

CITY COUNCIL AGENDA

August 3, 2020

7:00 P.M.

New Fairview City Hall

999 Illinois Ln.

New Fairview TX 76078

AGENDA

1. CALL MEETING TO ORDER:

2. ROLL CALL:

3. PLEDGE TO FLAGS

A. United States of America

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

4. CONSENT AGENDA:

All matters listed as Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be a separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.

A. Approve minutes for July 13 & July 17, 2020

B. Approve to extend the application for Pioneer Ranch preliminary plat till next monthly meeting in September

C. Approve to extend the application for Pioneer Ranch final plat till the next monthly meeting in September

5. OPEN FORUM

The City Council invites persons with comments or observations related to city issues, projects, or policies to briefly address the City Council. Anyone wishing to speak should sign-in with the City Secretary before the beginning of the City Council Meeting. In order to expedite the flow of business and to provide all citizens the opportunity to speak, there is a three-minute limitation on any person addressing the City Council. State law prohibits the City Council from discussing or taking action on any item not listed on the posted agenda.

6. NEW BUSINESS:

A. Discuss, consider and act on approving an application packet for participation in the Texas Cooperative Liquid Assets Securities System Trust Program (Texas CLASS) and authorize the Mayor to sign the Resolution to Participate

B. Discuss, consider and act on Resolution to approve agreement with the East Wise Fire Rescue Fire Department

C. Discuss, consider and act on adopting the International Building Code 2015 (IBC 2015)

D. Discuss, consider and act on approving an amendment to the employee handbook that allows the City Administrator to make changes on an as needed basis. The document, if amended by the City Administrator, shall be presented to the City Council on an annual basis for review.

E. Discuss, consider and act on transitioning the City of New Fairview to an electronic record keeping system

F. Discuss, consider and act on options regarding the City's streets maintenance program following the lapse of the Devon Energy Road Maintenance Agreement.

G. Discuss, consider and act on enforcement of Ordinance 1998-05-0014 as amended by 2007-12-127 regarding code enforcement

H. Present and discuss the no-new-revenue tax rate and its impact on the 2020/2021 budget

I. Present and discuss development activity in New Fairview.

J. Present and discuss options regarding establishing a CCN for the City of New Fairview.

K. Future agenda items

7. EXECUTIVE SESSION

Pursuant to Sec. 551.071 of the Texas Government Code, the City Council reserves the right to convene in Executive Session from time to time as deemed necessary during this meeting for any posted agenda item to receive advice from its attorney as permitted by law.

Pursuant to Sec. 551.074, deliberation regarding the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.

8. ADJOURN:

I, the undersigned authority, do hereby certify the above notice of the meeting of the City Council of New Fairview, is a true and correct copy of the said notice that I posted on the official posting place at New Fairview City Hall, FM 407, New Fairview, Texas, a place of convenience and readily accessible to the general public at all times, and said notice posted this 31st day of July 2020 at 7:00 PM at least 72 hours proceeding the meeting time.

Monica Rodriguez, City Secretary

SEAL:

This facility is wheelchair accessible; parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary at city hall 817-638-5366 or fax 817-638-5369 or by email at citysecretary@newfairview.org for further information.



City Council Agenda July 13, 2020

Agenda Item:	Resolution	(Action Item)
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Agenda Description:

Discuss, consider and possible action approving an application packet for participation in the Texas Cooperative Liquid Assets Securities System Trust program (Texas CLASS) and authorize the Mayor to sign the Resolution to Participate.

Background Information:

The City of New Fairview City Council approved an investment policy at the June 6, 2020 meeting. The three objectives of the policy are to make investments that are safe, provide easy liquidity and provide a reasonable return on investment. Most Texas cities use a statewide investment pool such as Texas CLASS to meet these objectives and receive better returns than their local bank.

Staff recommends the Council approve the application and authorize the Mayor to sign the Resolution to Participate to provide the City with an additional investment option emphasizing safety and liquidity.

Financial Information:

Current interest rates are around 50 basis point.

City Contact and Recommendation:

Ben Nibarger, City Administrator

Staff recommends that Council approve application and authorize the Mayor to sign the resolution.

Attachments:

Resolution and Application Packet



Trust Agreement

April 8, 2019

Texas Cooperative Liquid Assets Securities System Trust

EIGHTH AMENDED AND RESTATED
Trust Agreement

Dated as of April 8, 2019

by and among

The Texas Participants
that have entered into this Agreement,
Wells Fargo Bank, N.A., as Custodian
and

Public Trust Advisors, LLC, as Program Administrator

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PREAMBLE

This Eighth Amended and Restated Trust Agreement dated as of April 8, 2019 (the Agreement) is by and among the Texas local governmental entities and public entities that have taken the actions required by Section 2256.016 of the Public Funds Investment Act, Texas Government Code, and that have either executed this Agreement or counterparts of this Agreement or Participation Certificates pursuant to Section 2.3 hereof (the Participants), Wells Fargo Bank, N.A., as Custodian (the Custodian) and Public Trust Advisors, LLC, (the Program Administrator) and amends and restates that certain Seventh Amended and Restated Trust Agreement dated as of August 5, 2016, among the Participants, the Custodian and Public Trust Advisors, LLC the Program Administrator.

WHEREAS, each Participant is permitted pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code, to pool its funds, or funds under its control, with any similar funds in the treasury of other Participants for the purpose of investing such funds in statutory permitted investments; and

WHEREAS, each Participant will receive a substantial benefit by agreeing to invest such funds in concert with the other Participants because of economies of scale; and

WHEREAS, it will increase the efficiency of such investment if the funds to be invested in concert are held by one entity, the Custodian, which will hold such funds and investments in its capacity as custodian for the benefit of the Participants; and

WHEREAS, it will increase the efficiency of such investment if the advisory, recordkeeping, and other administrative functions are performed by one entity, the Program Administrator, acting on behalf of the Board of Trustees (as hereinafter defined) and the Participants and if the investment instructions of the Participants are transmitted through one entity, the Program Administrator, to the Custodian.

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants, and agreements contained herein, each party hereto agrees that all moneys, assets, securities, and property now or hereafter acquired by the Trust (as hereinafter defined) shall be held and managed in trust by the Board of Trustees (as hereinafter defined) for the equal and proportionate benefit of the Participants without privilege, priority, or distinction among the Participants and subject to the terms, covenants, conditions, purpose, and provisions hereof as follows:

ARTICLE I

The Trust and Definitions

1.1 The Trust

(a) The name of the Trust created by this Agreement shall be Texas Cooperative Liquid Assets Securities System Trust or Texas CLASS. The Board of Trustees retains all rights to the use of the names Texas CLASS and Texas Cooperative Liquid Assets Securities System Trust, and neither the Program Administrator nor the Custodian shall use the name without express consent of the Board of Trustees as reflected in the minutes of the Board of Trustees or another written document approved by the Board of Trustees. Any and all reports, information, data, statistics, forms, plans, procedures, studies, and any other communications or form of knowledge prepared or assembled by the Program Administrator for the specific and exclusive benefit of the Board of Trustees or Texas CLASS shall become the property of the Board of Trustees and shall not be made available to any individual, company, or organization without the prior written approval of the Board of Trustees or except as required by law. So far as may be practicable and pursuant to the provisions of this Trust Agreement, the Custodian and the Board of Trustees shall conduct the Trust's activities, execute all documents, and sue or be sued under either of the foregoing names.

(b) The purpose of the Trust is to establish one or more investment pools for the Participants pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code, through which a Participant may pool any of its funds or funds under its control with the same such funds of any other Participant in order to preserve principal, to maintain the liquidity of the Participant, and to maximize yield in accordance with the Public Funds Investment Act (the Act), Section 2256.001, et seq., Texas Government Code or other laws of the state of Texas, from time-to-time in effect, governing the investment of funds of a Participant or funds under its control.

(c) The Trust shall maintain an office of record in the state of Texas and may maintain such other offices or places of business as the Board of Trustees may from time-to-time determine. The initial office of record of the Trust shall be: c/o Bracewell LLP, Attention: Julie M. Partain, Esq., 1445 Ross Avenue, Ste 3800 Dallas, Texas 75202. The office of record may be changed from time-to-time by resolution of the Board of Trustees, and notice of such change of the office of record shall be given to each Participant, the Custodian and the Program Administrator.

(d) (i) The Trust shall be a trust organized and existing under the laws of the state of Texas. The Trust is not intended to be, shall not be deemed to be, and shall not be treated as a general partnership, limited partnership, joint venture, corporation, investment company, or joint stock company. The Participants shall be beneficiaries of the Trust, and their relationship to the Board of Trustees shall be solely in their

capacity as Participants and beneficiaries in accordance with the rights conferred upon them hereunder.

(ii) This Agreement is an agreement creating one or more investment pools within the meaning of the Act.

(e) The Board may authorize the creation of one or more different portfolios or pools provided, however, that each such portfolio or pool shall conform in all respects to the requirements of this Agreement.

(f) The Board may authorize the use of the names Texas Cooperative Liquid Assets Securities Systems Trust and Texas CLASS in conjunction with other products, portfolios, pools, and services that provide investment, financial, or other cash management services to Participants and for purposes of this Agreement, such name shall include any pools or portfolios established pursuant to this Agreement. The Program Administrator may identify a name for any additional pools or portfolios established pursuant to this Agreement, subject to Board approval.

1.2 Definitions

"Account(s)" shall have the meaning set forth in Section 5.3 (a) hereof.

"Act" shall have the meaning set forth in Section 1.1 (b) hereof.

"Affiliate" means with respect to any person, another person directly or indirectly in control of, controlled by or under common control with such person, or any officer, director, partner, or employee of such persons.

"Agreement" means this Eighth Amended and Restated Trust Agreement dated as of April 8, 2019, as amended, by and among Public Trust Advisors, LLC, as Program Administrator, Wells Fargo Bank, N.A., as Custodian, and the Participants.

"Balance(s)" for each Participant means the amounts initially equal to zero that are adjusted pursuant to Article II hereof to reflect, among other things, cash investments by such Participant in each pool or portfolio established pursuant to this Agreement, within the Trust, cash payments to such Participant, a pro rata distribution of income from the earnings of each pool or portfolio established pursuant to this Agreement, in which each Participant has invested funds, investment results, and expenses and fees for each pool or portfolio established pursuant to this Agreement, in which the Participant has invested.

"Board of Trustees" means the board of the trustees established pursuant to Article III hereof.

"Business Day" means any day of the year other than (a) a Saturday or Sunday, (b) any day on which banks located in the state of Texas are required or authorized by law to remain closed, or (c) any day on which the New York Stock Exchange is closed.

"Conflicting Provisions" shall have the meaning set forth in Section 10.3 hereof.

"Custodian" means Wells Fargo Bank, N.A., as custodian, or any person or persons appointed, employed, or contracted with by the Trust pursuant to Article V hereof.

"Effective Date" means the first day that execution copies of this Agreement have been executed by the Program Administrator, the Custodian, and the Chairman and Secretary of the Board of Trustees.

"Good Standing" means a Participant that has funded an account with Texas CLASS.

"Investment Advisor" shall mean any person or persons appointed, employed, or contracted by the Board on behalf of the Trust pursuant to Article III hereof or by the Program Administrator pursuant to Article IV hereof.

"Investment Funds" means immediately available funds delivered by each Participant to the Custodian for investment in one or more pools or portfolios established pursuant to this Agreement but only if (i) the representative appointed by such Participant is authorized pursuant to the laws of the state of Texas to invest such funds and (ii) the Participant has taken all actions necessary pursuant to the laws of the state of Texas to authorize the delivery and investment of such funds.

"Investment Policy" means that investment policy or policies containing procedures and criteria for the investment of funds in Texas CLASS and its subaccounts or in any other pool or portfolio established pursuant to this Trust Agreement as adopted annually by the Board of Trustees of Texas CLASS and incorporated herein by reference.

"Investment Procedures" means the procedures for making investments in the Investment Property set forth in Exhibit A attached hereto, as the same may be amended from time-to-time notwithstanding Section 9.1 (a) hereby the Program Administrator providing notice of such change to the Custodian and the Participants.

"Investment Property" means any and all securities, cash, and other personal property, tangible or intangible, that is transferred, conveyed, or paid to the Account(s) pursuant to Section 2.1 hereof or otherwise and all proceeds, income, profits, and gains therefrom that have not been distributed to a Participant pursuant to Section 2.2 hereof used to discharge an Investment Property Liability or offset by losses, if any, and expenses. Notwithstanding anything to the contrary, the Custodian shall not be required to hold, purchase, sell, or invest in interests in real property under

this Agreement, and the Participants shall not attempt to transfer such interests to the Custodian. Investment Property shall not include securities purchased in anticipation of the delivery of funds by a Participant when such funds are not actually received by the Custodian by the anticipated delivery date, and any such securities may be immediately sold and the proceeds used to pay any Person that did in fact provide monies to purchase such securities.

"Investment Property Liability" means any liability (whether known, unknown, actual, contingent, or otherwise) incurred in connection with the Investment Property pursuant to this Agreement that is not specified in Section 6.1 hereof as being paid by the Program Administrator or specified in this Agreement as being paid directly by a Participant.

"Investment Property Value" means the value of the Investment Property net of the amount of the Investment Property Liabilities as determined pursuant to Section 4.5 hereof and the valuation procedures. Such value shall be determined separately for each pool or portfolio established pursuant to this Trust Agreement.

"Meeting of the Board of Trustees" means a duly called meeting of the Board of Trustees.

"Participants" means any municipality, county, school district, or authority created under Section 52(b)(1) or (2), Article III or Section 59, Article XVI, Texas Constitution, a fresh water supply district, a hospital district, and any political subdivision, authority, public corporation, body politic, or instrumentality of the state of Texas, any office, department, commission, board, or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities (i) to which Chapter 2256 is applicable; (ii) that has taken the actions required by Section 2256.016 of the Act; (iii) that has executed either this Agreement or counterparts of this Agreement or Participation Certificates pursuant to Section 2.3 hereof; and (iv) that is in good standing.

"Participation Certificate" means a certificate entered into pursuant to Section 2.3 hereof.

"Payment Procedures" means the procedures for requesting payments out of the Investment Property set forth in Exhibit B attached hereto, as the same may be amended from time-to-time (notwithstanding Section 9.1(a) hereof) by the Program Administrator providing notice of such change to the Custodian and the Participants.

"Person" means any municipality, county, school district, or authority created under Section 52(b)(1) or (2), Article III or Section 59, Article XVI, Texas Constitution, a fresh water supply district, a hospital district, and any political subdivision, authority, public corporation, body politic, or instrumentality of the state of Texas, any office, department, commission, board, or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities, corporation, national association, natural

person, firm, joint venture, partnership, trust, unincorporated organization, or group.

"Program Administrator" means Public Trust Advisors, LLC or any person or persons appointed, employed, or contracted with by the Trust pursuant to Article IV hereof.

"Representatives" means those persons who have been designated as representatives by the Participants pursuant to Section 2.6 hereof.

"Trust" means the Texas trust created as set forth in Section of this Agreement.

"Trustee" means any representative selected pursuant to Article III hereof.

"Valuation Procedures" means the procedures for determining the value of the Investment Property set forth in Exhibit C attached hereto, as the same may be amended from time-to-time (notwithstanding Section 9.1 (a) hereof) by the Program Administrator providing notice of such change to the Custodian and the Participants.

ARTICLE II

Participants

2.1 Investments

(a) Each Participant shall have the right, from time-to-time, to invest Investment Funds for credit to such Participant's Balance. A Participant that wishes to make such an investment shall notify the Program Administrator acting on behalf of the Board of Trustees and follow the Investment Procedures set forth in Exhibit A. Upon such investment in accordance with Exhibit A, the Participant shall have an undivided beneficial interest in the Investment Property.

(b) The Balance of a Participant shall be increased upon the investment of Investment Funds by an amount equal to the amount of such Investment Funds.

(c) No later than the next business day after a Participant has made an investment of Investment Funds, the Custodian shall deliver a confirmation to the Program Administrator. The Program Administrator shall retain a copy of the confirmation in its records.

(d) Any funds that the Program Administrator is informed do not meet the conditions set forth in clauses (i) or (ii) of the definition of Investment Funds shall be returned to the Participant investing such funds by the Custodian at the request of the Program Administrator, and such Participant shall bear all of the costs and liabilities associated with the return of such funds.

(e) There is no maximum or minimum amount that must be invested pursuant to this Agreement nor are there any maximum or minimum limitations on the aggregate amount of Investment Funds that any Participant may have invested at one time.

(f) The execution of a certificate for participation, in substantially the form attached as Exhibit D, shall constitute the express written authorization to deposit, withdraw, invest, transfer, and manage funds of the Participant required by Section 2256.005(f) of the Act.

2.2 Payments

(a) Each Participant shall have the right from time-to-time to request, in accordance with the Payment Procedures set forth in Exhibit B hereto, that the Program Administrator notify the Custodian to pay to the Participant (by the transfer of the proceeds received from the sale or maturity of securities held by the Custodian), or on its behalf, any amount (rounded to the nearest whole cent) that is less than or equal to the Participant's balance at the time that payment is made pursuant to such request. Except as provided in Exhibit B, there shall be no limitation on the period of time that Investment Funds must be invested through the Trust prior to such payment.

(b) Upon the receipt of any payment request, the Program Administrator shall notify the Custodian, in writing or orally to be followed by written confirmation, of the payment request from the Participant, and the requested amount (rounded to the nearest whole cent) shall be paid (by the transfer of the proceeds received from the sale or maturity of securities held by the Custodian) by the Custodian to or on behalf of such Participant as provided in Exhibit B.

(c) Whenever any payment is made to or on behalf of any Participant pursuant to Section 2.2 (b) hereof, such Participant's balance shall be reduced by the Program Administrator by the amount of such payment.

(d) Each Participant agrees that, without prior notice, the right to payments may be temporarily suspended or postponed for the whole or any part of any period (i) during which trading in fixed income securities generally in any national trading market shall have been suspended or minimum prices or maximum daily charges shall have been established on such market, (ii) a general banking moratorium shall have been declared by Federal or Texas state authorities, or (iii) there shall have occurred any outbreak or material escalation of hostilities or other calamity or crisis, the effect of which on the financial markets of the United States is such as to make it impracticable (a) to dispose of the Investment Property because of the substantial losses that might be incurred or (b) to determine the Investment Property Value in accordance with the Valuation Procedures set forth in Exhibit C from time-to-time. The Custodian and each Participant shall be notified as soon as practicable orally or in writing by the Program Administrator in the event that such a suspension or postponement is commenced. Such a suspension or postponement shall not itself directly alter or affect a

Participant's balance. Such a suspension or postponement shall take effect at such time as is determined by the Program Administrator, and thereafter there shall be no right to request or receive payment until the first to occur of: (a) in the case of (i) or (ii) above, the time at which the Program Administrator declares the suspension or postponement at an end, that declaration shall occur on the first day on which the period specified in clause (i) or (ii) above shall have expired; and (b) in the case of (iii) above, the end of the first day on which the period specified in clause (iii) above is no longer continuing as determined by the Program Administrator. Any Participant that requested a payment prior to any suspension or postponement of payment may withdraw its request at any time prior to the termination of the suspension or postponement. Notwithstanding anything contained in this Section 2.2(d) to the contrary, if during a suspension or postponement period, a Participant demands in writing the right to receive a payment and it is not impossible to accommodate such demand, the Program Administrator shall make all reasonable efforts to effectuate such payment demand.

2.3 Additional Participants After Initial Execution

(a) Any local government or state agency as defined in the Act of the state of Texas that has the authority to pool any of its money pursuant to Section 2256.016 of the Act that wishes to become a party to this Agreement after the effective date may do so by taking the actions required by Section 2256.016 of the Act and by executing either a counterpart to this Agreement or a Participation Certificate attached hereto as Exhibit D and delivering the counterpart or the original executed Participation Certificate to the Program Administrator. The Program Administrator shall provide written notification monthly to the Board of Trustees and the Custodian of the admission of a new Participant. Any entity that becomes a Participant pursuant to this Section 2.3 shall have the same rights and obligations hereunder as the other Participants.

2.4 Termination of Participation

(a) Any Participant may withdraw from this Agreement at any time upon written notice to the Program Administrator who shall notify the Custodian and the Board of Trustees upon receipt of such notice of withdrawal. Upon its withdrawal from this Agreement, a Participant shall cease to have any rights or obligations under this Agreement except for any obligations arising on or before the date of withdrawal. A notice of withdrawal shall be deemed to constitute (i) a request under the payment procedures that an amount equal to the requesting Participant's entire balance(s) as of the date of such notice be paid to such Participant and (ii) a termination of the Board of Trustees' trust relationship hereunder with the Participant. No withdrawal shall become effective until such Participant's balance(s) is equal to zero, and until such time, such Participant shall continue to possess all of the rights and be subject to all of the obligations arising from this Agreement.

(b) Any Participant that breaches any material covenant contained in Article VIII hereof or for which any of the representations contained in Article VII hereof ceases to be true shall be deemed to have given a notice of withdrawal pursuant to Section 2.4(a) hereof immediately upon such breach or cessation, but shall not be deemed to have requested the payment of its balance(s) unless and until it either makes an actual payment request or the Program Administrator determines that such a breach or cessation has occurred.

2.5 Receipt of Statements and Reports; Requests

(a) The Program Administrator, on behalf of the Board of Trustees, shall provide to each Participant a copy of the statements prepared pursuant to Section 4.2 hereof and of the reports prepared pursuant to Section 4.3 hereof applicable to such Participant.

(b) In addition, each Participant may direct the Program Administrator to provide a statement of the value of the Participant's balance(s) as of the date of the request, provided such request is received by the Program Administrator by 4:00 p.m. CT on a given day. The Program Administrator shall provide such statement, subject only to account activity as of such date.

(c) On behalf of each Participant, the Program Administrator shall maintain the records relating to such Participant in a manner that records the Participant's balance(s) as one or more subaccounts or other special accounts to accommodate the desire of such Participant to segregate a portion of its Investment Funds. The Program Administrator shall maintain a separate record for each Participant and shall record the individual transactions involving each such Participant and the total value by subaccount of all investments or portions thereof belonging to each such Participant.

(d) No Participant shall be entitled to any reports or statements applicable solely to another Participant.

2.6 Representatives

(a) Each Participant shall designate a representative to act for the Participant hereunder (the Representative) for all purposes including without limitation to give consents on behalf of the Participant and to receive notices on behalf of the Participant. Pursuant to Section 2256.005 (f) of the Act, such representative shall be the investment officer that is empowered by the charter, ordinances, or other rules or regulations of the Participant to direct the investment of such Participant's Investment Funds. The representatives, in their capacity as representatives shall not be required to devote their entire time to duties under the Agreement. To the extent permitted by law, each representative may designate additional persons who may act on behalf of the representative to transmit the representative's instructions to the Program Administrator, the Custodian, or the Board of Trustees.

(b) Each representative shall be the official responsible for the investment of Investment Funds into the Trust and all payments made from the Trust for the Participant represented by said representative. In making such investments and payment requests, each representative shall use judgment and care to achieve the following objectives in the indicated order: (i) preservation and safety of principal, (ii) liquidity, and (iii) yield.

2.7 Liability - No representative shall be subject to any personal liability whatsoever to any person in connection with the Investment Property or affairs of the Board other than liability arising from the bad faith, willful misfeasance, gross negligence, or reckless disregard of duty by such representative of a Participant. No representative of a Participant who is made a party to any suit or proceeding to enforce any such liability shall on account thereof be held to any personal liability.

ARTICLE III

Trustees and the Board of Trustees

3.1 Selection of Trustees

(a) Each calendar year, the Program Administrator shall call, upon at least fifteen days' written notice to the Participants, a meeting of the Participants for the purpose of selecting Trustees for the Trust. If the Program Administrator shall fail to call such a meeting, any two Participants may call such a meeting by providing at least fifteen days' written notice to the other Participants. At such meeting, the Participants may nominate persons to serve as Trustees of the Trust. In order to qualify to be nominated as a Trustee, a candidate must be a representative. The number of Trustees to be selected shall be determined by the Participants at such meeting, provided that the number of Trustees shall be an odd number of three (3) or more. In order to be elected as a Trustee, a candidate must receive a majority of the votes of the Participants present and voting at such meeting. A quorum for such meeting shall be the lesser of (i) fifteen Participants or (ii) ten percent of the total number of Participants determined at the time the notice of the meeting is sent. If a quorum is not present, the meeting may be adjourned to a future time and place set at such meeting. Each Participant shall be entitled to one vote regardless of the amount of funds invested in the Trust. To the extent permitted by law, each representative may designate a person who may act on behalf of the representative at a meeting of Participants.

(b) The Program Administrator shall send written notice to the Participants and the Custodian listing the names of the Trustees elected at each annual meeting.

3.2 Board of Trustees - The Board of Trustees shall be made up of all of the Trustees elected by the Participants or designated pursuant to Section 3.5 hereof. The Board of Trustees shall supervise the Trust and the affairs of the Trust and shall act as the liaison between the Participants and the Custodian and the Program Administrator. The Board of Trustees shall appoint an Advisory Board to advise the Trust as required by the Act. The Board of Trustees shall have the power to administer the affairs of the Trust and to enter into contracts and agreements on behalf of the Trust in order to effectuate the terms of this Agreement. The Board of Trustees shall have the power to select all of the Trust's consultants including without limitation the Program Administrator and the Custodian, subject to the terms of this Agreement. The Trustees shall select by majority vote a chairman of the Board of Trustees and may select such other officers of the Board of Trustees including without limitation a vice chairman and a secretary, as the Trustees deem appropriate. In the absence of the chairman, the vice chairman, if any, shall have the power to act in place of the chairman hereunder.

3.3 General Powers - Subject to the rights of the Participants as provided herein, the Board shall have, without other or further authorization, power to administer the Trust and the affairs of the Trust. The Board may do and perform such acts and things as in their sole judgment and discretion are necessary and proper for the administration of the Trust and the investment of the Trust Property but shall invest with the degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of the property of another, not in regard to speculation but in regard to the permanent disposition of funds considering the probable income as well as the probable safety of capital.

3.4 Legal Title - Title to all of the Trust Property shall be vested in the Trust on behalf of the Participants who shall be the beneficial owners. The Trust shall have full and complete power to cause legal title to any Trust property to be held, on behalf of the Participants, by or in the name of the Trust or in the name of any other person as nominee on such terms, in such manner, and with such powers as the Board may determine so long as in its judgment the interest of the Trust is adequately protected.

3.5 Power to Contract, Appoint, Retain, and Employ

(a) The Board is responsible for the investments of the Trust consistent with the investment policies established in this Trust Agreement and for the general administration of the business and affairs of the Trust conducted by officers, agents, employees, administrators, investment advisors, distributors, or independent contractors of the Trust. However, members of the Board are not required to devote their entire time to the business and affairs of the Trust or to personally conduct the routine business of the Trust. Consistent with their responsibilities, the Board may appoint, employ, retain, or contract on behalf of the

Trust with any persons the Board may deem necessary or desirable for the transaction of the affairs of the Trust, and the expenses relating to such persons shall be Investment Property Liabilities. The Board may appoint, employ, retain, or contract on behalf of the Trust with such persons for the purpose of:

- (i) Serving as Investment Advisor to the Trust;
- (ii) Serving as Program Administrator of the Trust;
- (iii) Serving as Custodian for the Trust;
- (iv) Furnishing reports to the Trust and provide research, economic, and statistical data in connection with the Trust's investments;
- (v) Acting as consultants, accountants, technical advisors, attorneys, brokers, underwriters, corporate fiduciaries, escrow agents, depositories, custodians, agents for collection, insurers or insurance agents, or in any other capacity deemed by the Board to be necessary or desirable;
- (vi) Acting as attorney-in-fact or agent in the purchase or sale or other disposition of investments and in the handling, prosecuting, or other enforcement of any lien or security securing investment; or
- (vii) Assisting in the performance of such other functions necessary in the management of the Trust.

(b) The same person may serve simultaneously as the Program Administrator and as the Investment Advisor, but no person serving as the Program Administrator or the Investment Advisor may serve as the Custodian.

3.6 Meetings - Meetings of the Board of Trustees may be called by the Program Administrator at any time and shall be called by the Program Administrator upon the request of at least two Trustees on at least seventy-two hours' notice to each Trustee and shall be held at the time and place and for the purposes stated in the call of the meeting. There shall be at least one meeting of the Board of Trustees in each calendar year.

3.7 Delegation; Committees; Bylaws; Policies; Procedures - The Board shall have full and complete power to delegate, from time-to-time, to one or more of their number (who may be designated as constituting a Committee of the Board) or to officers, employees, or agents of the Trust (including without limitation the Program Administrator, the Custodian, or the Investment Advisor) the doing of such acts and things and the execution of such instruments as the Board may, from time-to-time, deem expedient and appropriate in the furtherance of the business affairs and purposes of the Trust. The Board may adopt and, from time-to-time, amend or repeal bylaws, policies, or procedures for the conduct of the business of the Trust. Such bylaws, policies, or

procedures may, among other things, define the duties of the respective officers, agents, employees, and representatives of the Trust.

3.8 Term - The term of office for Trustees elected pursuant to Section 3.1 (a) hereof shall commence thirty days after the notice specified in Section 3.1 (c) is sent to the Participants and the Custodian. The term of office for Trustees selected pursuant to Section 3.5 hereof shall commence immediately upon such selection. Each Trustee shall hold office until the first to occur of (a) the Trustee resigning, (b) the Trustee ceasing to be a representative of a Participant, (c) the Trustee's death, (d) the Trustee being adjudicated incompetent or otherwise losing the capacity to discharge the duties of the office of a Trustee, and (e) the term of office of the Trustee's successor having begun pursuant to this Section 3.8.

3.9 Vacancies - If any Trustee resigns, is removed, or otherwise ceases to serve, the remaining Trustees may designate a qualified successor to fill such vacancy until the next annual meeting of Participants.

3.10 Costs - The expenses of each representative to attend the annual meeting shall be borne by each Participant. The reasonable out-of-pocket expenses of the Trustees incurred in the performance of their duties hereunder and of attending a meeting of the Board of Trustees shall be Investment Property Liabilities.

3.11 Investment Officer - The chairman of the Board of Trustees, ex officio (or in the absence of the chairman, the vice chairman, if any), shall be the investment officer for the Trust as required by Section 2256.005 (f) of the Act.

3.12 Public Proceedings - Notwithstanding anything contained in this Agreement, the Board of Trustees shall comply with the applicable provisions of Chapter 552 of the Texas Government Code.

3.13 Telephone Participation - Upon the occurrence of an emergency or unforeseeable circumstances requiring immediate action, a representative may participate in a meeting of Participants and a Trustee may participate in a meeting of the Board of Trustees through the use of a conference telephone provided that such representative or Trustee is able to hear the deliberations of the other representatives or Trustees, respectively, and the other representatives or Trustees are able to hear such representative or Trustee, respectively, simultaneously.

3.14 Liability - No Trustee or officer of the Board shall be subject to any personal liability whatsoever to any person, in connection with the Investment Property or affairs of the Board, other than liability arising from the bad faith, willful misfeasance, gross negligence, or reckless disregard of duty by such Trustee or officer; and all persons shall look solely to the Investment Property for satisfaction of claims of any nature arising in connection with the affairs of the Board. No member or officer of the Board who is made a party to any suit or proceeding to enforce any such liability shall on account thereof be held to any personal liability.

3.15 Insurance - The Board shall have full and complete power to purchase and pay for, entirely out of Trust property, insurance policies insuring the Trust, the Trustees, officers, employees, and agents of the Trust individually against all claims and liabilities of every nature arising by reason of holding or having held any such office or position or by reason of any action alleged to have been taken or omitted by the Trust or any such person, officer, employee, and agent including any action taken or omitted that may be determined to constitute negligence whether or not the Trust would have the power to indemnify such person against such liability. The Board may instruct the Program Administrator to obtain such insurance on behalf of the Board in such amount as the Board and the Program Administrator shall deem adequate to cover all foreseeable liabilities to the extent available at reasonable rates.

ARTICLE IV

Program Administrator

4.1 Appointment; General Provisions

(a) The Participants hereby appoint Public Trust Advisors, LLC as the Program Administrator under this Agreement, subject to the overall supervision of the Board of Trustees, for the period and on the terms set forth in this Agreement.

(b) Public Trust Advisors, LLC accepts such appointment and agrees to render the services and to assume the obligations set forth herein for the compensation herein provided.

(c) The Participants and the Board of Trustees agree that the Program Administrator shall invest the Investment Property in investments meeting the criteria set forth in Exhibit E and in the Investment Policy applicable to each pool or portfolio established pursuant to this Trust Agreement, and in a manner that maintains the 'AAAm' or equivalent rating of Texas CLASS and any other pool or portfolio established pursuant to this Trust Agreement. The Program Administrator is directed to cause Investment Property of each Participant to be invested in investments meeting the criteria set forth in Exhibit E and in the Investment

Policy applicable to each pool or portfolio established pursuant to this Trust Agreement and in a manner that maintains the 'AAAm' or equivalent rating of any pool or portfolio established pursuant to this Agreement. The Board and the Participants delegate no investment discretion to the Program Administrator hereunder to invest in investments not meeting the criteria set forth in Exhibit E, and the Program Administrator expressly refuses to accept any delegation of such discretion. The decision concerning which criteria shall be contained on Exhibit E shall remain at all times under the control of the Board of Trustees. The Board of Trustees shall ensure that the criteria set forth on Exhibit E are permitted by and consistent with the standards and the duty of care set forth in the Act.

(d) Each Participant directs the Custodian to act and the Custodian agrees to act in accordance with the instructions of the Program Administrator that shall act in a manner consistent with this Agreement. The Program Administrator shall at no time have custody of, possession of, or physical control over any of the Investment Property. If a Participant in error delivers Investment Funds for investment to the Program Administrator instead of to the Custodian, the Program Administrator shall immediately transfer such Investment Funds to the Custodian. The Program Administrator shall not be liable for any act or omission of the Custodian but shall be liable for the Program Administrator's acts and omissions as provided herein. Under no circumstance shall the Program Administrator be authorized or permitted to withdraw or instruct the Custodian to withdraw Investment Property maintained with the Custodian unless acting upon the request of a Participant pursuant to Section 2.2 (a).

4.2 Monthly Statements

(a) Within 15 days subsequent to the end of each month, the Program Administrator shall, on behalf of the Board of Trustees, prepare and submit to each Participant who was a Participant during such month a statement setting forth the information required by Section 2256.016(c)2() of the Act.

(b) The Program Administrator, upon the request of a Participant, shall furnish to the Participant a statement of such Participant's balance(s) as of the date of such request subject only to account activity as of such date, provided that such request is received by the Program Administrator by 5:00 p.m. CT on a given date.

4.3 Reports

(a) The Program Administrator shall prepare or cause to be prepared:

(i) at least annually a report of operations containing a statement of the Investment Property and the Investment Property Liabilities and statements of operations and of net changes in net assets prepared in conformity with generally accepted accounting principles consistently applied and;

(ii) at least annually an opinion of an independent certified public accountant on such financial statements based on an examination of the books and records of the Program Administrator with respect to the Investment Property performed in accordance with generally accepted auditing standards. A copy of such signed report of operations and accountant's opinion shall be filed with the Board of Trustees and the Participants within ninety (90) days after the close of the period covered thereby.

(b) The Program Administrator shall provide to the Board, on an annual basis, the Certification substantially as set forth in Exhibit H.

(c) The Program Administrator shall provide to the Board the Securities and Exchange Commission form ADV filing of Public Trust Advisors, LLC within ninety (90) days of such filing.

(d) The Program Administrator shall provide to the Board, on an annual basis, the Public Trust Advisors, LLC disaster/contingency plan for the protection of the assets of Texas CLASS and any other pool or portfolio established pursuant to this Trust Agreement.

4.4 Investment Activities and Powers - Subject to the supervision of the Board of Trustees and consistent with Section 4.1 (c), the investment criteria set forth in Exhibit E, and the Investment Policies, the Program Administrator shall perform the following services:

(a) advise the Board of Trustees concerning investments that appear to the Program Administrator to be advantageous to the Participants within the investment criteria set forth in Exhibit E and within all applicable law provided, however, the Board of Trustees shall have the duty to inform the Program Administrator of any changes to the Act;

(b) implement or cause to be implemented securities transactions for the Trust on behalf of the Board of Trustees and the Participants as permitted by the investment criteria set forth in Exhibit E (including without limitation by executing or causing to be executed on behalf of and as an agent of the Trust agreements and other documents containing representations, warranties, and covenants that are common or standard for such agreements and documents within the investment industry) or, despite the intention of the parties hereto to always have the Investment Property fully invested, cause the Custodian to hold the Investment Property uninvested in a custodial account maintained for the benefit of the Trust;

(c) from time-to-time, review the permitted investments and the investment criteria set forth in Exhibit E and, if circumstances and applicable law permit, recommend changes in such permitted investments and such investment criteria;

(d) provide such advice and information to the Participants and the Board of Trustees on matters related to investments as the Participants or the Board of Trustees may

reasonably request including, without limitation, research and statistical data concerning the Investment Property and other matters within the scope of the permitted investments and investment criteria set forth in Exhibit E;

(e) advise whether and in what manner all rights conferred by the Investment Property should be exercised;

(f) prepare such information and material as may be required in the implementation of the Valuation Procedures or the computation of the balance(s) and the preparation of any and all records and reports required by this Agreement or applicable laws; and

(g) employ, consult with, obtain advice from, and exercise any of the Program Administrator's rights or powers under this Agreement through the use of agents including investment advisors, brokers, dealers, auditors and legal counsel (who may be counsel to the Program Administrator or the Board of Trustees), or other advisors. Notwithstanding Section 10.9 hereof, the Program Administrator may transmit information concerning the Investment Property and the Participants to such agents.

4.5 Daily Calculation of Program Value and Rate of Return

(a) The Program Administrator shall calculate the Investment Property Value once on each business day at the time and in the manner provided in the Valuation Procedures.

(b) Upon performing the valuation specified in Section 4.5(a) hereof, the Program Administrator shall calculate (rounding off to the nearest whole cent) the balance of each Participant, and each balance of each of the Participants shall be adjusted proportionately so that the total balances of all the Participants equals the Investment Property Value.

(c) For purposes of calculating the Investment Property Value, the amount of any uncertain or contingent Investment Property Liability shall be deemed to be equal to the amount of the reserve, if any, against such Investment Property Liability that has been approved from time-to-time by the Program Administrator.

(d) For purposes of calculating the Investment Property Value, if the value of any part of the Investment Property is uncertain or contingent, the value of such part of the Investment Property shall be deemed to be equal to the amount determined from time-to-time by the Program Administrator.

(e) The Program Administrator shall calculate daily the rate of return earned on the Investment Property.

4.6 Administration of Program - The Program Administrator shall perform the following administrative functions on behalf of the Board of Trustees in connection with the implementation of this Agreement:

(a) collect and maintain for such time period as may be required under any applicable Federal or Texas law written records of all transactions affecting the Investment Property or the balances including but not limited to (a) investments by and payments to or on behalf of each Participant; (b) acquisitions and dispositions of Investment Property; (c) pledges and releases of collateral securing the Investment Property; (d) determinations of the Investment Property Value; (e) adjustments to the Participants' Balances; and (f) the current Balance and the Balances at the end of each month for each Participant. There shall be a rebuttable presumption that any such records are complete and accurate. On behalf of each Participant, the Program Administrator shall maintain the records relating to such Participant in a manner that subdivides the Participant's balance into subaccounts or other special accounts to accommodate the desire of such Participant to segregate a portion of its Investment Funds;

(b) assist in the organization of the annual meeting required by Section 3.1 (a) hereof and of meetings of the Board of Trustees including preparation and distribution of the notices and agendas therefore;

(c) respond to all inquiries and other communications of Participants, if any, that are directed to the Program Administrator or, if any such inquiry or communication is more properly addressed by an officer of the Custodian, referring such inquiry or communication to such person and coordinating his response thereto;

(d) pay all Investment Property Liabilities in accordance with this Agreement from the Investment Property and engage in marketing activities to promote participation of Texas governmental entities in the Trust.

(e) engage in marketing activities to promote participation of Texas governmental entities in the Trust.

4.7 Resignation and Removal

(a) The Program Administrator may resign as Program Administrator upon the giving of at least sixty (60) days' prior written notice of such resignation to the Board of Trustees and the Custodian.

(b) A majority of the Board of Trustees may remove the Program Administrator upon the giving of at least sixty (60) days' prior written notice to the Program Administrator and the Custodian.

(c) In the event that the Program Administrator shall give notice of its resignation or if the Board of Trustees shall give notice of the removal of the Program Administrator, a majority of the Board of Trustees shall appoint a successor.

(d) Upon notification of the removal or resignation of the Program Administrator, the Program Administrator shall deliver to the Board all data and records pertaining to Texas

CLASS and its Participants within 60 days of the notification of removal or resignation provided, however, that the Program Administrator may retain copies of any such data and records required to be retained by it by law or in compliance with the requirements of its corporate records retention policy. The Program Administrator shall continue to administer Texas CLASS until a successor program administrator is appointed by the Board under the terms of this Agreement.

(e) If a new program administrator is not appointed by the Board within 60 days of a notification of removal or resignation of the Program Administrator, the Program Administrator shall continue to administer Texas CLASS until a successor program administrator is selected but shall be compensated for such administration pursuant to an agreement to be negotiated between the Program Administrator and the Board.

4.8 Liability

(a) Each Participant agrees that the Program Administrator and its officers, directors, agents, and employees shall not be liable for any action performed or omitted to be performed or for any errors of judgment made in good faith in connection with any matters to which this Agreement relates provided that such disclaimer shall not relieve any of them for liability arising from negligence, malfeasance, material breach of this Agreement by the Program Administrator, or violation of applicable law by any of them (Program Administrator Liabilities). Nothing herein shall constitute a waiver or limitation of any rights that the Participants may have under any Federal or state securities laws.

(b) Each Participant, the Board of Trustees, and the Custodian understand that in performing its services hereunder, the Program Administrator will rely on information provided by others and agree that the Program Administrator is not responsible for the accuracy of such information.

4.9 Power to Receive Investment Advice - The Program Administrator shall have the right, at its own cost, to receive investment advice concerning the Investment Property from any other third party. Notwithstanding the provisions of Section 10.9 hereof, the Program Administrator may transmit information concerning the Investment Property and the Participants to such other third parties in order to obtain such investment advice. The Program Administrator shall notify the Board of Trustees if any third parties are retained pursuant to this Section 4.9 within 45 days of such retention.

4.10 Advice to Other Clients - It is understood that the Program Administrator performs investment advisory services for various clients. The Participants agree that the Program Administrator may give advice and take action with respect to any of its other clients that may differ

from the advice given to or the timing or nature of action taken with respect to the Investment Property provided that the policy and practice of the Program Administrator is not to favor or disfavor consistently or consciously any client or class of clients in the allocation of investment opportunities and that, to the extent practical, such opportunities are allocated among clients over a period of time on a fair and equitable basis. Nothing herein contained shall be construed so as to prevent the Program Administrator or any of its directors, officers, employees, shareholders, or affiliates in any way from purchasing or selling any securities for its or their own accounts prior to, simultaneously with, or subsequent to any recommendation or actions taken with respect to the Investment Property or impose upon the Program Administrator any obligation to purchase or sell or to recommend for purchase or sale for the Investment Property any security that the Program Administrator or any of its shareholders, directors, officers, employees, or affiliates may purchase or sell for its or their own accounts or for the account of any other client, advisory or otherwise, provided, however, that the Program Administrator shall always use its best efforts to maximize the gains for the Investment Property in a manner consistent with the investment criteria set forth in Exhibit E hereof.

4.11 Special Subaccounts - Notwithstanding anything in this Agreement to the contrary, the Program Administrator may, from time-to-time, propose to the Participants that the Participants establish specially designated subaccounts with investment, payment procedures, fees, or other characteristics different from those set forth in this Agreement. Such characteristics may include, without limitation, certain restrictions on amounts to be invested, holding periods prior to payments, or certain other conditions to be met for payments such as possible payment penalties or additional fees for administering such specially designated subaccounts. In its sole discretion, a Participant may create any such special subaccount using the same procedures for establishing other subaccounts set forth in this Agreement. The establishment of such special subaccounts shall not be deemed an amendment of this Agreement. Any special subaccount that is created pursuant to this Section 4.11 shall be subject to the terms set forth in the proposal of the Program Administrator until the terms governing such special subaccount are amended pursuant to this Agreement. The Program Administrator may calculate the return realized by such special subaccounts separate and apart from the returns realized by other subaccounts maintained for each Participant.

4.12 Intellectual Property

(a) The Trust will own all Intellectual Property related to the name Texas Cooperative Liquid Assets Securities System Trust and Texas CLASS. For purposes of this section, Intellectual Property shall mean all of the rights relating to the names Texas Cooperative Liquid Assets Securities System Trust and Texas CLASS including copyrights, trademark and service mark rights, trade dress rights, rights of publicity, website, and the Internet domain rights. Public Trust Advisors, LLC makes no representation or warranty that it owns any Intellectual Property rights in those names and that there are no third parties who may claim

rights to intellectual property rights in or associated with the names.

(b) Public Trust Advisors, LLC hereby assigns all Intellectual Property rights that it has or may have that are not otherwise conveyed by other instrument or party to the Trust. Public Trust Advisors, LLC represents and warrants to the Board that it has the right and authority to transfer to the Trust all Intellectual Property that it has or may have in each case to the extent such Intellectual Property is reasonably necessary for the Trust's ownership, operating, and full enjoyment of the name Texas Cooperative Liquid Assets Securities System Trust and Texas CLASS. The Board assigns to Public Trust Advisors, LLC an irrevocable license during the term of the Public Trust Advisors, LLC tenure as Program Administrator to use all Intellectual Property rights described herein in connection with the administration of the Trust.

ARTICLE V

The Custodian

5.1 Appointment and Acceptance; Sub-Custodians

(a) Wells Fargo Bank, N.A., as Custodian, is appointed by each of the Participants to be the Custodian for the collective interests of the Participants under this Agreement for the period and on the terms set forth herein. The Participants hereby delegate to the Custodian the authority to hold legal title to investments purchased with their funds pursuant to Section 2256.016(d) of the Act. Wells Fargo Bank, N.A., as Custodian, accepts such appointment and agrees to render the services and to assume the obligations set forth herein for the compensation herein provided.

(b) The Custodian may employ other banks and trust companies as subcustodians including without limitation affiliates of the Custodian. The appointment of a subcustodian under this Section shall not relieve the Custodian of any of its obligations under this Agreement.

(c) No Investment Funds or Investment Property received or held by the Custodian pursuant to this Agreement shall be accounted for in any manner that might cause such Investment Funds or Investment Property to become assets or liabilities of the Custodian.

5.2 Resignation and Removal; Successors

(a) The Custodian may resign upon the giving of at least sixty (60) days' prior written notice to the Board of Trustees and the Program Administrator. A majority of the Board of Trustees may remove the Custodian upon at least sixty (60) days' prior written notice to the

Custodian and the Program Administrator. Notwithstanding the foregoing, the resignation or removal of the Custodian shall not be deemed effective unless a successor has been chosen pursuant to Section 5.2(b) hereof. In the event that assets remain in the possession of the Custodian due to the failure of the Board of Trustees to appoint a successor custodian, the Custodian shall be entitled to compensation for its services during such period, and the provisions of this Agreement relating to the duties and obligations of the Custodian shall remain in full force and effect. Alternatively, the Custodian shall have the right to commence an action in the nature of an interpleader and seek to deposit the assets in a court of competent jurisdiction.

(b) In the event that the Custodian shall give notice of its resignation or if the Board of Trustees shall give notice of the removal of the Custodian, a majority of the Board of Trustees shall appoint a successor provided, however, that so long as the Program Administrator is required to pay the fees of the Custodian pursuant to Article VI hereof, the appointment of such successor custodian shall require the prior written consent of the Program Administrator.

5.3 Powers

(a) (i) The Custodian is authorized and directed to open and maintain, and the Custodian shall open and maintain, one or more custody accounts for the benefit of the Trust (the Account) in the name of "[Name of Custodian] as Custodian for the Benefit of Texas CLASS" (and/or the name of such other pool or portfolio as established pursuant to this Trust Agreement) and will accept for safekeeping and for credit to the accounts, in accordance with the terms hereof, all securities representing the investment of Investment Funds pursuant to Section 2.1 hereof and the income or earnings derived therefrom. The Custodian may accept funds hereunder for the purchase of securities to be held by the Custodian and shall not be required to make an independent determination whether such funds are Investment Funds.

(ii) Except as provided in Section 5.3(c)(iii), all securities and other non-cash Investment Property held in each account shall be physically segregated from other securities in the possession of the Custodian and from other pools or portfolios established pursuant to this Trust Agreement and shall be identified as subject to this Agreement.

(b) In accordance with instructions of the Program Administrator who shall act in a manner consistent with this Agreement, the Custodian shall, for the account and benefit and burden of the Participants:

(i) receive and deliver Investment Funds and all other Investment Property in accordance with the requests of Participants pursuant to Article II and Exhibits A and B hereof;

(ii) exchange securities in temporary or bearer form for securities in definitive

or registered form and surrender securities at maturity or earlier when advised of a call for redemption;

(iii) make, execute, acknowledge, and deliver as Custodian any and all documents or instruments (including but not limited to all declarations, affidavits, and certificates of ownership) that may be necessary or appropriate to carry out the powers granted herein;

(iv) make any payments incidental to or in connection with this Section 5.3(b);

(v) sell, exchange, or otherwise dispose of any and all Investment Property free and clear of any and all interests of the Trust and any and all Participants at public or private sale, with or without advertisement; and execute and deliver any deed, power, assignment, bill of sale, or other instrument in connection therewith;

(vi) with respect to enforcing rights in connection with the Investment Property: (a) collect, sue for, receive, and receipt for all sums of money or other personal property due; (b) consent to extensions of the time for payment or to the renewal of any securities, investments, or obligations; (c) engage or intervene in, prosecute, defend, compromise, abandon, or adjust by arbitration or otherwise any actions, suits, proceedings, disputes, claims, demands, or things relating to the Investment Property; (d) foreclose on any personal property, security, or instrument securing any investments, notes, bills, bonds, obligations, or contracts that are part of or relate to the Investment Property; (e) exercise any power of sale and convey good title thereunder free of any and all interests of any and all Participants and in connection with any such foreclosure or sale, purchase, or otherwise acquire title to any personal property; (f) be a party to the reorganization of any person and transfer to and deposit with any corporation, committee, voting trustee, or other person any securities, investments, or obligations of any person that form a part of the Investment Property for the purpose of such reorganization or otherwise; (g) participate in any arrangement for enforcing or protecting the interests of the holders of such securities, investments, or obligations and to pay any assessment levied in connection with such reorganization or arrangement; (h) extend the time (with or without security) for the payment or delivery of any debts or personal property and to execute and enter into releases, agreements, and other instruments; (i) pay or satisfy any debt or claims; and (j) file any financing statements concerning the Investment Property with the appropriate authorities to protect the Investment Property from any potential claim of any creditors of any of the Participants; and

(vii) exercise all other rights and powers to take any action in carrying out the purposes of this Agreement.

(c) (i) with respect to Investment Property held by the Custodian hereunder, the Custodian shall collect all income or other payments, release and deliver such Investment Property, and take any other action as directed by the Program Administrator with respect to dividends, splits, distributions, spinoffs, puts, calls, conversions, redemptions, tenders, exchanges, mergers, reorganizations, rights, warrants, or any other similar activity relating to the Investment Property held in the Account. The Custodian shall request direction of the Program Administrator upon receipt of actual notice of any such activity. For purposes of this paragraph, the Custodian shall be deemed to have actual notice if the Program Administrator informs the Custodian of such activity or if information concerning any such activity is published in one or more of the following publications: J.J. Kenny's Munibase System, Financial Card Service, Xcitek, Inc., Standard & Poors' Called Bond Listing, Depository Trust Reorganization Notices, and The Wall Street Journal. If the Custodian does not have actual notice of such activity, any such activity will be handled by the Custodian on a "best efforts" basis.

The Custodian shall not be under any obligation or duty to take action to effect collection of any amount if the assets on which such amount is payable are in default and payment is refused after due demand or presentation. The Custodian will, however, promptly notify the Program Administrator in writing of such default and refusal to pay.

The Custodian is not authorized and shall not disclose the name, address, or security positions of the Participants in response to requests concerning shareholder communications under Section 14 of the Securities Exchange Act of 1934, the rules and regulations thereunder, and any similar statute, regulation, or rule in effect from time-to-time;

(ii) the Custodian shall promptly deliver or mail to the Program Administrator all forms of proxies and all notices of meetings received by the Custodian relating to Investment Property held under this Agreement and, upon receipt of instructions from the Program Administrator, shall execute and deliver such proxies or other authorizations as may be required. Neither the Custodian nor its nominee shall vote any Investment Property or execute any proxy to vote the same or give any consent to take any other action with respect thereto (except as otherwise herein provided) unless directed to do so by Program Administrator upon receipt of instructions;

(iii) the Custodian shall hold the Investment Property (a) in its vaults physically segregated and held separate and apart from other property of the Custodian; (b) in its account at The Depository Trust Company or other depository, sub-custodian, or clearing corporation; or (c) in a book entry account with the Federal Reserve Bank in which case a separate accounting of the Investment Property shall be maintained by the Custodian at all times. The Investment Property held by any such depository, sub-custodian, clearing corporation, or Federal Reserve Bank may be held in the name of their respective nominees provided, however, that the custodial relationship and the interests of the Trust or the Participants regarding such Investment Property shall be

noted on the records kept by the Program Administrator and the custodial relationship on behalf of the Trust or the Participants shall be noted on the records of the Custodian and, to the extent possible, the Custodian shall cause the custodial relationship on behalf of Trust or the Participants to be noted on the records of such depository, sub-custodian, clearing corporation or Federal Reserve Bank. The Custodian shall not be obligated or liable for costs, expenses, damages, liabilities, or claims (including attorneys' or accountants' fees) that are sustained or incurred by reason of any action or inaction of the Federal Reserve Bank book entry system, The Depository Trust Company, or any other central depository or clearing agency which is or may become standard market practice to use for the comparison and settlement of securities trades provided, however, that nothing in this sentence shall relieve the Custodian of its obligations set forth in Section 5.1 (b) hereof regarding banks or trust companies selected as sub-custodians; and

(iv) the Custodian shall hold and physically segregate for each account all Investment Property owned by each account other than Investment Property held pursuant to 5.3(c)(iii)(b) and (c) above. Investment Property physically held by the Custodian (other than bearer securities) may be registered in the name of any nominee of Custodian, provided that the records of the Custodian provide that such Investment Property is held in a custodial capacity and that such Investment Property is not an asset of the Custodian or such nominee. All Investment Property accepted by Custodian under the terms of this Agreement shall be in negotiable form.

5.4 Custodial Relationship: Custodian Records

(a) The Custodian shall hold the Investment Property in its capacity as custodian for the benefit of the Trust. The Investment Property shall be custodial property of the Custodian and shall not be or be deemed to be an asset of the Custodian. Each Participant has an undivided beneficial interest in the Investment Property to the extent of such Participant's balance.

(b) The Custodian shall maintain its own internal records concerning the account(s) and the transactions contemplated by this Agreement, and the Custodian shall cause all of such records to reflect the custodial relationship created by this Agreement and the fact that the Investment Property in each account belongs to the Trust for the collective benefit of the Participants in each pool or portfolio established pursuant to this Trust Agreement, respectively. Notwithstanding the foregoing, the Program Administrator shall maintain all records regarding each Participant's beneficial interest in such Investment Property, and such records shall conclusively determine the beneficial interests of each Participant in the Investment Property segregated between the pools or portfolios in which such Investment Property is held. The records maintained by such Program Administrator shall be conclusively determinative of the beneficial interests of the Participants in each pool or portfolio

established pursuant to this Trust Agreement, it being understood that the Custodian shall not be obligated to maintain records concerning the beneficial interest of individual Participants in the Investment Property.

5.5 Reliance on Instructions

(a) The Custodian is authorized to accept and shall be fully protected if it relies upon the instructions given by any authorized officer, employee, or agent of the Program Administrator including any oral instructions that the individual receiving such instructions on behalf of the Custodian believes in good faith to have been given by an authorized officer, employee, or agent of the Program Administrator, and all authorizations shall remain in full force and effect until canceled or superseded by subsequent instructions received by the appropriate account officer of the Custodian. The authorized officers, employees, or agents of the Program Administrator shall be only such persons as are designated in writing to the Custodian by the Program Administrator. The Custodian may rely on instructions received by telephone, tested telex, TWX, facsimile transmission, or by bank wire that the Custodian believes in good faith to have been given by an authorized person. The Custodian may also rely on instructions transmitted electronically through a customer data entry system or any similar electronic instruction system acceptable to the Custodian. Any instructions delivered to the Custodian by telephone shall promptly thereafter be confirmed in writing by an authorized person, but the Custodian will incur no liability for the Program Administrator's failure to send such confirmation in writing. Instructions are deemed given to the Custodian when actually received by the Custodian.

(b) In the absence of bad faith or negligence on its part, the Custodian may conclusively rely on the truth and correctness of the statements expressed in notices, certificates, or documents submitted to it, and the Custodian need not investigate any fact or matter stated in any such notice, certificate, or document submitted to it or verify the accuracy of the contents thereof.

5.6 Degree of Care

(a) The Custodian shall hold the Investment Property in the account(s) with the same degree of care and protection with which it holds its own property. The Custodian agrees that it shall be responsible for any loss of Investment Property caused solely by the negligence or bad faith of the Custodian or its agents or any material breach of this Agreement by the Custodian. The Custodian is hereby released from liability except for liability arising from the negligence or bad faith of the Custodian or its agents or from any material breach of this Agreement by the Custodian. In the event of any such loss of Investment Property, the Custodian shall promptly replace the Investment Property or the value thereof and the value of any such loss of rights or privileges resulting from such loss. The Custodian shall not be

responsible for the acts or omissions or solvency of any broker or agent selected by the Program Administrator to affect any transactions for the account(s).

(b) The Custodian shall not be liable for any error of judgment made in good faith by an employee, officer, or agent of the Custodian unless it was proved that the Custodian was negligent in ascertaining the pertinent facts.

(c) Except as provided in Section 5.6(a), the Custodian shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers unless it receives indemnity satisfactory to it for repayment of such funds or against such risk of liability.

(d) The Custodian shall have no discretion whatsoever with respect to the management, disposition, or investment of Investment Property and is not a fiduciary to the Program Administrator or the Participants. During the term of this Agreement, the Custodian may, with respect to questions of law and construction of this Agreement, apply for and obtain, at the cost of the Custodian, the advice and opinion of counsel of its choice and shall be fully protected with respect to anything done or omitted by it in good faith in conformity with such advice or opinion. The Custodian shall have no duties except those that are specifically set forth in this Agreement. The Custodian shall only be responsible for custody hereunder of Investment Property delivered to it and then only while such Investment Property is held in the Account.

5.7 Subrogation - At the election of a majority of the Board of Trustees, the Trust shall be entitled to be subrogated to the rights of the Custodian with respect to any claim against any other person or institution that the Custodian may have as a consequence of any loss or damage to the Investment Property. In such event, the Board of Trustees shall consult with the Custodian concerning selection of counsel and management of any litigation to recover for such loss.

5.8 Insurance

(a) The Custodian shall maintain insurance coverage the following types and amounts with limits agreed to be the Board of Trustees:

(b) Financial Institution Bond - \$100,000,000

(c) Professional Liability - \$100,000,000

5.9 Setoff - The Custodian shall not have, and shall not seek to enforce, any right of setoff, recoupment, or similar rights against the Investment Property for any amounts owed to the Custodian pursuant to this Agreement.

ARTICLE VI

Trust Expenses

6.1 Expenses

(a) In consideration of the performance of its obligations hereunder, the Program Administrator shall receive a fee from the Trust as set forth on Exhibit F, which fee shall be paid from the earnings of the Trust. The Program Administrator's fee shall be an Investment Property Liability. The Program Administrator shall submit a monthly bill to the chairman of the Board of Trustees for approval stating the amount of the fee for the previous month and providing sufficient information to demonstrate that the fee was calculated in accordance with Exhibit F. The chairman of the Board of Trustees is hereby given the authority to approve or disapprove the bills submitted by the Program Administrator. After receiving the approval of the chairman of the Board of Trustees of such bills, the Program Administrator shall submit such bills to the Custodian for payment, and the Custodian shall pay such bills from the earnings of the Trust. If the chairman of the Board of Trustees does not approve the bills submitted by the Program Administrator within 60 days of their submittal, the Program Administrator may present the bills to the Board of Trustees for review and approval.

(b) From its fee, the Program Administrator shall pay the following costs and expenses:

1. the Custodian's fee as set forth in Exhibit I;
2. all custodial and securities clearance transaction charges;
3. the costs of third parties retained by the Program Administrator to render investment advice pursuant to Section 4.9;
4. all Investment Property record-keeping expenses;
5. the costs of preparing monthly and annual reports;
6. the costs related to sales, marketing, and client service (including website maintenance and certain conference sponsorships);
7. the cost of valuing the Investment Property;
8. outgoing wire charges of the Custodian and the costs of Participant communications including Participant surveys and mailings;
9. the costs of the Trust's auditors and legal counsel;
10. the costs of meetings of the Participant or the Board of Trustees;
11. outgoing wire charges of the Custodian and the cost of obtaining a rating, if any;

12. expenses for Board and Participant meetings including Board travel and education expenses; and

13. the costs of Insurance for the Board and the Trust.

The Program Administrator and the Board of Trustees shall annually establish a budget for the Board's expenses including without limitation the expenses of the Board and committee meetings, the Participant meeting(s), Board travel and education expenses, legal fees, audit fees, and insurance the Program Administrator shall facilitate the payment of these expenses on behalf of the Board from its fee.

(c) Any expenses not paid by Public Trust Advisors, LLC above shall be as mutually agreed upon by the Program Administrator and the Board of Trustees.

ARTICLE VII

Representations and Warranties

7.1 Representations and Warranties of Each Participant - Each Participant hereby represents and warrants that:

(a) the Participant has taken all necessary actions and has received all necessary approvals and consents and adopted all necessary resolutions including without limitation as required by Section 2256.016(a) of the Act in order to execute and deliver this Agreement and to perform its obligations hereunder including without limitation the appointment of the Trustees as Trustees, the appointment of the Custodian as Custodian, and the appointment of the Program Administrator as Program Administrator; and

(b) the execution, delivery, and performance of this Agreement by the Participant is within the power and authority of the Participant and does not violate the laws of the state of Texas applicable to the Participant itself and not to the other parties hereto or the Participant's charter or its organizational statute, instrument, or documents or any other applicable local ordinance, resolution, rule, or regulation; and

(c) the execution, delivery, and performance of this Agreement has been duly authorized, and this Agreement is the legal, valid, and binding obligation of the Participant enforceable against the Participant in accordance with its terms subject to applicable bankruptcy, insolvency, moratorium, fraudulent conveyance, reorganization, and similar laws now or hereafter in effect relating to creditors' rights generally and subject to general principles of equity (whether applied in a proceeding at law or in equity); and

(d) the certificates delivered heretofore or hereafter by the Participant pursuant to this Agreement, as of the date specified therein, are true and complete and contain no material misstatements of fact or omissions that render them misleading; and

(e) the execution, delivery, and performance of this Agreement do not conflict with or result in the breach or termination of, or otherwise give any other person the right to terminate, or constitute a default, event of default, or an event with notice or lapse of time or both would constitute a default or an event of default under the terms of any contract or permit to which the Participant is a party or by which the Participant or its properties are bound; and

(f) the proposed investment strategies of the Trust are consistent with and are contemplated by the investment strategy adopted by the Participant pursuant to Section 2256.005(d) of the Act.

7.2 Representations and Warranties of the Custodian - The Custodian hereby represents and warrants that:

(a) the Custodian is a duly organized and validly existing national banking organization organized under the laws of the United States with an office in Dallas, Texas, and is duly qualified to conduct business in the state of Texas; and

(b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary action on the part of the Custodian and this Agreement is the legal, valid, and binding obligation of the Custodian enforceable against the Custodian in accordance with its terms subject to applicable bankruptcy, insolvency, moratorium, fraudulent conveyance, reorganization, and similar laws now or hereafter in effect relating to creditors' rights generally or the rights of creditors of banks, and subject to general principles of equity (whether applied in a proceeding at law or in equity); and

(c) the performance by the Custodian of its obligations under this Agreement does not violate any laws, rules or regulations of the State of Texas applicable to the Custodian itself and not to the other parties hereto.

7.3 Representations and Warranties of the Program Administrator - The Program Administrator hereby represents and warrants that:

(a) the Program Administrator is a duly organized and validly existing Colorado limited liability company, and is an investment advisor duly registered under the Investment Advisers Act of 1940; and

(b) the execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of the Program Administrator and this Agreement is the legal, valid and binding obligation of the Program Administrator, enforceable against the Program Administrator, in accordance with its terms subject to applicable bankruptcy, insolvency, moratorium, fraudulent conveyance, reorganization and similar laws now or hereafter in effect relating to creditors' rights generally, and subject to

general principles of equity (whether applied in a proceeding at law or in equity); and

(c) the performance by the Program Administrator of its obligations under this Agreement does not violate any laws, rules, or regulations of the state of Texas applicable to the Program Administrator itself and not to the other parties hereto.

ARTICLE VIII

Covenants

8.1 Source of Investments - Each Participant hereby covenants that it will invest, pursuant to Section 2.2, only Investment Funds that are permitted to be invested by it pursuant to the laws of the state of Texas and any charter, instrument, organizational document, or organizational statute applicable to such Participant and any state or local ordinance, resolution, rule, or regulation applicable to such Participant and that it will perform all actions required by the laws of the state of Texas and any charter, instrument, organizational document, or organizational statute applicable to such Participant and any state or local ordinance, resolution, rule, or regulation applicable to such Participant to be done prior to such investment.

8.2 Truth of Representations and Warranties - Each party to this Agreement hereby covenants that it shall withdraw from this Agreement prior to the time any of the representations and warranties made by it in Article VII hereof ceases to be true.

ARTICLE IX

Amendment and Termination

9.1 Amendment

(a) Unless explicitly set forth otherwise herein, this Agreement may be amended only by a writing consented to by the Program Administrator, the Custodian, and the Trust acting through the Board of Trustees.

(b) Any amendment executed pursuant to Section 9.1(a) hereof will be effective thirty (30) days after notice is mailed to the Participants setting forth such amendment and stating that the last consent required by Section 9.1 (a) hereof has been obtained.

(c) Notwithstanding the foregoing, Exhibit E may be amended by the written consent of a majority of the Board of Trustees. Any such amendment shall become effective thirty (30) days after notice is mailed to the Program Administrator, the Custodian, and the Participants

setting forth such amendment and stating that such amendment has been consented to by a majority of the Board of Trustees.

(d) Notwithstanding the foregoing, Exhibits A, B, and C may be amended by the Program Administrator. Any such amendment shall become effective thirty (30) days after notice is mailed to the Participants and the Custodian setting forth such amendment.

(e) Notwithstanding the foregoing, Exhibit G may be amended by an amendment consented to by the Program Administrator and the Custodian. Any such amendment shall become effective upon the obtaining of such consents.

(f) All Participants that remain Participants after any amendment becomes effective shall be deemed to have consented to the amendment.

9.2 Termination

(a) This Agreement shall continue in full force and effect unless terminated as set forth in this Section 9.2. This Agreement may be terminated at any time pursuant to a duly adopted amendment hereto. This Agreement shall terminate automatically if this Agreement is not amended to name a new Custodian or Program Administrator on or before the day that is immediately prior to the date on which the resignation, withdrawal, or removal of the Custodian or Program Administrator would otherwise become effective.

(b) Upon the termination of this Agreement pursuant to this Section 9.2:

(i) The Custodian, the Board of Trustees, the Trust, and the Program Administrator shall carry on no business in connection with the Investment Property except for the purpose of satisfying the Investment Property Liabilities and winding up their affairs in connection with the Investment Property;

(ii) The Custodian, the Board of Trustees, the Trust, and the Program Administrator shall proceed to wind up their affairs in connection with the Investment Property, and all of the powers of the Custodian, the Board of Trustees, the Trust, and the Program Administrator under this Agreement shall continue until the affairs of the Custodian, the Board of Trustees, the Trust, and the Program Administrator in connection with the Investment Property shall have been wound up including but not limited to the power to collect amounts owed, sell, convey, assign, exchange, transfer, or otherwise dispose of all or any part of the remaining Investment Property to one or more persons at public or private sale for consideration that may consist in whole or in part of cash, securities, or other property of any kind, discharge or pay Investment Property Liabilities and do all other acts appropriate to liquidate their affairs in connection with the Investment Property; and

(iii) After paying or adequately providing for the payment of all Investment

Property Liabilities and upon receipt of such releases, indemnities, and refunding agreements as each of the Custodian, the Board of Trustees, the Trust, and the Program Administrator deem necessary for their protection, the Program Administrator shall direct the Custodian to distribute the remaining Investment Property, in cash or in kind or partly in each, among the Participants according to their respective proportionate balances.

(c) Upon termination of this Agreement and distribution to the Participants as herein provided, the Program Administrator shall execute and lodge among the records maintained in connection with this Agreement an instrument in writing setting forth the fact of such termination, and the Program Administrator, the Custodian, the Board of Trustees, and the Participants shall thereupon be discharged from all further liabilities and duties hereunder, the Trust shall cease, and the rights and benefits of all Participants hereunder shall cease and be canceled and discharged; provided that Sections 4.6(a), 4.8 and 5.6 hereof shall survive any resignation or termination of the Program Administrator or the Custodian or any termination of this Agreement.

(d) If this Agreement is terminated pursuant to Section 9.2 (a) hereof because of the resignation and/or removal of the Program Administrator, such resignation and/or removal shall be postponed until the instrument contemplated by Section 9.2(c) hereof has been executed and lodged among the records maintained in connection with this Agreement.

(e) Notwithstanding the above, one or more separate pools or portfolios established pursuant to this Trust Agreement may be terminated and its assets distributed to the Participants of that pool or portfolio. The dissolution of a pool or portfolio established pursuant to this Trust Agreement does not affect any other pool or portfolio established pursuant to this Trust Agreement. No pool or portfolio established pursuant to this Agreement shall have any right to or claim on the assets of any other pool or portfolio established pursuant to this Agreement.

ARTICLE X

Miscellaneous

10.1 Governing Law - This Agreement is executed by the Participants and delivered in the state of Texas and with reference to the laws thereof, and the rights of all parties and the validity, construction, and effect of every provision hereof shall be subject to and construed according to the laws of the state of Texas.

10.2 Counterparts - This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall

constitute but one and the same instrument that shall be sufficiently evidenced by any such original counterpart.

10.3 Severability - The provisions of this Agreement are severable, and if any one or more of such provisions (the Conflicting Provisions) are in conflict with any applicable laws, the conflicting provisions shall be deemed never to have constituted a part of this Agreement, and this Agreement may be amended pursuant to Section 9.1 hereof to remove the conflicting provisions; provided, however, that such conflict or amendment shall not affect or impair any of the remaining provisions of this Agreement or render invalid or improper any action taken or omitted prior to the discovery or removal of the conflicting provisions.

10.4 Pools Separately Managed - Separate pools or portfolios established and operated pursuant to the Trust Agreement shall be managed and operated separately and independently by the Program Administrator. There shall be no co-mingling of funds between pools or portfolios, and Participants in one pool or portfolio established pursuant to this Trust Agreement shall have no claim on the funds or assets of another pool or portfolio established pursuant to this Trust Agreement, and investment earnings shall remain in the pool or portfolio in which they are realized.

10.5 Gender Section Headings and Table of Contents

(a) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

(b) Any headings preceding the texts of the several Articles and Sections of this Agreement and any table of contents or marginal notes appended to copies hereof shall be solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction, or effect.

10.6 No Assignment - No party hereto may sell, assign, pledge, or otherwise transfer any of its rights or benefits under this Agreement to any other person, and any purported sale, assignment, pledge, or other transfer shall be null and void.

10.7 No Partnership - Other than the creation of the Trust by the Participants hereunder, no provision of this Agreement shall create or constitute an association of two or more persons to carry on as co-owners a business for profit, and none of the parties intends this Agreement to constitute a partnership or any other joint venture or association.

10.8 Notice - Unless oral notice is otherwise allowed in this Agreement, all notices required to be sent under this Agreement:

(a) shall be in writing;

(b) shall be deemed to be sufficient if given by (i) depositing the same in the United States mail, postage prepaid, or (ii) electronically transmitting such notice by any means such as by facsimile transmission, telegraph, telex, or computer hookup; or (iii) by depositing the same with a courier delivery service, addressed to the person entitled thereto at his address or phone number as it appears on the records maintained by the Program Administrator;

(c) shall be deemed to have been given on the day of such mailing, transmission, or deposit; and

(d) any of the methods specified in Section 10.7(b) shall be sufficient to deliver any notice required hereunder notwithstanding that one or more of such methods may not be specifically listed in the sections hereunder requiring such notice.

10.9 Entire Agreement - Except with respect to the letter described in Exhibit G between the Custodian and the Program Administrator, this Agreement shall constitute the entire agreement of the parties with respect to the subject matter and shall supersede all prior oral or written agreements in regard thereto.

10.10 Confidentiality

(a) All information and recommendations furnished by the Program Administrator to the Participants or the Board of Trustees that is marked confidential and all information and directions furnished by the Program Administrator to the Custodian shall be regarded as confidential by each such person to the extent permitted by law. The Program Administrator and the Custodian shall regard as confidential all information concerning the Investment Property and the affairs of the Trust and Participants. Nothing in this paragraph shall prevent any party from divulging information as required by law or from divulging to civil, criminal, bank, or securities regulatory authorities where such party may be exposed to civil or criminal proceedings or penalties for failure to comply or to prevent the Program Administrator from distributing copies of this Agreement or the aggregate value of the Trust to third parties provided, however, confidential information shall not include (i) information that is independently developed or obtained by a party without the use of information provided by any other party; or (ii) information that is otherwise available to the public.

(b) In the event that online terminals or similar electronic devices are used for communication from the Program Administrator to the Custodian or from the Participants to either the Program Administrator or the Custodian, the Program Administrator and the Participants agree to safeguard and maintain the confidentiality of all passwords or numbers

and to disclose them only to such of its employees and agents as reasonably require access to the information concerning the Investment Property. The Custodian agrees to safeguard and maintain the confidentiality of all passwords or numbers and to limit access to this information for the purpose of acting pursuant to this Agreement. The Custodian and the Program Administrator may electronically record any instructions given by telephone and any other telephone discussions with respect to the Account or transactions pursuant to this Agreement.

10.11 Disputes - In the event of any dispute between the parties, the parties agree to attempt to resolve the dispute through negotiation or a method of alternative dispute resolution. No litigation shall be commenced without a certification by an authorized officer, employee, or agent of any party that the dispute cannot be resolved by negotiation or alternative dispute resolution provided in writing at least ten days before commencing legal action.

10.12 Majority of Participants - Whenever any provision hereof refers to a majority of the Participants, such majority shall be determined based upon the number of Participants at that time and shall not be determined by a reference to the balance of each Participant.

10.13 Writings - Whenever this Agreement requires a notice, instruction, or confirmation to be in writing or a written report to be made or a written records to be maintained, it shall be sufficient if such writing is produced or maintained by electronic means or maintained by any other photo static, photographic, or micrographic data storage method such as microfiche as well as on paper.

10.14 Effective Date - This Agreement shall become effective on the effective date.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in its name and on its behalf as of the date first written above.

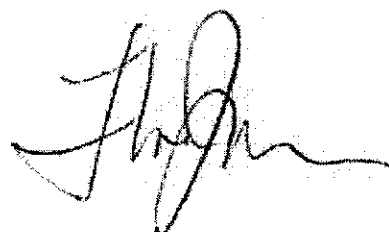
Public Trust Advisors, LLC



By: _____

Name: Randy S. Palomba

Title: Managing Director



By: _____

Name: Thomas D. Jordan

Title: Chief Executive Officer

Wellis Fargo Bank, N.A.
as Custodian

By: _____

Name: _____

Title: _____

THE PARTICIPANTS IN THE TRUST THAT HAVE
ENTERED INTO THIS AGREEMENT

By: _____

Chair, Board of Trustees of the Trust

By: _____

Secretary, Board of Trustees of the Trust

Wells Fargo Bank, N.A.
as Custodian

By: Andrea Stellich
Name: Andrea Stellich
Title: Vice President

THE PARTICIPANTS IN THE TRUST THAT HAVE
ENTERED INTO THIS AGREEMENT

By: _____
Chair, Board of Trustees of the Trust

By: _____
Secretary, Board of Trustees of the Trust

EXHIBIT A

Investment Procedures

1) A Participant shall provide notification to the Program Administrator via methods acceptable to the Program Administrator indicating the amount to be invested and, if more than one fund or account with Texas CLASS has been established, into which fund or account such amount shall be invested (there is no minimum investment). The Participant shall instruct its bank depository to wire Investment Funds to the corresponding account at the Custodian.

2) Receipt of the Program Administrator prior to the cut-off time established pursuant to the Texas CLASS website, accessible at <https://www.texasclass.com>, of notification of Investment Funds being deposited will cause the value of the Investment Funds to be credited and earn interest on the same business day.

3) Receipt by the Program Administrator after the cut-off time established pursuant to the Texas CLASS website, accessible at <https://www.texasclass.com>, of notification of Investment Funds being deposited will cause the value of the Investment Funds to be credited and earn interest on the next business day.

4) If Investment Funds for which notification of deposit has been given are not received (except if the Participant can show the contribution procedures have been followed) by the end of the business day on which such notification is given, the Program Administrator shall deduct the value of such Investment Funds from the Participant's balance if previously credited.

If the Participant fails to instruct its bank depository to wire Investment Funds before the cut-off time established pursuant to the Texas CLASS website, accessible at <https://www.texasclass.com>, on the day notice of the deposit is provided to the Program Administrator, the Participant's balance shall be charged interest equal to any interest earned on such failed deposit for each day the Participant's balance was credited with the deposit before the date the deposit was received. If the Participant can show the contribution procedures have been followed and, notwithstanding, the Investment Funds are not received, then the Program Administrator shall seek to obtain such Investment Funds from the party responsible for the failure of delivery.

5) Participants are prohibited from withdrawing Investment Funds credited to their balance(s) pursuant to (2) and (3) above until such Investment Funds are received by the Custodian.

6) These investment procedures may be amended from time-to-time pursuant to Section 9.1(d) hereof provided, however, that the Program Administrator will only change the times set forth above after consulting with the Custodian.

EXHIBIT B

Payment Procedures

1) The Participant shall provide notification to the Program Administrator via methods acceptable to the Program Administrator indicating the amount to be withdrawn and, if more than one fund or account within Texas CLASS has been established, from which fund or account such amount shall be withdrawn.

2) The Participant shall indicate the payee and include wire or ACH instructions.

3) Requests for withdrawals received by the Program Administrator by the cut-off time established pursuant to the Texas CLASS website, accessible at <https://www.texasclass.com>, will be processed to permit payment on the business day.

4) Requests for withdrawals received by the Program Administrator after the cut-off time established pursuant to the Texas CLASS website, accessible at <https://www.texasclass.com>, will be processed the following business day.

5) Participants may only request withdrawals from an account of an amount not to exceed their balance in such account at the time payment is made pursuant to such request.

6) Requests for withdrawals received in accordance with (3) above by the Program Administrator shall be wired or processed through ACH in accordance with the Participant's instructions after noon on such business day, and the funds so wired or processed through ACH shall be immediately available funds.

7) These payment procedures may be amended from time to time pursuant to Section 9.1 (d) hereof, provided, however, that the Program Administrator will only change the times set forth above after consulting with the Custodian.

EXHIBIT C

Valuation Procedures**1. Portfolio Valuation**

a. **Amortized Cost Valuation** - On a daily basis, normally at 3:00 p.m. ET, the Investment Property Value shall be determined using the amortized cost valuation method. The amortized cost valuation method involves initially valuing a security at its cost and thereafter accreting to maturity any discount or amortizing to maturity any premium, regardless of the impact of fluctuating interest rates on the market value of the instrument.

b. **Mark-to-Market** - At least daily, the Investment Property Value shall be determined on a mark-to-market basis as follows:

The Program Administrator shall determine the market value of the specific investment holdings for the Texas CLASS pool or portfolio. The market values shall be obtained from one or more sources that the Program Administrator believes to be reliable for providing such information. A credible pricing source will be used by the Program Administrator to price the underlying securities on a daily basis.

The market value of the collateral supporting repurchase agreements that are "delivery versus payment" shall be determined by the portfolio manager for each portfolio using the current bid price of the collateral securities obtained from Bloomberg L.P.

The market value of the collateral supporting tri-party repurchase agreements shall be determined by the tri-party custodian. The tri-party custodian will forward a collateral report to the Texas CLASS operations team every business day.

2. Amendment

These Valuation Procedures may be amended from time-to-time pursuant to Section 9.1 (d) hereof.

EXHIBIT D

Participation Certificate

The undersigned _____ does hereby request that it be admitted as a Participant pursuant to Section 2.3 of the Eighth Amended and Restated Trust Agreement (the Agreement) dated as of April 8, 2019, by and between the Participants, Wells Fargo Bank, N.A. as Custodian, and Public Trust Advisors, LLC. By executing this Participation Certificate, the undersigned agrees that, upon the execution hereof by the Program Administrator, it will become subject to the same obligations and shall have the same rights as if it had executed the Agreement.

The undersigned hereby certifies that _____ is the duly designated representative of the undersigned as required by the Agreement.

The undersigned hereby certifies that its governing body has taken all actions required by Section 2256.016 of the Public Funds Investment Act, Texas Government Code, in order for it to participate in the Trust created by the Agreement.

(Name of Participant)

PARTICIPANT EXECUTION DATE

By: _____

Name:

Title:

Accepted:

Public Trust Advisors, LLC

By: _____

Name:

Title:

EXHIBIT E

Investment Criteria

1. General Objectives

- a. Legality: invest only in investments legally permissible under Texas law.
- b. Safety: minimize risk by managing portfolio investments so as to preserve principal and maintain a stable asset value. The Trust shall be managed so that the Trust shall receive the highest rating for a local government investment pool from a nationally recognized statistical rating organization for so long as such a rating is required by Texas law.
- c. Liquidity: manage portfolio investments to ensure that cash will be available as required to finance Participants' operations.
- d. Yield: maximize current income to the degree consistent with legality, safety, and liquidity.

2. General Standard - All investments made on behalf of the Trust shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives in order of priority:

1. preservation of safety of principal;
2. liquidity; and
3. yield.

3. Investments - Investment Funds may be invested in any or all of the legal investments specified in Sections 2256.009 through 2256.016, Public Funds Investment Act, Texas Government Code, as the same may be hereafter amended or in any successor statute but only to the extent that such investments would be permitted by Rule 2a-7, as amended from time-to-time, promulgated by the United States Securities and Exchange Commission pursuant to the Investment Company Act of 1940, as amended (the Rule) if the Rule were applicable to the Trust. The investment criteria for any additional pools or portfolios established pursuant to the Agreement may provide for a more limited investment criteria or investment in only certain investments specified in the Public Funds Investment Act.

4. Amendments -These Investment Criteria may be amended from time-to-time pursuant to Section 9.1 (c) hereof.

EXHIBIT F

Program Administrator's Fee

For the performance of its obligations under this Agreement, the Program Administrator will charge a fee from the Investment Property Value (the Daily Fee) for each pool or portfolio established pursuant to this Agreement. This Daily Fee will accrue on a daily basis and be paid monthly in arrears and prorated for any portion of the month in which this Agreement is in effect.

The Daily Fee shall be calculated as follows: The Investment Property Value is multiplied by the Applicable Fee Rate and is divided by 365 or 366 days in the event of a leap year to equal the Daily Fee accrual. The Investment Property Value shall be based on the current day's shares outstanding. For weekend days and holidays, the shares outstanding for the previous business day will be utilized for the calculation of fees.

The Applicable Fee Rate shall be determined monthly on the first business day of each month for each pool or portfolio established pursuant to this Agreement and shall be calculated according to the schedule below which is applicable to each pool or portfolio established pursuant to this Agreement:

	Cumulative Balance	Fee Percentage
First	\$1,000,000,000	0.120%
Next	\$1,000,000,000	0.110%
Next	\$1,000,000,000	0.100%
Next	Over \$3,000,000,000	0.090%

Fees may be waived or abated at any time, or from time-to-time, at the sole discretion of the Program Administrator. Any such waived fees may be restored by the written agreement of the Board of Trustees in its sole discretion.

In the event that the Investment Property Value for each pool or portfolio established pursuant to this Agreement declines at any time to a level that would cause the Program Administrator's fee to equal an amount equal to or in excess of the remaining Investment Property Value, the fee shall be reduced to zero.

The blended fee shall never be greater than the yield to the Participants in the corresponding pool or portfolio.

EXHIBIT G

Custodian's Fee

Rate Schedule - The Program Administrator shall pay to the Custodian the costs and fees specified in the Fee Schedule effective April 1, 2013, from the Custodian to the Program Administrator as amended from time-to-time by the Program Administrator and the Custodian pursuant to Section 9.1 (e) hereof.



City Council Agenda July 13, 2020

Agenda Item:	Resolution	(Action Item)
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Agenda Description:

Discuss, consider and possible action approving a Resolution approving an agreement with the East Wise County Volunteer Fire Department and authorize the Mayor to sign the agreement.

Background Information:

Part of the City of New Fairview is located in Wise County. The City of New Fairview has not had a formal agreement with East Wise County Volunteer Fire Department to provide fire protection services in the New Fairview city limits. This agreement is similar to the one with the Justin Volunteer Fire Department but is limited to fire protection services. As part of the agreement the City agrees to provide the far east bay for East Wise County to stage a brush truck. The City agrees to fence off that bay and provide a keyless entry system to the door that accesses that bay

Financial Information:

\$1,000 annually. Funds are provided in the Administration budget under Professional Services.

City Contact and Recommendation:

Ben Nibarger, City Administrator

Staff recommends that Council approve the resolution and the agreement and authorize the Mayor to sign the agreement.

Attachments:

Resolution

Agreement



City of New Fairview, Texas
Resolution No. _____

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX APPROVING THE AGREEMENT WITH THE EAST WISE COUNTY VOLUNTEER FIRE DEPARTMENT.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, the City desires to have a fire services provided for that part of the City located in Wise County; and

WHEREAS, the East Wise County Volunteer Fire Department desires to provide fire suppression services to the City of New Fairview.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. The City Council of New Fairview has reviewed the contract with the East Wise County Volunteer Fire Department and determines it to be acceptable; and
2. That this Resolution shall cause the contract to take effect immediately upon its approval.

PRESENTED AND PASSED on this **3rd day of August**, at a meeting of the New Fairview City Council.

APPROVED:

Joe Max Wilson
Mayor

ATTESTED:

Monica Rodriguez
City Secretary



**THE CITY OF NEW FAIRVIEW
THE COUNTY OF WISE**

STATE OF TEXAS

§
§
§
§
§
§

**EAST WISE COUNTY VOLUNTEER
FIRE DEPARTMENT – FIRE
SERVICES**

**INTERLOCAL COOPERATION AGREEMENT
FIRE PROTECTION SERVICES**

THIS AGREEMENT, which has an effective date of July 13, 2020, is made and entered into by and between the City of New Fairview, a political subdivision of the State of Texas, hereinafter referred to as “the **CITY**,” and the East Wise County Volunteer Fire Department, a non-profit agency, located in Wise County, Texas, hereinafter referred to as the “**AGENCY**”.

WHEREAS, the **CITY** is a duly organized political subdivision of the State of Texas engaged in the administration of municipal government and related services for the benefit of the citizens of New Fairview; and

WHEREAS, the **AGENCY** is a non-profit agency, duly organized and operating under the laws of the State of Texas and engaged in the provision of fire protection services and related services for the benefit of the citizens of Wise County, Texas; and

WHEREAS, the **AGENCY** is the owner and operator of certain fire protection vehicles and other equipment designed for the extinguishing and fire prevention of damage to property and injury to persons from fire and has in its employ trained personnel whose duties are related to the use of such vehicles and equipment; and

WHEREAS, the **CITY** desires to obtain fire protection services and related services for the benefit of the residents of New Fairview citizens in Wise County which the **AGENCY** is capable of providing; and

WHEREAS, the provision of fire protection and related services are a governmental function that serves the public health and welfare and is a mutual concern to both the **CITY** and the **AGENCY**; and

WHEREAS, the **CITY** desires to expend City funds to defray the expense of establishing, operating and maintaining fire protection in New Fairview city limits in Wise County; and

WHEREAS, the **CITY** and the **AGENCY** mutually desire to be subject to and contract pursuant to the provisions of Texas Government Code, Chapter 352 and Chapter 791, and

NOW, THEREFORE, the **CITY** and the **AGENCY**, in consideration of the mutual promises, covenants, and Agreements stated herein, agree as follows:

I. **TERM**

The term of this agreement shall be for a period beginning July 13, 2020, and ending September 30, 2021.

II. **SERVICES**

The services to be rendered under this agreement by the **AGENCY** are the fire protection services normally rendered by the **AGENCY** to the citizens of Wise County in circumstances of emergency, but which services will now be extended to all citizens of the **CITY** residing within the City limits of New Fairview within Wise County within the operating jurisdiction of the **AGENCY**, as agreed to by the **AGENCY** and the **CITY** in this Agreement and as set forth in "Exhibit A", attached hereto and incorporated herein by reference.

It is recognized that the officers and employees of the **AGENCY** have the duty and responsibility of rendering fire protection to citizens the **AGENCY** and the **CITY**. In the performance of these duties and responsibilities, it shall be within the sole responsibility and discretion of the officers and employees of the **AGENCY** to determine priorities in the dispatching and use of such equipment and personnel and the judgement of the officer and employee shall be final.

The **CITY** shall designate the City Administrator to act on behalf of the **CITY** and to serve as "Liaison Officer" between the **CITY** and the **AGENCY**. The City Administrator, or designated substitute, shall devote sufficient time and attention to insure the performance of all duties and obligations of the **CITY** under this Agreement and shall provide for the immediate and direct supervision of employees, agents, contractors, sub-contractors and/or laborers of the **CITY** engaged in the performance of this agreement.

IV.

PERFORMANCE OF SERVICE

The **AGENCY** shall devote sufficient time and attention to insure the performance of all duties and obligations of the **AGENCY** under this Agreement and shall provide immediate and direct supervision of the **AGENCY'S** employees, agents, contractors, sub-contractors and/or laborers engaged in the performance of this Agreement for the mutual benefit of the **AGENCY** and the **CITY**.

V.

COMPENSATION

The **CITY** agrees to pay the **AGENCY** for the full performance of services as provided in this agreement the fixed sum of **\$1,000.00** payable upon execution of this Agreement. The **CITY** will make no payment to the **AGENCY** for service provided outside the agreed service district whether by Mutual Aid Agreement or otherwise. The **AGENCY** understands and agrees that payment by the **CITY** to the **AGENCY** shall be made in accordance with the normal and customary processes and business procedures of the **CITY** and in conformance with applicable state law.

VI.

FINANCIAL RECORDS

The **AGENCY** agrees to make its financial records available for audit and/or review by the **CITY**, upon request by the **CITY**.

VII.

RESPONSIBILITY OF THE CITY

The **CITY**, to the extent permitted by law, shall be responsible for the acts, negligence and omissions of all officers, employees and agents of the **CITY** who are engaged in the performance of this agreement. The **CITY** shall make available to the **AGENCY** the east bay of the multi-purpose building for use by the **AGENCY**. The **CITY** shall install a chain link fence to separate the bay from the other parts of the building and shall install a keyless entry system only accessible by the **AGENCY**.

VII.

RESPONSIBILITY OF THE AGENCY

The **AGENCY**, to the extent permitted by law, shall be responsible for the acts, negligence and omissions of all officers, employees and agents of the **AGENCY** who are engaged in the performance of this agreement.

VIII.

APPLICABLE LAW

The **CITY** and the **AGENCY** understand and agree that liability under this contract is governed by the Texas Government Code, Chapter 791, the Texas Local Government Code, Chapter 352. This agreement is made in contemplation of the applicability of these laws to the Agreement. Insofar as legally permissible the **CITY** and the **AGENCY** agree to be bound by the above mentioned statutes as they exist as of the date of this agreement.

IX.

DEFAULT

In the event of default of any of the covenants herein contained, this Agreement may be terminated at the discretion of the non-defaulting party if such default continues for a period of ten (10) days after notice to the other party in writing of such default and the intent to terminate this agreement due to default. Unless the default is cured, this Agreement will terminate.

X.

TERMINATION

This Agreement may be terminated any time, by either the **CITY** or the **AGENCY** by giving sixty (60) days advance written notice to the other party. In the event of termination by either party, the **AGENCY** shall be compensated pro rata for all services performed to the termination date together with reimbursable expenses then due as authorized by this Agreement. In the event of such termination, should the **AGENCY** be overcompensated on a pro rata basis for all services performed to the termination date and/or be overcompensated reimbursable expenses, the **CITY** shall be reimbursed pro rate for all such overcompensation. Acceptance of such reimbursement shall not constitute a waiver of any claim that may otherwise arise out of this Agreement.

XI.

GOVERNMENTAL IMMUNITY

The fact that the **CITY** and the **AGENCY** accept certain responsibilities relating to the rendering of fire protection and ambulance services under this Agreement as part of their responsibility for providing protection for the public health makes it imperative that the performance of these vital services be recognized as governmental functions and that the doctrine of governmental immunity shall be, and it is hereby, invoked to the extent permitted by law. Neither the **AGENCY**, nor the **CITY** waive, nor shall be deemed to have hereby waived, any immunity or defense that would otherwise be available to it against claims arising from the exercise of government powers and functions.

XII.

ENTIRE AGREEMENT

This Agreement represents the entire Agreement between the **CITY** and the **AGENCY** and supersedes all prior negotiations, representations, and Agreements, either written or oral. This Agreement may be amended only by written instrument signed by both parties.

XIII.

LAW AND CONTRACT

This Agreement and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. The venue for any dispute, or matter, arising under this Agreement shall lie in Wise County, Texas.

XIV.

SEVERABILITY

In the event that any portion of this Agreement shall be contrary to law, it is the intent of the parties hereto that the remaining portions shall remain valid and in full force and effect to the fullest extent possible.

XV.

AUTHORITY

The undersigned officer or agents of the parties hereto are the properly authorized officials and have necessary authority to execute this Agreement on behalf of the parties.

XVI.
SERVICE AREA

Acceptance of this Agreement constitutes approval of the service area set out in attached Exhibit "A".

EXECUTED in triplicate originals on the dates set forth below.

CITY

City of New Fairview
999 Illinois Lane
New Fairview, TX 76078

AGENCY

East Wise County Volunteer Fire
Department
P.O. Box 613
East Wise County, TX 76247

By _____

Joe Max Wilson
Mayor, New Fairview

By _____

East Wise County Fire Chief

Acting on behalf of and by the
authority of New Fairview, TX
City Council

Acting on behalf of and by the
authority of the East Wise County Volunteer
Fire Department

DATED _____

DATED _____

ATTEST:

BY: _____

City Secretary

APPROVED AS TO FORM:

BY: _____

City Attorney



City Council Agenda August 3, 2020

Agenda Item:	Resolution	(Action Item)
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Agenda Description:

Discuss, consider, and possible action on the adoption of an ordinance amending Chapter 3, Building Regulations, Division 7, Article 3.02 adopting the International Building Code, the International Fire Code, the International Mechanical Code, the International Plumbing Code, the International Residential Code, the International Fuel Gas Code, the International Property Maintenance Code, and NFPA 70 - National Electrical Code, 2017 Edition.

Background Information:

Earlier this year the City received its Insurance Service Office (ISO) rating. The City received a rating of 9, the lowest possible rating. A major factor in this rating was the City's reliance on the 2009 version of the International Building Code (IBC). The City received zero (0) points for using a code older than 10 years. Further, New Fairview is not in compliance with Texas House Bill 1736 passed by the Texas Legislature in 2016 requiring all cities in Texas to adopt and enforce the 2015 International Energy Conservation Code (IECC). All of the current home builders in New Fairview already operate under the 2015 IBC and 2016 National Electric Code (NEC).

The accompanying adoption ordinance also includes an exhibit containing amendments for the construction codes that have been prepared by the North Central Texas Council of Governments to address area construction methods and climate conditions. This is done as these codes are used across the country and amended to reflect the specific region where they are adopted. Some of the amendments only address adoption by the City of New Fairview.

Financial Information:

NA

City Contact and Recommendation:

Ben Nibarger, City Administrator

Staff recommends that Council adopt the International Building Code, the International Fire Code, the International Mechanical Code, the International Plumbing Code, the International

Residential Code, the International Fuel Gas Code, the International Property Maintenance Code, and NFPA 70 - National Electrical Code, 2017 Edition..

Attachments:

Ordinance

CITY OF NEW FAIRVIEW, TEXAS ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF NEW FAIRVIEW, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF NEW FAIRVIEW, AS HERETOFORE AMENDED, BY AMENDING CHAPTER 3, "BUILDING REGULATIONS", DIVISION 7, ARTICLE 3.02, ADOPTING THE 2015 EDITIONS OF THE INTERNATIONAL BUILDING CODE, THE INTERNATIONAL FIRE CODE, THE INTERNATIONAL MECHANICAL CODE, THE INTERNATIONAL PLUMBING CODE, THE INTERNATIONAL RESIDENTIAL CODE, THE INTERNATIONAL FUEL GAS CODE, THE INTERNATIONAL PROPERTY MAINTENANCE CODE, AND NFPA 70 - NATIONAL ELECTRICAL CODE, 2017 EDITION; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council for the City of New Fairview, Texas, has investigated and determined that it would be advantageous and beneficial to the citizens of New Fairview to adopt the 2015 Editions of the International Building Code, the International Fire Code, the International Mechanical Code, the International Plumbing Code, the International Residential Code, the International Fuel Gas Code, the International Property Maintenance Code and the 2017 Edition of NFPA 70 - National Electrical Code save and except the amendments set forth in Exhibit "A", attached hereto and incorporated herein for all purposes.

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

**SECTION 1
FINDINGS INCORPORATED**

The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

**SECTION 2
ADOPTION OF CONSTRUCTION AND TECHNICAL CODES**

The 2015 Editions of the International Building Code, the International Fire Code, the International Mechanical Code, the International Plumbing Code, the International Residential Code, the International Fuel Gas Code, the International Property Maintenance Code and the 2017 Edition of NFPA 70 - National Electrical Code save and except the amendments set forth in Exhibit "A", attached hereto and incorporated herein, is adopted as the construction and technical codes for the City of New Fairview. A copy of each Code with amendments is on file in the office of the City Secretary.

SECTION 3
PENALTY CLAUSE

Any person, firm or corporation violating any of the provisions or terms of this Ordinance shall be subject to a fine in the amount up to two thousand dollars (\$2,000.00). Each and every violation or day such violation continues or exists shall be deemed a separate offense. The provisions of this Ordinance can also be enforced by injunction, suit, civil action, and civil penalty for any violation as authorized by law.

SECTION 4
CUMULATIVE REPEALER CLAUSE

This ordinance shall be cumulative of all provisions of ordinances of the City of New Fairview, Texas, and shall not repeal any of the provisions of said ordinances except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed to the extent of such conflict. All other provisions of ordinances of the City of New Fairview, Texas not in direct conflict with this ordinance shall remain in full force and effect.

SECTION 5
SAVINGS CLAUSE

All rights and remedies of the City of New Fairview, Texas are expressly saved as to any and all violations of the provisions of any other ordinance, which have secured at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 6
SEVERABILITY

The sections, paragraphs, sentences, phrases, clauses and words of this ordinance are severable, and if any section, paragraph, sentence, phrase, clause or word in this ordinance or application thereof to any person or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council hereby declares that it would have passed such remaining portions of this ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 7
ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of New Fairview, Texas, is hereby directed to engross and enroll this ordinance by copying the caption, publication clause, penalty clause, and effective date clause in the minutes of the City Council of the City of New Fairview and by filing this ordinance in the ordinance records of the City.

SECTION 8
EFFECTIVE DATE

This ordinance shall become effective immediately upon its passage and publication as required by law.

DULY PASSED AND APPROVED by the City Council of the City of New Fairview, Texas, on the 13th day of July, 2020.

APPROVED:

Shea Dane-Patterson, Mayor

ATTEST:

Monica Rodriguez, City Secretary

2009 -2015 IBC Significant Changes Summary

Tier I

- 503 – General Building Height & Area Limitations – Methods for determining allowable heights and areas have been dramatically revised and reformatted to improve user-friendliness – 3 revised Tables with no change in technical application – Does not alter results
- 308.3 - Classification segmentation of I-1 Occupancies into two conditions – Condition 1 (capable of self-preservation and egress) – Condition 2 (Assisted egress and defend-in-place methods) – More stringent requirements for story limitations, smoke barriers, sprinkler protection, and fire detection
- 308.4 - Classification segmentation of I-2 Occupancies into two conditions – Condition 1 (long-term care facilities) – Condition 2 (short-term medical facilities) – More stringent requirements for story limitations, smoke barriers, sprinkler protection, and fire detection
- 407.2.5 – Group I-2 Shared Living Spaces – Adds specific requirements to allow shared spaces to be part of, and open to, corridors where egress is not impeded
- 407.2.6 – Group I-2 Cooking Facilities – Adds specific requirements to allow cooking spaces to be part of, and open to, corridors where egress is not impeded
- 407.5 – I-2, Condition 2 - Smoke Compartment maximum size increased to 40,000 sf
- 507.9 – Group H-5 in Unlimited Area Buildings – The fire-safety controls of Section 415.11 (H-5) adequately reduce the hazards to those similar to a B Occupancy, and therefore can take advantage of similar code relief
- 705.3 – Buildings on the same lot – Allows a Type I or IIA, S-2 parking garage directly adjacent to a R-2 building – Allows occupant-use openings between the structures, but only requires opening protection in the exterior wall of the parking garage – 90 minute protection is required
- 903.2.1.6 – Sprinkler Systems in Assembly Occupancies – When an assembly use is established on an occupied roof – A-2 > 100 or any other A > 300, all floors below will be required to be sprinklered to the level of exit discharge
- 903.2.1.7- Multiple Fire Areas – Group A-1, A-2, A-3, and A-4 that share egress components, and contain more than 300 occupants, will be sprinklered, regardless of size
- Chapter 10 – MOE – Dramatic renumbering and provision relocation – Examples: 1015 now 1006, 1021 deleted, 1007 now Exit and Exit Access, 1009 now AMOE
- 1110 – Recreational Facilities – More detailed scoping requirements have been provided to coordinate with the ADA – Added scoping for technical requirements to align with Chapter 11 of the A117.1 standard.
- 1705.2.3 – Open Web Steel Joists and Joist Girders – Addition – Special inspections are now required during the installation – Types of inspections and reference standards identified
- 2612 – Plastic Composites – Addition – New definitions and applicable test standards for plastic composites used in decks, stairs, handrails, and guards
- 2902.3 – Public Toilet Facilities – Limited-size quick-service tenant spaces (300 sf or less) are no longer required to provide toilet facilities for public customers
- 3004 – Elevator Hoistway Venting – Provisions have been deleted - No longer required to be vented to the exterior – Technology advances and energy concerns have eliminated the historical justification
- 3006 – Elevator Lobbies – All requirements have been relocated from Chapter 7
- Chapter 34 - Deletion of Chapter 34 – Existing Buildings – IEBC is the now the only tool
- Chapter 35 - 2015 IBC References the 2009 ICC/ANSI A117.1 Accessibility standard – New Chapter 11 within for recreation

Tier II

- 111.1 – Change of use or occupancy terms are synonymous – New CO's required on change
- 310.6 - Classification segmentation of R-4 Occupancies into two conditions – Condition 1 (capable of self-preservation and egress) – Condition 2 (Assisted egress and methods) – Further research ramifications
- 311.1.1 – Small storage rooms (less than 100 sf) are automatically accessory and not classified separately – Aggregates are still limited to 10% of the floor area
- 404.5 – Atriums - Smoke control is now mandated in I-2 and I-1, Condition 2 that connect two stories
- 404.9 & 404.10 – Egress travel through an atrium – Greatly expands the language regulating the provisions and referenced sections, but does not significantly change intent
- 505.2.3, Ex 2 – Mezzanine Openness – Direct access to at least one exit at the mezzanine level is no longer required
- Table 509 – Fire Protection of Incidental Uses – This table has been extensively expanded to include occupancy specifics and clarifications – Nifty comparison table to 2012 IBC in SC
- 711 & 712 – Horizontal assemblies and Vertical openings – Sections have been reorganized to separate requirements, and provide better clarity
- 903.2.8 – Group R Sprinkler Systems – Numerous changes and clarifications for R-4's due to the new use conditions
- 903.3.1.1.2 – NFPA 13 Exempt Locations – An exemption for bathrooms no more than 55 sf to align the IBC with recent changes to NFPA
- 903.3.1.2.2 – Breezeways – It clarifies that open-ended corridors, and associated stairways, and ramps must be protected when a 13R system is used – Not exempt
- 903.3.8 – Limited Area Sprinkler System – Reduces the exceptions for small systems serving a single fire area from 20 to 6
- 915 – Carbon Monoxide Detection – Relocated and expanded requirements – Group E added – Group I-3 excluded
- 1006 & 1007 – Number of Exits and Exit Access Doorways – Major reconsolidation of provisions – New Table 1006.2.1 (all previous provisions & some minor changes) – The Common Paths in non-sprinklered occupancies that require sprinklers have been changed from a number to NP – Extensive overall change
- 1007.1 - Exits and Exit Access Doorway Configuration – Clarification of measurement points – Remoteness must be maintained in exit access stairways and ramps – Performance language added to remoteness of three exits
- 1010.1.9 – Door Operations & Locking Systems – Numerous revisions throughout the locking provisions help clarify application through consistent terminology
- 1016.2 – Egress through Intervening Spaces – A means of egress is now permitted through an elevator lobby, provided access to at least one exit is available without passing through the lobby – Clears up misconception
- 1017.2.2 – Travel Distance increase for F-1 & S-1 – Increase to 400 feet if conditions are met
- 1023.3.1 – Stairway Extension – An interior exit stairway is now permitted to be open directly to an exit passageway – No door is required
- 1103.2.8 – Areas in Places of Religious Worship – Small areas (Defined in the change) used for religious ceremonies are now exempt from access requirements
- 1104.4 – Multi-story Buildings and Facilities – Clarifies the Group M exception – Clarifies that government buildings may not use the exception

- 1107.3 & 1107.4 – Accessible Spaces and Routes – Provisions for connecting all spaces within a building have been modified – Distinctions have been provided for changes in elevation for stories and mezzanines – R-2 Dormitories not exempt
- 1107.5.1.1 & 1107.6.4.1 – Accessible Units in Assisted Living Facilities – The number of accessible units now depends on the capability of the residents
- 1107.6.1.1 – Group R Accessible units – Modification of how multiple buildings on a site are evaluated – Building size is described
- 1109.2 – Accessible Water Closet Compartments – In larger toilet rooms, 5% must be wheelchair accessible, and 5% must be ambulatory – New exception for toilet and bathing rooms serving bariatric patients
- 1602.1 – Definitions and Notations – The definitions of flexible and rigid diaphragms have been deleted and replaced with a reference to the procedures within the 2010 national load standard (ASCE/SEI 7-10) – Inconsistencies resolved
- 1603 – Construction Documents – Modification – Two additional roof snow items are required to be identified on the construction documents – Drift surcharge & Width of snow drifts
- 1603.1.8 – Special Loads – Addition – The dead load of rooftop PV must be identified on the construction documents
- 1607.12 – Roof Loads – Addition – The term vegetative roof has been defined in 202 and a reference to ASTM E 2397 has been added
- 1607.12.5 – Photovoltaic Panel Systems – Addition – Design requirements for roof structures have been added
- 1613.6 – Ballasted Photovoltaic Panel Systems – Addition – Seismic requirements added
- 1704.5 – Submittals to the Building Official – Addition – Requirements for submittal of reports and certificates are now clearly specified
- 1705.2 – Steel Construction – The special inspection requirements have been modified to align with the new terminology – References new SDI standard
- 1705.3 – Required Special Inspections of Concrete Construction – Specific requirements for the design and installation of adhesive anchors are now included in ACI 318, and continuous inspection added for defined loads
- 1804.1 – Excavation Near Foundations – Addition – Basic requirements have been added since the code was not specific
- 1808.3 – Design Surcharge Loads – Addition – Requirements to protect adjacent structures has been added
- 1901.3 – Anchoring to Concrete – Previous Sections 1908 and 1909 have been deleted due to inconsistency – New provisions have been added to the general requirements
- 1901.4 – Composite Structural Steel and Concrete Structures – Previous specific requirements have been deleted – New provisions have been added to the general requirements
- 2304.6 – Exterior Wall Sheathing – Section has been modified to establish minimum structural performance requirements and clarify provisions – References ASCE/SEI 7-10 – The term gable has been added
- 2308 – Conventional Light-frame Construction – Much of the Section is extensively reformatted and reorganized – New wall bracing designations and requirements, similar to the IRC, are provided
- 2309 – Wood Frame Construction Manual – Added Section – Manual allows designs for Risk Category I and II within described limitations
- 2406.4.7 – Safety Glazing adjacent to Bottom Stair Landing – Method of measurement revised to provide clarity – Restores 2009 language

Tier III

- 202 – Definition of Private Garage added – For motor vehicles used by the tenants of the building – No repair or service for profit
- 202 – Definition of Horizontal Exit changed to focus on compartmentalization versus the path of egress travel
- 304.1 – Independent commercial kitchens < 2500 sf now included in the B Occupancy list
- 304.1 – Training and skill development description expanded for clarification in the B Occupancy list
- 306.2 - Independent commercial kitchens > 2500 sf clarified in the F-1 Occupancy list
- 310.5 – Lodging Houses (typical B&B's) clarified – 5 or fewer guest rooms – Constructed as IRC or R-3 – Change in 2012 IRC did not get carried to IBC
- 403.1, Ex 3 & 5 – Clarification of provisions when A-5, or H-1 thru H-3 are present in a high-rise – Self-limited by other specific requirements
- 406.3.1 – Private Garage floor area limitation (Group U) – Limited to 1000 sf, unless compartmentalized by 1-hour fire separations
- 412.7 – Travel distance in aircraft manufacturing facilities – Recognizes the current travel distance limits are problematic in large facilities – Introduces new table to derive compliance
- 510.2 – Horizontal Building Separation – The single story limit above grade is removed – Overall building height control remains the same
- Table 601, Footnote d – One-Hour substitution – Removed because application was extremely limited, and to eliminate misuse.
- 602.4 – Type IV Requirements – FRTW and cross-laminated timber (CLT) now allowed within exterior walls – Introduces structural composite lumber (SCL) into the size equivalency table
- 603.1, Item 26 – Wall construction of freezers and coolers – May be framed with combustible materials, if covered with non-combustible materials, are of less than 1000 sf of floor area, and the building is fully sprinklered
- 705.2 – Projections at Exterior Walls – The minimum required separation between leading edge of a projection and the line used to determine the FSD has been modified – Dramatically – Question intent and logic – Worst-case example changes from 40 inches clear to 20 feet
- 705.2.3 – Combustible Projections – Confusing language to determine application removed
- 706.2 – Structural Stability – Small language clarifications – Acknowledges tied and cantilevered options in NFPA 221
- 714.4.2 – Membrane penetrations – Further clarification of a wood, double top plate intersecting a horizontal assembly's lower membrane
- 904.13 – Domestic cooking systems in Group I-2, Condition 1 – Creates reasonable accommodations for industry designs while adding proper safeguards
- 907.2.3 – Group E – Manual Fire Alarms – Increases threshold to 50 – Increases EVAC threshold to 100
- 909.21.1 – Elevator Hoistway Pressurization Alternative – Creates viable alternatives to the traditional testing and measurement requirements
- 910 – Smoke and Heat Removal – Updated revisions for clarity – Allows mechanical smoke removal systems – Draft curtain provisions deleted – Based on the Technology Committees' evaluation of current available safeguards
- 1004.1.1 – Cumulative occupant loads – Clarifications for intervening spaces and mezzanine
- 1004.1.2 – Occupant load factor for Group M main levels and basements raised to 60 sf – Now all levels 60 SF
- 1009.8 - Two-way Communication Systems – Clarifies that a system may serve multiple elevators – Not required at service, freight, or private residence elevators

- 1011.15 & 1011.16 – Ladders – Addition – Permitted locations identified – Requirements in the IMC
- 1014.8 – Handrail Projections – Guidance provided for obstructions of required stairway widths with intermediate handrails
- 1018.3 – Aisles in Groups B & M – Clarifications of required width – Aligns with corridor widths now
- 1020.2 – Corridor Width and Capacity – Clarification for I-2 where bed or stretcher movement is necessary
- 1109.2.3 – Accessible Lavatories – Modification - The only accessible lavatory in a toilet room may not be in the accessible water compartment closet
- 1405.3 – Vapor Retarders – The required types and locations for each class of vapor retarder have been revised – Clarifies prohibited locations
- 1604.3 – Serviceability – Modifications have been made to the deflection limits of varying members to clarify and update
- 1607.9 – Impact Loads for Façade Access Equipment – Addition – New provisions added to align with OSHA requirements
- 1607.10.2 – Alternate Uniform Live Load Reduction – This method has been corrected to be consistent with the original intent as it appeared in the UBC
- 1609.1.1 – Determination of Wind Loads – New wind tunnel test added – ASCE 49
- 1613.5 – Amendments to ASCE 7 – Addition – Amendment to the diaphragm anchorage requirements – Clarifies aspect ratios
- 1705.11 – Special Inspection for Wind Resistance – Clarifies intent and specific requirements
- 1705.12 – Special Inspection for Seismic Resistance – Addition – Periodic special inspection of cold-formed steel special bolted moment frames is now mandated – Several modifications to other special inspections for seismic
- 1708.3.2 – Static Load Testing – Requirements have been revised to clarify intent – Arbitrary factor of two removed – Methods of testing are specified – Differences influenced by load duration effects when testing wood elements now addressed
- 1709.5 – Exterior Window and Door Assemblies – Clarifies that design pressure ratings are to be done on an allowable stress design basis
- 1711 – Material and Test Standards – Requirements for testing joist hangers has been deleted – Testing of concrete and clay roof tiles relocated to 1504
- 1803.5 – Investigated Conditions – The requirements addressing the evaluation of rock materials have been updated to align with current geotechnical engineering practice – Underpinning and excavation requirements have been added
- 1810.2.5 – Group Effects – Clarification of the requirements on uplift of grouped deep foundation elements
- 1810.3 - Design and Detailing – Addition – Provisions for structural steel piles have been added to clarify intent
- 1904 – Durability Requirements – IBC requirements have been deleted and replaced by a reference to ACI 318's (2014) requirements
- 1905.1.3 – Modifications to ACI 318, Section 18.5 - IBC requirements have been deleted and replaced by a reference to ACI 318's (2014) requirements
- 1905.1.8 – Extensive modifications have been made to the concrete anchorage provisions to achieve consistency with Chapter 17 of ACI 318's (2014) requirements
- 2101.2 - Masonry Design Methods – References to the MSJC have been deleted because the 2013 edition of TMS 402/ACI 530/ASCE 5 have been substantially reorganized to be more user-friendly – Section now simply references these documents

- 2103 – Masonry Construction Materials – Provisions have been deleted because they are now contained in TMS 602/ACI 530.1/ASCE 6
- 2104 – Masonry Construction – Provisions have been deleted because they are now contained in TMS 602/ACI 530.1/ASCE 6
- 2105 – Quality Assurance – Provisions have been deleted because they are now contained in TMS 602/ACI 530.1/ASCE 6 and the special inspection and testing requirements of Chapter 17
- 2111 & 2113 – Masonry Fireplaces and Chimneys – Definitions relocated to 202 – Reinforcement and anchorage requirements updated to clarify intent
- 2210 – Cold-formed Steel – A new SDI standard for composite decks has been added to Chapter 35
- 2211 - Cold-formed Steel Light-frame Construction – A new AISI standard (S220) is now referenced for non-structural products
- 2303.1.4 – Structural Glued Cross-laminated Timber – Abbreviated CLT – New definition added to 202 – New standard ANSI/APA PRG 320
- 2303.1.13 – Engineered Wood Rim Board - New definition added to 202 – Two new referenced standards in Chapter 35
- 2304.10.6 – Load Path – Requirements for steel straps modified to align with AISI Product Data Standard S201
- 2304.12 – Protection against Decay and Termites – Modifications clarify where waterborne preservatives are required and where they are not required
- Chapter 25 – Gypsum Panel Products – Definition of gypsum board revised and a new definition for gypsum panel products added to 202 – Terms aligned throughout Chapter



City Council Agenda August 3, 2020

Agenda Item:	Resolution	(Action Item)
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Agenda Description:

Discuss, consider and possibly take action to approve a resolution allowing the City Administrator to make changes to the employee handbook as necessary.

Background Information:

The City of New Fairview recently adopted an updated employee handbook that provides policies and procedures on how the City and employees will interact. Further, the City Administrator has been appointed by the City Council to administer the affairs of the City and from time to time it may be necessary or prudent to make adjustments to the employee handbook. The employee handbook will be presented to the City Council on an annual basis with any changes highlighted for review.

Financial Information:

This should have no impact on the adopted budget.

City Contact and Recommendation:

Ben Nibarger, City Administrator
Staff recommends that Council approve the resolution.

Attachments:

Resolution



City of New Fairview, Texas
Resolution No. _____

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX AUTHORIZING THE CITY ADMINISTRATOR TO AMEND THE EMPLOYEE HANDBOOK.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, the City desires to maintain a quality workforce and provide clear communication with its employees.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. The City Council of New Fairview authorizes the City Administrator to amend the Employee Handbook; and
2. That this Resolution shall take effect upon its approval.

PRESENTED AND PASSED on this **3rd day of August**, at a meeting of the New Fairview City Council.

APPROVED:

Joe Max Wilson
Mayor

ATTESTED:

Monica Rodriguez
City Secretary



City Council Agenda August 3, 2020

Agenda Item:	Resolution	(Action Item)
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Agenda Description:

Discuss, consider and possibly take action authorizing staff to digitize the City's paper records and seek permission from the state to implement an electronic records retention program for maintenance of all City records.

Background Information:

The City of New Fairview has tens-of-thousands of pages of paper records that are required to be maintained by the State. If the City were to have a natural disaster, fire, or other unforeseen event, it is possible that all of the paper records could be lost or destroyed. Further, when an interested party files an open records request, staff is required to research and provide the eligible records. This can take a significant amount of time and resources. Utilizing current technology, we can digitize and store the records locally and back them up in the "cloud" so that they are safe from potential hazards as well as make them keyword searchable for open records requests. This will also help to make us compliant with records retention requirements of emails and other documents.

Financial Information:

This process can be completed using existing technology, but an upgrade to include access to Google Vault will increase our monthly user cost by \$5/user.

City Contact and Recommendation:

Ben Nibarger, City Administrator
Staff recommends that Council approve the resolution.

Attachments:

Resolution



City of New Fairview, Texas
Resolution No. _____

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX AUTHORIZING THE CITY STAFF TO RETAIN RECORDS IN AN ELECTRONIC FORMAT.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, the City desires to reduce use of paper products and create a level of redundancy with City records; and

WHEREAS, the City desires to maintain compliance with records retention and improve transparency.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. The City Council of New Fairview authorizes staff to implement the process of digitizing all paper records seek approval from the State of Texas; and
2. That this Resolution shall take effect immediately upon its approval.

PRESENTED AND PASSED on this **3rd day of August**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary



City Council Agenda

August 3, 2020

Agenda Item:	Discussion	(Seek Direction)
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Agenda Description:

Discuss and consider options regarding the streets maintenance program.

Background Information:

The City of New Fairview had previously entered into an agreement with Devon Energy to maintain three roads (Graham, Martindale, and Pioneer) in the City limits. This agreement was terminated upon the implementation of the City ad valorem tax. It appears that Devon Energy had also maintained a number of private roads which are no longer being maintained. City Hall has received requests to repair these private roads now that we are collecting a property tax.

Financial Information:

This has the potential for significant costs associated with road maintenance and repair.

City Contact and Recommendation:

Ben Nibarger, City Administrator

Attachments:

N/A

NICHOLS, JACKSON, DILLARD, HAGER & SMITH, L.L.P.

Natalie B. Banuelos
Email: abrooks@njdhhs.com

Attorneys & Counselors at Law
1800 Lincoln Plaza
500 North Akard
Dallas, Texas 75201
(214) 965-9900
Fax (214) 965-0010
E-mail NJDHS@NJDHS.com

ROBERT L. DILLARD, JR. (1913-2000)
H. LOUIS NICHOLS
LAWRENCE W. JACKSON
OF COUNSEL

April 22, 2003

VIA HAND DELIVERY

Patricia Hyden
City Secretary
City of New Fairview
999 Illinois Ave.
New Fairview, Texas 76078

RE: Roadway Repair and Maintenance Contract

Dear Ms. Hyden:

Enclosed herewith please find the original signed Roadway Repair and Maintenance Contract between the City of New Fairview and Devon Energy Operating Company, L.P.

Once the contract has been fully executed, please send our office a copy. Thank you for your attention to this matter. Should you have any questions, please do not hesitate to contact our office.

Very truly yours,

NICHOLS, JACKSON, DILLARD,
HAGER & SMITH, L.L.P.

By:


Natalie B. Banuelos

NBB/si
Enc.

STATE OF TEXAS

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COUNTY OF WISE**ROADWAY REPAIR AND
MAINTENANCE CONTRACT**

This agreement ("Agreement") is made by and between City of New Fairview, Texas (the "City") and Devon Energy Operating Company, L.P. ("Devon") acting by and through their authorized representatives.

WITNESSETH:

WHEREAS, the City has adopted Ordinance No. 2002-02-081 regulating weight limits on residential streets within the corporate city limits of the City of New Fairview, Texas; and

WHEREAS, Devon has agreed to repair and maintain certain roadways in accordance with the City's ordinances requiring such maintenance for the use of the roadways; and

WHEREAS, Devon has agreed to pay the cost associated with the repair and maintenance of certain roadways, in accordance with the City's ordinances:

NOW THEREFORE, in consideration of the covenants contained herein and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**ARTICLE I
DEFINITIONS**

1.0 Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

- 1.1 "City" shall mean the City of New Fairview, Texas, and its designated representatives.
- 1.2 "Devon" shall mean Devon Energy, its authorized subcontractors, agents and employees.
- 1.3 "Force Majeure" shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action (unless caused by the intentionally wrongful acts or omissions of the party), fires, explosions or floods, strikes, slowdowns or work stoppages.

ARTICLE II TERM

The term of this Agreement shall begin on the last date of execution hereof (the "Effective Date") and continue until the parties have fully satisfied the terms and conditions of this Agreement, unless sooner terminated as provided herein.

ARTICLE III TERMS OF AGREEMENT

3.1 Devon agrees to furnish all personnel, labor, equipment, trucks, materials, and other items necessary to maintain Pioneer Road, Graham Road, and Martindale Road located within the City, and agrees to perform and pay the expenses associated for such repair and maintenance in accordance with this contract.

3.2 Devon agrees to apply gravel material when necessary on Pioneer Road, Graham Road, and Martindale Road.

3.3 Devon agrees to use a motor grader once a month on Pioneer Road, Graham Road, and Martindale Road to maintain the surface area of such roadways.

3.4 Devon agrees to pay for cost associated with the removal and replacement of the current bridge located on Pioneer Road. The repair work will consist of the removal and replacement of the current bridge with three (3) new five (5) foot by twenty (24) foot culvert with guard rails and gravel cover. The removal and construction of the new bridge will be performed by Bowie Dozier Co., to which Devon agrees to pay Bowie Dozier Co. for such work.

3.5 Devon agrees to perform any necessary repairs for any damages caused by Devon to any roadways located within the City.

3.6 Devon agrees that all repair work performed shall be inspected by the City for final approval.

3.7 The City agrees to allow Devon to use Pioneer Road, Graham Road, and Martindale Road without obtaining the required permits pursuant to Ordinance No. 2002-02-081, as Devon has agreed to perform all maintenance and necessary repairs to the above referenced roadways.

ARTICLE IV TERMINATION

This Agreement may be terminated in any of the following ways:

- a. Written agreement of both parties; or
- b. Devon discontinue operation and use on any roadways located within the City, and notice of such discontinued operation and use shall be provided to the City thirty (30) days prior to Devon's discontinued operation and use of roadways located within the City.
- c. The City passes an ad valorem tax.

ARTICLE V MISCELLANEOUS

5.1 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:

City of New Fairview
999 Illinois Lane
New Fairview, Texas 76078

With a copy to City Attorney of Record:

Natalie B. Banuelos
Nichols, Jackson, Dillard,
Hager & Smith, L.L.P.
1800 Lincoln Plaza
500 North Akard
Dallas, Texas 75201

If intended for Devon to:

Attn: Doug Mitchell
P.O. Box 2481306 Hwy 380
Bridgeport, Texas 76246

5.2 Attorney's Fees. Any signatory to this Agreement, who is the prevailing party in any legal proceeding against any other signatory brought under or with relation to this Agreement shall be entitled to recover court cost and reasonable attorney's fees from the non-prevailing party.

5.3 Governing Law. This Agreement is governed by the laws of the State of Texas; and venue for any action shall be in Wise County, Texas.

5.4 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the executing parties and their respective heirs, personal representatives, successors and assigns.

5.5 Entire Agreement. This Agreement embodies the entire agreement between the parties and supersedes all prior agreements, understandings, if any, relating to the subject matter addressed herein and may be amended or supplemented only by written instrument executed by the party against whom enforcement is sought.

5.6 Recitals. The recitals to this Agreement are incorporated herein by reference.

5.7 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made in this Agreement.

5.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

5.9 Assignment. Devon shall not assign or transfer its rights under this Agreement to any other person or entity without the prior written consent of the City Council.

EXECUTED this 14th day of April, 2003.

CITY OF NEW FAIRVIEW, TEXAS:

By:  *can't sign*

Joe Max Wilson, City Council Member

By: 

Ernest Hancock, City Council Member

By: 

Steve Misner, City Council Member

By: 

Luis Trevino, City Council Member

By: 

Jimmy Miller, City Council Member

ATTEST:

By: 

Patricia Hyden, City Secretary

APPROVED AS TO FORM:

By: 

Natalie B. Banuelos, City Attorney

EXECUTED this 23 day of April, 2003.

DEVON ENERGY

By: Name: J.M. DuckworthTitle: Project Manager

CITY'S ACKNOWLEDGMENT

STATE OF TEXAS §

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COUNTY OF WISE §

This instrument was acknowledged before me on the abstained day of _____, 2003, by Joe Max Wilson, member of the City Council of New Fairview, Texas, a Texas municipality, on behalf of said municipality.

Notary Public, State of Texas

My Commission expires: _____

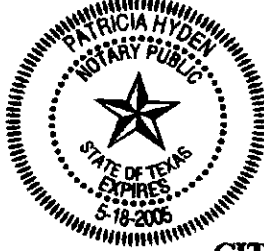
CITY'S ACKNOWLEDGMENT

STATE OF TEXAS §

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COUNTY OF WISE §

This instrument was acknowledged before me on the 14th day of April 2003, 2003, by Ernest Hancock, member of the City Council of New Fairview, Texas, a Texas municipality, on behalf of said municipality.



Patricia Hyden
Notary Public, State of Texas

My Commission expires: 5-18-2005

CITY'S ACKNOWLEDGMENT

STATE OF TEXAS §

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COUNTY OF WISE §

This instrument was acknowledged before me on the 1st day of April 2003, 2003, by Steve Misner, member of the City Council of New Fairview, Texas, a Texas municipality, on behalf of said municipality.



Patricia Hyden
Notary Public, State of Texas

My Commission expires: 5-18-2005

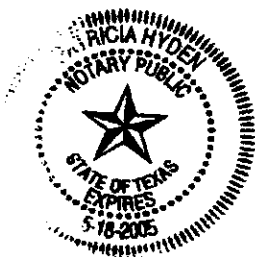
CITY'S ACKNOWLEDGMENT

STATE OF TEXAS

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COUNTY OF WISE

This instrument was acknowledged before me on the 1st day of April 2003, by Luis Trevino, member of the City Council of New Fairview, Texas, a Texas municipality, on behalf of said municipality.



Patricia Hyden
Notary Public, State of Texas

My Commission expires: 5-18-2005

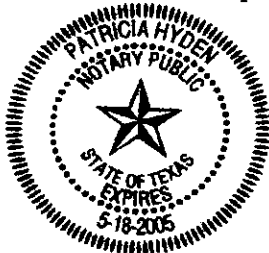
CITY'S ACKNOWLEDGMENT

STATE OF TEXAS

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COUNTY OF WISE

This instrument was acknowledged before me on the 8th day of April 2003, by Jimmy Miller, member of the City Council of New Fairview, Texas, a Texas municipality, on behalf of said municipality.



Patricia Hyden
Notary Public, State of Texas

My Commission expires: 5-18-2005

DEVON'S ACKNOWLEDGMENT

STATE OF TEXAS

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COUNTY OF WISE

This instrument was acknowledged before me on the 23rd day of April, 2003, by J.M. Duckworth of Devon Energy, on behalf of said corporation.



Helen Franklin
Notary Public, State of Texas

My Commission expires: 12/05/05



City Council Agenda August 3, 2020

Agenda Item:	Discussion	(Seek Direction)
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Agenda Description:

Discuss and consider options regarding code enforcement Ordinance 1998-05-0014 and 2007-12-127.

Background Information:

The City of New Fairview has adopted a code enforcement ordinance that allows for the monitoring and enforcement of garbage, grass, and other nuisances within the City limits but has been lenient in their enforcement. A significant amount of road damage within the City limits is the result of poor drainage due to a lack of maintenance of bar ditches, culverts, and changing the flow of water from designated routes. Prior to the City making significant investments in street repairs, the drainage issues need to be addressed.

Financial Information:

This has the potential for significant costs associated with enforcement, ticketing, and abatement activities.

City Contact and Recommendation:

Ben Nibarger, City Administrator

Attachments:

N/A



City Council Agenda August 3, 2020

Agenda Item:	Discussion	(Seek Direction)
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Agenda Description:

Discuss and consider options regarding the 2020-2021 annual budget and the No-New-Revenue tax rate.

Background Information:

State law requires presenting in a public meeting the No-New-Revenue tax rate to the City Council and posting the same material to the website by August 7th or as soon as possible thereafter. These numbers are preliminary and subject to change, as Denton County has not yet completed the certified taxable value. We are working with the Denton CAD and the Tax Appraiser to get this resolved, but this is a Denton County wide problem.

Financial Information:

This will impact our tax rate which may have significant financial implications.

City Contact and Recommendation:

Ben Nibarger, City Administrator

Attachments:

N/A

NEW FAIRVIEW CITY OF
No-New-Revenue Tax Rate Assumption Data

Taxing Unit Number: 061-134-03

Taxing Unit Type: City

County/Other Worksheet Field Number & Data

1. 2019 total taxable value.	\$1,556,545
2. 2019 tax ceilings	\$0
4. 2019 total adopted tax rate	0.3
10. 2019 taxable value lost because property first qualified for an exemption in 2020.	
A. Absolute exemptions, 2019 market value:	\$0
B. Partial exemptions, 2020 exemption amount	\$0
C. Value Loss, Total of A and B:	\$0
11. 2019 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2020.	
A. 2019 market value:	\$0
B. 2020 productivity or special appraised value:	\$0
C. Value Loss:	\$0
16. Taxes in tax increment financing (TIF) for tax year 2019.	\$0
18. Total 2020 taxable value on the 2020 certified appraisal roll today.	
A. Certified Values:	\$9,599,465
B. Counties: Include railroad rolling stock values certified by the Comptroller's office:	\$0
C. Pollution control and energy storage system exemption:	\$0
D. Tax increment financing:	\$0
19. Total value of properties under protest or not included on certified appraisal roll.	
A . 2020 taxable value of properties under protest (Estimated Lower Taxable Value):	\$4,330,348
B . 2020 value of properties not under protest or included on certified appraisal roll.	\$0
C. Total value under protest or not certified.	\$5,849,205
20. 2020 tax ceilings.	\$0
22. Total 2020 taxable value of properties in territory annexed after January 1, 2019	\$205,399
23. Total 2020 taxable value of new improvements and new personal property located on new improvements.	\$3,691,838

	PRELIMINARY	UNDER REVIEW	TOTAL
REAL PROPERTY & MFT HOMES	(Count) (144)	(Count) (62)	(Count) (206)
Land HS Value	967,226	496,257	1,463,483
Land NHS Value	5,644,384	4,603,909	10,248,293
Ag Land Market Value	1,992,886	0	1,992,886
Total Land Value	8,604,496	5,100,166	13,704,662
Improvement HS Value	2,942,799	749,039	3,691,838
Improvement NHS Value	124	0	124
Total Improvement	2,942,923	749,039	3,691,962
Market Value	11,547,419	5,849,205	17,396,624
BUSINESS PERSONAL PROPERTY	(1)	(0)	(1)
Market Value	19,660	0	19,660
OIL & GAS / MINERALS	(0)	(0)	(0)
Market Value	0	0	0
OTHER (Intangibles, Rolling Stock)	(0)	(0)	(0)
Market Value	0	0	0
	(Total Count) (145)	(Total Count) (62)	(Total Count) (207)
TOTAL MARKET	11,567,079	5,849,205	17,416,284
Ag Land Market Value	1,992,886	0	1,992,886
Ag Use	25,272	0	25,272
Ag Loss (-)	1,967,614	0	1,967,614
APPRAISED VALUE	9,599,465	5,849,205	15,448,670
HS CAP Limitation Value (-)	0	0	0
NET APPRAISED VALUE	9,599,465	5,849,205	15,448,670
Total Exemption Amount	0	0	0
NET TAXABLE	9,599,465	5,849,205	15,448,670
	62.1%	37.9%	100%

APPROX TOTAL LEVY = NET TAXABLE * (TAX RATE / 100)

\$46,346.01 = 15,448,670 * 0.300000 / 100)

New Value

Total New Market Value: \$3,691,838
Total New Taxable Value: \$3,691,838

New Annexations/Deannexations

	Count	Market Value	Taxable Value
Annexations	1	205,399	205,399

Average Homestead Value

Category	Count of HS	Average Market	Average Exemption	Average Taxable
A Only	1	399,252	0	399,252
A & E	1	399,252	0	399,252

Property Under Review - Lower Value Used

Count	Market Value	Lower Market Value	Estimated Lower Taxable Value
62	5,849,205	4,330,348	4,330,348

Preliminary						
Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A	Single-family Residential	17		2,781,482	3,784,286	3,784,286
C1	Vacant Lots and Tracts	66		0	5,396,325	5,396,325
D1	Qualified Open-Space Land	64	3,542.94	0	1,992,886	25,272
D2	Farm or Ranch Improvements on Qualified	8		0	124	124
E	Rural Land,Not Qualified for Open-Space Land	2		161,317	373,798	373,798
L1	Commercial Personal Property	1		0	19,660	19,660
Totals:			3,542.94	2,942,799	11,567,079	9,599,465

Under Review						
Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A	Single-family Residential	11		749,039	1,245,296	1,245,296
C1	Vacant Lots and Tracts	56		0	4,603,909	4,603,909
Totals:			0	749,039	5,849,205	5,849,205

Grand Totals

Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A	Single-family Residential	28		3,530,521	5,029,582	5,029,582
C1	Vacant Lots and Tracts	122		0	10,000,234	10,000,234
D1	Qualified Open-Space Land	64	3,542.94	0	1,992,886	25,272
D2	Farm or Ranch Improvements on Qualified	8		0	124	124
E	Rural Land,Not Qualified for Open-Space Land	2		161,317	373,798	373,798
L1	Commercial Personal Property	1		0	19,660	19,660
Totals:			3,542.94	3,691,838	17,416,284	15,448,670

WISE COUNTY APPRAISAL DISTRICT

400 East Business 380 Decatur, Tx. 76234
Phone (940) 627-3081 Fax (940) 627-5187

July 23, 2020

STATE OF TEXAS
COUNTY OF WISE

CERTIFICATION OF THE 2020 APPRAISAL ROLL FOR

CITY OF NEW FAIRVIEW

I, Mickey Hand, Chief Appraiser for the Wise County Appraisal District, solemnly swear that the attached is that portion of the approved 2020 Appraisal District Roll, which lists property taxable by the CITY OF NEW FAIRVIEW and constitutes the appraisal roll for the tax year 2020.


Mickey Hand, Chief Appraiser

TAX ROLL INFORMATION

2020 TOTAL MARKET VALUE VALUE	\$219,063,981
2020 TAXABLE VALUE STILL UNDER PROTEST	\$520,860

2020 CERTIFIED TAXABLE VALUE	\$140,859,561
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New Improvements added since January 1, 2019	\$2,201,010
2020 Frozen Value of 0/65 Homesteads	\$0
2020 Frozen Levy of 0/65 Homesteads	\$0.00

CNF-CITY NEW FAIRVIEW (2020)

Count : 8,184

Market

<u>Improvement</u>		<u>Count</u>	<u>Value</u>	<u>Land</u>	<u>Count</u>	<u>Value</u>	<u>Prod Mkt</u>	<u>Count</u>	<u>Value</u>	<u>Other</u>	<u>Count</u>	<u>Value</u>	
Homesite		567	68,869,556	Homesite	591	30,584,120	Agricultural	149	65,615,860	Mineral	7,171	33,179,631	
Non Homesite		14	500,880	Non Homesite	24	3,189,740	Inventory	0	0	Personal	210	14,922,434	
New Homesite		42	2,201,760	New Homesite	0	0	Timber	0	0	New Personal	0	0	
New Non Hs		0	0	New Non Hs	0	0							
Impr Market			71,572,196	(+)	Land Market	33,773,860	(+)	Prod Market	65,615,860	(+)	Other	48,102,065	
												Total Market	219,063,981
												(=)	

Loss

Hs Cap Loss		Count	Value	Productivity		Count	Prod Value	Prod Loss
General		179	7,547,495	Agricultural		149	485,240	65,130,620
				Inventory		0	0	0
				Timber		0	0	0
Cap Loss			7,547,495	(+) Total Loss				72,678,115
				(=)				

Deductions

[illegible]

Additional Totals

Miscellaneous	Count	Value	Natural Disaster	TIFF	TIFF #1	Value	TIFF	TIFF #2	Value	Certifiable	Value
Subj to Hs	305	43,822,855	Jan 1 Market	Total Taxable	0	0	Total Taxable	0	0	Market	218,433,231
New Taxable	41	2,201,010	Jan 1 Txbl	Total Tax	0	0.00	Total Tax		0.00		
Legal Acres		9,349,388	Jan 1 Tax	Origination Year	0	0	Origination Year		0	% Protected	0.288%
Ag Acres		0.000	Disaster Market	Taxable Base	0	0	Taxable Base		0	Taxable	140,859,561
Inv Acres		0.000	Disaster Txbl	Taxable Captured	0	0	Taxable Captured		0	Tax	422,578.21
Tmb Acres		0.000	Disaster Tax	Tax Captured	0	0.00	Tax Captured		0.00	*	Please contact Chief Appraiser to obtain estimated recognizable values of property under protest
Annexed	0	0	Disaster Avg %			0.000					
DeAnnexed	0	0	Est Recognizable Txbl			0	I&S Taxable	141,380,421	Value		
			Est Recognizable Tax			0.00	M&O Taxable	141,380,421			
							VLA Cap Loss	0			

CNF - 2020 TAXABLE VALUES STILL UNDER PROTEST

prop_yr	prop_id	ent_code	curr_mkt	prev_mkt	Prod	ProdPrior	curr_txbl	prev_txbl
2020	R000016737	CNF	\$218,240	\$95,760	\$0	\$0	\$218,240	\$95,760
2020	R000031773	CNF	\$216,680	\$165,040	\$0	\$0	\$216,680	\$165,040
2020	R000031775	CNF	\$195,830	\$149,410	\$0	\$0	\$85,940	\$78,130

\$630,750 \$410,210 \$0 \$0 \$520,860 **\$338,930**

Taxing Units Other Than School Districts or Water Districts

2020 Tax Rate Calculation Worksheet

Date: 07/29/2020 08:07 AM

2020 City of New Fairview

Taxing Unit Name

999 Illinois Lane, New Fairview, TX, 76078

Phone (area code and number)

Taxing Unit Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller For 50-859 *Tax Rate Calculation Worksheet for School Districts*.

Water districts as defined under Water Code Section 49.001(1) should use Comptroller Form 50-858 Water District Rollback Tax Rate Worksheet. All other taxing units should use Comptroller Form 50-856 Tax Rate Calculation, Taxing Units Other Than School Districts.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

STEP 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both year.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operation taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Rate Activity	Amount/Rate
1.	2019 total taxable value. Enter the amount of 2019 taxable value on the 2019 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 17).	\$167,708,925
2.	2019 tax ceilings. Counties, cities and junior college districts. Enter 2019 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step	\$0
3.	Preliminary 2019 adopted taxable value. Subtract Line 2 from Line 1.	\$167,708,925
4.	2019 total adopted tax rate	\$.300000
5.	2019 taxable value lost because court appeals of ARB decisions reduced 2019 appraised value:	
	A. Original 2019 ARB values:	\$0
	B. 2019 values resulting from final court decisions:	\$0
	C. 2019 value loss. Subtract B from A.[3]	\$0
6.	2019 taxable value subject to appear under Chapter 42, as of July 25.	
	A. 2019 ARB certified value	

Line	No-New-Revenue Rate Activity	Amount/Rate
		0
	B. 2019 disputed value	0
	C. 2019 undisputed value Subtract B from A	0
7.	2019 Chapter 42-related adjusted values. Add Line 5 and 6	0
8.	2019 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 7	\$167,708,925
9.	2019 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2019. Enter the 2019 value of property in deannexed territory.[4]	\$0
10.	2019 taxable value lost because property first qualified for an exemption in 2020. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2020 does not create a new exemption or reduce taxable value.	
	A. Absolute exemptions. Use 2019 market value:	\$0
	B. Partial exemptions. 2020 exemption amount or 2020 percentage exemption times 2019 value:	\$74,441
	C. Value loss. Add A and B.	\$74,441
11.	2019 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2020. Use only properties that qualified in 2020 for the first time; do not use properties that qualified in 2019.	
	A. Use 2019 market value:	\$143,180
	B. 2020 productivity or special appraised value:	\$650
	C. Value loss. Subtract B from A.	\$142,530
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$216,971
13.	Adjusted 2019 taxable value. Subtract Line 12 from Line 8	\$167,491,954
14.	Adjusted 2019 taxes. Multiply Line 4 by Line 13 and divide by \$100	\$502,475
15.	Taxes refunded for years preceding tax year 2019. Enter the amount of taxes refunded by the district for tax years preceding tax year 2019. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019. [8]	\$0
16.	Taxes in tax increment financing (TIF) for tax year 2019 Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0.	\$0
17.	Adjusted 2019 levy with refunds and TIF adjustment. Add Lines 14, and 15, subtract Line 16.	\$502,475
18.	Total 2020 taxable value on the 2020 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.	
	A. Certified values	\$140,859,561
	B. Counties Include railroad rolling stock values certified by the Comptroller's office	\$0
	C. Pollution control and energy storage system exemption Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property	\$0
	D. Tax increment financing Deduct the 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2020 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.	\$0

Line	No-New-Revenue Rate Activity	Amount/Rate
	E. Total 2020 value Add A and B, then subtract C and D	\$140,859,561
19.	Total value of properties under protest or not included on certified appraisal roll. [13]	
	A. 2020 taxable value of properties under protest The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest	\$520,860
	B. 2020 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll.	\$0
	C. Total value under protest or not certified. Add A and B.	\$520,860
20.	2020 tax ceilings. Counties, cities and junior colleges enter 2020 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step.	\$0
21.	2020 total taxable value. Add Lines 18E and 19C. Subtract Line 20C.	\$141,380,421
22.	Total 2020 taxable value of properties in territory annexed after Jan. 1, 2019. Include both real and personal property. Enter the 2020 value of property in territory annexed.	\$0
23.	Total 2020 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2019. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2019 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2020.	\$2,201,010
24.	Total adjustments to the 2020 taxable value. Add Lines 22 and 23.	\$2,201,010
25.	Adjusted 2020 taxable value. Subtract Line 24 from Line 21.	\$139,179,411
26.	2020 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100.	\$.361027 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2020 county NNR tax rate	\$.361026 /\$100

[1]Tex. Tax Code Section

[2]Tex. Tax Code Section

[3]Tex. Tax Code Section

[4]Tex. Tax Code Section

[5]Tex. Tax Code Section

[6]Tex. Tax Code Section

[7]Tex. Tax Code Section

[8]Tex. Tax Code Section

[9]Tex. Tax Code Section

[10]Tex. Tax Code Section

[11]Tex. Tax Code Section

[12]Tex. Tax Code Section

[13]Tex. Tax Code Section

[14]Tex. Tax Code Section

[15]Tex. Tax Code Section

[16]Tex. Tax Code Section

[17]Tex. Tax Code Section

[18]Tex. Tax Code Section

[19]Tex. Tax Code Section

[20]Tex. Tax Code Section

[21]Tex. Tax Code Section

STEP 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. Maintenance and Operations (M&O) Tax Rate: The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.

2. Debt Rate: The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter Approval Tax Rate Activity	Amount/Rate
28.	2019 M&O tax rate. Enter the 2019 M&O tax rate.	\$.300000
29.	2019 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the No-New-Revenue Tax Rate Worksheet.	167,708,925
30.	Total 2019 M&O levy. Multiply Line 28 by Line 29 and divide by \$100	503,126
31.	Adjusted 2019 levy for calculating NNR M&O rate. Add Line 31E to Line 30.	
	A. 2019 sales tax specifically to reduce property taxes. For cities, counties and hospital districts, enter the amount of additional sales tax collected and spent on M&O expenses in 2019, if any. Other taxing units, enter 0. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent	0
	B. M&O taxes refunded for years preceding tax year 2019. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019	0
	C. 2019 taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0	0
	D. 2019 transferred function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in E below. The taxing unit receiving the function will add this amount in E below. Other taxing units enter 0.	0
	E. 2019 M&O levy adjustments. Add A and B, then subtract C. For taxing unit with D, subtract if discontinuing function and add if receiving function	0
32.	Adjusted 2020 taxable value. Enter the amount in Line 25 of the No-New-Revenue Tax Rate Worksheet.	139,179,411
33.	2020 NNR M&O rate (unadjusted) Divide Line 31 by Line 32 and multiply by \$100.	0.361495
34.	Rate adjustment for state criminal justice mandate. Enter the rate calculated in C. If not applicable, enter 0.	0.000000
	A. 2020 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	0
	B. 2019 state criminal justice mandate Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies	0

Line	Voter Approval Tax Rate Activity	Amount/Rate
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
35.	Rate adjustment for indigent health care expenditures Enter the rate calculated in C. If not applicable, enter 0	0.000000
	A. 2020 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose	0
	B. 2019 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state assistance received for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
36.	Rate adjustment for county indigent defense compensation Enter the lessor of C and D. If not applicable, enter 0	0.000000
	A. 2020 indigent defense compensation expenditures Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose	0
	B. 2019 indigent defense compensation expenditures Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state grants received by the county for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100	0.000000
37.	Rate adjustment for county hospital expenditures. Enter the lessor of C and D, if applicable. If not applicable, enter 0.	0
	A. 2020 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2019 and ending on June 30, 2020	0
	B. 2019 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2018 and ending on June 30, 2019	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100	0.000000
38.	Adjusted 2020 NNR M&O rate. Add Lines 33, 34, 35, 36, and 37	0.361495
39.	2020 voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit If the taxing unit qualifies as a special taxing unit, multiply Line 38 by 1.08 -or- Other Taxing Unit If the taxing unit does not qualify as a special taxing unit, multiply Line 38 by 1.035. -or- Taxing unit affected by disaster declaration If the taxing unit is located in an area declared as disaster area, the governing body may direct the person calculating the voter-approval rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval rate in this manner until the earlier of 1) the second year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, and 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 38 by 1.08. [27]	
40.	Total 2020 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses.	

Line	Voter Approval Tax Rate Activity	Amount/Rate
	A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. Enter debt amount	0
	B. Subtract unencumbered fund amount used to reduce total debt.	0
	C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)	0
	D. Subtract amount paid from other resource	0
	E. Adjusted debt Subtract B, C and D from A	0
41.	Certified 2019 excess debt collections Enter the amount certified by the collector.	0
42.	Adjusted 2020 debt Subtract Line 41 from Line 40E	0
43.	2020 anticipated collection rate. . If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%	100.00
	A. Enter the 2020 anticipated collection rate certified by the collector	100.00
	B. Enter the 2019 actual collection rate	100.00
	C. Enter the 2018 actual collection rate	100.00
	D. Enter the 2017 actual collection rate	100.00
44.	2020 debt adjusted for collections. Divide Line 42 by Line 43.	0
45.	2020 total taxable value. Enter the amount on Line 21 of the No-New-Revenue Tax Rate Worksheet.	141,380,421
46.	2020 debt rate Divide Line 44 by Line 45 and multiply by \$100.	0.000000
47.	2020 voter-approval tax rate	
48.	COUNTIES ONLY	
STEP 3 NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales tAx to Reduce Property Taxes		

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
49.	Taxable sales. For taxing units that adopted the sales tax in November 2019 or May 2020, enter the Comptroller's estimate of taxable sales for the previous four quarters. Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2019, skip this line.	0
50.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. Taxing units that adopted the sales tax in November 2019 or in May 2020. Multiply the amount on Line 49 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95[3] -or- Taxing units that adopted the sales tax before November 2019. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	0
51.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet.</i>	141,380,421
52.	Sales tax adjustment rate. Divide Line 50 by Line 51 and multiply by \$100.	0.000000
53.	2020 NNR tax rate, unadjusted for sales tax.[35] Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet.</i>	\$.361026
54.	2020 NNR tax rate, adjusted for sales tax. Subtract Line 52 from Line 55.	\$.361026
55.	2020 voter-approval tax rate, unadjusted for sales tax.[36] Enter the rate from	0.372752

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
	Line 47 or Line 48 as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i>	
56.	2020 voter-approval tax rate, adjusted for sales tax. Subtract Line 52 from Line 55.	0.374147

[37]Tex. Tax Code Section [38]Tex. Tax Code Section

STEP 4: Additional Rollback Protection for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Activity	Amount/Rate
57.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). [6] Enter the amount certified in the determination letter from TCEQ. The taxing unit shall provide its tax assessor collector with a copy of the letter.[7]	\$0
58.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>	\$141,380,421
59.	Additional rate for pollution control. Divide Line 57 by Line 58 and multiply by \$100.	0.000000
60.	2020 voter-approval tax rate, adjusted for pollution control. Add Line 59 to one of the following lines (as applicable): Line 47, Line 48 (counties) or Line 56 (taxing units with the additional sales tax).	

[37]Tex. Tax Code Section

[38]Tex. Tax Code Section

STEP 5: Voter-Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years.[39] In a year where a special taxing unit adopts a rate above the voter-approval tax rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero. Consult with legal counsel to ensure appropriate calculation of the unused increment rate.

For each tax year before 2020, the difference between the adopted tax rate and voter-approval rate is considered zero, therefore the unused increment rate for 2020 is zero.[40]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
61.	2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
62.	2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
63.	2017 unused increment rate. Subtract the 2017 actual tax rate and the 2017 unused increment rate from the 2017 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
64.	2020 unused increment rate. Add Lines 61, 62 and 63.	0.000000
65.	2020 voter-approval tax rate, adjusted for unused increment rate. Add Line 64 to one of the following lines (as applicable): Line 47, Line 48 (counties), Line 56 (taxing units with the additional sales tax) or Line 60 (taxing units with pollution control).	0.000000

STEP 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no=new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.[42]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
66.	Adjusted 2020 NNR M&O tax rate. Enter the rate from Line 38 of the <i>Voter-Approval Tax Rate Worksheet</i>	0.361495
67.	2020 total taxable value Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>	141,380,421
68.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 67 and multiply by \$100.	0.353655
69.	2020 debt rate Enter the rate from Line 46 of the <i>Voter- Approval Tax Rate Worksheet</i>	0.000000
70.	De minimis rate Add Lines 66, 68 and 69.	0.715150

STEP 7: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate 0.361026

Voter-Approval Tax Rate

De minimis rate 0.715150

STEP 8: Taxing Unit Representative Name and Signature

print here

Printed Name of Taxing Unit Representative

sign here

Taxing Unit Representative

Date