



*** PUBLIC NOTICE ***

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

**Thursday, March 7, 2019, 5:45 P.M.
CITY HALL - 3300 CORINTH PARKWAY**

CALL TO ORDER:

WORKSHOP BUSINESS AGENDA

1. Hold a discussion and provide staff direction on a City Logo.
2. Discuss Regular Meeting Items on Regular Session Agenda, including the consideration of closed session items as set forth in the Closed Session agenda items below.
3. Hold a discussion and provide staff direction concerning the creation of a TIRZ, Transit Oriented Development (TOD), and DCTA rail station analysis letter.
4. Summary discussion on the Joint City Council meeting with the Lake Cities held on February 25, 2019 and the joint meeting with the NCTC Board of Regents held on March 4, 2019.

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:

**7:00 p.m. CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE & TEXAS PLEDGE:
"Honor the Texas Flag: I pledge allegiance to thee, Texas, one state under God, one and indivisible".**

PRESENTATION:

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 7, 2019 Workshop Session.

2. Consider and act on the minutes from the February 7, 2019 Regular Session.

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.

PUBLIC HEARING

BUSINESS AGENDA

3. Consider and adopt an Ordinance authorizing the issuance and sale of combination tax and limited surplus revenue certificates of obligation to provide funds for street, waterworks and sewer system and municipal drainage improvements; 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.
4. Consider and act on a Joint Election Agreement and Contract for Election Services with Denton County for the May 4, 2019 General and Special Election.
5. Consider and act on a Resolution adopting the City of Corinth's Early Model Home policy.

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.

CLOSED SESSION

The City Council will convene in such executive or (closed session) to consider any matters regarding any of the above agenda items as well as the following matters pursuant to Chapter 551 of the Texas Government Code. **Closed Session may happen at any time during the Workshop Session and before the start of a City Council Regular Session.**

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.

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.

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.

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 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 Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

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

ADJOURN:

Posted this 1st day of March, 2019 at 11:30 a.m. on the bulletin board at Corinth City Hall.

Kimberly Pence, City Secretary
City of Corinth, Texas

WORKSHOP BUSINESS ITEM 1.

City Council Regular and Workshop Session

Meeting Date: 03/07/2019

Title: City Logo

Submitted For: Bob Hart, City Manager **Submitted By:** Kim Pence, City Secretary

City Manager Review: Approval: Bob Hart, City Manager

Strategic Goals: Economic Development
Citizen Engagement &
Proactive Government
Regional Cooperation

AGENDA ITEM

Hold a discussion and provide staff direction on a City Logo.

AGENDA ITEM SUMMARY/BACKGROUND

The communication consulting firm, Slate Communications, will participate in the meeting through a conference call. Based on prior discussions, Slate Communications will present four logos for council consideration.

RECOMMENDATION

Reach a consensus of the preferred logo.

Attachments

Presentation

CITY OF CORINTH

LOGO
DESIGN
OPTIONS

DIRECTION

Build upon the current brand by creating a unique and timeless logo honoring the City and Texas that also resonates with the wide demographic and close-knit community.

PAIN POINTS

Current logo is dated

Brand is not versatile for different communication media

Logo appears to resemble a sports team's logo

Current logo speaks more to Texas than the City

CREATIVE DIRECTION

COMMUNITY
PRIDE

SAFE

BOLD

VIBRANT

MULTI-
GENERATIONAL

EMERGING
CITY

STABLE

QUALITY

BEDROOM
COMMUNITY

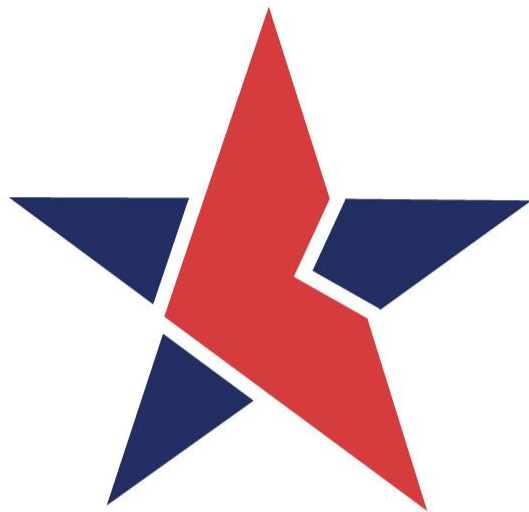
TRADITIONAL

COLORS

ENERGY
•
STRENGTH

TRUST
•
STABILITY

COMFORTABLE
•
NATURAL

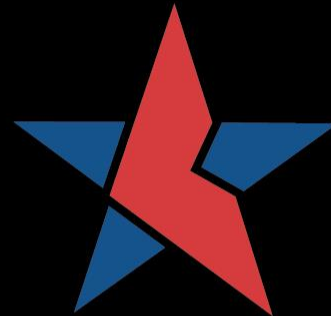


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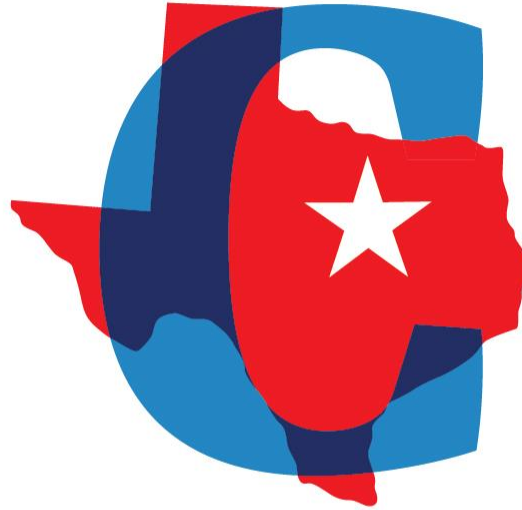


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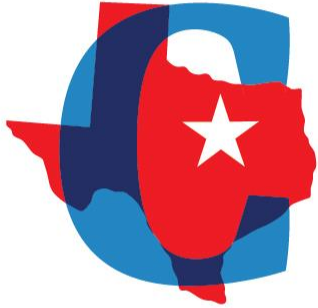




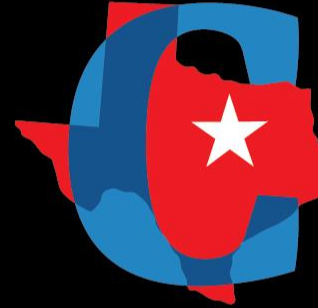


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WORKSHOP BUSINESS ITEM 3.

City Council Regular and Workshop Session

Meeting Date: 03/07/2019
Title: TIRZ, Transit Oriented Development and DCTA Letter
Submitted For: Bob Hart, City Manager **Submitted By:** Kim Pence, City Secretary
City Manager Review: Approval: Bob Hart, City Manager
Strategic Goals: Economic Development
Citizen Engagement &
Proactive Government
Regional Cooperation

AGENDA ITEM

Hold a discussion and provide staff direction concerning the creation of a TIRZ, Transit Oriented Development (TOD), and DCTA rail station analysis letter.

AGENDA ITEM SUMMARY/BACKGROUND

A priority identified in the Strategic Plan and the Annual Operating Budget was to investigate the feasibility of creating a tax increment financing district (TIRZ) to facilitate economic development along I-35, including a potential rail stop with the accompanying transit oriented development (TOD). Staff has identified a consultant to lead in the preparation of a concept plan and financial analysis. With respect to the potential rail stop, Council will need to discuss sending a letter to DCTA requesting they conduct an analysis of potential rail stop locations and cost estimates related to the stations.

This has been placed on the agenda in order to provide feedback and guidance to the staff in the preliminary planning stages of implementation.

RECOMMENDATION

N/A

WORKSHOP BUSINESS ITEM 4.

City Council Regular and Workshop Session

Meeting Date: 03/07/2019
Title: Joint Meeting Summary
Submitted For: Bob Hart, City Manager **Submitted By:** Kim Pence, City Secretary
City Manager Review: Approval: Bob Hart, City Manager
Strategic Goals: Land Development
Infrastructure Development
Economic Development
Citizen Engagement &
Proactive Government
Regional Cooperation
Organizational Development

AGENDA ITEM

Summary discussion on the Joint City Council meeting with the Lake Cities held on February 25, 2019 and the joint meeting with the NCTC Board of Regents held on March 4, 2019.

AGENDA ITEM SUMMARY/BACKGROUND

This has been placed on the agenda for any follow-up discussion or observations as a result of the two joint meetings.

RECOMMENDATION

N/A

CONSENT ITEM 1.

City Council Regular and Workshop Session

Meeting Date: 03/07/2019
Title: February 7, 2019 Workshop Session
Submitted For: Kim Pence, City Secretary
City Manager Review: Approval: Bob Hart, City Manager
Strategic Goals: Citizen Engagement & Proactive Government

Submitted By: Kim Pence, City Secretary

AGENDA ITEM

Consider and act on minutes from the February 7, 2019 Workshop Session.

AGENDA ITEM SUMMARY/BACKGROUND

Attached are the minutes from the February 7, 2019 Workshop Session. The minutes are in draft form and are not considered official until formally approved by the City Council.

RECOMMENDATION

Staff recommends approval of the February 7, 2019 Workshop Session minutes.

Attachments

Minutes

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

On this the 7th day of February 2019 the City Council of the City of Corinth, Texas met in Workshop Session at the Corinth City Hall at 5:30 P.M., 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:

Mayor Heidemann
Scott Garber, Council Member
Don Glockel, Council Member
Lowell Johnson, Council Member
Tina Henderson, Council Member

Members Absent:

Sam Burke, Mayor Pro-Tem

Others Present

None

Staff Members Present

Bob Hart, City Manager
Kim Pence, City Secretary
Patricia Adams, Messer, Rockefeller, & Fort
Helen-Eve Liebman, Planning and Development Director
Lee Ann Bunselmeyer, Finance Director
Cody Collier, Public Works Director
Michael Ross, Chief Fire Department
Brenton Copeland, Technology Services Asst. Manager
Jason Alexander, Director of Economic Development
Brett Cast, Engineering Services Coordinator

CALL TO ORDER:

Mayor Heidemann called the meeting to order at 5:40 p.m.

WORKSHOP BUSINESS AGENDA:

1. Receive a presentation, hold a discussion, and provide staff direction on the 2019 Bond Sell.

Bob Hart, City Manager—This item will be on the workshop for the next meeting to allow Council to continue to discuss. The bond rating meeting with Moody's Standard & Poor was this week, it went well. The city is staying within the normal parameters of debt issue. The benchmarks will not cause an upgrade or a downgrade of our rating. The city is a solid AA rating. The full proposed amount was reviewed. The city cannot go up but any other adjustments that needs to be made would be okay. A couple of observations is that the bond sell is set for March 7th; this is traditionally a good time to sell debt and the second is to get this accomplished before the legislature approves HB2 and/or SB2. The Senate hearings are going on right now. The way the current bill is structured is the 2.5% cap will cap real appraisal values and not new growth. This is important because a lot of the city's projects open land for future development; especially Parkridge. This is what has to

get on the ground to get value going forward. If in a year and there is no value on the ground that is when we will be in a squeeze, especially the 2nd or 3rd year.

Mayor Heidemann – the 2021 budget year is when it will hit?

Bob Hart, City Manager – yes, if we do not get growth on the ground. The Parkridge discussion, during the budget, was trying to get that in to open it up for the Taylor and Blunt property initially and at some point the Haslet property will fall in place. If the city can get some things going in 2020, that will be the new value the city needs on the ground for 2021. This investing will make life easier for the city in two, three, or four years from now. Once the Lake Sharon/2499 project is complete there is a good chance this bond amounts will decrease. This project will require a complete water shut down for a minimum of three days, which creates nervousness on the part of the LCMUA and Corinth water departments.

Councilmember Garber – How long can the city go without water, would we use emergency rations?

Bob Hart, City Manager – yes, we would tell citizens not to do any outside water. My experience has been when people are told not to water they use more of it.

Mayor Heidemann – Will we run the risk of going six days and dropping below the 30% and there will be a boil water notice?

Bob Hart, City Manager – Yes that is a risk. He asked Cody Collier, Public Works Director, on the bypass scheduled for Tuesday morning, after three days if we don't get the sample back clean, then we have to go to six or seven days, at what point do we drop below 30% and get into a heap of trouble?

Cody Collier, Public Works Director - This will depend on the weather and everyone in the city. If the weather maintains we will be good for a week. It is all contingent on the weather and when people begin to turn on their irrigations systems. It is a double edge sword, in some cases you want to tell people to not use and conserve, then others hurry up and use all that they can as much as they can causing a spike in the service.

Bob Hart, City Manager – this has to be complete by March 1.

Mayor Heidemann – is there a process we go through to communicate to the community if the project surpasses three days and there needs to be water rationing?

Cody Collier, Public Works Director – yes, there has already been something sent to Lee Ann Bunselmeyer and Julie Arrington to get a public message out today asking people to refrain from using water, no outdoor water usage and minimize the indoor usage to help get through these three days. If it comes down to it, the city could activate a conservation measure to stop it. I think right now we are okay.

Councilmember Glockel – are you saying the city and LCMUA are reliant upon that one line?

Cody Collier, Public Works Director – no, we have two points of entry and LCMUA has two point of entry, but that is the main line that feeds into the Lake Sharon Booster Pump station that builds all the extra pressure that pumps up the pressure in the system and runs up Lake Sharon, up Parkridge and into LCMUA. The other line feeds the ground storage off Post Oak. How we survive

it is by filling our tanks in our system to survive the morning and evening peaks; keeping our tanks full between the peaks. LCMUA, I do not know their system so I cannot speak to how they will survive this.

Bob Hart, City Manager – This debt number, I think we can give Council a better estimate over the next couple of weeks. Next week will be real critical. The Lake Sharon Dobbs alignment, we are locked in on because we assured TxDOT and the County that we would perform this work and based on this assurance and our starting design is why they committed the \$28 million. This is where all your future economic development is tied to. The Elevated Storage Tank and the water lines to Quail Run to get water into the tank, we must do to maintain our water rating the city must boost its water elevated storage.

Cody Collier, Public Works Director – TCEQ regulates the amount of storage per connection, the city is short of this.

Bob Hart, City Manager – in the last inspection we were put on notice. The engineering estimate 9-10 months ago was \$3.7 million, with the steel tariff and the steel issues this number has been revised. Staff is trying to revise the numbers to be more realistic. The city is still in path to get this out to bid late fall. The Quail Run alignment is swinging it 90 degrees to help TxDOT. This all deals with CoServ and there is a meeting scheduled for tomorrow morning at 10:00am. I can have more information at the next meeting. Flood Mitigation, we have \$1 million in the budget to provide the match for the grant. If we do not get the grant, then what do we do, we could probably back off on this one. If we do not get the grant, we will need a real discussion about what do we do. What I did pick up from researching is the Harvey money appears to be in a different pot of money than what we are competing for in this grant. That is good news and given our cost benefit ratio I like our chances for funding on this.

Councilmember Henderson - when will we know?

Bob Hart, City Manager - we won't know for probably 6 months. Parkridge is the one we had looked at doing in a year to a year and a half from now, but I am trying to get the package put together. Staff pulled together three years of CIP and consolidated it into one because you do not know what the legislature will do. That gives three years to get all this in place. Staff is working on the Parkridge alignment now by putting money in the budget to get the preliminary work done. Taylor and Blunt are ready to move on the property, for them to move the city has to have a plan and everything in place to get Parkridge from Lake Sharon to Church to help with their financing. When we look at the flood plain mitigation and all the assumptions, we need Parkridge to help solve the drainage running parallel and flooding in Amity Village. We get the grant, Parkridge needs to go in and all this begins to fit together.

Mayor Heidemann – on Parkridge, the city will recoup some of that through impact fees, correct?

Bob Hart, City Manager – yes, over time, so this becomes more of a cash flow issue. That is what makes this difficult. The second part is looking at the impact that is where Council needs to measure this. The impact is part of the conversation with the rating agencies. Part of staff's thinking is to structure the debt so that Council can defer it minimizing the impact on the tax rate. We will have debt falling off in about three years and you can leverage it. This makes the million on the Lake Sharon extension and the Flood Plain mitigation start to have an impact here and Council can start mitigating some of that. Staff has not run the numbers yet and will do that before the next meeting.

Councilmember Glockel – what happens when what is going on in Austin materializes when you

talk about 4-8% tax growth?

Bob Hart, City Manager – The current structure of the bill is that debt service is exempt. This is why Council needs to have the debt deal finished. The debt being incurred prior to the law will exempt the city.

Mayor Heidemann – when will this cap go into effect?

Bob Hart, City Manager – next fiscal year. The bill typically will pass and be effective September 1st, but when the Governor made it an emergency bill it could go into effect as early as the end of May. That is an extreme, but we would pay attention to it. This is why I would recommend selling before the end of May. The bill is in the Senate now and then will go to the House. The water side is again tied to the elevated storage and the waterlines needed. I am not sure there is a lot of room there without running into problems with the state. This will impact water rates and will need some serious consideration. When these numbers were first reviewed at \$3.7 million staff thought they would get through without a raise in the rates, but the increased cost of steel and construction is what the issue is.

Councilmember Garber – are there not used water towers, refurbished? There is a huge market for used tanks in the liquid oxygen service.

Bob Hart, City Manager – I have never had that question.

Cody Collier, Public Works Director – I have never considered it, but I think it would be difficult because the tanks have such a long lifespan. By the time you get them, they have to be cut, weld them, take them off in pieces by crane, then re-sand blast them, re-prep them and paint them, then the cleanup procedure and find a million gallon tank. The old tank designs are very different than the tank designs today. Honestly, I have never thought about it.

Bob Hart, City Manager – staff will ask and find out. That is an interesting question. I wanted to run through this so that Council could think about it. Some of them could be deferred, it will help on the short term, but will become an issues three or four years out. Staff will have time to run some more numbers in the next couple of weeks and be able to bring better numbers to Council at the next meeting.

Councilmember Henderson – asked to send something out to the HOA's letting their people know, is this something we do or don't do?

Bob Hart, City Manager – Yes, we will do that.

Councilmember Johnson – it would not hurt to notify Oakmont too.

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

Consent Item #1 Discussion:

- 1. Consider and act on minutes from the January 10, 2019 Workshop Session.**

Consent Item #2 Discussion:

2. Consider and act on minutes from the January 10, 2019 Workshop Session.

Councilmember Glockel – a mistake on page 10, we discussed why we deferred it, the problem is it states one member can request a special meeting, but nowhere can I find where it states one member can ask for a special meeting, but two members could in the bottom paragraph. The problem is it states one member about the fourth sentence up that should be two, I don't think I ever saw where it states one. All the things I read states any two people can ask for a special meeting. It is in the minute's page 10.

Mayor Heidemann - This item will be pulled off the agenda and make a motion to correct.

Consent Item #3 Discussion:

3. Consider and act on approval for the purchase of a new backhoe through the BuyBoard Cooperative purchasing agreement for the Public Works Department.

Bob Hart, City Manager – Cody Collier can answer any questions of Council.

Mayor Heidemann – is this a trade in or are we selling them on a bid?

Cody Collier, Public Works Director – the other discount is a trade in line, the intent was not to trade it in, but to sell it in auction. Historically we have done better on auction than a trade in.

Mayor Heidemann – so do we need to change this on our agreement?

Cody Collier, Public Works Director – No, it has other discounts and shows a trade in or other credits. The other credit is the buy board discount we received.

Councilmember Glockel – I know staff needs a cab and probably AC and Heat is nice. I am not sure what the deluxe cab package is for another \$1,500, so now that is \$11,000 out of this \$106,000 is the cab. The blue tooth radio another \$500, but the premium air suspension and heated seat is more money. There are a lot of frills and some are needed. I do not know what the next step down is. Is this the ultimate or just the mid-line, where are we at on this?

Cody Collier, Public Works Director - the cab feature came with it and are part of this package.

Councilmember Glockel – a person can't buy a truck with crank windows they are all standard electric windows, if this is not a big add on to get all the frills. I think we need most of it but not all of it.

Cody Collier, Public Works Director – I can check and see if there are somethings we can remove. I don't need them to have a radio. The only time a radio was helpful back in the day was for weather alerts, but today we have better communication for that. I can look and see if the radio can come out, but my understanding is this is all a standard package. The only thing staff intentionally included was the hydraulic rear grabber for grabbing stuff in loading and unloading.

Councilmember Glockel – I am just talking about the cab the deluxe package and blue tooth, typically the radio should not be playing when working. It is not a big deal it is just \$11,000 out of \$106,000.

Councilmember Henderson – I imagine when we get this we will save some man hours from not having to stop and constantly repair and save money.

Cody Collier, Public Works Director – that was the idea based on the economics alone.

Bob Hart, City Manager – because we are buying on buy board we are getting a good discount.

Cody Collier, Public Works Director – Yes, the \$18,000 discount is because of buy board.

Consent Item #4 Discussion:

- 4. Consider approval of an ordinance of the City of Corinth, Texas, amending Chapter 33 of the Corinth Code of Ordinances, establishing the Finance Audit Committee, merging the duties, responsibilities, and membership, procedures and terms of office; and providing an effective date.**

Councilmember Glockel - Page 29, page 2 of 3 for the ordinance, it is written different here, this is the overview as I understand, then it is in the Crime Control, the City, and EDC. Those three are mirror images, but this one, which is the master where they are derived from, leaves questions. One of the questions is the two year terms, are we trying to have all 5 people starting out on day one with a two year term and not staggered? There are no provisions for staggering. That is five members; Mayor, two councilmembers, and two citizens, if you look at section A below, the membership terms of office, it talks about the Mayor shall serve as a permanent member and the other four members shall be nominated and approved by the City Council; two members shall be representatives from the community. But if you look at section B, right below that, it states the terms of each committee member of the four shall be a two year term. The committee member from the community shall serve no more than two successive terms. I think “from the community” is not supposed to be in there because the number of years a person can serve is the same for all four members, it does not differentiate because you are a community member versus a council member. The next two or three sentences I do not understand. Provided however, that a committee member, could be any of the four appointed, to complete the term of another committee member shall, at the completion of such term, be eligible for appointment for another full term. If you go back to the definition of full term it is a two year term and we are only allowed to serve two –two year terms. So are we saying here that if I have to pick up a term and serve four months and now expires and now I am eligible for an appointment for another full term. Does that mean I cannot have my full four years? Is that the intent, or is the intent that I serve four months and then am eligible for two –two year terms?

Bob Hart, City Manager – staff will re-write this and bring it back to Council.

Lee Ann Bunselmeyer, Finance Director – we typically have to approve it every year, but if Council wants to make a recommendation staff can make that change.

Bob Hart, City Manager - Strike “from the community”

Councilmember Glockel – then when you move down the page to quorum rules, it discusses filling a spot and states a newly appointed member shall be installed at the first meeting after their appointment. If I am filling someone’s spot and I am the newly appointed person and I get installed at the first meeting after being appointed, do I go two years from that date or two years from the end of the slot I am filling?

Patricia Adams, Attorney - we can add a line that says a partial term does not count towards the two year term limit.

Councilmember Glockel - What I am saying is that section B it leads one to think otherwise.

Patricia Adams, Attorney– so you either make a decisions that if they get appointed to a partial term they only get one more full year term or you state a partial term does not count towards as a term for the purposes of the two year term limit.

Bob Hart, City Manager – staff will bring this back in two weeks.

Councilmember Johnson – Right above it in section 33.103 Meetings and Officers, do you want the possibility of the Chairman and Vice Chairman to be non-voting members?

Bob Hart, City Manager – that is a policy Council needs to decide

Councilmember Johnson – the old committee the Mayor was always the Chairman.

Bob Hart, City Manager – staff will clean that up and bring this back to Council.

Councilmember Glockel – consent item 5 is all the same and it is talking about the economic development section. The recommendations and provisions to the investment policy reflects the changes the City Council made to the structure of the Finance Audit Committee in September of 2018, we are changing it now, so should that not say 2019?

Lee Ann Bunselmeyer, Finance Director – what that is meaning is that in 2018 is when Council actually took the City Manager and Finance Director off the committee and added the Mayor. This is what is reflected in the changes.

Councilmember Glockel – I realize that matches, but now we are making more changes.

Lee Ann Bunselmeyer, Finance Director – Yes, I was just reflecting the time that Council made those changes for that structural change.

Bob Hart, City Manager – so this one is okay and reverts back to these that is what we need is to go back and clean up. I think item number 5 is fine.

Consent Item #7 Discussion:

7 Consider and act on the purchase of a 2019 Spartan Pumper on a Metro Star Chassis from Metro Fire Apparatus Specialists, Inc.

Bob Hart, City Manager – Chief Ross is handing out material that will answer the questions Council has been asking.

Michael Ross, Fire Chief – The process for doing our program overview is looking at the equipment and with Station 3 opening staff knew they were going to need a new vehicle, so staff budgeted funds for a new vehicle and staff shopped the market to see what is out there. Pearce, the makers of our current fleet, only had one option to build something with a 300 day turn around. When I spoke to Metro Fire, who builds the Spartan brand, they had done a pre-purchase of twelve

vehicles with one coming off the line every month. Spartan brought out some rigs and allowed the department to look at them. It has great maneuver ability allowing for better service to some areas and easier manipulation within tighter areas. The Spartan Emergency Response Vehicle is a component of Spartan motors who does everything from a military vehicle to buses and RV's. They produce about 400 fire trucks a year. The chassis is done in Michigan, the body is done in South Dakota and the final is done in Houston. Fire Fighter Owens is a Master Emergency Response Technician expert and he has inspected this vehicle and likes it. Arlington FD's entire fleet is this vehicle. Roanoke FD Chief loves his and has recently changed their entire fleet. The warranty is twice as long as Pearce. The pump is the same pump that our person has the ability to do warranty work on, has the exact same Caterpillar engine, the exact same Allison transmission, rear braking system is identical, one of the safest cabs in the industry, with a 1,250 gallon a minute pump and 750 gallons of water and a lot of space for hose. I feel like this suits our needs from a cost stand point. Staff allotted \$80,000 a year for up to ten years. The City is looking at \$77,000 for seven years. There was roughly allotted \$170,000 for equipment and instead are looking at \$130,000. Total the city was looking at over \$900,000, but now is actually getting a quality product made in America with twice the warranty, the crews like it, and it suits our needs, with a 3 month delivery for just a hair over \$600,000. I think the city has a really good product with a really good deal.

Mayor Heidemann – Where will it be housed?

Michael Ross, Fire Chief - Station 2, the quint will move from Station 2 to Station 3.

Councilmember Garber – how many trucks will be at Station 2's?

Michael Ross, Fire Chief – there will be this one staffed, an ambulance staffed and then the reserve engine.

Consent Item #10 Discussion:

10. Consider and act on the creation of a Citizens Ambassador Program.

Mayor Heidemann – I assume this is what was discussed last time on your presentation on the Ambassador's program

Lee Ann Bunselmeyer, Finance Director – Yes, and I will give a brief presentation to just go over some of the guidelines.

Councilmember Henderson – it talks about people putting in their application and the staff will decide, will there be any kind of Council involvement?

Bob Hart, City Manager – staff was operating on the governance principle where generally if it is an advisory to council then council makes the appointments and if it is an advisory to staff then staff makes the appointments. I was just following this governance model.

Consent Item #11 Discussion:

11. Consider and act on the approval of a city-wide Communication Strategic Plan.

Bob Hart, City Manager – When Lee Ann does this she will do 10 and 11 together and the presentation will be almost identical.

Lee Ann Bunselmeyer, Finance Director – I am focusing more on the action items to accomplish the plan versus the plan.

Mayor Heidemann recessed the Workshop Session at 6:43 p.m.

CLOSED SESSION

The City Council will convene in such executive or (closed session) to consider any matters regarding any of the above 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 Bar of Texas clearly conflicts with the Texas Open Meetings Act.

Council met in closed session from 6:45 p.m. to 6:50 p.m.

a. MCM Contract for Lake Sharon Roadway Extension.

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.

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. City Manager evaluation.

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 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 Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

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

There was no action taken on Closed Session items.

ADJOURN:

Mayor Heidemann adjourned the meeting at 6:51 p.m.

AYES: All

Meeting adjourned.

Approved by Council on the _____ day of _____, 2019.

Kimberly Pence, City Secretary
City of Corinth, Texas

CONSENT ITEM 2.

City Council Regular and Workshop Session

Meeting Date: 03/07/2019

Title: February 7, 2019 Regular Session

Submitted For: Kim Pence, City Secretary

Submitted By: Kim Pence, City Secretary

City Manager Review: Approval: Bob Hart, City Manager

Strategic Goals: Citizen Engagement & Proactive
Government

AGENDA ITEM

Consider and act on the minutes from the February 7, 2019 Regular Session.

AGENDA ITEM SUMMARY/BACKGROUND

Attached are the minutes from the February 7, 2019 Regular Session. The minutes are in draft form and are not considered official until formally approved by the City Council.

RECOMMENDATION

Staff recommends approval of the February 7, 2019 Regular Session minutes.

Attachments

Minutes

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

On this the 7th day of February 2019 the City Council of the City of Corinth, Texas met in Regular Session at the Corinth City Hall at 7:07 P.M., 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
Scott Garber, Council Member
Lowell Johnson, Council Member
Tina Henderson, Council Member
Don Glockel, Council Member

Members Absent:

Sam Burke, Mayor Pro-Tem

Staff Members Present

Bob Hart, City Manager
Brenton Copeland, Technology Services Assistant Manager
Helen-Eve Liebman, Planning and Development Director
Cody Collier, Public Works Director
Lee Ann Bunselmeyer, Finance and Administrative Services Director
Brett Cast, Engineering Services Coordinator
Cody Collier, Public Works Director
Patricia Adams, Messer, Rockefeller, & Fort
Kim Pence, City Secretary

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE & TEXAS PLEDGE:

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

Mayor Heidemann called the meeting to order at 7:07 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 January 10, 2019 Workshop Session.
2. Consider and act on minutes from the January 10, 2019 Special Session.
3. Consider and act on approval for the purchase of a new backhoe through the Buyboard Cooperative purchasing agreement for the Public Works Department.
4. Consider approval of an ordinance of the City of Corinth, Texas, amending Chapter 33 of the Corinth Code of Ordinances, establishing the Finance Audit Committee, merging the duties, responsibilities, and membership of the Investment Committee with those of the Audit Committee; establishing its

membership, procedures and terms of office; and providing an effective date.

Item #4 was pulled from the Consent Agenda.

5. Review and approve the Investment Policy for the City of Corinth, Economic Development Corporation and Crime Control & Prevention District.
6. Consider and act on an ordinance approving an amendment to the fiscal year 2018-2019 Budget and Annual Program of Services to provide for expenditures of additional funds from the Lake Cities Vehicle & Equipment Replacement Fund.
7. Consider and Act on the purchase of a 2019 Spartan Pumper on a Metro Star Chassis from Metro Fire Apparatus Specialists, Inc.
8. Consider and act on a Resolution approving a Public Property Finance Act Contract for the purpose of purchasing a pumper truck.

MOTION made by Councilmember Garber to approve the Consent Agenda as presented. Seconded by Councilmember Henderson.

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

MOTION CARRIED

CITIZEN'S 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 Citizens Comments.

BUSINESS AGENDA:

9. Consider and act on a Resolution ordering a Joint General Election with Denton County to be held on May 4, 2019 to fill the offices of the Mayor and Councilmember Places 2 and 5; establishing procedures for that election and providing an effective date.

MOTION made by Councilmember Henderson to approve the Resolution ordering a Joint General Election with Denton County to be held on May 4, 2019. Seconded by Councilmember Garber.

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

MOTION CARRIED

10. Consider and act on the creation of a Citizens Ambassador Program.

Lee Ann Bunselmeyer, Finance and Administrative Services Director - The City of Corinth is working to better share information about City projects, Council decisions, and general updates with our residents, and we need your help.

Corinth residents are busy and don't always have the time to keep track of City issues. By becoming a Communications Ambassador, residents can help staff by voluntarily sharing of City information through their networks.

Responsibilities of Ambassadors include:

- Attending Communication Workshops every other month to learn about department-specific news and projects
- Stay informed through City emails and social media posts
- Share City information with fellow residents in a factual and non-biased way
- Encourage fellow residents to participate in City public engagement initiatives
- Report back to City staff on common topics or projects that other residents want to know more about

A maximum of twelve Ambassadors will be chosen and all applicants must have lived in Corinth city limits for at least one year. Corinth staff members will select candidates based on applications. Interviews may be held if needed. Positions are voluntary and terms last two years.

Right now we do have a communications position, we have not been able to fill it, but we do have an intern that works about 10-20 hours per week. She is working on her degree and hopefully when she graduates in May we might be able to bring her on full-time for that position and she will be able to help us oversee this committee.

If Council approves the program tonight, we will send out applications to all the HOA members. We plan to put the application out on social media and we will also do a news release so that we can get some at large positions. Our goal is to have the committee in place by March and start having orientation by April of this year.

Councilmember Glockel - when you refer to the questionnaire "have you ever served on other boards", are you referring to the City or any board?

Lee Ann Bunselmeyer, Finance and Administrative Services - we probably need to clarify, it was to refer to City boards and commissions but actually, if you break that question out to say City boards and commissions and also if they served on school boards because I think there is value if they have served on committees outside of city boards. So we could break that out. That is a very good point.

Councilmember Henderson - this is very exciting to me and I have noticed recently the huge increase in social media and it really helps as a councilmen to be able to share to our post or pages and helps with questions do this is very exciting.

MOTION made by Councilmember Henderson to approve the creation of a Citizens Ambassador Program. Seconded by Councilmember Garber.

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

MOTION CARRIED

11. Consider and act on the approval of a city-wide Communication Strategic Plan.

Lee Ann Bunselmeyer, Finance and Administrative Services Director - City staff have been working with Slate Communications to create a communications plan to enhance transparency and communication methods with residents. Based out of Fort Collins, CO Slate specializes in communication, public engagement and graphic design for local governments.

The Communication Plan establishes four (4) Priorities for us.

- Transparent and Accountable
- Timely and Accurate Information
- Public Engagement
- Tell our Story

The Communications Plan provides a framework for communication methods that can be implemented by staff. Recommendations are unique to Corinth and were developed through the following process:

- Review and audit of existing communication methods
- Meetings with staff and local stakeholder to better understand the community, what resonates with residents and hot communication topics
- Online community survey to gauge communication preferences
- Identify key audience segments and characteristics
- Establish communication goals, objectives and priorities
- Develop foundational messaging
- Create unique communication strategies, tactics and process to fit Corinth's needs

Implementation for the plan has been outlined by level of priority for City staff to ensure that new communication methods are implemented in a manageable fashion.

MOTION made by Councilmember Garber to approve a city-wide Communications Strategic Plan. Seconded by Councilmember Henderson.

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

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.

Bob Hart, City Manager - we have a joint meeting with the Lake Cities Council on February 25. Also, I would like to have a reception type meeting on Tuesday evening, February 12th from 5:30 p.m. to 7:00 p.m. at the Public Safety Building and I will get you more details on that.

Mayor Heidemann - The Lake Cities Fire Department will be having their 60th Anniversary and promotional ceremony on March 1, 2019 from 9:00 a.m. to 1:00 p.m. at Fire House #3.

Mayor Heidemann recessed the Regular Session at 7:45 p.m. * See Closed Session

CLOSED SESSION

The City Council will convene in such executive or (closed session) to consider any matters regarding any of the above 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 see 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 Bar of Texas clearly conflicts with the Texas Open Meetings Act.

A. MCM Contract for Lake Sharon Roadway Extension.

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.

Council met in Closed Session from 7:45 p.m. until 8:55 p.m.

A. City Manager evaluation.

After discussion of any matters in 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 Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not, pursuant to Section 551.071 of the Texas Government Code, Consultation with City Attorney.

RECONVENE IN OPEN SESSION - In accordance with Texas Government Code, Chapter 551 the City Council will reconvene into Special Session to consider action, if any, on matters discussed in Executive Session.

MOTION made by Councilmember Henderson to direct the City Attorney to proceed as discussed in Closed Session on the City Manager's evaluation. Seconded by Councilmember Garber.

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

MOTION CARRIED

12. Consider and take action regarding the contract between the City and MCM for construction of the Lake Sharon Project, the termination and /or assignment of the contract and other related documents.

No Motion made on item #12.

ADJOURN:

Mayor Heidemann adjourned the meeting at 8:58 P.M.

AYES: All

Meeting adjourned.

Approved by Council on the _____ day of _____, 2019.

Kimberly Pence, City Secretary
City of Corinth, Texas

BUSINESS ITEM 3.

City Council Regular and Workshop Session

Meeting Date: 03/07/2019
Title: Bond Sell
Submitted For: Bob Hart, City Manager
Submitted By: Lee Ann Bunselmeyer, Director
Finance Review: Yes
Legal Review: N/A
City Manager Review: Approval: Bob Hart, City Manager
Strategic Goals: Land Development
Infrastructure Development
Economic Development

AGENDA ITEM

Consider and adopt an Ordinance authorizing the issuance and sale of combination tax and limited surplus revenue certificates of obligation to provide funds for street, waterworks and sewer system and municipal drainage improvements; 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.

AGENDA ITEM SUMMARY/BACKGROUND

On January 24, 2019 the City Council adopted the Notice of Intention to Issue City of Corinth Certificates of Obligation, Series 2019, at least 30 days prior to the sale as required by state law. The notice was published on January 29 and February 5, 2019. The certificates are being sold for an amount not to exceed \$21 million in bond proceeds for 1) Constructing and improving streets and roads and associated water, wastewater and drainage costs associated with the street improvements 2) drainage mitigation 3) Improvements to the water and sanitary sewer systems 4) water storage tank and will include the costs of issuance.

The specific projects include: Lynchburg Creek Flood Mitigation (\$1,000,000), Lake Sharon FM2499 (\$2,000,000), Lake Sharon/Dobbs Realignment (\$3,500,000), Quail Run Realignment (\$2,000,000), Parkridge (\$3,500,000), 1.0 MG Quail Run Water Tank (\$5,000,000), Quail Run Water Line (\$3,000,000).

The timeline for the issue is:

| | |
|--------------------|--|
| January 24, 2019 | Council adopts "Intent to Sell" resolution |
| January 29, 2019 | 1st Notice of Intent Published |
| February 5, 2019 | 2nd Notice of Intent Published |
| February 4-8, 2019 | Rating Conference Call/Meetings |
| February 20, 2019 | Receive Ratings & Insurance Bids |
| March 7, 2019 | Receive Pricing |
| March 7, 2019 | Council Passes Ordinance Authorizing Issuance of Certificate of Obligation's |
| April 4, 2019 | Certificate Closing & Delivery of Funds to the City |

RECOMMENDATION

Staff recommends approval of the ordinance authorizing the issuance of sale of combination tax and limited surplus revenue certificates of obligation to provide funds for street, waterworks and sewer system and municipal drainage improvements;

Attachments

Ordinance

ORDINANCE

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF CORINTH, TEXAS, COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019; 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 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, Texas Local Government Code and Subchapter B, Chapter 1502, Texas 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 Section 2051.044, Texas Government Code;

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

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

WHEREAS, no bond proposition to authorize the issuance of bonds for the same purpose as any of the projects being financed with the proceeds of the certificates of obligation was submitted to the voters of the Issuer during the preceding three years and failed to be approved; 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 Chapter 551, Texas Government Code; 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 Issuer are hereby authorized to be issued and delivered in the aggregate principal amount of \$_____ 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 and including acquiring land and interests in land therefor; (ii) constructing, acquiring, installing and equipping additions,

extensions and improvements to the City’s waterworks and sewer system, including the acquisition, construction and equipment of water storage facilities; (iii) constructing and equipping municipal drainage improvements, including flood control and flood mitigation improvements; and (iv) 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 2019,” and initially there shall be issued, sold, and delivered hereunder one fully registered certificate, without interest coupons, dated April 4, 2019, 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:

| Years | Principal Amounts (\$) | Interest Rates (%) |
|-------|---------------------------|-----------------------|
| *** | *** | *** |

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 Amegy Bank National Association, Plano, Texas, 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.

(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 (3) 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 (j) 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 fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each 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 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 one hundred-twenty (120) days written notice to the Paying Agent/Registrar, to be effective not later than sixty (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.

(h) 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, New York, New York (“DTC”), and except as provided in subsections (j) and (k) of this Section, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(i) 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.

(j) 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.

(k) 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.

(l) 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.

(m) 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.

(n) 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 cancel the initial Certificate and deliver to 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 CERTIFICATE. The form of the Certificate, 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 Certificate 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 CERTIFICATES OF OBLIGATION SERIES 2019 | PRINCIPAL AMOUNT \$ _____ |
|--------|--|---------------------------------|

| | | | |
|---------------|---------------|---------------|-----------|
| Interest Rate | Delivery Date | Maturity Date | CUSIP No. |
| | | 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, 2020 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 Amegy Bank National Association, Plano, Texas, 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 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 fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Certificate appearing 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 _____, 2019, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$ _____ 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 signage and including acquiring land and interests in land therefor; constructing, acquiring, installing and equipping additions, extensions and improvements to the City's waterworks and sewer system, including the acquisition, construction and equipment of water storage facilities; constructing and equipping municipal drainage improvements, including flood control and flood mitigation improvements; and paying legal, fiscal and engineering fees in connection with such projects.

ON February 15, 2028, 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.

[[[THE CERTIFICATES scheduled to mature on February 15 in the year 20__ (the "Term Certificates") are subject to scheduled mandatory sinking fund redemption by the Paying Agent/Registrar by lot, or by any other customary method that results in a random selection, at a price equal to the principal

amount thereof, plus accrued interest to the redemption date, out of moneys available for such purpose in the interest and sinking fund for the Certificates, on each February 15 of the years, and in the respective principal amounts, as set forth in the following schedule:

Term Certificate
Maturity: February 15, 20__

| Year | Principal Amount (\$) |
|-----------------|-----------------------|
| 20__ | |
| 20__ | |
| 20__ (maturity) | |

The principal amount of Term Certificates of a stated maturity required to be redeemed on any mandatory sinking fund redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the Issuer, by the principal amount of any Term Certificates of the same maturity which, at least forty-five (45) days prior to a mandatory sinking fund redemption date (1) shall have been acquired by the Issuer and delivered to the Paying Agent/Registrar for cancellation, or (2) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory sinking fund redemption requirement.]]]]

AT LEAST THIRTY (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 to the registered owner of each Certificate to be redeemed at its address as it appeared at the close of business on the business day next preceding the date of mailing such notice; 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.

WITH RESPECT TO ANY OPTIONAL REDEMPTION OF THE CERTIFICATES, unless certain prerequisites to such redemption required by this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the Issuer, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a notice of conditional redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Issuer shall not redeem such Certificates and the Paying

Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

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 forty-five (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: _____.

AMEGY BANK NATIONAL ASSOCIATION
Plano, 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 amounts and bearing interest at the per annum rates set forth in the following schedule:

| Years | Principal Amounts (\$) | 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, 2020, 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 of 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 subsection (a) of this Section 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) Chapter 1208, Texas 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 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, is to be subject to the filing requirements of Chapter 9, Texas 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, Texas 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 ensure 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 or the limited pledge of Surplus Revenues as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities, and thereafter the Issuer will have no further responsibility with respect to amounts available to such paying agent (or other financial institution permitted by applicable law) for the payment of such Defeased Certificates, including any insufficiency therein caused by the failure of such paying agent (or other financial institution permitted by applicable law) to receive payment when due on the 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) 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 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) of this Section. All income from such Defeasance Securities 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 Section 1206.022, Texas 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 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 (5%) 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 (5%) 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 (5%) 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 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 (10%) 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);

(8) to refrain from using proceeds of the Certificates or the proceeds of any prior bonds to pay debt services on another issue more than ninety (90) days after the issuance of the Certificates in contravention of section 149(d) of the Code (relating to advance refundings), if applicable;

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the 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

sixty (60) days after the Certificates have been paid in full, 100 percent (100%) of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code;

(10) to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Certificates are issued, an information statement concerning the Certificates, all under and in accordance with section 149(e) of the Code and the applicable Treasury Regulations promulgated thereunder; and

(11) 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)(9), 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 Director of Finance 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 eighteen (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 sixty (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 the purchase price of \$ _____ (representing the par value thereof, plus a net premium of \$ _____ and less a Purchaser’s discount of \$ _____). The Certificates shall initially be registered in the name of such Purchaser or its designee. It is officially found, determined, and declared that the Certificates have been sold at public sale to the bidder offering the lowest true interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Bidding Instructions and Official Statement prepared and distributed in connection with the sale of the Certificates, and that the terms of such sale are the most advantageous reasonably obtainable. Said Official Notice of Sale and Bidding Instructions and Official Statement, and any addenda, supplement, or amendment thereto have been and are hereby approved by the City Council of the Issuer, and their use in the offer and sale of the Certificates is hereby approved.

(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 February 28, 2019, prior to the date hereof is hereby ratified and confirmed.

(c) The Mayor, Mayor Pro Tem, City Manager, City Secretary and Director of Finance, and any other officers of the Issuer, 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 2019 Combination Tax and Limited Surplus Revenue Certificates 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 invest 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 (6) months after the end of each fiscal year ending in or after 2018, 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 Issuer will additionally provide audited financial statements when and if available, and in any event, within twelve (12) months after the end of each fiscal year ending in or after 2018. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the Issuer will file unaudited financial statements within such twelve (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 (10) business days after the occurrence of the event) of any of the following events with respect to the Certificates:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
7. Modifications to rights of holders of the Certificates, if material;
8. Certificate calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor trustee or change in the name of the trustee, if material;
15. Incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

As used in clause 12 above, the phrase “bankruptcy, insolvency, receivership or similar event” means the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets of the Issuer, or if jurisdiction has been assumed by leaving the existing City Council and officials or officers of the Issuer in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer. For the purposes of clauses 15 and 16 above, the term “financial obligation” means a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of (i) or (ii); provided however, that a “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

(ii) 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) a qualified 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 refer to the proposed amendment and 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 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 six (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 six (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 sixty (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 or employees of the City or the City Council.

Section 16. PREMIUM. The Certificates are being sold at an aggregate premium equal to \$_____. With respect to such premium attributable to the Certificates, \$_____ shall be used to pay costs of issuance, \$_____ shall be used to pay Purchaser's discount, \$_____ shall be deposited to the Interest and Sinking Fund and \$_____ shall be deposited into the Construction Fund.

Section 17. 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 18. NO PERSONAL LIABILITY. No recourse shall be had for payment of the principal of or interest on any Certificates or for any claim based thereon, or on this Ordinance, against any official or employee of the City or any person executing any Certificate.

Section 19. EFFECTIVE DATE. In accordance with the provisions of Texas Government Code, Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the City Council.

Section 20. 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)

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CORINTH,
TEXAS on this 7th day of March, 2019.

ATTEST:

Mayor, City of Corinth, Texas

City Secretary, City of Corinth, Texas

[CITY SEAL]

EXHIBIT A

ANNUAL FINANCIAL STATEMENTS AND OPERATING DATA

The following information is referred to in Section 13(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

-- Appendix B

City Council Regular and Workshop Session

Meeting Date: 03/07/2019
Title: Contract for Election Services
Submitted For: Bob Hart, City Manager
City Manager Review: Bob Hart, City Manager

Submitted By: Kim Pence, City Secretary

AGENDA ITEM

Consider and act on a Joint Election Agreement and Contract for Election Services with Denton County for the May 4, 2019 General and Special Election.

AGENDA ITEM SUMMARY/BACKGROUND

The contract is the same as last year, however, last year Denton County decided not to charge for the cost of temporary staff. This year they will begin charging for temporary staff on a pro-rata basis.

The final estimated costs for each participating authority will be submitted by the Denton County Elections Department once all the entities have specified whether or not they will be conducting an election.

The cost will be split proportionately between the City, Denton ISD and Lake Dallas ISD. If Denton ISD and Lake Dallas ISD cancel their election the total cost will be paid in full by the City of Corinth for all election materials and equipment. Staff will update the Council as further information becomes available.

RECOMMENDATION

Staff recommends approval of the Joint Election Agreement and Contract for election services for the May 4, 2019 General and Special Election.

Attachments

Election Contract
Signature page

**THE STATE OF TEXAS
COUNTY OF DENTON**

**JOINT ELECTION AGREEMENT AND CONTRACT FOR
ELECTION SERVICES**

This CONTRACT for election services is made by and between the Denton County Elections Administrator and the following political subdivisions, herein referred to as “participating authority or participating authorities” located entirely or partially inside the boundaries of Denton County:

Participating Authorities:

[entities]

This contract is made pursuant to Texas Election Code Sections 31.092 and 271.002 and Texas Education Code Section 11.0581 for a Joint May 4, 2019 Election to be administered by Frank Phillips, Denton County Elections Administrator, hereinafter referred to as “Elections Administrator.”

RECITALS

Each participating authority listed above plans to hold a General or Special Election on [election-date]. Denton County plans to hold county-wide voting for this General Election.

The County owns the Hart InterCivic Verity Voting System, which has been duly approved by the Secretary of State pursuant to Texas Election Code Chapter 122 as amended, and is compliant with the accessibility requirements for persons with disabilities set forth by Texas Election Code Section 61.012. The contracting political subdivisions (participating authorities) desire to use the County’s voting system and to compensate the County for such use and to share in certain other expenses connected with joint elections, in accordance with the applicable provisions of Chapters 31 and 271 of the Texas Election Code, as amended.

NOW THEREFORE, in consideration of the mutual covenants, agreements, and benefits to all parties, IT IS AGREED as follows:

I. ADMINISTRATION

The participating authorities agree to hold a “Joint Election” with Denton County and each other in accordance with Chapter 271 of the Texas Election Code and this agreement. The Elections Administrator shall coordinate, supervise, and handle all aspects of administering the Joint Election as provided in this agreement. Each participating authority agrees to pay the Elections Administrator for equipment, supplies, services, and administrative costs as provided in this agreement. The Elections

Administrator shall serve as the administrator for the Joint Election; however, each participating authority shall remain responsible for the decisions and actions of its officers necessary for the lawful conduct of its election. The Elections Administrator shall provide advisory services in connection with decisions to be made and actions to be taken by the officers of each participating authority as necessary.

It is understood that other political subdivisions may wish to participate in the use of the County's Verity voting system and polling places, and it is agreed that the Elections Administrator may enter into other contracts for election services for those purposes, on terms and conditions generally similar to those set forth in this contract. In such cases, costs shall be pro-rated among the participants according to Section XI of this contract.

II. LEGAL DOCUMENTS

Each participating authority shall be responsible for the preparation, adoption, and publication of all required election orders, resolutions, notices, and any other pertinent documents required by the Texas Election Code and/or the participating authority's governing body, charter, or ordinances, except that the Elections Administrator shall be responsible for the preparation and publication of all voting equipment testing notices that are required by the Texas Election Code. Election orders should include language that would not necessitate amending the order if any of the Early Voting and/or Election Day polling places change.

Preparation of the necessary materials for notices and the official ballot shall be the responsibility of each participating authority, including translation to languages other than English. Each participating authority shall provide a copy of their respective election orders and notices to the Elections Administrator.

III. VOTING LOCATIONS

The Elections Administrator shall select and arrange for the use of and payment for all Early Voting and Election Day voting locations. Voting locations will be, whenever possible, the usual voting location for each election precinct in elections conducted by each participating authority, and shall be compliant with the accessibility requirements established by Election Code Section 43.034 and the Americans with Disabilities Act (ADA). All Early Voting and Election Day voting locations shall be within the boundaries of Denton County. The proposed voting locations are listed in Attachment A of this agreement. In the event a voting location is not available or appropriate, the Elections Administrator will arrange for use of an alternate location. The Elections Administrator shall notify the participating authorities of any changes from the locations listed in Attachment A.

If polling places for the May 4, 2019 Joint Election are different from the polling place(s) used by a participating authority in its most recent election, the authority agrees to post a notice no later than May 3, 2019 at the entrance to any previous polling places in the jurisdiction stating that the polling location has changed and stating the political

subdivision's polling place names and addresses in effect for the May 4, 2019 election. This notice shall be written in both the English and Spanish languages.

IV. ELECTION JUDGES, CLERKS, AND OTHER ELECTION PERSONNEL

Denton County shall be responsible for the appointment of the presiding judge and alternate judge for each polling location. The Elections Administrator shall make emergency appointments of election officials if necessary.

Upon request by the Elections Administrator, each participating authority agrees to assist in recruiting polling place officials who are bilingual (fluent in both English and Spanish). In compliance with the Federal Voting Rights Act of 1965, as amended, each polling place containing more than 5% Hispanic population as determined by the 2010 Census shall have one or more election officials who are fluent in both the English and Spanish languages. If a presiding judge is not bilingual, and is unable to appoint a bilingual clerk, the Elections Administrator may recommend a bilingual worker for the polling place. If the Elections Administrator is unable to recommend or recruit a bilingual worker, the participating authority or authorities served by that polling place shall be responsible for recruiting a bilingual worker for translation services at that polling place.

The Elections Administrator shall notify all election judges of the eligibility requirements of Subchapter C of Chapter 32 of the Texas Election Code, and will take the necessary steps to insure that all election judges appointed for the Joint Election are eligible to serve.

The Elections Administrator shall arrange for the training and compensation of all election judges and clerks. The Election judges and clerks who attend voting equipment training and/or procedures training, shall be compensated at the rate of \$10 an hour. Election judges and clerks that elect to complete online training shall be compensated at a rate of a flat \$30. In the event that an Election judge or clerk completes both in person and online training, they shall be compensated for the training resulting in the highest pay and will not be compensated for both trainings.

The Elections Administrator shall arrange for the date, time, and place for presiding election judges to pick up their election supplies. Each presiding election judge will be sent a letter from the Elections Administrator notifying them of their appointment, the dates/times and locations of training and distribution of election supplies, and the number of election clerks that the presiding judge may appoint.

Each election judge and clerk will receive compensation at the hourly rate established by Denton County pursuant to Texas Election Code Section 32.091. The election judge, or their designee, will receive an additional sum of \$25.00 for picking up the election supplies and equipment prior to Election Day and for returning the supplies and equipment to the central counting station after the polls close. Likewise, the Lead Clerk in Early Voting, or their designee, will receive an additional sum of \$25.00 for picking up

the election supplies prior to the first day of Early Voting and for returning the supplies and equipment to the Elections Department after Early Voting has ended.

The compensation rates established by Denton County are:

Early Voting – Lead Clerk (\$12 an hour), Clerk (\$10 an hour)
Election Day – Presiding Judge (\$12 an hour), Alternate Judge (\$11 an hour), Clerk (\$10 an hour)

The Elections Administrator may employ other personnel necessary for the proper administration of the election, as well as, pre and post-election administration. In such cases, costs shall be pro-rated among the participants of this contract. Part-time help is included as is necessary to prepare for the election, to ensure the timely delivery of supplies during Early Voting and on Election Day, and for the efficient tabulation of ballots at the central counting station. Part-time personnel working in support of the Early Voting Ballot Board and/or central counting station on election night will be compensated at the hourly rate set by Denton County in accordance with Election Code Sections 87.005, 127.004, and 127.006.

If elections staff is required outside of the hours of the office's normal scope of business, the entity(ies) responsible for the hours will be billed for those hours. The Elections Administrator will determine when those hours are necessary, the number of staff and whom are necessary, along with to whom the hours are to be billed. Cost for these hours will be billed at a rate of 1.5 times the staffs hourly rate (See Sections XV #10). The Election Administrator has the right to waive these costs as they see fit.

V. PREPARATION OF SUPPLIES AND VOTING EQUIPMENT

The Elections Administrator shall arrange for all election supplies and voting equipment including, but not limited to, the County's Verity voting system and equipment, official ballots, sample ballots, voter registration lists, and all forms, signs, maps and other materials used by the election judges at the voting locations. The Elections Administrator shall ensure availability of tables and chairs at each polling place and shall procure rented tables and chairs for those polling places that do not have tables and/or chairs. Any additional required materials (required by the Texas Election Code) must be provided by the Participating Authority, and delivered to the Elections Office thirty-three (33) calendar days (April 1, 2019) prior to Election Day. If this deadline is not met, the material must be delivered by the participating authority, to all Early Voting and Election Day locations affected, prior to voting commencing. The Elections Administrator shall be responsible for conducting all required testing of the voting equipment, as required by Chapters 127 and 129 of the Texas Election Code.

At each polling location, joint participants shall share voting equipment and supplies to the extent possible. The participating authorities shall share a mutual ballot in those precincts where jurisdictions overlap. Multiple ballot styles shall be available in those shared polling places where jurisdictions do not overlap. The Elections Administrator shall provide the necessary voter registration information, maps, instructions, and other

information needed to enable the election judges in the voting locations that have more than one ballot style to conduct a proper election.

Each Participating Authority shall furnish the Elections Administrator a list of candidates and/or propositions showing the order and the exact manner in which the candidate names and/or proposition(s) are to appear on the official ballot (including titles and text in each language in which the authority's ballot is to be printed). **Said list must be provided to the Elections Office within three (3) business days following the last day to file for a place on the ballot** or after the election is ordered, whichever is later. Said list must be in a Word document, the information must be in an upper and lower case format, be in Arial 12 point font, and contain candidate contact information for the purposes of verifying the pronunciation of each of the candidates' names. Each participating authority shall be responsible for proofreading and approving the ballot insofar as it pertains to that authority's candidates and/or propositions. Each participating authority shall be responsible for proofing and approving the audio recording of the ballot insofar as it pertains to that authority's candidates and/or propositions. **The approvals must be finalized with the Elections Office within five (5) calendar days of receipt of the proofs, or the provided proofs shall be considered approved.**

The Joint Election ballots shall list the County's election first. The Joint Election ballots that contain ballot content for more than one joint participant because of overlapping territory shall be arranged with the appropriate school district ballot content appearing on the ballot following the County's election, followed by the appropriate city ballot content, and followed by the appropriate water district or special district ballot content.

Early Voting by Personal Appearance and on Election Day shall be conducted exclusively on Denton County's Verity voting system including provisional ballots.

The Elections Administrator shall be responsible for the preparation, testing, and delivery of the voting equipment for the election as required by the Election Code.

The Elections Administrator shall conduct criminal background checks on the relevant employees upon hiring as required by Election Code 129.051(g).

VI. EARLY VOTING

The participating authorities agree to conduct joint early voting and to appoint the Election Administrator as the Early Voting Clerk in accordance with Sections 31.097 and 271.006 of the Texas Election Code. Each participating authority agrees to appoint the Elections Administrator's permanent county employees as deputy early voting clerks. The participating authorities further agree that the Elections Administrator may appoint other deputy early voting clerks to assist in the conduct of early voting as necessary, and that these additional deputy early voting clerks shall be compensated at an hourly rate set by Denton County pursuant to Section 83.052 of the Texas Election Code. Deputy early voting clerks who are permanent employees of the Denton County

Elections Administrator or any participating authorities shall serve in that capacity without additional compensation.

Early Voting by personal appearance will be held at the locations, dates, and times listed in Attachment B of this document. Any qualified voter of the Joint Election may vote early by personal appearance at any one of the joint early voting locations. All requests for Temporary Early Voting Locations will be considered, and determined based on the availability of sites and if it is within the Election Code parameters. All costs for temporary sites including coverage by Election Administration staff will be borne by the requesting authority. The Elections Administrator will determine when those hours are necessary, the number of staff and whom are necessary along with to whom the hours are to be billed. Cost for these hours will be billed at a rate of 1.5 times the staffs hourly rate (See Sections XV #10). The Election Administrator has the right to waive these costs as they see fit.

As Early Voting Clerk, the Elections Administrator shall receive applications for early voting ballots to be voted by mail in accordance with Chapters 31 and 86 of the Texas Election Code. Any requests for early voting ballots to be voted by mail received by the participating authorities shall be forwarded immediately by fax or courier to the Elections Administrator for processing. The address of the Early Voting Clerk is as follows:

Frank Phillips, Early Voting Clerk
Denton County Elections
PO Box 1720
Denton, TX 76202
Email: elections@dentoncounty.com

Any requests for early voting ballots to be voted by mail, and the subsequent actual voted ballots that are sent by a contract carrier (ie. UPS, FedEx, etc.) shall be delivered to the Early Voting Clerk at the Denton County Elections Department physical address as follows:

Frank Phillips, Early Voting Clerk
Denton County Elections
701 Kimberly Drive, Suite
A101
Denton, TX 76208

The Elections Administrator shall post on the county website each participating authority's early voting roster on a daily basis and a cumulative final early voting roster following the close of early voting. In accordance with Section 87.121(g) of the Election Code, the daily rosters showing the previous day's early voting activity will be posted to the county website no later than 8:00 a.m. each business day.

VII. EARLY VOTING BALLOT BOARD

Denton County shall appoint an Early Voting Ballot Board (EVBB) to process early voting results from the Joint Election. The Presiding Judge, with the assistance of the Elections Administrator, shall appoint two or more additional members to constitute the EVBB. The Elections Administrator shall determine the number of EVBB members required to efficiently process the early voting ballots.

VIII. CENTRAL COUNTING STATION AND ELECTION RETURNS

The Elections Administrator shall be responsible for establishing and operating the central counting station to receive and tabulate the voted ballots in accordance with the provisions of the Texas Election Code and of this agreement.

The participating authorities hereby, in accordance with Section 127.002, 127.003, and 127.005 of the Texas Election Code, appoint the following central counting station officials:

| | |
|---------------------------|---|
| Counting Station Manager: | Frank Phillips, Denton County Elections Administrator |
| Tabulation Supervisor: | Jason Slonaker, Technology Resources Coordinator |
| Presiding Judge: | Early Voting Ballot Board Judge |
| Alternate Judge: | Early Voting Ballot Board Alternate Judge |

The counting station manager or their representative shall deliver timely cumulative reports of the election results as precincts report to the central counting station and are tabulated by posting on the Election Administrator's Election Night Results website. The manager shall be responsible for releasing unofficial cumulative totals and precinct returns from the election to the joint participants, candidates, press, and general public by distribution of hard copies at the central counting station (if requested) and by posting to the Elections Administrator's Election Night Results website. To ensure the accuracy of reported election returns, results printed on the tapes produced by Denton County's voting equipment will not be released to the participating authorities at the remote collection sites or by phone from individual polling locations.

The Elections Administrator will prepare the unofficial canvass reports after all precincts have been counted, and will deliver a copy of the unofficial canvass to each participating authority as soon as possible after all returns have been tabulated. The Elections Administrator will include the tabulation and precinct-by-precinct results that are required by Texas Election Code Section 67.004 for the participating authorities to conduct their respective canvasses. Each participating authority shall be responsible for the official canvass of its respective election(s), and shall notify the Elections Administrator, or their designee, of the date of the canvass, no later than three days after Election Day.

The Elections Administrator will prepare and deliver by email to each participating authority, the electronic precinct-by-precinct results reports for uploading, by the authority, to the Secretary of State as required by Section 67.017 of the Election Code.

The Elections Administrator shall be responsible for conducting the post-election manual recount required by Section 127.201 of the Texas Election Code unless a waiver is granted by the Secretary of State. Notification and copies of the recount, if waiver is denied, will be provided to each Participating Authority and the Secretary of State's Office.

IX. PARTICIPATING AUTHORITIES WITH TERRITORY OUTSIDE DENTON COUNTY

Each participating authority with territory containing population outside of Denton County agrees that they Elections Administrator shall administer only the Denton County portion of those elections.

X. RUNOFF ELECTIONS

Each participating authority shall have the option of extending the terms of this agreement through its runoff election, if applicable. In the event of such runoff election, the terms of this agreement shall automatically extend unless the participating authority notifies the Elections Administrator in writing within three (3) business days of the original election.

Each participating authorities shall reserve the right to reduce the number of early voting locations and/or Election Day voting locations in a runoff election.

Each participating authority agrees to order any runoff election(s) at its meeting for canvassing the votes from the May 4, 2019 election and to conduct its drawing for ballot positions at or immediately following such meeting in order to expedite preparations for its runoff election.

Each participating authority eligible to hold runoff elections agrees that the date of the runoff election, if necessary, shall be Saturday, June 8, 2019, with early voting being held in accordance with the Election Code.

XI. ELECTION EXPENSES AND ALLOCATION OF COSTS

The participating authorities agree to share the costs of administering the Joint Election. Allocation of the costs, unless specifically stated otherwise, is mutually agreed to be shared according to a formula which is based on the number of registered voters within the district per Elections Day polling place. Costs for polling places shared by more than one participating authority shall be pro-rated equally among the participants utilizing that polling place.

It is agreed that the charges for Election Day judges and clerks and Election Day polling place rental fees shall be directly charged to the appropriate participating authority rather than averaging those costs among all participants.

If a participating authority's election is conducted at more than one Election Day polling place, there shall be no charges or fees allocated to the participating authority for the cost of the Election Day polling place in which the authority has fewer than 50% of the total registered voters served by that polling place, except that if the number of registered voters in all of the authority's polling places is less than the 50% threshold, the participating authority shall pay a pro-rata share of the cost associated with the polling place where it has the greatest number of registered voters.

Costs for Early Voting by Personal Appearance shall be allocated based upon the actual costs associated with each early voting site. Each participating authority shall be responsible for an equal portion of the actual costs associated with the early voting sites located within their jurisdiction. Participating authorities that do not have a regular (non-temporary) early voting site within their jurisdiction shall pay an equal portion of the nearest regular early voting site.

Costs for Early Voting by mail shall be allocated according to the actual number of ballots mailed to each participating authority's voters.

Each participating authority agrees to pay the Elections Administrator an administrative fee equal to ten percent (10%) of its total billable costs in accordance with Section 31.100(d) of the Texas Election Code.

The Denton County Elections Administrator shall deposit all funds payable under this contract into the appropriate fund(s) within the county treasury in accordance with Election Code Section 31.100.

The Denton County Elections Administrator reserves the right to adjust the above formulas in agreement with an individual jurisdiction if the above formula results in a cost allocation that is inequitable.

If any participating authority makes a special request for extra Temporary Branch Early Voting by Personal Appearance locations as provided by the Texas Election Code, that entity agrees to pay the entire cost for that request.

Participating authorities having the majority of their voters in another county, and fewer than 500 registered voters in Denton County, and that do not have an Election Day polling place or early voting site within their Denton County territory shall pay a flat fee of \$400 for election expenses.

Election expenses, including but not limited to, overtime charges for Election Office staff, and any unforeseen expenses needed to conduct the election, will be borne by the participating authority or authorities, affected.

XII. WITHDRAWAL FROM CONTRACT DUE TO CANCELLATION OF ELECTION

Any participating authority may withdraw from this agreement and the Joint Election should it cancel its election in accordance with Sections 2.051 - 2.053 of the Texas

Election Code. The withdrawing authority is fully liable for any expenses incurred by the Denton County Elections Administrator on behalf of the authority plus an administrative fee of ten percent (10%) of such expenses. Any monies deposited with the Elections Administrator by the withdrawing authority shall be refunded, minus the aforementioned expenses and administrative fees, if applicable.

It is agreed that any of the Joint Election early voting sites that are not within the boundaries of one or more of the remaining participating authorities, with the exception of the early voting site located at the Denton County Elections Building, may be dropped from the joint election unless one or more of the remaining participating authorities agreed to fully fund such site(s). In the event that any early voting site is eliminated under this section, an addendum to the contract shall be provided to the remaining participants within five days after notification of all intents to withdraw have been received by the Elections Administrator.

XIII. RECORDS OF THE ELECTION

The Elections Administrator is hereby appointed general custodian of the voted ballots and all records of the Joint Election as authorized by Section 271.010 of the Texas Election Code.

Access to the election records shall be available to each participating authority as well as to the public in accordance with applicable provisions of the Texas Election Code and the Texas Public Information Act. The election records shall be stored at the offices of the Elections Administrator or at an alternate facility used for storage of county records. The Elections Administrator shall ensure that the records are maintained in an orderly manner so that the records are clearly identifiable and retrievable.

Records of the election shall be retained and disposed of in accordance with the provisions of Section 66.058 of the Texas Election Code. If records of the election are involved in any pending election contest, investigation, litigation, or open records request, the Elections Administrator shall maintain the records until final resolution or until final judgment, whichever is applicable. It is the responsibility of each participating authority to bring to the attention of the Elections Administrator any notice of pending election contest, investigation, litigation or open records request which may be filed with the appropriate participating authority.

XIV. RECOUNTS

A recount may be obtained as provided by Title 13 of the Texas Election Code. By signing this document, the presiding officer of the contracting participating authorities agree that any recount shall take place at the offices of the Elections Administrator, and that the Elections Administrator shall serve as Recount Supervisor, and the participating authority's official or employee who performs the duties of a secretary under the Texas Election Code shall serve as Recount Coordinator.

The Elections Administrator agrees to provide advisory services to each participating authority as necessary to conduct a proper recount.

XV. MISCELLANEOUS PROVISIONS

1. It is understood that to the extent space is available, other districts and political subdivisions may wish to participate in the use of the County's election equipment and voting places, and it is agreed that the Elections Administrator may contract with such other districts or political subdivisions for such purposes and that in such event there may be an adjustment of the pro-rata share to be paid to the County by the participating authorities.
2. The Elections Administrator shall file copies of this document with the Denton County Treasurer and the Denton County Auditor in accordance with Section 31.099 of the Texas Election Code.
3. Nothing in this contract prevents any party from taking appropriate legal action against any other party and/or other election personnel for a breach of this contract or a violation of the Texas Election Code.
4. This agreement shall be construed under and in accord with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Denton County, Texas.
5. In the event that one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
6. All parties shall comply with all applicable laws, ordinances, and codes of the State of Texas, all local governments, and any other entities with local jurisdiction.
7. The waiver by any party of a breach of any provision of this agreement shall not operate as or be construed as a waiver of any subsequent breach.
8. Any amendments of this agreement shall be of no effect unless in writing and signed by all parties hereto.
9. Failure for a participating authority to meet the deadlines as outline in this contract or on the calendar (Attachment C) may result in additional charges, including but not limited to, overtime charges, etc.
10. Elections Staffing Hourly Rate (includes all benefit pay):

| | |
|----------------------------------|---------------------|
| Absentee Voting Coordinator | \$29.464 |
| Voter Registration Clerk | \$22.926 - \$24.718 |
| Technology Resources Coordinator | \$32.400 |
| Elections Technician | \$21.309 - \$24.718 |
| Voter Registration Coordinator | \$30.442 |
| Training Coordinator | \$31.158 |
| Election Coordinator | \$31.962 |

XVI. COST ESTIMATES AND DEPOSIT OF FUNDS

The total estimated obligation for each participating authority under the terms of this agreement is listed below. The exact amount of each participating authority's obligation under the terms of this agreement shall be calculated after the [election-date] election (or runoff election, if applicable). The participating authority's obligation shall be paid to Denton County within 30 days after the receipt of the final invoice from the Denton County Elections Administrator.

The total estimated obligation for each participating authority under the terms of this agreement shall be provided within 45 days after the last deadline for ordering an election:

[costs]

[pagebreak]

I. SIGNATURE PAGE (separate page)

XVII. JOINT CONTRACT ACCEPTANCE AND APPROVAL

IN TESTIMONY HEREOF, this agreement has been executed on behalf of the parties hereto as follows, to-wit:

- (1) It has on the ____ day of _____, 2019 been executed by the Denton County Elections Administrator pursuant to the Texas Election Code so authorizing;
- (2) It has on the ____ day of _____, 2019 been executed on behalf of the City of Corinth pursuant to an action of the Corinth City Council so authorizing;

ACCEPTED AND AGREED TO BY DENTON COUNTY ELECTIONS ADMINISTRATOR:

APPROVED:

Frank Phillips, CERA

ACCEPTED AND AGREED TO BY THE CITY OF CORINTH:

APPROVED:

ATTESTED:

Bill Heidemann, Mayor

Kimberly Pence, City Secretary

City Council Regular and Workshop Session

Meeting Date: 03/07/2019
Title: Early Model Home Policy
Submitted For: Helen-Eve Liebman, Director **Submitted By:** Ben Rodriguez, Manager
Finance Review: N/A **Legal Review:** Yes
City Manager Review: Approval: Bob Hart, City Manager
Strategic Goals: Land Development

AGENDA ITEM

Consider and act on a Resolution adopting the City of Corinth's Early Model Home policy.

AGENDA ITEM SUMMARY/BACKGROUND

Due to requests that we have received from developers and homebuilders staff has identified the need to adopt a policy regarding the construction of model homes prior to the acceptance of a subdivisions public infrastructure.

The proposed policy will ensure that paved access and water infrastructure is available to the fire hydrants in the area that the model home(s) are to be built prior to beginning construction. The early model homes will be prohibited from connecting the the City's water and waste water facilities until the entire subdivision has been inspected and accepted by the City.

This will provide homebuilders the opportunity to construct up to two model homes per builder and the intent is for these homes to be nearing completion at the same time that the subdivision as a whole is being completed. This will ensure that builders are able to begin selling homes to future residents as quickly as possible.

RECOMMENDATION

Staff recommends approval as presented.

Attachments

Early Model Home Resolution

**CITY OF CORINTH
RESOLUTION NO. 2019-__**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS
ESTABLISHING CORINTH EARLY MODEL HOME PERMIT POLICY; PROVIDING
FOR AN EFFECTIVE DATE HEREOF.**

WHEREAS, The City Council of the City of Corinth has determined it appropriate for the orderly development of property to adopt the Corinth Early Model Home Permit Policy as set forth in Exhibit “A” to this Ordinance and has instructed the Planning Department to provide for the implementation of the same; and

WHEREAS, The Early Model Home Permit Policy will enable the safe construction of early model homes by ensuring that adequate infrastructure is in place prior to the construction of early model homes; and

WHEREAS, the City Council finds that the implementation of the Corinth Early Model Home Permit as set forth in Exhibit “A” serves the public health, safety and welfare.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS;

- I. That the Planning Department of the City of Corinth has prepared an Early Model Home Permit Policy (“Policy”) a copy of which is attached hereto as Exhibit “A” and incorporated herein for all purposes.
- II. That the City Council has reviewed the Policy and hereby adopts the same
- III. That this Resolution shall take effect immediately upon its passage.

PASSED AND APPROVED by the City Council of the City of Corinth, Texas, this the 7th day of March, 2019.

BILL HEIDEMANN, MAYOR

ATTEST:

KIM PENCE, CITY SECRETARY



CORINTH EARLY MODEL HOME PERMIT POLICY

In addition to City ordinance requirements, a building permit application for a model home to be constructed prior to the City's final acceptance of any proposed subdivision shall comply with the following provisions as a condition precedent to the issuance of a model home permit by the City:

1. An affidavit shall be signed by all applicable home builders stating that the permits being issued are for the purpose of building a model home which the City has determined to meet requirements to be classified as providing a sales office for a particular home builder and to be a representative home used to show the design, structure, and appearance of units to be built in the development. Model homes shall remain as such for a minimum period of one (1) year at which time, and upon compliance with City ordinance requirements and this policy, such homes may be converted to single-family residential homes for sale to the public.
2. Model homes shall be built in accordance with and comply with all local, state and federal codes for structures with the purpose as stated above.
3. An exhibit shall be provided to the City which illustrates the location of the model homes to be built.
 - a) Model homes shall be grouped together as to provide a continuous row of homes for model home purposes.
 - b) No more than two (2) homes per builder shall be permitted for model home purposes per development.
4. The roads adjacent to the model homes shall be constructed as required by City ordinance and must be preliminarily accepted by the City of Corinth prior to issuance of a model home permit. In addition to compliance applicable City ordinances, roads shall comply with the following standards:
 - a) A minimum of two (2) points of access are required for emergency services.
 - b) These required roads shall remain clean, and kept free of debris, stock piling of material and vehicles that would prevent emergency vehicles from traversing the roads. Vehicles may be parked parallel to road along curb line that allows a minimum 12 (twelve) foot path for emergency and/or other City vehicles.
 - c) Roads not adjacent to the model homes shall be closed to through non-emergency traffic. A traffic control plan conforming to the latest edition of the Texas Manual on Uniform Traffic Control Devices (TMUTCD) shall be submitted to the City for approval.

5. Water lines for the purpose of fire protection shall be installed, tested, and must be preliminarily accepted by City prior to issuance of a model home permit. A fire hydrant must be within a maximum of two hundred and fifty (250) feet of every model home.
6. Emergency access routes and erosion control devices adjacent to the model homes shall be constructed and must be preliminarily accepted by the City of Corinth prior to the issuance of a model home permit.
7. Model homes shall not connect to public water and wastewater facilities until final acceptance of the subdivision by City.
8. All City ordinance requirements and requirements of this policy shall be met, and the proposed development must receive final acceptance for the public improvements servicing the subdivision of land prior to the City's Building Inspections Department issuance of a Temporary Certificate of Occupancy for any model home.
 - a) Initially, these structures shall be finished as model homes and will receive a Temporary Certificate of Occupancy (C.O.)
 - b) Temporary C.O.'s will authorize move-in of furniture and other model home/sales office related appurtenances as well as allow access to the general public. Temporary C.O.'s do not authorize single-family occupancy.
9. The builder shall apply for a remodel permit for conversion from a model home to a single family residence. Plans shall be submitted, reviewed, and approved by the City before any work proceeds on the conversion. All framing, electrical, plumbing, and HVAC inspections shall be requested and all work must be approved by City during conversion, before final C.O. will be issued.
10. Any permit holder failing to conform to the provisions of this policy may have their temporary certificate of occupancy revoked in accordance with applicable City Ordinances.