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- 149 1. It is the intent of the Council to encourage the development of leadership on the various boards,
150 commissions, and committees in order to provide for an orderly succession of experienced members
151 to leadership positions.
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- 153 2. To reflect the depth and breadth of citizen concerns, it is advisable to include representation from a
154 cross section of neighborhoods and interests.

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156 **X. DUTIES OF THE CHAIRPERSON AND VICE CHAIRPERSON**

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- 158 1. The P & Z and BOA Chairperson and Vice Chairperson shall be nominated by the Mayor, if
159 desired^[DD1], and appointed by majority vote of the City Council in open session. Councilmembers
160 may offer recommendations to the Mayor for these positions in closed session conducted prior to the
161 open session in which the applicant's name is placed in nomination.
162
- 163 2. The Chairperson and Vice Chairperson of such other board, commission or committee that from time
164 to time may be established by the Council shall be appointed as the Council may direct or, if applicable,
165 in accordance with the procedures set forth in the ordinance or resolution establishing the board,
166 commission or committee.
167
- 168 3. The Chairperson, Vice Chairperson, or another member in their absence shall preside at all meetings
169 and shall decide all points of order. Unless otherwise provided herein or by ordinance, the Chairperson
170 may vote on all issues before their respective board, commission, or committee.
171
- 172 4. The Chairperson of a commission, board, or committee performs many duties to ensure that the
173 commission, board, or committee achieves the task as outlined in the City Charter, Ordinance and/or
174 as directed by the City Council. Examples of the responsibilities of the Chairperson are to do as
175 follows:
176
- 177 a. Exercise leadership and make suggestions to ensure that the group reaches a conclusion on the
178 matter before them.
179 b. After any debate or discussion, summarize the major points of the issue as discussed.
180 c. Ensure that all parties act in accordance with the established rules and the Texas Open Meetings
181 Act.
182 d. Ensure that the meeting moves along and stays on track.
183 e. Ensure that attendance records are maintained and that the minutes of each meeting is acted upon
184 and submitted for Council review.
185 f. Work with the City staff to ensure that agendas are properly prepared and posted.
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187 **XI. MEETINGS**

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- 189 1. Dates and times of the regular meetings of each specific board, commission, or committee shall be as
190 provided by City ordinance^[DD2] or resolution. Specially scheduled meetings may be set, in
191 coordination with the City Secretary and staff liaison, and as properly noticed. Regular scheduled
192 meetings may be reset^[DD3] upon the majority vote of the members at a regularly scheduled meeting.
193 Each member and alternate member of the board, commission, or committee shall receive an agenda
194 and meeting information (packets) prior to the meeting as established by the board, commission, or
195 committee.

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2. Any board, commission, or committee that meets to deliberate on City issues, or takes a vote or renders a decision must post a notice in accordance with the Texas Open Meetings Act^[DD4]. The Texas Open Meetings Act requires that the notice be posted seventy-two (72) hours prior to the meeting and must contain the date, hour, place, and subject of each meeting within the body of the notice. Boards, commissions, and committees are not authorized to call emergency meetings as defined in the Texas Open Meetings Act.

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XII. QUORUMS

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A meeting of a board, commission, or committee must have a quorum of its members present to conduct business. A quorum is comprised of the majority of the regular or alternate members prescribed by charter or ordinance unless otherwise prescribed by state statute. Passage of any decision on behalf of a standing or temporary board, commission, or committee must be by majority vote of the regular or alternate members of the board, commission, or committee present and voting unless otherwise prescribed by ordinance or statute.

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XIII. WORKING WITH CITY STAFF

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A member of the City staff may be designated by the City Manager to serve as staff liaison to each board, commission, or committee. It is not intended that the staff member perform the tasks that are mandated to the board, commission, or committee, but rather shall use City staff expertise in fact finding and as a source of communications to the remaining City staff to promote coordination of all City board, commission, or committee related activities. The staff member may be used in the following manner:

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- a. The source of communications between other staff members and City Council to promote coordination and better understanding of all board, commission, or committee activity.
- b. To pull together the ideas and goals of the various members to help reach common understanding and direction.
- c. Assist the Chairperson in the formulation of the agenda and to ensure presentations to the members are timely and adequate.
- d. Assists applicant in planning and preparing presentations or assist in oral presentations^[DD5].
- e. Assist the members and applicants in understanding the community issues and how those issues may vary from neighborhood to neighborhood.
- f. Ensure the boards, commissions, and committees address matters of policy and not administrative issues.
- g. Assist the members in translating technical terms into lay terms.
- h. Provide a copy of all training materials as applicable (City Charter, Ordinances, Texas Open Meetings Act, Robert's Rules of Order, etc.) and encourage members to become familiar with information as it relates to duties as a member.
- i. Provide such administrative support as may be necessary to record minutes, reproduce documents, maintain files, etc.

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XIV. DELIBERATIONS AND RULES OF ORDER

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1. Robert's Rules of Order shall govern all meetings except that discussion on any agenda item may precede a motion. The Chairperson shall rule on all points of order. The purpose of the rules of order is to ensure an orderly exchange of ideas.

- 242 2. All official actions must be by motion, seconded and receive the affirmative vote of the required
243 number of members. The Chairperson shall state the motion, call for the vote, and announce the
244 results of the vote.
245
- 246 3. The vote shall be by ayes and nays and entered into the record. Any abstentions, due to conflict, shall
247 also be noted for the record. Members abstaining due to a conflict of interest may be asked to submit
248 a written statement of abstention to the City Secretary.
249
- 250 4. All official action must take place in open session.
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- 252 5. Any member desiring to speak on the matter before the board, commission, or committee shall do so
253 only when recognized by the Chairperson. The members shall confine all remarks and discussion to
254 the matter under consideration. Unless otherwise recognized by the Chairperson, no members shall
255 speak more than once on a particular subject until every member requesting to be recognized shall
256 have had the opportunity to speak.
257
- 258 6. Only one agenda item may be discussed at a time, unless logic and practical considerations allow
259 similar topics to be considered together for the purposes of convenience and efficiency.
260 Notwithstanding the foregoing, the vote must be on any consent agenda or one action agenda item at
261 a time and the record shall so reflect.
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263 **XV. VISITORS COMMENTS**

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- 265 1. Any visitor who desires to speak on an agenda item not designated as a public hearing item should
266 be allowed to do so when the item is addressed.
267
- 268 2. Any visitor who desires speak on a matter not on the agenda should be allowed to do so only during
269 the Citizen's Agenda portion of the agenda in accordance with the procedures used by City Council.
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- 271 3. Time limits for visitor comments shall be described for Public Hearings contained herein.
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273 **XVI. PROCEDURE FOR PUBLIC HEARINGS BEFORE BOARDS AND COMMISSIONS**

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- 275 1. The Chairperson shall open the Public Hearing, read the agenda item into the record and call for a
276 presentation of the agenda item by the staff and/or the applicant or other interested party. The staff
277 shall make the initial presentation with the attendant recommendation. The applicant will be allowed
278 15 minutes to present the reasons and/or justification for the application and/or request being made.
279
- 280 2. The Chairperson shall first call for questions of an informational nature for clarification of the issue.
281 Questions shall be directed to the Chairman who shall select the appropriate individual to respond.
282 The Chairperson should monitor and prevent duplicative questions and determine when redundant
283 questions have been answered.
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- 285 3. Each speaker shall then come to the podium to speak, identify himself/herself by name and address
286 and who (if anyone) he/she represents prior to speaking on the matter before the board or
287 commission, or committee.
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- 289 a. Each person shall be allowed to speak for three (3) minutes.
290 b. The board, commission, or committee secretary shall be the official timekeeper.

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- c. If those in organized support or opposition groups are represented by counsel, a consultant, or a single individual, upon the written submission of the names of the parties represented, such person shall be allowed 15 minutes to present the reasons for support or opposition to the application or request.
 - d. Any person disrupting the proceedings shall be requested to leave or, if necessary, be removed.
4. The Chairman shall then close the public hearing portion of the meeting and bring the matter to the board, commission, or committee for deliberation. No further comments and/or discussion shall be allowed from the audience.

303 **XVI. MINUTES OF THE MEETINGS**

304 Each board, commission, or committee that meets in public session to consider issues that may be brought
305 before it for action must keep minutes of the meetings. A member of the City staff may be designated by
306 the City Manager to act as the secretary and record and prepare minutes for the review and submission to
307 board, commission, or committee members. The minutes shall reflect the date, time, place, and attendance
308 of members, issues that are addressed, vote taken and a brief description of the discussion. The board,
309 commission, or committee must vote to accept the minutes of any previous meetings as a standard practice
310 and standing agenda item. The minutes of the meeting shall be approved by majority vote of the board,
311 commission, or committee at the next regularly scheduled meeting or as soon thereafter as practicable. A
312 copy of all minutes, after acceptance by a majority of the voting members must be filed with the City
313 Secretary and become a part of the official City records. It is required that copies of the minutes of each
314 meeting shall be provided to the City Council.

City Council Regular and Workshop Session

Meeting Date: 04/21/2016

Title: Resolution to execute a contract of sale

Submitted By: Lee Ann Bunselmeyer, Acting City Manager

Finance Review: Yes

Legal Review: Yes

Approval: Lee Ann Bunselmeyer, Acting City Manager

AGENDA ITEM

Consider and act on a Resolution authorizing the Mayor or his designated representative to execute a contract of sale by and between the City of Corinth, Texas and Denton Electric Cooperative, Inc. to acquire fee simple title to Lot R1-2, Block One, Pinnell Addition to the City of Corinth, Denton County, Texas (The Contract) and authorizing the expenditure of funds as prescribed in the Contract.

AGENDA ITEM SUMMARY/BACKGROUND

On February 4, 2016 the City Council approved a resolution directing the publication of a notice of intent to issue combination tax and revenue certificates of obligation. The notice was for the issuance of bonds to acquire, improve, and equip a public safety facility for the police and fire departments and to construct and equip a new fire station. The property for consideration will be purchased with the bond proceeds of the 2016 Certificates of Obligation for the purpose identified above.

The resolution and contract will be forwarded to the City Council upon final legal review.

RECOMMENDATION

Staff recommends approval of the resolution authorizing the Mayor or his designated representative to execute a contract of sale by and between the City of Corinth, Texas and Denton Electric Cooperative.
