City Council Agenda
1/3/2023

Notice is hereby given of a regular meeting of the City Council of City of San Angelo to be held January 3, 2023 at 8:30 AM at the McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas, for the purpose of considering the following agenda items.

1. **Call to Order**
2. **Chaplain Prayer & Pledges**
3. **Proclamations/Recognitions**
   a. Proclamation of January 14, 2022 as Le Coterie Society of San Angelo Day
4. **Public Comment**

Issues or concerns not on the Regular Agenda may be raised by the public at this time. Citizens should speak from the podium, address all comments to the dais, begin by stating their name and address or Single Member District number, and limit their remarks to less than three minutes.

5. **Consent Agenda**
   a. Consider approving the December 13, 2022 City Council regular meeting minutes (Julia Antilley)
   b. Consider a resolution authorizing the City Manager to negotiate and execute an agreement to contribute Utility Relocation Funds to the State of Texas related to highway improvements on SL 378 (Old Christoval Rd.) from FM 1223 to US 87 for the relocation of city-owned utility lines (Shane Kelton)
   c. Second reading of an ordinance extending the temporary changes to Chapter 12 "Planning and Development" Article 12.04 "Signs" in the City Code of Ordinances, to allow additional time for preparation of permanent amendments to the Sign Ordinance (Jon James)
   d. Second reading of an ordinance for PD22-03 to rezone from the Zero Lot Line, Twinhome and Townhome Single-Family Residential and Low Rise Multi-Family Residential zoning districts to a Planned Development zoning district to allow an underlying base zoning of Zero Lot Line, Twinhome and Townhome Single-Family Residential, with the additional use of Single-Family homes, subject to development standards outlined in the Ordinance, being 37.5 acres, located southeast of Valleyview Blvd. and Stone Canyon Trl. (Jon James)
   e. Second reading of an ordinance amending the budget for the fiscal year beginning October 1, 2022, and ending September 30, 2023, for ongoing projects and capital items (Tina Dierschke)
6. **Regular Agenda**

Comments regarding items on the Regular Agenda may be made by the public when each item is discussed as outlined above. Applicants, proponents, and appellants are exempt from the time limit above and instead must limit their remarks to less than five minutes.

a. Discuss and consider adoption of an Ordinance authorizing the issuance and sale of City of San Angelo, Texas Combination Tax and Revenue Certificates of Obligation, Series 2023A; appointing a Pricing Officer and delegating to the Pricing Officer the authority to approve on behalf of the City the sale of the Certificates, the terms of the Certificates and the offering documents for the Certificates; establishing certain parameters for the approval of such matters by the Pricing Officer; approving the use of a Paying Agent/Registrar Agreement; levying an annual Ad Valorem Tax and providing for the security for and payment of said Certificates; providing an effective date; and enacting other provisions relating to the subject (Presentation by Finance Director Tina Dierschke)

7. Closed Session

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

8. Follow Up and Administrative Issues

a. Consider items discussed in Executive Session, if needed

b. Consider approving various Board nominations

c. Announcements and consideration of Future Agenda Items

9. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board at City Hall in the City of San Angelo, Texas, on the 28th day of December 2022, at 9:17 a.m.

Julia Antilley, City Clerk

All agenda items are subject to action. The City Council reserves the right to consider business out of posted order and/or meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

In compliance with the Americans with Disabilities Act, the City of San Angelo will provide for reasonable accommodations for persons attending City Council meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact the City Clerk's Office at 325-657-4405.

Citizen requests to display materials on the city's monitors must submit the request 96 hours prior to the meeting by email to Julia.Antilley@cosatx.us. Time limits for discussion are as stated above and materials cannot exceed 10-pages. Citizens bringing materials for distribution to City Council members during the meeting must bring a minimum of 12 copies.

City Council regular meetings are broadcast on SATV Channel 17-Government Access at 10:30 a.m. and 7:00 p.m. every day, beginning the evening of the meeting until the evening of the next meeting.

Proclamation

The Le Coterie Society of San Angelo was founded January 8, 1983. The Society had its inception in the Rosary, Reading, and Arts Club. The home of Narcisse Stokes was the setting of a "Branching Ceremony" on December 16, 1982. Members from this group formed "The Saturday Group." On January 23, 1983, the group voted to name itself Le Coterie Society of San Angelo.

Pat Hawkins and Irma Jean Moreland submitted the term "Coterie" and Hattie McDonald added the French article "Le". The group elected Nelly Jo Gordon as President, Odessa McDonald, Vice President, Lillie Mae Smith, Recording Secretary, Lola Andrews, Assistant Recording Secretary, Hattie McDonald, Treasurer, Opal M. Allen, Chaplain, Ella Lemons, Music Minister, Hazel Blackmon, historian, and Pat Hawkins, Liaison Officer.

A constitution committee, chaired by Melissa Booker, and a Ritual and Ceremonial committee, co-chaired by Mary Frances Willis and Nelly Jo Gordon, were formed. Melissa Booker, Delores Jones, Clara Freeze, and Hattie McDonald submitted the organization's constitution.

Through the years the members have recognized various needs in the San Angelo community and have contributed to the community in many ways, including awarding academic scholarships to graduating high school seniors.

The Le Coterie Society remains an active group in San Angelo today by reflecting its philosophy of uniting and maintaining a harmonious society of women with common interests who are dedicated to the concept of sisterhood while developing and enhancing service projects that are culturally rewarding to both members and to the community.

Therefore, I, Brenda Gunter, Mayor of the City of San Angelo, do hereby proclaim Saturday, January 14, 2023 as

LE COTERIE SOCIETY OF SAN ANGELO DAY

in the City of San Angelo and encourage all residents to join the Society in contributing to the community in meaningful ways.

In Witness Whereof, I have hereunto set my hand and have caused the Official Seal of the City of San Angelo to be affixed this 3rd day of January 2023.

Brenda Gunter
Mayor of the City of San Angelo

City of San Angelo, Texas
Regular City Council Meeting
Tuesday, December 13, 2022

Present:

Mayor Brenda Gunter
Mayor Pro tem Tom Thompson, SMD 2
Council Member Tommy Hiebert, SMD 1
Council Member Harry Thomas, SMD 3
Council Member Lucy Gonzales, SMD 4
Council Member Karen Hesse Smith, SMD 5
Council Member Larry Miller, SMD 6

1. Call to Order

With a quorum of the City Council Members present, Mayor Gunter called the regular session of the San Angelo City Council to order at 8:32 a.m. on Tuesday, December 13, 2022 at the San Angelo McNease Convention Center, 501 Rio Concho Drive, San Angelo, Texas 76903.

2. Chaplain Prayer & Pledges

An invocation was provided by San Angelo Police Department Chaplain Marcella Jenkins. Pledges were led by San Angelo Police Department Chaplain Gary Jenkins.

3. Proclamations/Recognitions

4. Public Comment

Citizen and NAACP President Sherley Spears (SMD 5) invited the City Council and the public to the Buffalo Soldiers Memorial Groundbreaking at the Paseo following the council meeting.

Citizen Zane White (SMD 6) expressed concern regarding the city's enforcement of the sign ordinance.

Citizen Jaton Geise (SMD 5) expressed concern regarding closure of the animal shelter's canine intake.

Citizen Kim Henry (SMD 3) thanked the staff for their work on her accessibility concerns and asked for item 5m to be pulled for discussion regarding the associated pedestrian ramp.

Council Member Thompson announced to the Edmund & Glenna residents that he is aware of the US Postal Service moving from individual to community mailboxes and is discussing concerns with Public Works Executive Director Shane Kelton.

5. Consent Agenda

a. Approval of the November 15, 2022 City Council regular and November 22, 2022 canvassing meeting minutes (Julia Antilley)

b. Approval of special recreation lease renewals with the following tenants and authorizing the City Manager to execute the same (Carl White, Manda Salladay):
1. Concho Bass Club
2. Concho Boat Club
3. Concho Valley Archery Association
4. Deborah Pappas and Denise Jackson
5. Korden Lee Sonnenberg

c. ~~Consider authorizing the City Manager to negotiate and execute all documents necessary to renew a ten-year lease with DHL Wendland, LLC for 0.604 acres out of M. Himmer Survey No. 321, Abstract 355 (Manda Salladay)~~

d. Authorization of the Mayor to execute a deed transferring title of tax sale property Lot 19, Block 5E, Chapman's Subdivision to The Estate of Hubert Dennis Sanders (Manda Salladay)

e. Approval of a lease agreement between the City of San Angelo and Shannon Medical Center for the Health Department Nursing Division clinical/office space at 2030 Pulliam St., Suite 8 and authorizing the City Manager to negotiate and execute all related documents (Sandra Villarreal)

f. Award of FS-01-23 Police Boat to Bryan Marine, Inc. (Bryan, TX) in the amount of $75,587.85, and authorizing the City Manager to negotiate and execute all related documents (Ryan Kramer)

g. Award of FS-04-23 Half Ton Pickups to Jim Bass Ford (San Angelo, TX) in the amount of $570,400 for the purchase of 11 units, with the option to purchase three additional units annually, and authorizing the City Manager to negotiate and execute all related documents (Ryan Kramer)

h. Award of FS-05-23 Dump Trucks to Lone Star Truck Group (San Angelo, TX) in the amount of $406,563, for the purchase of two units with the option to purchase one additional unit annually, and authorizing the City Manager to negotiate and execute all related documents (Ryan Kramer)

i. Award of FS-06-23 Passenger Cars to Jim Bass Ford (San Angelo, TX) in the amount of $103,996, for the purchase of three units with the option to purchase one additional unit annually, and authorizing the City Manager to negotiate and execute all related documents (Ryan Kramer)

j. Award of FS-07-23 Quarter Ton Pickups to Jim Bass Ford (San Angelo, TX) in the amount of $144,125, for the purchase of three units with the option to purchase two additional units annually and authorizing the City Manager to negotiate and execute all related documents (Ryan Kramer)

k. Award of CFM-01-23 HVAC Maintenance and Repair Services to Advanced Service Group, Barry Hooker Heating and Air, and Duncan Mechanical Services and authorizing the City Manager to negotiate and execute a fixed price agreement with the multiple vendors (Kyle Henry)

l. Amendment of WU-05-21 Professional Engineering Services - Upper Colorado Regional Flood Planning Technical Consultant with HDR Engineering, Inc. increasing the contract amount by $104,000, funded by Texas Water Development Board Grant, bringing the new contract total to $1,575,200 and authorizing the City Manager to negotiate and execute all related documents (Andy Vecellio)

m. Approval of Change Orders #9 and #10 to ES-03-20 Chadbourne Street Improvements - Phase A Project contract with Ti-Zack Concrete, Inc. reducing the current $7,588,971.75 project cost by $83,685.07 and bringing the revised project cost to $7,505,286.68 (Kevin Pate)

n. Amendment of SB-02-20 Street Materials with CSA Materials, Inc. to allow for a materials price increase, allowing an optional annual price escalation of up to six percent, and authorizing the City Manager to negotiate and execute all related documents (Patrick Frerich)

o. Ratification of an agreement with Oncor Electric Delivery, LLC, in the amount of $324,545.44 for the installation of electrical delivery facilities at the Hickory Well Field expansion site (Shane Kelton)

p. Adoption of a resolution approving the donation of a Teq Lite Teqball table to the City of San Angelo Recreation Division with an estimated value of $2,200 from Teqball USA, LLC (Brent Casey) **(Pg. 433, 2022-095)**

q. Adoption of a resolution approving non-monetary in-kind support, and authorizing pre-booking dates for the Downtown San Angelo, Inc. "A Star Spangled Banner Concert" event for the Fourth of July to be held July 3, 2023, 2024, and 2025 at the Bill Aylor Memorial River Stage (Carl White) **(Pg. 434, 2022-096)**

r. Approval of an agreement with Art in Uncommon Places allocating $25,000 of Hotel Occupancy Tax receipts for eligible activities and authorizing the City Manager to negotiate and execute any related documents (Carl White)

s. Approval of the 2021 Consolidated Annual Performance and Evaluation Report (CAPER) (Bob Salas)

t. Approval of an agreement with the Tom Green County Election Administration's Office to continue providing election services for the city from January 1, 2023 through December 31, 2032 and authorizing the City Manager to negotiate and execute all related documents (Julia Antilley)

u. Ratification of an information technology support services agreement in the amount of $7,500 between the City of San Angelo Development Corporation and Russ Wallace dba CTR Data and authorizing the Board President or their designee to negotiate and execute all necessary documents (Michael Dane)

v. Ratification of COSADC's approval of a one-year agreement with the Chamber of Commerce for Marketing and Recruitment Services at a cost of $262,500 and authorizing the COSADC Board President to negotiate and execute the agreement and any related documents (Michael Dane)

w. Approval of Aetna as the Stop Loss coverage provider related to medical claims (Bryan Kendrick)

x. Second reading and adoption of an ordinance for Z22-21 to rezone properties from the Single-Family Residential zoning district to the Two-Family Residential zoning district, being 0.314 acres, located at the northwest corner of N. Marie St. and Beacon St. (Jon James) **(Pg. 435, 2022-097)**

y. Second reading and adoption of an ordinance for Z22-22 to rezone properties from the Neighborhood Commercial to the Low Rise Multifamily Residential zoning district, being 0.413 acres, located at the southwest corner of S. Pierce St. and W. Beauregard Ave. (Jon James) **(Pg. 438, 2022-098)**

Motion: Council Member Gonzales made a motion, seconded by Council Member Thomas, to approve the Consent Agenda, with the exception of items 5c, 5l, 5m, and 5o. The motion carried unanimously (7) ayes to (0) nays, with no public comment.

[Item 5c – removed from agenda - no action taken on this item.]

Citizens Andrea Souffle (SMD 1) and Kim Henry (SMD 3) expressed concern over the funds used on the Chadbourne St. ramp included in item 5m and asked to be included in future discussions regarding projects with an accessibility component.

Motion: Council Member Thomas made a motion, seconded by Council Member Hiebert, to approve items 5l, 5m, and 5o, as presented. The motion carried unanimously (7) ayes to (0) nays.

6. Regular Agenda

a. Update and discussion regarding the Charter Review Committee's progress on evaluating Sections 60-64 Chief of Police of the City Charter (Charter Review Committee)

Citizen Jaton Geise (SMD 5) expressed concern over more restrictions, but was in favor of aligning the terms of office.

Direction: Direction was given to staff to bring back the proposed language as presented by the Charter Review Committee for inclusion on the May 2023 ballot.

b. Approval of a policy to address Repeat Open Records Requestors to provide a reasonable limit on the amount of time spent on public information requests submitted by vexatious requestors (Presentation made by City Clerk Julia Antilley)

[Building Official Charlie Kemp and Fire Marshal Billy Clemmons spoke in support of the policy.]

Media representative Joe Hyde expressed concern over news media exceptions.

Citizen Jaton Geise (SMD 5) stated we should offer more information online so the public can do their own research.

Motion: Council Member Hiebert made a motion, seconded by Council Member Gonzales, to approve the item as presented. The motion carried (5) ayes to (2) nays, with Mayor Gunter and Council Member Miller casting the dissenting votes.

c. Authorization of Tax Increment Reinvestment Zone funds in the amount of $105,382 for the purpose of maintenance activities within the zones, including maintenance of landscaping, weeds, trash pickup, and similar tasks to ensure aesthetic streetscapes along streets within the North and South TIRZ areas (Presentation made by Planning & Development Services Director Jon James)

Public Works Executive Director Shane Kelton spoke regarding the maintenance of the project, now and once the project is completed and turned over to the City of San Angelo.

Motion: Council Member Hesse Smith made a motion, seconded by Council Member Gonzales, to approve the item, as presented.

Motion: Council Member Hesse Smith revised her motion to fund the annual maintenance with 80% from North TIRZ funds and 20% from South TIRZ funds. Council Member Gonzales failed to second the revised motion.

Motion: Council Member Hesse Smith made a motion, seconded by Mayor Gunter, to approve the item as presented, with the exception that 80% of the annual maintenance funds should come from North TIRZ and 20% from South TIRZ. The motion carried (5) ayes to (2) nays, with Council Members Gonzales and Thomas casting the dissenting votes.

d. Discussion and direction on the Tax Increment Reinvestment Zone regarding moving boundary lines between the North and South areas and the issue of North TIRZ funding for non-profit organizations (Presentation made by Planning & Development Director Jon James)

Direction: City Council directed staff to ask the TIRZ board to review 1) the boundary line separating the North and South TIRZ areas, proposing to move the line to Harris St. and 2) to remove the ability for non-profits in the North TIRZ to apply for funding.

e. First reading and public hearing of an ordinance extending the temporary changes to Chapter 12 "Planning and Development" Article 12.04 "Signs" in the City Code of Ordinances, to allow additional time for preparation of permanent amendments to the Sign Ordinance (Presentation made by Planning & Development Services Director Jon James)

Citizen Susan Mertz (SMD 5) thanked council for agreeing to create a citizens review committee.

Citizen Zane White (SMD 5) stated he does not believe the two supreme court decisions apply to our sign ordinance and it's applicability to the Cactus Hotel sign.

Motion: Council Member Thomas made a motion, seconded by Council Member Hiebert, to approve the item as presented. The motion carried unanimously (7) ayes to (0) nays.

f. First reading and public hearing of an ordinance for PD22-03 to rezone from the Zero Lot Line, Twinhome and Townhome Single-Family Residential and Low Rise Multi-Family Residential zoning districts to a Planned Development zoning district to allow an underlying base zoning of Zero Lot Line, Twinhome and Townhome Single-Family Residential, with the additional use of Single-Family homes, subject to development standards outlined in the Ordinance, being 37.5 acres, located southeast of Valleyview Blvd. and Stone Canyon Trl. (Presentation made by Planning & Development Services Director Jon James)

Citizen Andrea Souffle (SMD 1) spoke in support of placing sidewalks along Valleyview Blvd. and greenspaces for the wildlife in the area.

Applicant representative James Duncan spoke in support of the project.

Motion: Council Member Hiebert made a motion, seconded by Mayor Gunter, to approve the item as presented. The motion carried unanimously (7) ayes to (0) nays.

g. First reading and introduction of an ordinance amending the budget for the fiscal year beginning October 1, 2022, and ending September 30, 2023, for ongoing projects and capital items (Presentation made by Finance Director Tina Dierschke)

Construction & Facilities Manager Ron Lewis, Operations Director Patrick Frerich, Fire Chief Patrick Brody, and Fort Concho Manager Bob Bluthardt all spoke in support of their carryover items.

Motion: Council Member Hiebert made a motion, seconded by Council Member Thompson, to approve the item, as presented. The motion carried unanimously (7) ayes to (0) nays, with no public comment.

~~7. Closed Session~~

~~Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:~~

8. Follow Up and Administrative Issues

a. ~~Consideration of items discussed in Closed Session, if needed~~

No action taken on this item.

b. Approval of various Board nominations
Civic Events Advisory Board: Del Velasquez (Mayor) to a third term ending December 2024
Park Commission: Heidi Brooks (At-Large) to a 1st term, Bitsy Stone (At-Large) to a 4th term, and Allison Watkins (At-Large) to a 2nd term, all ending January 2027
Parks and Recreation Advisory Board: Debbie Wilson (SMD4) to a third term ending December 2024

Motion: Council Member Thomas made a motion, seconded by Council Member Gonzales, to approve the item, as presented. The motion carried unanimously (7) ayes to (0) nays, with no public comment.

c. Announcements and consideration of Future Agenda Items

No action taken on this item.

9. Adjournment

Motion: Council Member Hiebert made a motion, seconded by Council Member Thompson, to adjourn the meeting. The motion carried unanimously (7) ayes to (0) nays, with no public comment.

There being no further business, the meeting adjourned at 11:30 a.m.

THE CITY OF SAN ANGELO, TEXAS:

____
Brenda Gunter, Mayor

ATTEST:

____
Julia Antilley, City Clerk

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplemental Minute Record. Details on Council meetings may be obtained from the City Clerk's Office, or a video of the entire meeting may be purchased from the Public Information Officer at 481-2727. (Portions of the Supplemental Minute Record video tape recording may be distorted due to equipment malfunction or other uncontrollable factors.)

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Charles Michalewicz, Engineer, Public Works, 325-657-4201

Meeting Date: January 3, 2023

Item type: Consent Item

Caption:

Consider a resolution authorizing the City Manager to negotiate and execute an agreement to contribute Utility Relocation Funds to the State of Texas related to highway improvements on SL 378 (Old Christoval Rd.) from FM 1223 to US 87 for the relocation of city-owned utility lines (Shane Kelton)

Staff Recommendation:

Adopt

Summary/History:

SL 378 from FM 1223 to US 67 (Old Christoval Rd from S. Chadbourne to Loop 306)
The agreement is to contribute funds outlined in the Resolution of the City of San Angelo's 3,385,228 contribution towards the relocation of City-owned utilities. The TXDOT project includes reconstruction and widening of the road, to include pedestrian improvements. The City contribution will go toward relocating and adjusting approximately 10,500 linear feet of water line and 450 linear feet of sewer line.

Funding Source(s):

Fund:	Account:	Project Number:	Amount Budgeted:
Water Capital	260-4400-800.07-30		$3,173,372.40
Water Reclaimation	270-5400-800-07.30		$211,855.60

Financial Impact:

Funding is budgeted in the current Water and Sewer Capital Funds for line replacement.

Other Information/Recommendation:

Attachments:

1.	AFA Utility Signature Pages	AFA Utility Signature Pages.docx
2.	AFA Utility Attachment A Payment and Work	AFA Utility Attachment A Payment and Work.docx
3.	AFA Utility Attachment B Cost	AFA Utility Attachment B Cost.docx
4.	Resolution Utility Relocation Contribution Agreement	Resolution Utility Relocation Contribution Agreement.docx

Presentation:

Shane Kelton

Approvals/Reviews:

Charles Michalewicz	Created/Initiated
Pete Madrid Jr.	Approved
Kevin Pate	Approved
Shane Kelton	Approved
Theresa James	Approved
Tina Dierschke	Approved
Julia Antilley	Final Approval

STATE OF TEXAS §

COUNTY OF TRAVIS §

ADVANCE FUNDING AGREEMENT FOR VOLUNTARY UTILITY RELOCATION CONTRIBUTIONS ON STATE HIGHWAY IMPROVEMENT PROJECTS

THIS AGREEMENT is made by and between the State of Texas, acting through the Texas Department of Transportation ("State") and City of San Angelo ("Utility"),

WITNESSETH

WHEREAS, Transportation Code, Chapters 201, 221, and 361, authorize the State to lay out, construct, maintain, and operate a system of streets, roads and highways that comprise the State Highway System; and,

WHEREAS, Transportation Code, Chapter 203, Subchapter E, Transportation Code §203.092 authorizes the State to regulate the placement of public utility facilities along a state highway; and,

WHEREAS, Texas Transportation Commission Minute Order Number __________ authorizes the State to undertake and complete a highway improvement generally described as: widen and reconstruct SL 378 from FM 1223 to US 87 ("Project"); and,

WHEREAS, Utility possesses facilities that are affected by the above mentioned highway improvement and Utility, and the State agrees that it is more economical or efficient for such relocation to be effected by including said contract in the State's highway construction contract;

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto, to be by them kept and performed as hereafter set forth, the State and Utility do agree as follows:

AGREEMENT

1. **Time Period Covered**
   This agreement becomes effective when signed by the last party whose signing makes the agreement fully executed, and the State and Utility will consider it to be in full force and effect until the Project described in this agreement has been completed and accepted by all parties or unless terminated, as provided.

2. **Project Funding and Work Responsibilities**
   A. The State will authorize the performance of only those Project items of work which are eligible for relocation reimbursements or for which Utility has requested and has agreed to pay for as described in Attachment A - Payment Provision and Work Responsibilities, which is attached to and made a part of this contract. In addition to identifying those items of work to be paid for by payments to the State, Attachment A - Payment Provision and Work Responsibilities, also specifies those Project items of work that are the responsibility of Utility and will be carried out and completed by Utility, at no cost to the State. The Utility

shall be responsible for costs that are shown on Attachment B, Estimated Utility Costs, which is attached to and made a part of this agreement.

B. If the Utility will perform any work under this contract for which reimbursement will be provided by or through the State, the Utility must complete training before a letter of authority is issued. Training is complete when at least one individual who is working actively and directly on the Project successfully completes and receives a certificate for the course entitled *Local Government Project Procedures and Qualification for the Texas Department of Transportation*. The Utility shall provide the certificate of qualification to the State. The individual who receives the training certificate may be an employee of the Utility or an employee of a firm that has been contracted by the Utility to perform oversight of the Project. The State in its discretion may deny reimbursement if the Utility has not designated a qualified individual to oversee the Project.

C. Payment under this contract beyond the end of the current fiscal biennium is subject to availability of appropriated funds. If funds are not appropriated, this contract shall be terminated immediately with no liability to either party.

3. Termination

A. This agreement may be terminated in the following manner:

1. By mutual written agreement and consent of both parties;
2. By either party upon the failure of the other party to fulfill the obligations set forth in this agreement; or
3. By the State if it determines that the performance of the Project or utility work is not in the best interest of the State.

B. If the agreement is terminated in accordance with the above provisions, Utility will be responsible for the payment of Project costs incurred by the State on behalf of Utility up to the time of termination.

4. Right of Access

If Utility is the owner of any part of the Project site, Utility shall permit the State or its authorized representative access to the site to perform any activities required to execute the work.

5. Adjustments Outside the Project Site

Utility will provide for all necessary right of way and utility adjustments needed for performance of the work on sites not owned or to be acquired by the State.

6. Responsibilities of the Parties and Indemnity

Utility acknowledges that it is not an agent, servant, employee of the State, nor is it engaged in a joint enterprise, and it is responsible for its own acts and deeds and for those of its agents or employees during the performance of the work on the Project. To the extent permitted by law, Utility agrees to indemnify and hold harmless the State, its agents and employees, from all suits, actions, or claims and from all liability and damages for any and all injuries or damages sustained by any person or property in consequence with the performance of design, construction, maintenance, or operation of the Utility facility. Such indemnity includes but is not limited to any claims or amounts arising or recovered under the “Worker’s Compensation Law”, the Texas Tort Claims Act, Chapter 101, Texas Civil Practice and Remedies Code; or any other applicable laws or regulations, all as time to time may be amended.

7. **Sole Agreement**
   In the event the terms of the agreement are in conflict with the provisions of any other existing agreements between Utility and the State, the latest agreement shall take precedence over the other agreements in matters related to the Project.

8. **Successors and Assigns**
   The State and Utility each binds itself, its successors, executors, assigns, and administrators to the other party to this agreement and to the successors, executors, assigns, and administrators of such other party in respect to all covenants of this agreement.

9. **Amendments**
   By mutual written consent of the parties, the scope of work and payment provisions of this agreement may be amended prior to its expiration.

10. **Inspection and Conduct of Work**
    Unless otherwise specifically stated in Attachment A - Payment Provision and Work Responsibilities, to this contract, the State will supervise and inspect all work performed hereunder and provide such engineering inspection and testing services as may be required to ensure that the Project is accomplished in accordance with the approved plans and specifications. All correspondence and instructions to the contractor performing the work will be the sole responsibility of the State. Unless otherwise specifically stated in Attachment A to this contract, all work will be performed in accordance with the Utility Accommodation Rules as set forth in 43 Texas Administrative Code §21.31 et. seq. adopted by the State and incorporated in this agreement by reference, or special specifications approved by the State.

11. **Maintenance**
    Upon completion of the Project, Utility will assume responsibility for the maintenance of the completed Utility facility unless otherwise specified in Attachment A to this agreement.

12. **Notices**
    All notices to either party by the other required under this agreement shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to such party at the following addresses:

Utility:	State:
______________________________	Director of Contract Services
City of San Angelo	Texas Department of Transportation
______________________________	125 E. 11th Street
301 W Beauregard Ave	Austin, Texas 78701
______________________________	
San Angelo TX 76903	
______________________________	

All notices shall be deemed given on the date so delivered or so deposited in the mail, unless otherwise provided in this agreement. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that such notices shall be delivered personally or by certified U.S. mail and such request shall be honored and carried out by the other party.

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

14. Signatory Warranty
Each signatory warrants that the signatory has necessary authority to execute this agreement on behalf of the entity represented.

15. Access to Information
The Utility is required to make any information created or exchanged with the state pursuant to this contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the state.

Each party is signing this agreement on the date stated under that party's signature.

THE UTILITY

____
Daniel Valenzuela, City Manager
City of San Angelo

____
Date

ATTEST:

____
Julia Antilley, City Clerk

Approved as to Content:

____
Shane Kelton
Executive Director of Public Works

____
Charles Michalewicz
Public Works Projects Administrator

THE STATE OF TEXAS

____
District Engineer

____
Date

Approved as to Form:

____
Theresa James, City Attorney

ATTACHMENT A
PAYMENT PROVISION AND WORK RESPONSIBILITIES

1. **Description of the Work Items**
   The parties agree that the existing water and sewer lines shall be relocated and adjustments shall be made along SL 378.The water and sewer facilities shall be owned, operated, and maintained by Utility from and after completion and final acceptance by the State and Utility. The estimated total construction cost for the relocated and adjusted facilities is $3,385,228.00. The parties agree that it is their intent to complete the relocation improvements within this estimate of cost.
2. **Actual Cost Agreement**
   Utility will be responsible for paying all costs associated with the planning, specification, and estimate (PS&E) development, and construction of the proposed utility work to the extent such is not reimbursed pursuant to state law. All the costs associated with construction of the water and sewer line items for the Project shall be provided as defined under the Standard Utility Agreement, Utility Joint Use Agreement, and/or the Agreement to Contribute Funds executed between the State and Utility.
3. **Schedule of Payments**
   A. At least forty-five (45) days prior to the date set for receipt of the construction bids, the Utility shall remit its remaining financial share for the State's estimated construction oversight and construction costs. Utility must advance to the State one hundred percent (100%) of its share of the estimated Project utility construction costs. The amount to be advanced for the utility improvements is estimated to be $ 3,385,228.00. (See Attachment B – Estimated Utility Costs)
   B. In the event the State determines that additional funding is required by the Utility at any time during the Project, the State will notify the Utility in writing. The Utility is responsible for one hundred percent (100%) of the authorized project cost and any overruns. The Utility will make payment to the State within thirty (30) days from receipt of the State's written notification.
   C. Whenever funds are paid by the Utility to the State under this agreement, the Utility will remit a warrant made payable to the "Texas Department of Transportation." The warrant will be deposited by the State and managed by the State. Until the final Project accounting, funds may only be applied by the State to the Project.
   D. Upon completion of the Project, the State will perform an audit of the Project costs. Any funds due by the Utility, the State, or the Federal Government will be promptly paid by the owing party.
4. **Work Responsibilities [The following list is for illustrative purposes only. The contracting district/division is responsible for allocating each party's responsibilities within the agreement.]**
   A. The **Utility** shall provide the following services under this contract:
      i. Responsible for engaging the services of a Texas Registered Professional Engineer to prepare drawings and technical specifications for waterline relocations and adjustments along SL 378.

ii. Provide the plans and specifications to the State to include in the current planning specifications and estimate package being prepared by representatives of the Texas Department of Transportation's San Angelo District Design Office.
iii. Secure all necessary permitting as may be required for the installation of the water and sewer line.
iv. Arrange and coordinate with the contractor, through the State, materials and equipment testing, rejection of all work not conforming to minimum requirements of the construction contract documents, maintenance of the proposed water and sewer line during construction, and the relocation of water and sewer line and connection of services to customers.
v. Advise the State of work that Utility determines should be corrected or rejected.
vi. Arrange, observe, and inspect all acceptance testing and notify the State of the results of these activities.
vii. Provide inspection services for the construction, notify the State of defects and deficiencies in the work, and observe actions of the contractor to correct such defects and deficiencies.
viii. Assume all responsibility for the maintenance of the existing water and sewer line during and upon completion of the construction contract.
ix. Ensure all Texas Commission on Environmental Quality and all other regulatory rules, regulations and laws are strictly adhered to.
x. Prepare and submit both a certificate of substantial completion and a list of observed items requiring completion or correction for the relocations and adjustments to the Project Engineer for concurrence.
xi. Coordinate all construction activities performed by Utility's staff for the relocations and adjustments through the Project Engineer.

B. The **State** shall provide the following services under this contract:
i. Combine the water and sewer line relocation and adjustment plans with the plans being prepared for the Project.
ii. Review and approve the final construction plans prior to any construction-related activities. In order to ensure federal and/or state funding eligibility, projects must be authorized by the State prior to advertising for construction.
iii. Advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project.
iv. Negotiate and administer all field changes and change orders required for the Project. All change orders increasing construction costs for Utility's Project shall be submitted to Utility for review and approval together with an evaluation. Utility agrees to review and either approve or disapprove all change orders within five (5) business days after receipt of such order unless City Council's approval is necessary in which case Utility shall bring the item to City Council as soon as reasonably possible.
v. Provide overall project management to supervise the day-to-day activities of the construction and monitor the activities of the contractor to promote the timely and efficient completion of the Project in accordance with the approved Plans and Specifications and construction schedule.

vi. Conduct field observations and coordinate with Utility's inspectors and the contractor to cure defects and deficiencies in the construction prior to final acceptance.
vii. Make timely payment to the contractor for work performed in connection with the Project.
viii. Ensure access and permit Utility's inspectors and other authorized representatives to inspect the waterline construction at all times.
ix. Conduct and coordinate final inspection of the Project in the presence of Utility's Engineer and Inspector, transmit final list of items to be completed or repaired and observe contractor correction of same.
x. Maintain job file.

CSJ #0159-07-007
District #07 AFA ID __________
Code Chart 64 #_____________
Project: SL 378 From FM 1223 to US 87

ATTACHMENT B
ESTIMATED UTILITY COSTS

Based on various calculations, following are those amounts due and payable for Utility's costs associated with this project.

Total Estimated Costs
$3,385,228.00

Less Betterment Amount Due from Utility
$0.00

Amount of total utility relocation Costs
$3,385,228.00

Estimated Amount Eligible for Reimbursement
(Calculated eligibility Ratio – 0.0%)
$0.00

Amount of Utility Adjustment Due from Utility
$3,385,228.00

Estimated amount to be included in Construction Agreement

A. Betterment	$ 0.00
B. Utility Adjustment	$3,385,228.00
GRAND TOTAL	**$3,385,228.00**

Betterment Ratio Calculation

Estimated Betterment Costs

1. …
2. …

Betterment Calculation:

Total Costs of Betterment (Estimated)	-	**$**____________
Total Costs of Project (Estimated)	-	**$** 3,385,228.00

Betterment Percentage for final cost determination: 0% of final cost of relocation
Determination of Betterment – Comparison of estimated cost to replace "as is" versus estimated costs associated with the betterment.
Item A:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT TO CONTRIBUTE WATER AND SEWER RELOCATION FUNDS WITH THE STATE OF TEXAS, BEING RELATED TO CERTAIN HIGHWAY IMPROVEMENTS ON HIGHWAY NO. SL 378 FROM FM 1223 TO US 87 THAT NECESSITATE THE RELOCATION OF CERTAIN UTILITIES

WHEREAS, Texas Transportation Code §§ 201.103 and 222.052 establish that the State shall design, construct, and operate a system of highways in cooperation with local governments; and

WHEREAS, Texas Transportation Code, §§ 201.209 authorizes the State and a Local Government ("City" hereafter) to enter into agreements in accordance with Texas Government Code, Chapter 791; and

WHEREAS, the State has deemed it necessary to make certain highway improvements on Highway No. SL 378 from FM 1223 to US 87, and this section of highway improvements will necessitate the relocating and adjusting of utilities (the "Project"); and

WHEREAS, the City requests that the State assume responsibility for the letting and construction management for the adjustment of utilities for the Project; and

WHEREAS, the City desires to enter into an actual cost joint participation agreement pursuant to 43 TAC §15.52 to contribute to the State funding participation as defined in 43 TAC §15.55 for the cost of relocating or adjusting utilities for the proper improvement of the State Highway System;

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

Section 1: The City Manager is hereby authorized to negotiate and execute the *Advanced Funding Agreement* with the State of Texas, and all documents related thereto, and to issue the City's contribution under the agreement in the amount of THREE MILLION THREE HUNDRED AND EIGHTY-FIVE THOUSAND TWO HUNDRED TWENTY EIGHT DOLLARS AND NO/100 ($3,385,228.00).

PASSED and APPROVED on this the 3th day of January, 2023.

CITY OF SAN ANGELO, TEXAS

____

Brenda Gunter, Mayor

ATTEST:

Julia Antilley, City Clerk

APPROVED AS TO FORM:

Theresa James, City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor:	Jon James, Director of Planning & Development Services, Planning and Development Services, x1180
Meeting Date:	January 3, 2023
Item type:	Consent Item

Caption:

Second reading of an ordinance extending the temporary changes to Chapter 12 "Planning and Development" Article 12.04 "Signs" in the City Code of Ordinances, to allow additional time for preparation of permanent amendments to the Sign Ordinance (Jon James)

Staff Recommendation:

Adopt

Summary/History:

On November 17, 2020, the Council adopted changes to the City's sign regulations to address a decision by the United States Court of Appeals for the Fifth Circuit in "Reagan National Advertising/Lamar Outdoor Advantage v. City of Austin", which resulted in portions of the City's ordinance regarding signs being deemed unconstitutional. This decision resulted in the inability to distinguish between on-site (business) signs and off-site (billboard) signs in the City's sign regulations.

Staff prepared a temporary fix to the sign ordinance with the intention of having a permanent revision in place by the end of 2021. However, subsequently the US Supreme Court agreed to hear an appeal of the court case, which was heard on November 10, 2021. Based on this, staff recommended extending the temporary changes for another year at the end of 2021. On April 21, 2022, the Supreme Court partially reversed the lower court and sent the case back to the lower courts to be reconsidered per the Supreme Court's new direction. Based on this new information, staff is again requesting that this temporary change to the sign ordinance be extended again to give staff more time to review any additional rulings that will come from this case. In the meantime, Planning and Development Services staff will continue to work with Legal staff on more comprehensive amendments to the City's sign ordinance.

Funding Source(s):

Financial Impact:

N/A

Other Information/Recommendation:

Staff recommends approval of this ordinance extension.

Attachments:

1. Second Sign Ord Extension (12-5-2022) Second Sign Ord Extension Final (12-5-2022).docx

Presentation:

Jon James

Approvals/Reviews:

Jon James	Created/Initiated
Jon James	Approved
Brandon Dyson	Approved
Theresa James	Approved
Julia Antilley	Final Approval

AN ORDINANCE OF THE CITY OF SAN ANGELO, TEXAS, EXTENDING THE EXPIRATION DATE OF ORDINANCE NO. 2020-108 PASSED NOVEMBER 17, 2020; AND PROVIDING FOR SEVERABILITY

WHEREAS, a recent decision by the United States Court of Appeals for the Fifth Circuit in "Reagan National Advertising/Lamar Outdoor Advantage v. City of Austin" resulted in the on-site and off-site sign designations of the City's Sign Ordinance being deemed unenforceable; and

WHEREAS, Ordinance No. 2020-108 (corrected from 202-108) was passed on November 17, 2020, to reflect the immediate changes in case law, but provided for an expiration date of December 31, 2021 to allow staff sufficient time to prepare a more comprehensive amendment to the City's Sign Ordinance; and

WHEREAS, the United States Supreme Court has taken up the Reagan National Advertising case for review and heard oral arguments in the case on November 10, 2021; and

WHEREAS, Ordinance 2020-108 was extended beyond the original expiration date to December 31, 2022 to await the results of the Supreme Court case; and

WHEREAS, the United States Supreme Court on April 21, 2022 reversed the lower court ruling, but remanded the case back to the lower courts to resolve issues not originally addressed that may still affect the City's Sign Ordinance; and

WHEREAS, staff recommends delaying further amendments to the City's Sign Ordinance until such time that more clear direction is provided by the lower courts.

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

<u>SECTION 1</u>. THAT Ordinance No. 2020-108 passed on November 17, 2020, with an original expiration date of December 31, 2021, and extended on January 4, 2022 to a new expiration date of December 31, 2022, is hereby further extended in all respects until December 31, 2024, unless otherwise replaced or extended by the San Angelo City Council.

<u>SECTION 2</u>. THAT the terms and provisions of this Ordinance shall be deemed to be severable in that, if any portion of this Ordinance shall be declared to be invalid, the same shall not affect the validity of the other provisions of this Ordinance.

<u>SECTION 3</u>. This Ordinance shall take effect and be in full force and effect from and after the date of its passage.

INTRODUCED with public hearing on the 13th day of December, 2021 and finally PASSED, this 3rd day of January, 2023.

THE CITY OF SAN ANGELO

____
Brenda Gunter, Mayor

ATTEST:

____
Julia Antilley, City Clerk

APPROVED AS TO FORM

____
Theresa James, City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Jeff Fisher, Sr. Planner, Planning and Development Services, 325-657-4210

Meeting Date: January 3, 2023

Item type: Consent Item

Caption:

Second reading of an ordinance for PD22-03 to rezone from the Zero Lot Line, Twinhome and Townhome Single-Family Residential and Low Rise Multi-Family Residential zoning districts to a Planned Development zoning district to allow an underlying base zoning of Zero Lot Line, Twinhome and Townhome Single-Family Residential, with the additional use of Single-Family homes, subject to development standards outlined in the Ordinance, being 37.5 acres, located southeast of Valleyview Blvd. and Stone Canyon Trl. (Jon James)

Staff Recommendation:

Adopt

Summary/History:

The applicant has applied to rezone the existing 37.5-acre property from the Zero Lot Line, Twinhome and Townhome Residential (RS-3) zoning district and the Low Rise Multifamily Residential (RM-1) zoning district to a Planned Development (PD) zoning district. This is to allow a base zoning of RS-3 but to also allow single-family homes in this district with 45-foot wide lot widths and several other development standards outlined in the attached Ordinance. Removal of the RM-1 zoning removes multifamily living, including apartments, from being allowed in this area. On Monday, November 21, 2022, the Planning Commission recommended approval of the PD, (1) removing Staff's request for sidewalks, (2) increasing the allowable Floor Area Ratio (FAR) from 0.60 to 0.70, and (3) removing conditions regarding the timing of street extensions. All other conditions as presented by Staff remain the same. These include allowing a reduced front yard setback of 15 feet for the house (while maintaining the 25-foot setback for garages). Four letters were received in favor and two opposed (see attached Staff Report).

Funding Source(s):

Financial Impact:

N/A

Other Information/Recommendation:

On November 21, 2022, the Planning Commission recommended unanimous approval by a vote of 5-0, as presented, but with amendments as identified above.

On December 13, 2022, City Council voted unanimously 7-0 to approve adopting the Planning Commission recommendations.

Attachments:

1.	Staff Report (PD22-03)	Staff Report (PD22-03).pdf
2.	Ordinance (PD22-03)	Ordinance (PD22-03).docx

Presentation:

Jon James

Approvals/Reviews:

Jeff Fisher	Created/Initiated
Zachary Rainbow	Approved
Jon James	Approved
Brandon Dyson	Approved
Jon James	Approved
Theresa James	Approved
Julia Antilley	Final Approval

CITY COUNCIL – DECEMBER 13, 2023
STAFF REPORT

APPLICATION TYPE:	CASE:
Planned Development	PD22-03: Southeast of Valleyview Boulevard and Stone Canyon Trail

SYNOPSIS:
The applicant has applied to rezone the existing 37.5-acre property from the Zero Lot Line, Twinhome and Townhome Residential (RS-3) zoning district and the Low Rise Multifamily Residential (RM-1) zoning district to a Planned Development (PD) zoning district. This is to allow a base zoning of RS-3 but to also allow single-family homes in this district with 45-foot wide lot widths and several other development standards outlined below. **On Monday, November 21, 2022, the Planning Commission recommended approval of the PD, removing Staff's request for sidewalks, and increasing the allowable Floor Area Ratio (FAR) from 0.60 to 0.70. All other conditions as presented by Staff remain the same.** These include allowing a reduced front yard setback of 15 feet for the house (while maintaining the 25-foot setback for garages), and construction of the south extension of South College Hills Boulevard and Valleyview Boulevard as part of future subdivision plats as outlined below. The latter is imperative given recently approved plats in the area that do not have this connection, placing all the traffic onto Stone Canyon Trail **(see Additional Information).**

LOCATION:	LEGAL DESCRIPTION:
Southeast of Valleyview Boulevard and Stone Canyon Trail	37.5 acres in the C. Dammann Survey, Abstract No. 141.

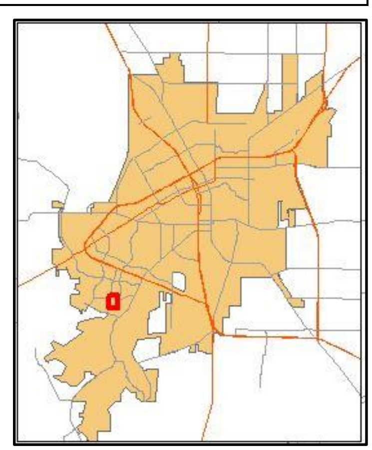
SM DISTRICT / NEIGHBORHOOD:	ZONING:	FUTURE LAND USE:	SIZE:
SMD District #1 – Tommy Hiebert Bonham Neighborhood	RS-3 and RM-1	N- Neighborhood	37.5 acres

NOTIFICATIONS:
40 notifications mailed within 200-foot radius on November 9, 2022. Four response letters were received in favor and two opposed (see attached).

STAFF RECOMMENDATION:
Staff's recommendation is for the Planning Commission to recommend **APPROVAL** of a rezoning from the Zero Lot Line, Twinhome and Townhome Residential (RS-3), and Low Rise Multifamily Residential (RM-1) Zoning Districts to a Planned Development (PD) Zoning District to allow an underlying base zoning of RS-3 with the additional use of single-family homes and subject to the development standards as outlined in the Planned Development Ordinance, being 37.5 acres, located southeast of Valleyview Boulevard and Stone Canyon Trail.

PROPERTY OWNER/PETITIONER:
Duncan Group Southland, LLC (James Duncan)

STAFF CONTACT:
Jeff Fisher, AICP Principal Planner (325) 657-4210, Extension 1550 jeff.fisher@cosatx.us



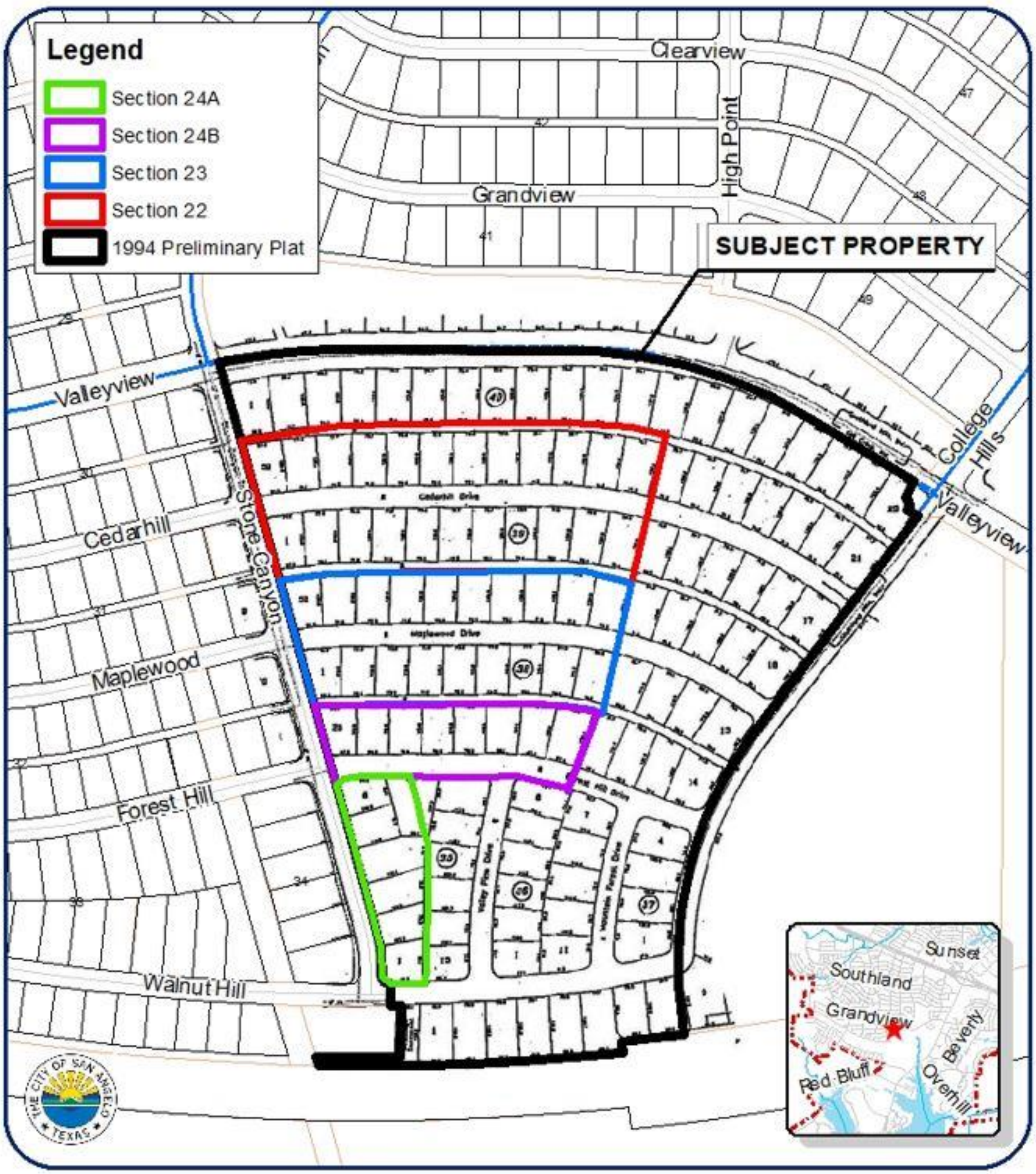
Additional Information: The land north of Maplewood Drive (see attached maps) is zoned RS-3 and south of Maplewood Drive is zoned RM-1. ***The reason for the PD is that the RS-3 zoning does not allow single-family homes, and the RM-1 zoning does not allow single-family homes on lot widths less than 50 feet.*** The applicant intends to submit future subdivision applications for 45-foot-wide lots for single-family homes. The applicant still intends to meet all the other requirements for single-family homes in the San Angelo Zoning Ordinance, including a minimum lot depth of 100 feet. Notwithstanding these two provisions, the PD standards would allow a maximum floor area ratio (FAR) of 0.70, the gross floor area of all floors of the building(s) on a lot divided by the total lot area. This would allow a house on a 5,000 sf to be up to 3,500 sf (70% of 5,000). Normally, single-family homes must have a minimum lot width of 50 feet, lot area of 5,000 sf in RS-1, RS-2, and RM-1 zoning, and a maximum FAR of 40% in RS-1 and 50% in RS-2. Removal of the RM-1 would ensure that multifamily housing is not an allowed use.

Comparison of current requirements in standard zoning districts vs. proposed (differences from RS-3 shown in red):

Development Standard	**Single-Family**				**Multifamily**		**Proposed**
	R&E	**RS-1**	**RS-2**	**RS-3**	**RM-1**	**RM-2**	**PD**
Minimum Lot Area (sq. ft.)							
Single-Family Unit	43,560	5,000	5,000	-	5,000	-	**5,000**
Two-Family Unit	-	-	6,500	-	6,500	-	-
Zero Lot Line or Twinhome	-	-	-	2,500	2,500	-	2,500
Townhouse Unit	-	-	-	1,875	1,875	-	1,875
Multifamily or Group Home	-	-	-	-	7,000	20,000	-
Manufactured Home	43,560	5,000	5,000	-	-	-	-
Minimum Lot Dimensions (width x depth in feet)							
Single-Family Unit	150x150	50x100	50x100	-	50x100	-	**45x100**
Two-Family Unit	-	-	50x100	-	50x100	-	-
Zero Lot Line or Twinhome	-	-	-	40x60	40x60	-	40x60
Townhouse Unit	-	-	-	25x75	25x75	-	25x75
Multifamily or Group Home	-	-	-	-	60x100	100x150	-
Manufactured Home	150x150	50x100	50x100	-	-	-	
Mobile Home	-	-	-	-	-	-	
Minimum Front Yard (feet)	40	25	25	15	[2]	25	15
SF home, garage setback							**25**
Minimum Side Yard (feet)							
Single family homes							**5**
One side yard (minimum)	15	5	5	[3]	[3]	10	0-1
The other side yard (minimum)	15	5	5			10	10
Twin homes & townhomes							10 feet, not adjacent to same structure
Minimum Rear Yard (feet)	20	[4]	[4]	10	[5]	20	10
Maximum Floor Area Ratio	.20	.40	.50	.60	.75	1.00	**.70**
Maximum Height							
In feet	35	35	35	35	35	-	35
In stories	2-½	2-½	2-½	2-½	2-½	-	2-½
Maximum Density (units/ acre)	-	-	-	-	25	35	-

Additional requirements:

- Future phasing will require connection to and construction of South College Hills Boulevard as development progresses (i.e., the next plat phases will have to include the southerly extension of College Hills) to provide multiple means of access to this new neighborhood.
- Future phasing will require extension of Valley View once more than 75% of the property within the PD is developed or 28.1 acres (75% of the 37.5-acre property).



Rezonings: Section 212(G) of the Zoning Ordinance requires that the Planning Commission and City Council consider, at minimum, seven (7) factors in determining the appropriateness of any rezoning request:

1. **Compatible with Plans and Policies.** ***Whether the proposed amendment is compatible with the Comprehensive Plan and any other land use policies adopted by the Planning Commission or City Council.*** The subject property is designated "Neighborhood" which is designed to promote neighborhood diversity and security by encouraging a mix of age, income, and housing choices in San Angelo neighborhoods" and to "improve street, bicycle, and pedestrian connectivity between neighborhoods and their associated neighborhood centers, public spaces, schools, and parks." City Council determined that single-family homes require a minimum of 50 feet width and 5,000 square feet of lot area to "provide appropriate space near residences for services which increase safety and amenity and are not objectionable to residents nearby" as outlined in Section 105.B.1 of the Zoning Ordinance. However, the subject area is 37.5 acres and acts its own development. Reducing the lot width and area by a minimum amount can be appropriate in this case given all the homes in this area would be subject to the same standards. It is noted zero lot line homes are already allowed in RS-3 zoning, and only require 40-foot-wide lots and 2,500 sq. ft. of lot area. Fundamentally, the only difference on the ground between zero lot line and single-family homes is the side setbacks, where zero lot line homes require a 0-1 and 10-foot side yard versus a 5-foot side yard. By allowing single-family homes in this PD zoning, the overall lot sizes are larger.

2. ***Consistent with Zoning Ordinance*****.** ***Whether and the extent to which the proposed special use would conflict with any portion of this Zoning Ordinance.*** The addition of single-family homes as an allowed use would still meet most of the RS-3 standards. Lot widths of 45 feet would still exceed the other structure type standards in the RS-3. As indicated, zero lot line homes have a 40-foot minimum frontage and 2,500 sq. ft. lot area. Townhomes have a 25-foot minimum frontage and 1,875 sq. ft. lot area.

3. ***Compatible with Surrounding Area*****.** **Whether and the extent to which the proposed special use is compatible with existing and anticipated uses surrounding the subject land.** Staff believes that the proposed PD is compatible with the surrounding area. The property acts as an exclusive development given it is 37.5 acres. That said, adding the requirement for future platting to connect to S. College Hills Boulevard will ensure better connectivity through the area.

4. **Changed Conditions.** ***Whether and the extent to which there are changed conditions that require an amendment.*** As indicated, the applicant wants single-family homes on smaller lots and the RS-3 zoning does not allow single-family homes.

5. ***Effect on Natural Environment*****.** **Whether and the extent to which the proposed special use would result in significant adverse impacts on the natural environment, including but not limited to water or air quality, noise, stormwater management, wildlife, vegetation, wetlands and the practical functioning of the natural environment.** Staff does not anticipate any negative environmental affects with the proposed PD. Any development will require a review of drainage, grading, and stormwater per normal practice at the time of platting.

6. ***Community Need*. <u>Whether and the extent to which the proposed special use addresses a demonstrated community need.</u>** As indicated in #1 above, the Comprehensive Plan supports more diverse types of housing in this area. Further, smaller lots are likely to be less expensive assisting homeowners be able to purchase these homes.

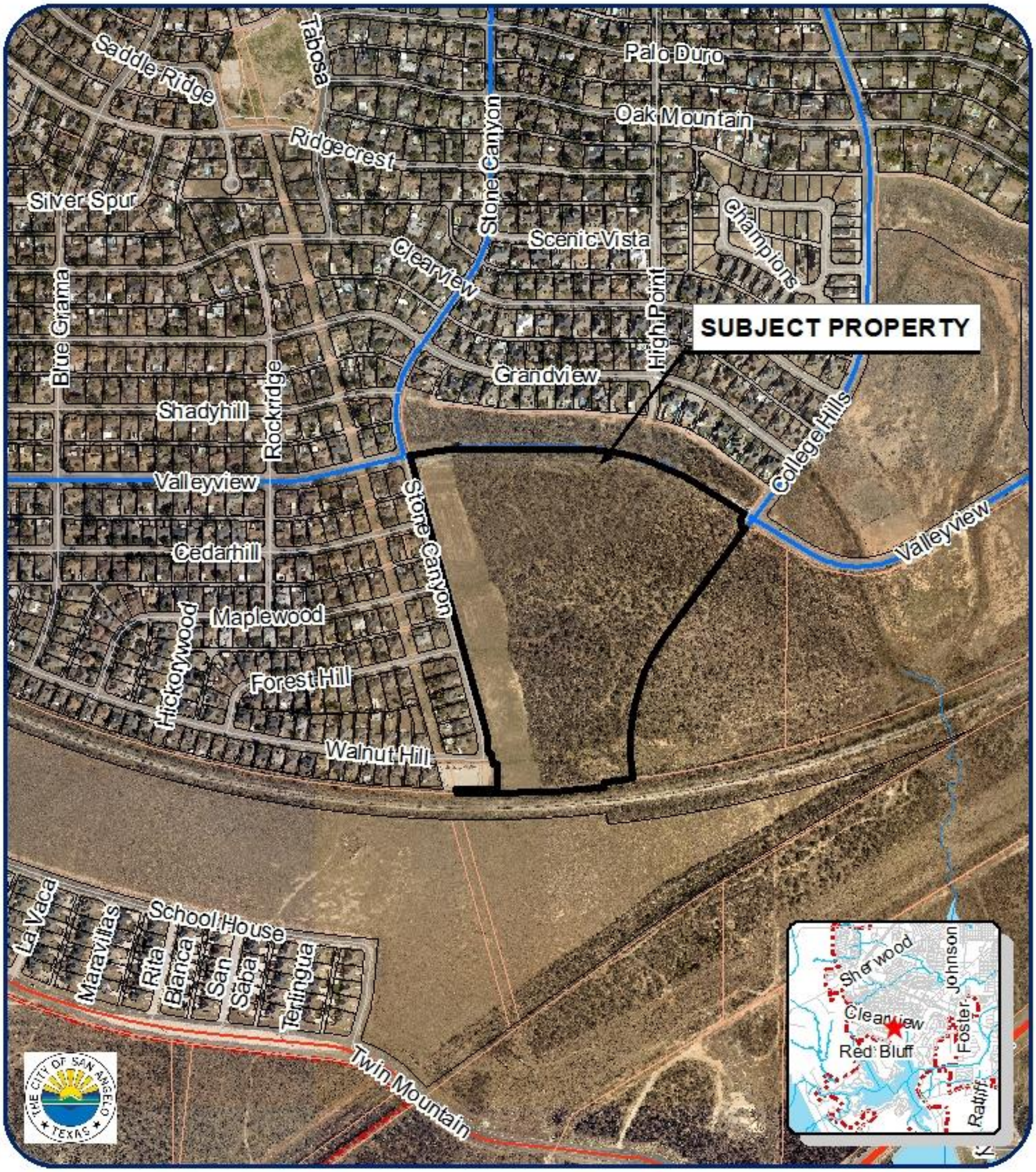
7. ***Development Patterns*. <u>Whether and the extent to which the proposed special use would result in a logical and orderly pattern of urban development in the community.</u>** Approval of this PD will not change the development patterns in the area. The requirement to connect to S. College Hills Boulevard and Valleyview Boulevard for future platting will ensure greater vehicular and pedestrian connectivity through the area.

<u>Recommendation:</u>

Staff's recommendation is for the Planning Commission to recommend **APPROVAL** of a rezoning from the Zero Lot Line, Twinhome and Townhome Residential (RS-3) and Low Rise Multifamily Residential (RM-1) Zoning Districts to a Planned Development (PD) Zoning District to allow an underlying base zoning of RS-3 with the additional use of single-family homes and subject to the development standards as outlined in the Ordinance attached, being 37.5 acres, located southeast of Valleyview Boulevard and Stone Canyon Trail.

<u>Attachments:</u>

Aerial Map
Future Land Use Map
Zoning Map
200-Foot Notification Map
Response Letters
DRAFT Ordinance



Planned Development (PD)

PD22-03: SE of Valleyview/Stone Canyon

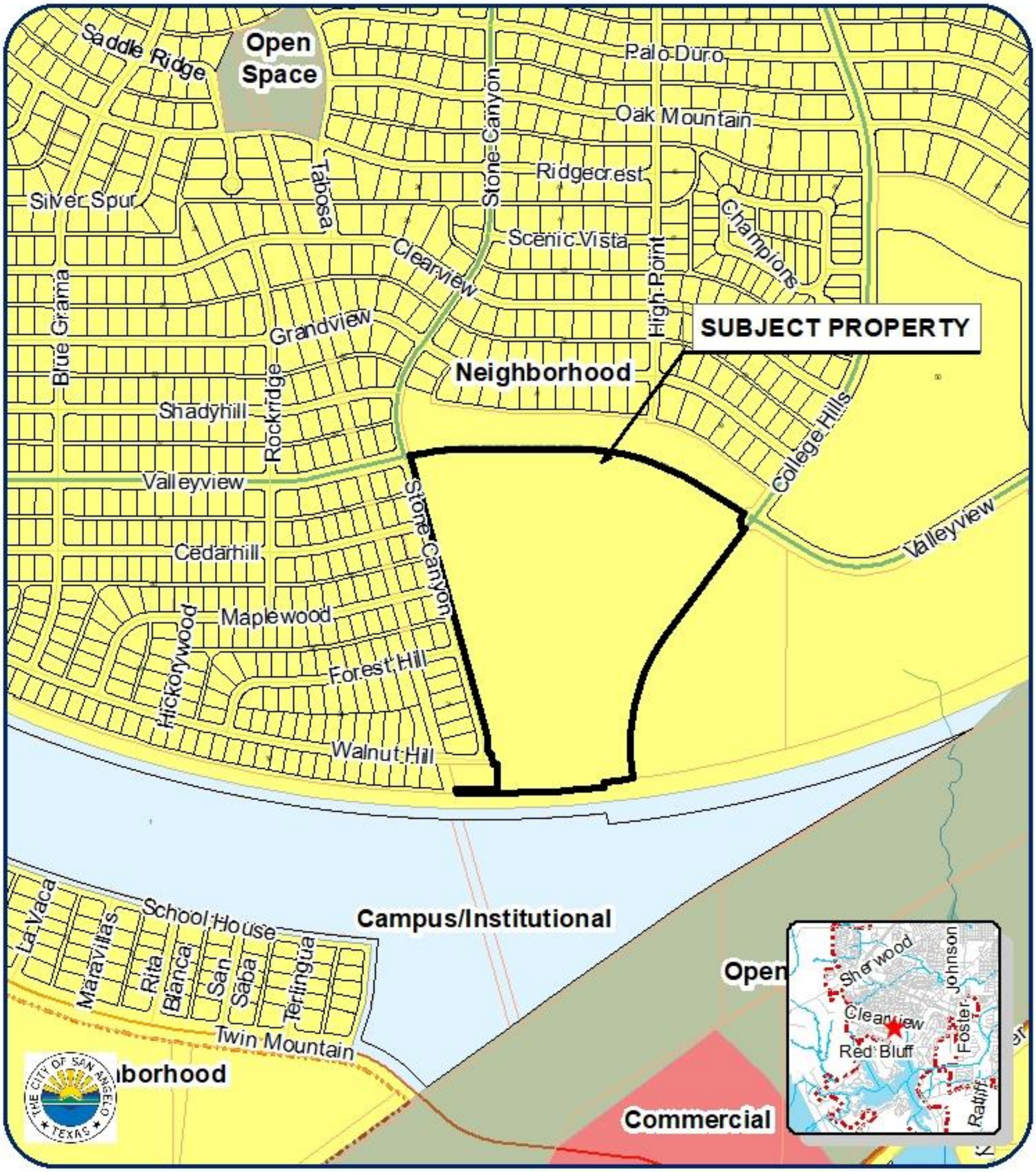
Council District 1 - Tommy Hiebert
Neighborhood: Bonham
Scale: 1 " approx. = 625 ft

N

SW of Valleyview Blvd/Stone Canyon Tl. 37.5 ac.

Legend

Subject Properties:
Current Zoning: **RS-3 & RM-1**
Requested Zoning Change: **N/A**
Vision: **Neighborhood**



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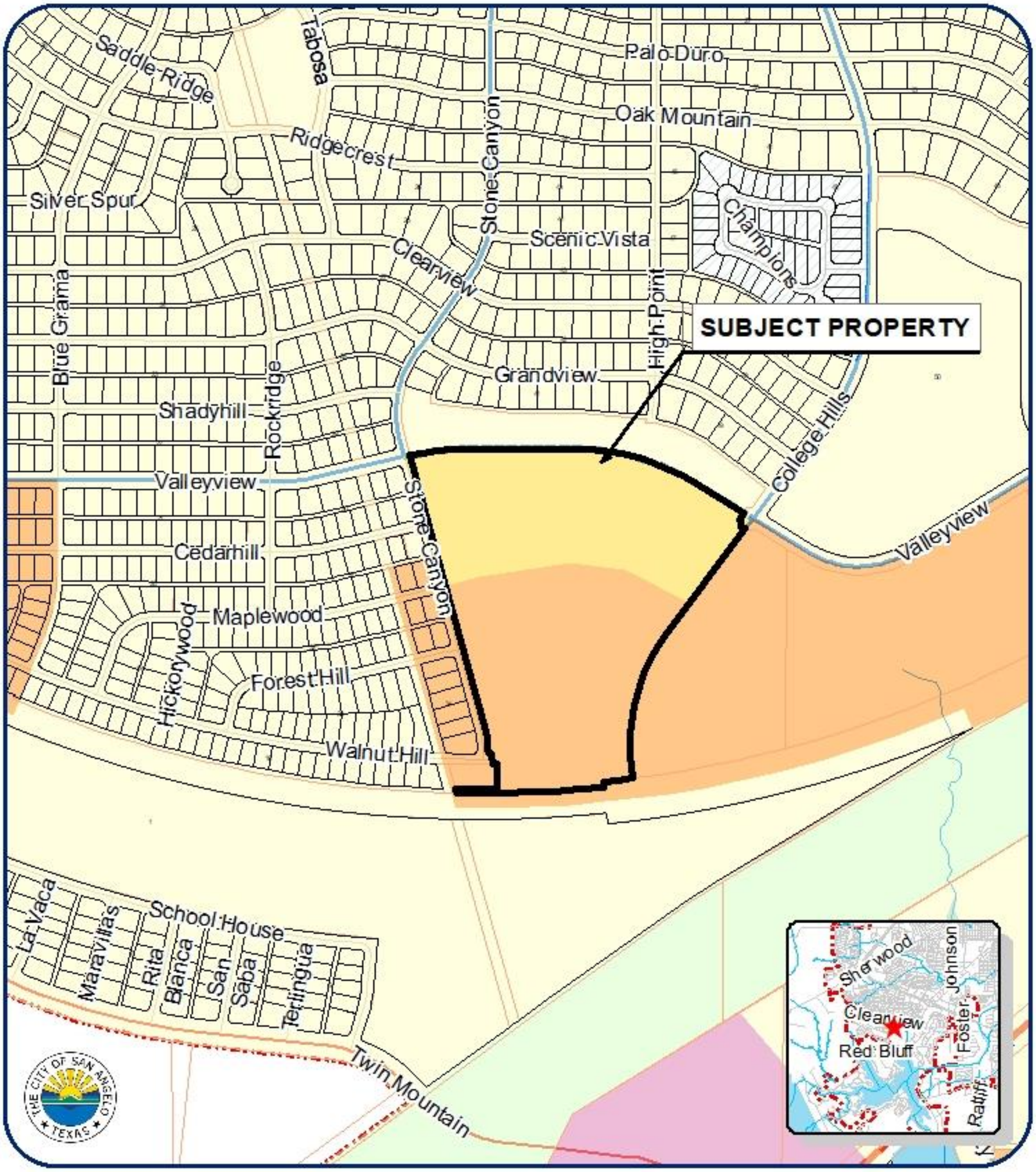
N

SW of Valleyview Blvd/Stone Canyon Tl. 37.5 ac.

Legend

Subject Properties:
Current Zoning: **RS-3 & RM-1**
Requested Zoning Change: **N/A**
Vision: **Neighborhood**



Planned Development (PD)

PD22-03: SE of Valleyview/Stone Canyon

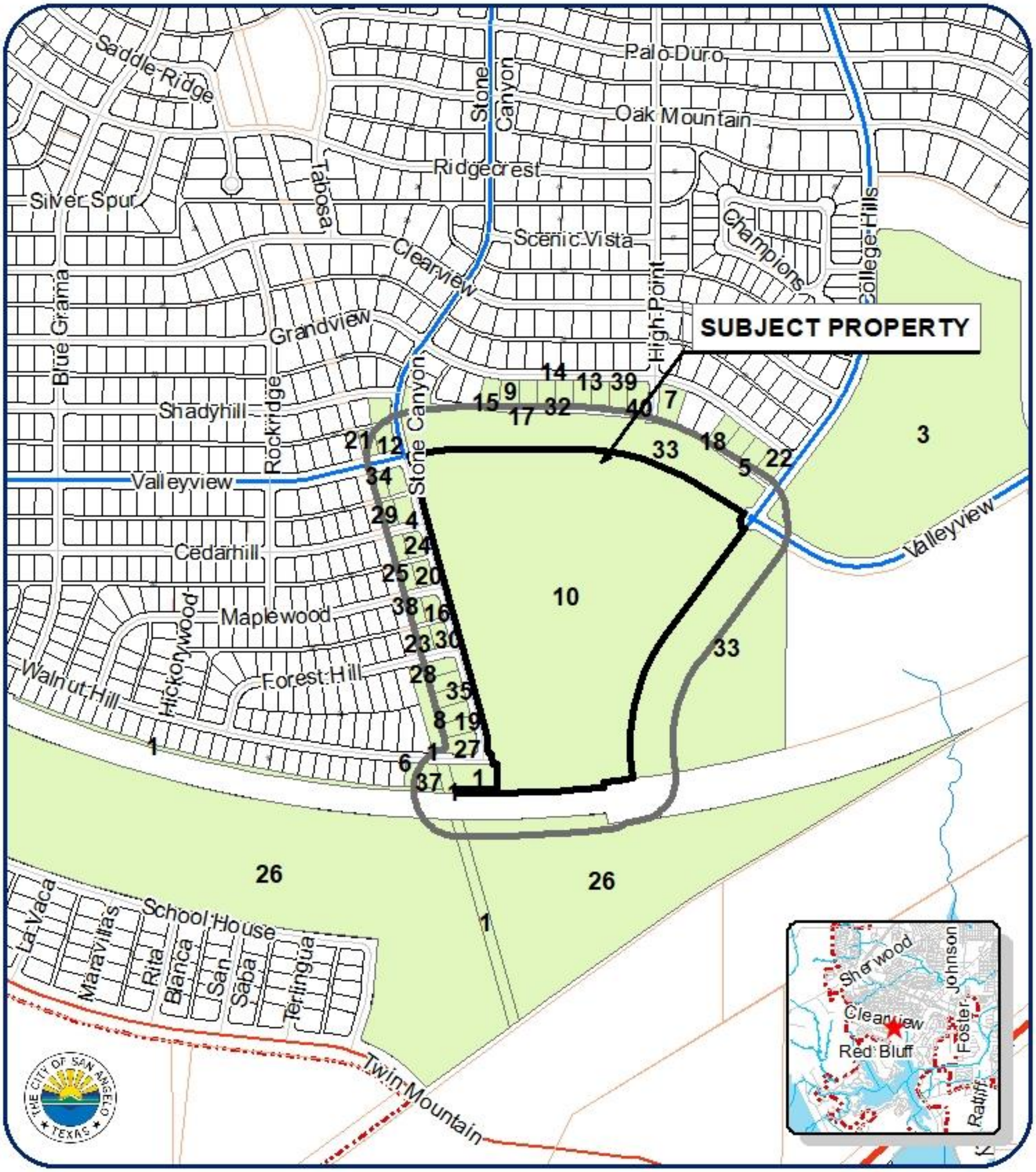
Council District 1 - Tommy Hiebert
Neighborhood: Bonham
Scale: 1 " approx. = 625 ft

N

SW of Valleyview Blvd/Stone Canyon Tl. 37.5 ac.

Legend

Subject Properties:
Current Zoning: RS-3 & RM-1
Requested Zoning Change: N/A
Vision: Neighborhood



Planned Development (PD)

PD22-03: SE of Valleyview/Stone Canyon

Council District 1 - Tommy Hiebert
Neighborhood: Bonham
Scale: 1 " approx. = 625 ft

N

Legend

Subject Properties:
Current Zoning: **RS-3 & RM-1**
Requested Zoning Change: **N/A**
Vision: **Neighborhood**

SE of Valleyview Blvd/Stone Canyon Tl. 37.5 ac.

In Favor

For the PLANNING COMMISSION
Please call (325) 657-4210 if you have any questions about this notice.

CASE #: PD22-03
You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: DUNCAN GROUP SOUTHLAND LLC
Parcel I.D.: 10
Address: PO BOX 2038

Mailing To: ATTN: Planning and Development Services
52 W. College Ave
San Angelo TX 76903

Email: planning@cosatx.us

I am in favor ☒ I am opposed ☐
Additional Comments:

Signature: Duncan Group Southland, LLC

For the PLANNING COMMISSION
Please call (325) 657-4210 if you have any questions about this notice.

CASE #: PD22-03
You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: SHEFFIELD DOYLE L(DEC) & JUDY
Parcel I.D.: 29
Address: PO BOX 62533

Mailing To: ATTN: Planning and Development Services
52 W. College Ave
San Angelo TX 76903

Email: planning@cosatx.us

I am in favor ☑ I am opposed ☐
Additional Comments:

Signature: Judy Sheffield

For the PLANNING COMMISSION
Please call (325) 657-4210 if you have any questions about this notice.

CASE #: PD22-03
You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: SKOWBO DONALD D & MARY ALICE
Parcel I.D.: 31
Address: 3109 GRANDVIEW DR

THERE IS NO 31 ON THE MAP ?

Mailing To: ATTN: Planning and Development Services
52 W. College Ave
San Angelo TX 76903

Email: planning@cosatx.us

I am in favor ☒ I am opposed ☐
Additional Comments:

Signature: Donald D Skowbo

AS LONG AS IT STAYS SINGLE FAMILY RESIDENTIAL, AND THEY ARE REQUIRED TO EXTEND COLLEGE HILLS THRU TO PROVIDE EAST SIDE ACCESS TO THE PROPERTY

In Favor

For the PLANNING COMMISSION
Please call (325) 657-4210 if you have any questions about this notice.

CASE #: PD22-03
You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: SAN ANGELO ISD
Parcel I.D.: 26
Address: 1621 UNIVERSITY AVE

Mailing To: ATTN: Planning and Development Services
52 W. College Ave
San Angelo TX 76903

Email: planning@cosatx.us

I am in favor ☑ I am opposed ☐

Additional Comments:

Signature: Interim

Against

From: Milton Tyler
To: *Planning
Subject: Zone change PD22-03
Date: Friday, November 18, 2022 8:42:13 AM

CAUTION: This email was received from an EXTERNAL source, use caution when clicking links or opening attachments.

We are opposed to the zone change PD22-03.

Milton O. Tyler
Judith M. Tyler
833 Country Lane Dr.
McGregor TX 76657

owner of
3201 Valleyview Blvd.
San Angelo TX 76904

For the PLANNING COMMISSION
Please call (325) 657-4210 if you have any questions about this notice.

CASE #: PD22-03
You may indicate your position on the above request by detaching this sheet at the dotted line and returning it to the address below. You may attach additional sheets if needed. You may also email your position to the email address listed below. All correspondence must include your name and address.

Name: HEIL DAN W & LINDA 1994 REVOCABLE TRUST
Parcel I.D.: 13
Address: 1670 AMATE DR

Mailing To: ATTN: Planning and Development Services
52 W. College Ave
San Angelo TX 76903

Email: planning@cosatx.us

I am in favor ☐ I am opposed ☑

Additional Comments:

Signature: Linda Lee Heil, Trustee

AN ORDINANCE AMENDING CHAPTER 12, EXHIBIT "A" OF THE CODE OF ORDINANCES, CITY OF SAN ANGELO, TEXAS, WHICH ADOPTS ZONING REGULATIONS, USE DISTRICTS AND A ZONING MAP, IN ACCORDANCE WITH A COMPREHENSIVE PLAN, BY CHANGING THE ZONING AND CLASSIFICATION OF THE FOLLOWING PROPERTY: **APPROXIMATELY 37.5 ACRES LOCATED SOUTHEAST OF VALLEYVIEW BOULEVARD AND STONE CANYON TRAIL;** FROM THE ZERO LOT LINE, TWINHOME AND TOWNHOME RESIDENTIAL (RS-3) AND LOW RISE MULTIFAMILY RESIDENTIAL (RM-1) ZONING DISTRICT TO A PLANNED DEVELOPMENT (PD) ZONING DISTRICT TO ALLOW UNDERLYING BASE ZONING OF RS-3 WITH THE ADDITIONAL USE OF SINGLE-FAMILY HOMES AND SUBJECT TO THE DEVELOPMENT STANDARDS AS OUTLINED IN THE ORDINANCE; PROVIDING FOR SEVERABILITY; AND, PROVIDING FOR AN EFFECTIVE DATE

RE: PD22-03: SOUTHEAST OF VALLEYVIEW BOULEVARD AND STONE CANYON TRAIL

WHEREAS, on the 21st day of November, 2022, the Planning Commission for the City of San Angelo in compliance with the City Charter, City ordinance and state law, and after holding a public hearing thereon, caused to be prepared and delivered a report and recommendation to City Council to approve the proposed Planned Development (PD22-03) Zoning District to allow for an underlying base zoning of RS-3 with the additional use of single-family homes and subject to the development standards as outlined in the Ordinance, and,

WHEREAS, on the 13th day of December, 2022, City Council held a public hearing on PD22-03, pursuant to published notice, and has considered the application, comments, reports and recommendations of the Planning Commission and staff, public testimony, and other relevant support materials;

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF SAN ANGELO:

SECTION 1: The basic zoning ordinance for the City of San Angelo, as enacted by the governing body for the City of San Angelo effective January 4, 2000, and included within Exhibit "A" of Chapter 12 of the Code of Ordinances of the City of San Angelo, and zoning map be and the same are hereby amended to designate the following described properties permanently zoned PLANNED DEVELOPMENT (PD22-03) ZONING DISTRICT;

The real property generally located north of the Texas Pacifico Railway; east of Stone Canyon Trail, south of the future extension of Valleyview Bouelvard; and west of the future extension of South

College Hills Boulevard; being approximately 37.5 acres in the C. Dammann Survey No. 180, Abstract No. 141; City of San Angelo, Tom Green County, Texas as more particularly described and depicted on Exhibit "A" of this Ordinance, shall henceforth be permanently zoned as follows: Planned Development (PD22-03) Zoning District.

SECTION 2: The Director of the Planning & Development Department, or his/her designee, is hereby directed to correct zoning district maps in the office of the Planning & Development Department, to implement the zoning provision adopted herein, as further depicted on **Exhibit "A"** of this Ordinance **("PD Boundary Map")**.

SECTION 3: The use of the hereinabove described property shall be subject to all applicable regulations contained in **Exhibit "B"** of this Ordinance **("Applicable Regulations")**, and Chapter 12 of the Code of Ordinances for the City of San Angelo, as amended.

SECTION 4. The remaining provisions of Chapter 12 of the Code of Ordinances of the City of San Angelo, Texas, not amended herein shall remain in full force and effect.

SECTION 5: The terms and provisions of this Ordinance shall be deemed to be severable in that, if any portion of this Ordinance shall be declared to be invalid, the same shall not affect the validity of the other provisions of this Ordinance.

SECTION 6: This Ordinance shall be effective on, from and after the date of adoption.

INTRODUCED on the **13th day of December, 2022,** and finally PASSED, APPROVED AND ADOPTED on this the **3rd day of January, 2023.**

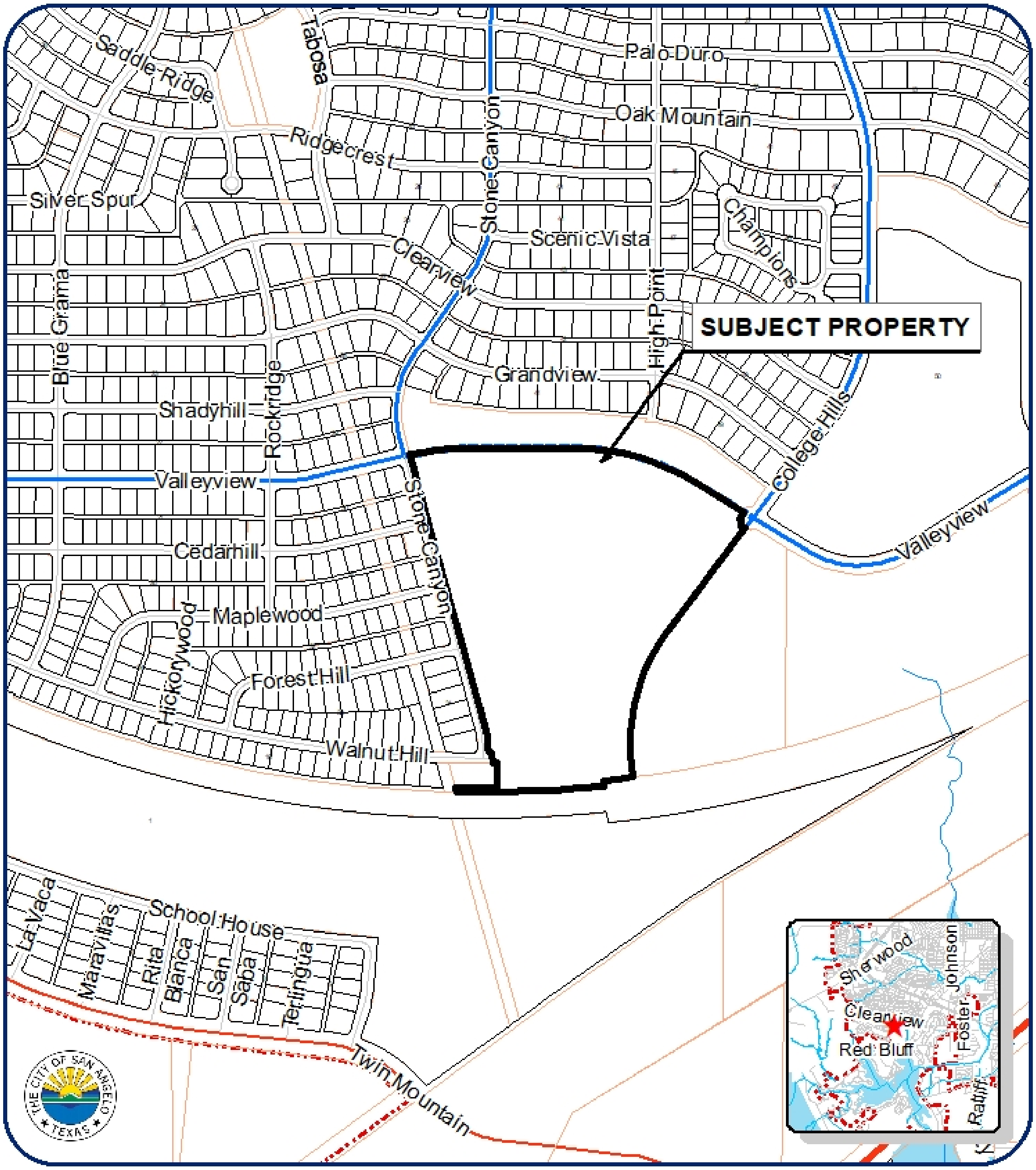
THE CITY OF SAN ANGELO

____
Brenda Gunter, Mayor

ATTEST: APPROVED AS TO FORM:

_________________________ _________________________
Julia Antilley, City Clerk Theresa James, City Attorney

Exhibit "A" (PD Boundary Map)



Planned Development (PD)

PD22-03: SE of Valleyview/Stone Canyon

Council District 1 - Tommy Hiebert
Neighborhood: Bonham
Scale: 1 " approx. = 625 ft

SW of Valleyview Blvd/Stone Canyon Tl. 37.5 ac.

N

Legend

Subject Properties:
Current Zoning: RS-3 & RM-1
Requested Zoning Change: PD
Vision: Neighborhood

Exhibit "B"

Applicable Regulations

1. Except as otherwise specified, the development of the subject property shall generally conform to the Zero Lot Line, Twinhome and Twinhome Residential (RS-3) Zoning District standards.

2. In addition to the other permitted structure types in the RS-3 Zoning District, single-family dwelling units shall also be an allowed use.

3. The following development standards shall apply:

Development Standard	**Proposed PD**
Minimum Lot Area (sq. ft.)	
Single-Family Unit	5,000
Zero Lot Line or Twinhome	2,500
Townhouse Unit	1,875
Minimum Lot Dimensions (width x depth in feet)	
Single-Family Unit	45x100
Zero Lot Line or Twinhome	40x60
Townhouse Unit	25x75
Minimum Front Yard (feet)	15
Single-Family Unit, garage setback	25
Minimum Side Yard (feet)	
Single family homes	5
One side yard (minimum)	0-1
The other side yard (minimum)	10
Twin homes & townhomes	10 feet, not adjacent to same structure
Minimum Rear Yard (feet)	10
Maximum Floor Area Ratio	.70
Maximum Height	
In feet	35
In stories	2-½
Maximum Density (units/ acre)	-

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Traci Cartwright, Budget Analyst, Budget,

Meeting Date: January 3, 2023

Item type: Consent Item

Caption:

Second reading of an ordinance amending the budget for the fiscal year beginning October 1, 2022, and ending September 30, 2023, for ongoing projects and capital items (Tina Dierschke)

Staff Recommendation:

Adopt

Summary/History:

This proposed amendment contains the following items(additional information attached):
- Peak Hours Ambulance
- Police Body Cameras additional funding
- Carryovers from the fiscal year 2021-22

Funding Source(s):

Fund:	Account:	Project Number:	Amount Budgeted:
General Fund			-$1,025,041
State Office Building			-$361,683
Texas Bank Sports Complex			-$8,083
Airport			-$75,643
Solid Waste			-$85,202
Stormwater			-$238,888
General Equipment Replacement			$0.00

Financial Impact:

The numbers above are net benefit/(cost); see Exhibit A of the ordinance for additional details.

Other Information/Recommendation:

Staff recommends approval.

Attachments:

1.	2022 12.13 Ordinance	2022 12.13 Ordinance.docx
2.	BA Memo - ALL	BA Memo - ALL.pdf

Presentation:

Tina Dierschke

Approvals/Reviews:

Traci Cartwright	Created/Initiated
Kimberly Holle	Approved
Tina Dierschke	Approved
Theresa James	Approved
Julia Antilley	Final Approval

AN ORDINANCE OF THE CITY OF SAN ANGELO AMENDING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022, AND ENDING SEPTEMBER 30, 2023, FOR ONGOING PROJECTS AND CAPITAL ITEMS.

WHEREAS, the City of San Angelo has determined that certain budgeted amounts should be amended due to purchases, and

WHEREAS, the resources necessary for these changes are available.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF SAN ANGELO, TEXAS THAT:

The City's budget for fiscal year 2022-2023 be amended by the amounts contained in **Exhibit "A"**.

INTRODUCED with public hearing on the 13th day of December 2022, and finally PASSED on this 3rd day of January 2023.

ATTEST:	**THE CITY OF SAN ANGELO, TEXAS:**
______________________________	______________________________
Julia Antilley, City Clerk	Brenda Gunter, Mayor
APPROVED AS TO CONTENT:	**APPROVED AS TO FORM:**
______________________________	______________________________
Tina Dierschke, Finance Director	Theresa James, City Attorney

Exhibit A

City of San Angelo
Proposed Budget Amendment

Fund		**Total Revenue Amendment**		**Total Expense Amendment**		**Net Benefit/(Cost)**
General Fund		-		1,025,041		(1,025,041)
State Office Building Fund		-		361,683		(361,683)
Texas Bank Sports Complex Fund		-		8,083		(8,083)
Airport		-		75,643		(75,643)
Solid Waste		-		85,203		(85,203)
Stormwater		-		238,888		(238,888)
General Equipment Replacement		70,067		70,067		-
	$	**70,067**	**$**	**1,864,607**	**$**	**(1,794,540)**

City of San Angelo
Proposed Budget Amendment
Additional Information

Project/Need	Source of Funding	Revenue	Expense	Net Benefit/(Cost)
Carryovers from FY22 into FY23 for incomplete projects	Various fund balances	-	1,681,543	(1,681,543)
Fire Department Overtime	Charity Care Reimbursement	-	42,930	(42,930)
Year 3 of a 5-year contract for 45 additional body cameras	General Fund Balance	70,067	140,134	(70,067)
		$ 70,067	**$ 1,864,607**	**$ (1,794,540)**

City of San Angelo

Memo

To: Tina Dierschke, Finance Director

From: David Howard, Asst. Police Chief

Date: 12/13/2022

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Year 3 of a 5 year contract for 45 additional body cameras for a total of 190 body cameras and licenses, and redaction software upgrade.

Source of Funding:

General Fund Balance

Funding previously approved? If so, by City Manager or City Council and when?

August 13, 2020 City Council Budget Workshop

Project/Budget to be amended	Revenue	Expense
General Fund - Transfer to Equipment Replacement		70,067
Police - Body Cameras	70,067	70,067

Additional Comments:

During the 2020 budget workshop, City Council discussed the funding plan for these costs. The initial cost of $24,500 was funded utilizing Police forfeitures funds. Council directed PD staff to seek out additional grant dollars for years 2-5 of the contract amount, if funds were not located the City would fund this expenditure. Efforts to secure a grant have been unsuccessful. The majority of body worn camera grants are currently being offered to Departments that do not have an existing body worn camera program.

City of San Angelo

Memo

To: Tina Dierschke, Finance Director

From: Patrick Brody, Fire Chief

Date: 12/13/2022

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Budget for reimbursement from Charity Care for overtime expenditures.

Source of Funding:

General Fund Balance generated from the Charity Care reimbursement in FY22

Funding previously approved? If so, by City Manager or City Council and when?

Peak Hours Ambulance concept was discussed in the General Fund Budget Workshop on August 11, 2022.

Project/Budget to be amended	Revenue	Expense
Overtime Expenditures		42,930

Additional Comments:

The full amount received for the Charity Care reimbursement in FY22 was $320,326, of that $277,396 was used to purchase emplacement ambulances on the November 11, 2022 City Council meeting.

City of San Angelo

Memo

To: Tina Dierschke, Finance Director

From: Kimberly Holle, Budget Manager

Date: 11/15/2022

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Carryover remaining fiscal year 2021-22 funds for incomplete projects

Source of Funding:

Multiple Funds - Fund Balance

Funding previously approved? If so, by City Manager or City Council and when?

City Council approved the 2022-23 budget ordinance on September 22, 2022

Project/Budget to be amended	Revenue	Expense

Additional Comments:

See Attached chart for details

Fiscal Year 2023 Carryovers

Fund	Purpose		Amount
General Fund			
City Clerk	Election Expenses		27,729
Facilities Maintenance	TGCJ Inmate Work Crews/Lighting		27,396
Traffic Operations	Flashing Yellow Arrow Project		42,396
Street & Bridge	Right of Way and Property Related Services/ Street Repairs and Maintenance		555,523
Street Lighting	Street Light LED Replacement Project		179,986
Parks	Kirby Park Concrete Slab Repair/Sidewalk Renovation and Expansion/ Equipment Purchases		59,000
Animal Services	Maintenance Projects for Damages/ Computer Replacement Program		13,549
Fire Department	MDT Project for Rugged Notebook		6,465
	General Fund Total	**$**	**912,044**
State Office Building			
State Office Building	HVAC Improvements at Chase State Building		361,683.00
	State Office Building Total	**$**	**361,683**
Texas Bank Sports Complex			
Parks	Gates, fencing, lights, and foundation materials for the new storage building		8,083
	Texas Bank Sports Complex Total	**$**	**8,083**
Airport			
Airport	Weed Killer/Cover Vehicles/Power Washer/ Bathroom Remodel		75,643
	Airport	**$**	**75,643**
Solid Waste			
Solid Waste	Landfill Permitting and Design Related Services		85,202
	Solid Waste	**$**	**85,202**
Stormwater			
Stormwater	Stormwater Design/ Stormwater Infrastructure Improvement Projects		238,888
	Stormwater	**$**	**238,888**

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL

Requestor: Tina Dierschke, Finance Director, Finance, 325-657-4268

Meeting Date: January 3, 2023

Item type: Regular Item

Caption:

Discuss and consider adoption of an Ordinance authorizing the issuance and sale of City of San Angelo, Texas Combination Tax and Revenue Certificates of Obligation, Series 2023A; appointing a Pricing Officer and delegating to the Pricing Officer the authority to approve on behalf of the City the sale of the Certificates, the terms of the Certificates and the offering documents for the Certificates; establishing certain parameters for the approval of such matters by the Pricing Officer; approving the use of a Paying Agent/Registrar Agreement; levying an annual Ad Valorem Tax and providing for the security for and payment of said Certificates; providing an effective date; and enacting other provisions relating to the subject (Presentation by Finance Director Tina Dierschke)

Staff Recommendation:

Adopt

Summary/History:

This ordinance will continue the process of funding upgrades to the sewer system around Lake Nasworthy and the surrounding areas.

In November 2019, the City held a special election to authorize the use of the Lake Nasworthy Trust Fund. The approved ballot language is as follows:
• Lake Nasworthy lake and river improvements to enhance water recreation and the elimination of related litter and pollution not to exceed $6 million in actual costs for:
- Boat ramps
- Fishing piers
- Shoreline erosion control
- Sandy beaches
• Balance of the fund as of May 5, 2020, excluding the $6 million allocated for above projects, be used for the expansion, reconfiguration, and replacement of the current sewer system servicing the Lake Nasworthy area to expand capacity for current and future development.

Currently, the balance of the trust fund allocation is just over $9 million. So far, approximately $2.5 million of the original $11.5 million has been used or encumbered for preliminary engineering evaluations and associated studies and surveys for a proposed sanitary sewer expansion project to increase sewer capacity in the Lake Nasworthy area. This debt issue will provide the remaining funds in the amount of approximately $44 million needed to complete the proposed project.

For more information on the need for this project and these upgrades, see the City's website at:

https://www.cosatx.us/departments-services/water-utilities/lake-nasworthy.

Issuing certificates of obligation or general obligation debt takes anywhere from 75 to 90 days from initiation to close. This resolution begins that process and allows time for the issuance of the bond proceeds on February 7, 2023, when we expect to need the funds available to award the project.

The notice also states the principal amount of the certificates of obligation, the approved projects, the proposed repayment method of the property tax levy for debt service, and the regular Council meetings at which the ordinance authorizing the issuance and sale of certificates of obligation will be considered.

Approval of this publication yields compliance with the issuance of certificates of obligation process as set forth under the Texas Government Code, Chapter 551 regarding open meetings.

Funding Source(s):

Financial Impact:

Other Information/Recommendation:

Attachments:

1. Ordinance (San Angelo 2023A COs)v1 Ordinance (San Angelo 2023A COs)v1.pdf

Presentation:

Tina Dierschke

Approvals/Reviews:

Tina Dierschke	Created/Initiated
Tina Dierschke	Approved
Theresa James	Approved
Julia Antilley	Final Approval

ORDINANCE NO. _________

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF SAN ANGELO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2023A; APPOINTING A PRICING OFFICER AND DELEGATING TO THE PRICING OFFICER THE AUTHORITY TO APPROVE ON BEHALF OF THE CITY THE SALE OF THE CERTIFICATES, THE TERMS OF THE CERTIFICATES AND THE OFFERING DOCUMENTS FOR THE CERTIFICATES; ESTABLISHING CERTAIN PARAMETERS FOR THE APPROVAL OF SUCH MATTERS BY THE PRICING OFFICER; APPROVING THE USE OF A PAYING AGENT/REGISTRAR AGREEMENT; LEVYING AN ANNUAL AD VALOREM TAX AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID CERTIFICATES; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

THE STATE OF TEXAS §
COUNTY OF TOM GREEN §
CITY OF SAN ANGELO §

WHEREAS, the City Council of the City of San Angelo, Texas (the "Issuer"), deems it advisable to issue Certificates of Obligation in the amount and for the purposes hereinafter set forth;

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

WHEREAS, the City Council has heretofore passed a resolution authorizing and directing the City Clerk to give notice of intention to issue Certificates of Obligation, and said notice has been duly posted on the Issuer's internet website and duly published in a newspaper of general circulation in the Issuer, said newspaper being a "newspaper" as defined in §2051.044, Texas Government Code, as amended;

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

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;

WHEREAS, the Issuer is an "Issuer" under Section 1371.001(4)(P), Texas Government Code, having (i) a principal amount of at least $100 million in outstanding long-term indebtedness, in long-term indebtedness proposed to be issued, or a combination of outstanding or proposed long-term indebtedness and (ii) some amount of long-term indebtedness outstanding or proposed to be issued that is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation;

WHEREAS, the City Council of the Issuer hereby finds and determines that it is in the best interests of the Issuer to issue the Certificates of Obligation hereinafter authorized, for the purposes stated, and to delegate to the Pricing Officer (hereinafter designated) the authority to act on behalf of the Issuer in selling and delivering the Certificates of Obligation and setting the dates, price, interest rates, interest payment periods and other procedures relating thereto, as hereinafter specified, with such information and terms to be included in a pricing certificate (the "Pricing Certificate") to be executed by the Pricing Officer, all in accordance with the provisions of Section 1371.053, Texas Government Code; and

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

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS:

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE CERTIFICATES. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The certificates of the City of San Angelo, Texas (the "Issuer") are hereby authorized to be issued and delivered in the maximum aggregate principal amount hereinafter set forth for paying all or a portion of the Issuer's contractual obligations incurred in connection with or a portion of the Issuer's contractual obligations to be incurred in connection with: (i) acquiring, constructing, and installing additions, improvements, extensions, and equipment for the Issuer's sewer system, including sewer lines, lift stations, force mains, manholes, valves, fittings, SCADA upgrades, and related infrastructure improvements; and (ii) 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 of Obligation issued pursuant to this Ordinance shall be designated: "CITY OF SAN ANGELO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATE OF OBLIGATION, SERIES 2023A," and initially there shall be issued, sold, and delivered hereunder fully registered certificates, without interest coupons, payable to the respective Registered Owners thereof (with the initial certificate being made payable to the initial purchaser as described in Section 11 hereof), or to the registered assignee or assignees of said certificates or any portion or portions thereof (in each case, the "Registered Owner"). The Certificates of Obligation shall be in the respective denominations and principal amounts, shall be dated, shall be numbered, shall mature and be payable on the date or dates in each of the years and in the principal amounts, and shall bear interest to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the Pricing Certificate.

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. DELEGATION TO PRICING OFFICER. (a) As authorized by Section 1371.053, Texas Government Code, as amended, the Assistant City Manager and Finance Director of the Issuer (each, a "Pricing Officer") are hereby authorized to act on behalf of the Issuer in selling and delivering the Certificates and carrying out the other procedures specified in this Ordinance, including, determining the date of the Certificates, any additional or different designation or title by which the Certificates shall be known, the price at which the Certificates will be sold, the years in which the Certificates will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment and record dates, the price and terms upon and at which the Certificates shall be subject to redemption prior to maturity at the option of the Issuer, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Certificates, including without limitation, procuring municipal bond insurance, including the execution of any commitment agreements, membership agreements in mutual insurance companies, and other similar agreements, and approving modifications to this Ordinance and executing such instruments, documents and agreements as may be necessary with respect thereto, if it is determined that such insurance would be financially desirable and advantageous, all of which shall be specified in the Pricing Certificate, provided that:

(i) the aggregate original principal amount of the Certificates shall not exceed $44,300,000;

(ii) the final maturity of the Certificates shall not exceed February 15, 2048; and

(iii) the maximum interest rate shall not exceed the highest rate permitted by Chapter 1204, Texas Government Code.

(b) In establishing the aggregate principal amount of the Certificates, the Pricing Officer shall establish an amount not exceeding the amount authorized in Subsection (a) above, which shall be sufficient in amount to provide for the purposes for which the Certificates are authorized and to pay costs of issuing the Certificates. The delegation made hereby shall expire if not exercised by the Pricing Officer prior to the 180th following the adoption of this Ordinance. The Certificates shall be sold with and subject to such terms as set forth in the Pricing Certificate.

(c) In satisfaction of Section 1201.022(a)(3)(B), Texas Government Code, the City Council of the Issuer hereby determines that the delegation of the authority to the Pricing Officer to approve the final terms of the Certificates as set forth in this Ordinance is, and the decisions made by the Pricing Officer pursuant to such delegated authority and incorporated into the Pricing Certificate will be, in the Issuer's best interests, and the Pricing Officer is hereby authorized to make and include in the Pricing Certificate a finding to that effect.

Section 4. CHARACTERISTICS OF THE CERTIFICATES.

(a) Registration, Transfer, Conversion and Exchange. The Issuer shall keep or cause to be kept at the designated office of the bank named in the Pricing Certificate as the paying agent/registrar for the Certificates (the "Paying Agent/Registrar"), books or records for the registration of the transfer, conversion and exchange of the Certificates (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Certificate to which payments with respect to the Certificates shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Certificate or Certificates. Registration of assignments, transfers, conversions and exchanges of Certificates shall be made in the manner provided and with the effect stated in the FORM OF CERTIFICATE set forth in this Ordinance. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate.

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

(c) Payment of Principal and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Certificates, and of all conversions and exchanges of Certificates, and all replacements of Certificates, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(d) 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.

(e) 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 a single 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.

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

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

(h) Blanket Letter of Representations. The previous execution and delivery of the Blanket Issuer 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. Should DTC require an updated Blanket Issuer Letter of Representations to be submitted by the Issuer, the Issuer's Finance Director is hereby authorized and directed to execute and deliver an updated Blanket Issuer Letter of Representations to DTC in the name and on behalf of the Issuer. 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 Blanket Issuer Letter of Representations is hereby incorporated herein and its provisions shall prevail over any other provisions of this Ordinance in the event of conflict.

(i) Certificates Registered in the Name of Cede & Co. With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of Certificates, as shown on the Registration Books, of any notice with respect to the Certificates, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Certificates, as shown in the Registration Books of any amount with respect to principal of or interest on the Certificates. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

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

(k) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Certificate and all notices with respect to such Certificate shall be made and given, respectively, in the manner provided in the Blanket Issuer Letter of Representations of the Issuer to DTC.

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

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

Section 5. FORM OF CERTIFICATES. The form of the Certificates, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Certificates initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance:

(a) Form of Certificate.

NO. R-

PRINCIPAL AMOUNT $_________

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF SAN ANGELO, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATE OF OBLIGATION
SERIES 2023

Interest Rate	Delivery Date	Maturity Date	CUSIP No.
	__________, 2023	___________, ____	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

ON THE MATURITY DATE specified above, the City of San Angelo, in Tom Green 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 ____________, 20__, and semiannually on each ______ and_________ 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 ____, _______, 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 busines on the last business day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Certificate appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Certificate prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Certificate for redemption and payment at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Certificate that on or before each principal payment date, interest payment date, and accrued 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 _____________, 2023, 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 (i) acquiring, constructing, and installing additions, improvements, extensions, and equipment for the Issuer's sewer system, including sewer lines, lift stations, force mains, manholes, valves, fittings, SCADA upgrades, and related infrastructure improvements; and (ii) legal, fiscal and engineering fees in connection with such projects.

ON _____________, 20__, 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.

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

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

ALL CERTIFICATES OF THIS SERIES are issuable solely as fully registered certificates, without interest coupons, in the denomination of any integral multiple of $5,000. As provided in the Certificate Ordinance, this Certificate may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered certificates, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of $5,000 as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Certificate to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Certificate Ordinance. Among other requirements for such assignment and transfer, this Certificate must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate or any portion or portions hereof in any integral multiple of $5,000 to the assignee or assignees in whose name or names this Certificate or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Certificate or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Certificate or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

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

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

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

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

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

(signature)	(signature)
City Clerk	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: ___________________________.

[NAME OF PAYING AGENT/REGISTRAR]
[CITY], [STATE]
Paying Agent/Registrar

By: ___________________________________
Authorized Representative

(c) Form of Assignment.

ASSIGNMENT
(Please print or type 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 Comptroller's Registration Certificate.

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 is 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 SAN ANGELO, TEXAS, in Tom Green 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 ___________ in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

Years	Principal Installments	Interest Rates

(Information from Pricing Certificate 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 _______, 20__, and semiannually on each _________ and________ 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 6. 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 accounted for 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 pledge of revenues of the Issuer's waterworks and sewer system that remain after the payment of all maintenance and operation expenses thereof, and all debt service, reserve and other requirements in connection with all of the Issuer's revenue obligations (now or hereafter outstanding) that are secured by a lien on all or any part of the net revenues of the Issuer's waterworks and sewer system, constituting "Surplus Revenues". The Issuer shall deposit such Surplus Revenues to the credit of the Interest and Sinking Fund created pursuant to subsection (a) of this section, to the extent necessary to pay the principal and interest on the Certificates. Notwithstanding the requirements of subsection (a) of this section, if Surplus Revenues or other lawfully available moneys of the Issuer are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been required to be levied pursuant to 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 7. DEFEASANCE OF CERTIFICATES.

(a) Any Certificate and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Certificate") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Certificate, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates shall have become due and payable. At such time as a Certificate shall be deemed to be a Defeased Certificate hereunder, as aforesaid, such Certificate and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities, 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 subsections (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 subsections 6(a)(i) or (ii). All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Certificates, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

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

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

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

Section 8. 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 , in the event any such Certificate shall have matured, and no default has occurred that is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Certificate, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Certificate) instead of issuing a replacement Certificate, provided security or indemnity is furnished as above provided in this Section.

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

(e) Authority for Issuing Replacement Certificates. In accordance with Sec. 1206.022, Government Code, this Section 9 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 4(b) of this Ordinance for Certificates issued in conversion and exchange for other Certificates.

Section 10. 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 Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the 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 by the Certificates (the "Project") are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates, in contravention of section 141(b)(2) of the Code;

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

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

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

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

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

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

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

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

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

(8) to refrain from using the proceeds of the Certificates or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Certificates in contravention of the requirements of section 149(d) of the Code (relating to advance refundings);

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

(10) 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) Proceeds. The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations. 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 which 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 which impose additional requirements which are 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.

(d) The Issuer hereby authorizes and directs the Mayor, City Manager, Assistant City Manager, and Finance Director to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates.

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

(f) 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.

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

Section 11. SALE OF CERTIFICATES AND APPROVAL OF OFFICIAL STATEMENT; FURTHER PROCEDURES.

(a) The Certificates shall be sold and delivered subject to the provisions of Sections 1 and 3 through a competitive sale pursuant to the terms and provisions of the Notice of Sale and Bidding Instructions, Official Bid Form, and Preliminary Official Statement distributed on January 3, 2023, as supplemented and amended (collectively, the "Preliminary Official Statement") which documents the Pricing Officer is hereby authorized to execute and deliver and in which the purchaser or purchasers (the "Initial Purchaser") of the

Certificates shall be designated. The Certificates shall initially be registered in the name of the Initial Purchaser thereof as set forth in the Pricing Certificate.

(b) The Pricing Officer is hereby authorized, in the name and on behalf of the Issuer, to approve, distribute, and deliver a final official statement relating to the Certificates to be used by the Initial Purchaser in the marketing of the Bonds. The distribution and use of the Preliminary Official Statement prior to the date hereof has been and is hereby approved by the governing body of the Issuer, and its use in the offer and sale of the Certificates is hereby approved.

(c) The Mayor, City Manager, City Clerk and Finance Director, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such documents, certificates and instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the 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 12. CUSTODY, APPROVAL, AND REGISTRATION OF CERTIFICATES; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED; ENGAGEMENT OF BOND COUNSEL.

(a) The Pricing Officer is hereby authorized to have control of the Initial Certificate and all necessary records and proceedings pertaining to the Certificates pending their delivery and the investigation, examination, and approval by the Attorney General of the State of Texas, and registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Initial Certificate, said Comptroller (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 of the Issuer and the Mayor and the City Manager are each hereby authorized to execute such engagement letter.

Section 13. INVESTMENT AND SECURITY OF FUNDS. (a) 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 10 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.

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

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

Section 14. CONSTRUCTION FUND.

The Issuer hereby creates and establishes and shall maintain on the books of the Issuer a separate fund to be entitled the "Series 2023 Certificate of Obligation Construction Fund" for use by the Issuer for payment of all lawful costs associated with the acquisition and construction of the Project as hereinbefore provided. Upon payment of all such costs, any moneys remaining on deposit in said Fund shall be transferred to the Interest and Sinking Fund and used in the manner described in Section 6 of this Ordinance.

Section 15. COMPLIANCE WITH RULE 15c2-12.

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

(b) Annual Reports.

(i) The Issuer shall provide annually to the MSRB, in an electronic format as prescribed by the MSRB, (A) within six months after the end of each fiscal year ending in or after 2023, financial information and operating data with respect to the Issuer of the general type included in the final Official under Tables 1 through 6 and 8 through 15; and (B) within 12 months after the end of each fiscal year ending in or after 2023, audited financial statements, if the Issuer commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the Issuer will provide unaudited financial information of the type in the numbered tables described above by the required time and will provide the Issuer's annual audited financial statements when and if such audited financial statements become available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in Appendix B to the Official Statement or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation.

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

MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(c) Event Notices.

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

1. Non-payment related defaults;

2. Modifications to rights of Certificateholders;

3. Certificate calls;

4. Release, substitution, or sale of property securing repayment of the Certificates;

5. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

6. Appointment of a successor or additional trustee or the change of name of a trustee; and

7. 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.

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

1. Principal and interest payment delinquencies;

2. Unscheduled draws on debt service reserves reflecting financial difficulties;

3. Unscheduled draws on credit enhancements reflecting financial difficulties;

4. Substitution of credit or liquidity providers, or their failure to perform;

5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;

6. Tender offers;

7. Defeasances;

8. Rating changes;

9. Bankruptcy, insolvency, receivership or similar event of an obligated person; and

10. 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.

For the purposes of the above described event notices, the term "financial obligation" means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or source of payment for, an existing or planned debt obligation, or (ii) 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.

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

(d) Limitations, Disclaimers, and Amendments.

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

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

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

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

(v) Should the Rule be amended to obligate the Issuer to make filings with or provide notices to entities other than the MSRB, the Issuer hereby agrees to undertake such obligation with respect to the Certificates in accordance with the Rule as amended. The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the registered owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the registered owners and beneficial owners of the 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 16. 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 and cause notice of the proposed amendment to be published at least once in a financial publication published in The City of New York, New York or in the State of Texas. Such published notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the Issuer for inspection by all holders of such Certificates.

(d) Whenever at any time within one year from the date of publication 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 that shall specifically consent to and approve such amendment, the Issuer may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the Issuer and all holders of such affected 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 months from the date of the publication of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Certificate during such period. Such consent may be revoked at any time after six months from the date of the publication of said notice by the holder who gave such consent, or by a successor in title, by filing notice with the Issuer, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the affected 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 17. 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 Issuer, the failure to perform which materially, adversely affects the rights of the registered owners of the Certificates, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the Issuer.

(b) Remedies for Default.

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

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of 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 Issuer or the City Council.

Section 18. APPROPRIATION. To pay the debt service coming due on the Certificates, if any, prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

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

Section 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)

APPROVED AND ADOPTED ON THE 3RD DAY OF JANUARY, 2023.

THE CITY OF SAN ANGELO, TEXAS

____
Brenda Gunter, Mayor

Attest:

____
Julia Antilley, City Clerk

Approved As to Form:

____
Rodolfo Segura Jr
McCall, Parkhurst & Horton L.L.P.

Approved As to Content:

____
Tina Dierschke, Finance Director
City of San Angelo, Texas

[CITY SEAL]