



**City of New Fairview
City Council
Regular Meeting
999 Illinois Lane
Monday, August 7, 2023, at 6:00 pm**

WORK SESSION

1. **Call to Order and Determination of Quorum**
2. **Receive a report and hold a discussion regarding the operations, challenges, and goals for the Justin Volunteer Fire Department.**
3. **Receive a report and hold a discussion regarding the operations, challenges, and goals for East Wise Fire and Rescue.**
4. **Receive a report and hold a discussion regarding the Fiscal Year (FY) 2022-23 budget trends and the projections and priorities for FY 2023-24 annual budget, including addressing Strategic Plan priorities.**
5. **Adjournment**

REGULAR SESSION

1. **Call to Order and Determination of Quorum**
2. **Pledge to the 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.**
3. **Announcements & Special Recognitions:** The agenda shall provide a time when proclamations, recognitions, general reports, and updates may be presented by the City Council.
4. **City Administrator's Report:** The City Administrator's Report may provide information on status of current city projects and other projects affecting the City, meetings and actions of the city's boards and commissions, upcoming local community events, including but not limited to departmental operations and capital improvement project status. No action will be taken with respect to this report.
5. **Public Comment:** 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. **Consent Agenda:** All matters as Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. An item can be removed from the consent agenda by the City Administrator, Mayor, or any member of the City Council and will be considered after approval of the consent agenda.

- A. **Approve the City Council Meeting minutes for July 17, 2023.**
- B. **Approve the July 2023 Financial Report.**

7. **New Business:** All matters listed in New Business will be discussed and considered separately.

- A. **Receive, consider, and act on an Ordinance related to the issuance and sale of "City of New Fairview, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2023", including the adoption of an ordinance authorizing the issuance of such certificates of obligation.**
- B. **Receive, consider, and act on approval of a final plat for Lots 1, 2, and 3, Block A, Lovely Home Addition, 6.115 acres in M.E.O & P.R.R. Co. Survey, Abstract No. 633 and A.J. Walker Survey, Abstract No. 861 generally located in the 100 block of Ridge Trail.**
- C. **Receive, consider, and act on an Ordinance approving the 2023 Annual Service Plan Update to the Service and Assessment Plan, including the Assessment Roll, for the Constellation Lake Public Improvement District in accordance with Chapter 372, Local Government Code, as amended.**
- D. **Receive, consider, and act on an Ordinance amending Chapter 2, Administration and Control, Article 2.06.000, of the Code or Ordinances entitled "Municipal Court," by amending Section 2.06.031, the Building Court Security Fund; by adding a new Section 2.06.032, entitled "Local Consolidated Fee; Created," a local consolidation fee established by state law; by adding Section 2.06.033 entitled, "Municipal Court Technology Fund; Created"; adding Section 2.06.034 entitled "Local Truancy Prevention and Diversion Fund; Created"; by adding Section 2.06.035 entitled "Warrant Fee; Created"; establishing a warrant fee of \$25 authorized by Article 45.203 of the Code of Criminal Procedure; by adding a new Section 2.06.036 entitled "Municipal Jury Fund; Created"; by adding Section 2.06.037 "Juvenile Case Manager Fee; Created"; by adding Section 2.06.038 allowing collection of additional state-authorized costs and fees; and by adding Section 2.06.039 for collection costs and fees.**
- E. **Receive, consider, and act on an Ordinance amending Article 2.03. "Officers and Employees", by adding Division 3, Section 2.03.040, "The Office of City Secretary", providing for the appointment, supervision, and removal of the City Secretary, establishing the principal duties and responsibilities of the City Secretary, and providing for a bond.**
- F. **Receive, consider, and act on an Ordinance amending The City of New Fairview City Code permitting various appointments, to include that of Court Administrator, authorize the City Secretary to act as a Deputy Municipal Court Clerk, as well as memorialize court procedures.**

G. Receive, consider, and act upon a Resolution accepting the proposed property tax rate; establishing dates for public hearings on the proposed property tax rate for the Fiscal Year 2023-2024 Budget; providing for the dates for the City Council to approve the property tax rate and Fiscal Year 2023-2024 Budget; and providing for publication of public hearing notices as provided by Texas law

8. **Executive Session:** Recess to Executive Session to discuss matters relating to real property pursuant to §551.072, Texas Government Code; deliberation of economic development negotiations pursuant to §551.087, Texas Government Code; discuss personnel matters pursuant to §551.074, Texas Government Code; discuss IT network or critical infrastructure security pursuant to §551.089, Texas Government Code; and to consult with the City Attorney pursuant to §551.071, Texas Government Code. The Council may go into closed session at any time when permitted by Chapter 551, Texas Government Code or Chapter 418, Texas Tax Code. Before going into closed session, a quorum of the Council must be present, the meeting must be convened as an open meeting pursuant to proper notice, the presiding officer must announce that a closed session will be held and must identify the sections of Chapter 551 or 418, Texas Government Code authorizing the closed session.
9. **Return to Open Session:** Discuss and take appropriate action, if any, resulting from the discussions conducted in Executive Session.
10. **Mayor & Council Member Announcements:** The City Council may hear or make reports of community interest provided no action is taken or discussed. Community interest items may include information regarding upcoming schedules of events, honorary recognitions, and announcements involving imminent public health and safety threats to the city. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.

11. Adjournment

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 on its website, said notice being posted this 4th day of August, 2023 at 5:00 PM at least 72 hours proceeding the meeting time.


Brooke Boller, 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 MEMO

Prepared By: John Cabrales Jr, City Administrator

August 7, 2023

Justin Community Volunteer Fire Department Fire Protection Presentation

DESCRIPTION:

Receive a report and hold a discussion regarding the operations, challenges, and goals for the Justin Volunteer Fire Department.

BACKGROUND INFORMATION:

The Denton County portion of the City of New Fairview is located within the fire protection service area of the Justin Community Volunteer Fire Department (JCVFD). JCVFD has been providing fire protection service for the residents of New Fairview for several years. The City and JCVFD had a Fire and Ambulance Services Agreement that was approved on June 15, 2020, but expired September 30, 2021. As part of the terms of that agreement, the City agreed to pay JCVFD \$3,000 for the performance of their services. However, even though the agreement has expired, JCVFD has continued to provide fire protection and emergency medical services to the residents of New Fairview on the Denton County side of our city.

On September 19, 2023, the City Council approved a Fire Protection Agreement with JCVFD. As part of this agreement, JCVFD will maintain needed emergency response vehicles and equipment; make reasonable effort to maintain the lowest possible fire insurance classification and rate for property within the city; continue to maintain a Fire Chief; and participate in drills and training by all active fire fighters.

The City will allow JCVFD the use of City facilities and grounds for training and other JCVFD activities. The City may, at its option and discretion, convey, lend, or provide equipment, materials, or assistance to JCVFD, as the City may deem appropriate. The term of this Agreement is from the Effective Date to and including September 30, 2023.

The City had agreed to pay JCVFD a fixed sum of twelve thousand dollars (\$12,000) annually. However, due to the dis-annexation of the Falcon Ridge subdivision from the City, beginning on December 1, 2022, the fixed sum was reduced to nine thousand dollars (\$9,000) annually, per the Agreement.

JCVFD Fire Chief Matthew Mitchell, and Assistant Fire Chief Michael Turner, met with staff to identify needs for the FY 2023-24 Budget. They discussed the challenges and plans for the department and have requested an increase to Twenty-one- thousand dollars (\$21,000) annually for the next fiscal year. Chief Mitchell will make a presentation at this meeting to share the challenges and plans for the department.

FINANCIAL CONSIDERATION:

None, discussion only.

RECOMMENDED MOTIONS:

None, discussion only.

ATTACHMENT(S):

1. JCVFD Letter (July 13, 2023)



Justin Community Volunteer Fire Department Inc.
310 N. Sealy Ave
PO Box 613
Justin, TX 76247

July 13, 2023

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

Attn: John Cabrales Jr.

To whom it may concern,

This letter is to confirm that the Justin Community Volunteer Fire Department Inc. wants to continue to provide fire, emergency medical and rescue services to the City of New Fairview Texas within the city limits and ETJ inside Denton County. The current negotiated contracted price for services within this geographical area is \$750 per month for a total of \$9,000 per year.

As per our conversation during our meeting on July 13, 2023 at City of New Fairview city hall the requested contract price for the FY 2023/2024 is \$1,750 per month for a total of \$21,000 per year. There are several factors that are contributing to this increase in price. First off, the new Paloma Ranch development now has occupied houses on this property. The property was previously open ag property with minimal calls for service with the exception of a grass fire from time to time. The potential for calls for service will drastically increase now.

The Justin Community Volunteer Fire Department Inc. (JCVFD) has worked hard to improve its level of service that we can provide since FY 2022/2023. In cooperation with the City of Justin we have hired three (3) more full-time personnel and a full-time assistant chief. This increases our staffing level to seven (7) per day with an absolute minimum of five (5) personnel per day. With the increase of our minimum staffing levels, this ensures that both medics are staffed 24/7 along with a supervisor. With full staffing, we have both medics staffed along with a three (3) man engine company. Along with improving staffing the JCVFD has added another 1000-gallon rescue engine to our fleet of apparatus. With the purchase of this apparatus, our first out crews have transitioned to responding in a engine to all calls for service. This ensures that our personnel can quickly mitigate most incidents when responding from a previous call. Our new full time assistant chief position will also be responsible for fire inspections, fire plans reviews and other fire marshal type duties. This is another service that our growing organization can provide.

Please feel free to call or email me with any further questions. Like stated before, the membership, officers and board of directors for the JCVFD look forward to continue to provide services for the City of New Fairview and its' citizens.

Respectfully,

Matthew Mitchell
Fire Chief
Justin Community Vol. Fire Dept. Inc.
940-395-0547
matthewmitchell@justinfiredept.com



CITY COUNCIL AGENDA MEMO

Prepared By: John Cabrales Jr, City Administrator

August 7, 2023

East Wise Fire Rescue Fire Protection Presentation

DESCRIPTION:

Receive a report and hold a discussion regarding the operations, challenges, and goals for East Wise Fire and Rescue.

BACKGROUND INFORMATION:

The Wise County portion of the City of New Fairview is located within the fire protection service area of the East Wise Fire Rescue (EWFR) Department. EWFR has been providing fire protection service for the residents of New Fairview for several years. On September 6, 2022, the City Council approved a Fire Protection Agreement with EWFR. The agreement was made to formalize the longstanding relationship by and between the City of New Fairview and EWFR for fire protection or prevention, rescue, and assist emergency medical services and/or hazardous material services. The term of this Agreement is from the Effective Date to and including September 30, 2023.

As part of the agreement, EWFR will maintain needed emergency response vehicles and equipment; make reasonable effort to maintain the lowest possible fire insurance classification and rate for property within the city; continue to maintain a Fire Chief; and participate in drills and training by all active fire fighters.

The City shall provide and maintain a fire station facility and grounds for the benefit of EWFR, and its various activities. The City may, at its option and discretion, convey, lend, or provide equipment, materials, or assistance to EWFR, as the City may deem appropriate.

The City currently pays to EWFR a fixed sum of twenty-six thousand and four hundred dollars (\$26,400.00) annually. EWFR Fire Chief Arne Wissmann, has met with staff to identify needs for the FY 2023-24 Budget. Chief Wissmann has discussed the challenges and plans for the department and has requested an increase to fifty-two-thousand and eight hundred dollars (\$52,800) annually for the next fiscal year. Chief Wissmann will make a presentation at this meeting to share the challenges and plans for the department.

FINANCIAL CONSIDERATION:

None, discussion only.

RECOMMENDED MOTIONS:

None, discussion only.

ATTACHMENT(S):

None



CITY COUNCIL AGENDA MEMO

Prepared By: John Cabrales Jr, City Administrator

August 7, 2023

Budget Workshop

DESCRIPTION:

Receive a report and hold a discussion regarding the Fiscal Year (FY) 2022-23 budget trends and the projections and priorities for FY 2023-24 annual budget, including addressing Strategic Plan priorities.

BACKGROUND INFORMATION:

The item is to discuss the trends for Fiscal Year 2022-23 and the projections for Fiscal Year 2023-24 as staff works on preparing the proposed FY 2023-24 annual budget. The proposed budget is developed through an extensive process of meetings with department heads, reviewing requests received by city departments, and then prioritizing those requests in a manner that utilizes resources effectively, within fiscal constraints, while working to achieve the city's goals. A budget calendar is implemented to ensure we meet dates within the process and have discussions with the council through public budget workshops. Below are significant dates for the FY 2023-24 Budget preparation and adoption.

- July 17 Budget Workshop at Regular Council Meeting
- August 7 Budget Workshop at Regular Council Meeting
(We will need to vote at this meeting to get council approval to call the public hearing for the tax rate and budget with a recorded vote of the proposed tax rate that will be held at the public hearing.)
- August 14 Publish Notice of Budget & Tax Hearing in the Newspaper
- August 14 Internet Notice of Tax Rate Hearing
- August 18 File Proposed Budget
- August 21 Budget Workshop at Regular Council Meeting
- August 28 Budget Workshop at Special Council Meeting
- September 4 Public Hearing on Tax Rate and Budget at Regular Council Meeting
- September 4 Adoption of Tax Rate and Budget at Regular Council Meeting
- September 29 Final Date to adopt a Budget

FINANCIAL CONSIDERATION:

None, discussion only.

RECOMMENDED MOTIONS:

None, discussion only.

ATTACHMENT(S):

1. Strategic Plan



STRATEGIC PLAN

Adopted March 20, 2023



www.newfairview.org

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Message from the Mayor

It is my pleasure to present to you our City's Strategic Plan based on input from the community, City Council and staff. This plan signals to all that New Fairview is preserving our rural heritage, seeking opportunities to partner with others, protect our residents, improve our public infrastructure and manage the growth upon us. The Strategic Plan includes the City's first ever Vision and Mission Statements, Core Values and Strategic Goals and Objectives.

I expect this Plan to serve as a guide and provide the City Council, staff and the citizens of New Fairview with an in depth list of things that we need to attend to. This Strategic Plan is an all-encompassing systematic approach that permits the current and future City Councils the ability to best allocate the resources entrusted to us by our citizens. It will give us the ability to prioritize the actions that have to be taken in order to meet the overall goals that we need to fulfill in order to generate the results that the citizens expect and deserve.

Many hours have been invested in the creation of this Strategic Plan, including the creation, implementation and results tabulation of the New Fairview Citizen Survey. I would like to personally thank the ninety (90) respondents to the survey. Your input was valuable in helping the City Council identify and prioritize strategic objectives and goals.

This Strategic Plan has been placed on the City website and will be used in the upcoming Fiscal Year 2023-24 Budget discussions. The plan will also be used by staff in our daily operations and they will identify some key performance indicators for each strategic goal and report the progress made. The City Council will then review these progress reports and have discussions with staff. Strategic plans are not static documents; they change as new circumstances arise, both internally and externally. As such, the City Council will review the plan at least once a year to determine if any changes are needed, and to ensure that we are addressing priorities identified by the community.

Welcome to New Fairview

Located just 15 minutes north of the Alliance Corridor, amongst rolling hills and open plains, the City of New Fairview residents enjoy all the benefits of living in a semi-rural atmosphere, with the amenities of a short 30-minute drive to downtown Fort Worth. The Metroplex is one of the fastest-growing areas in the state, consisting of twelve (12) counties, more than 200 cities and more than eight (8) million people. The combination of an ideal location, strong Texas economy, and staggering population growth has resulted in New Fairview seeing a 31.2% growth rate from 2021 to 2022 for an estimated population of 2,060. This made New Fairview one of the top ten (10) fastest growing cities by percent in the North Central Texas Council of Governments region.

By area, New Fairview is the largest city in Wise County, consisting of approximately 16 square miles, bounded by U.S. Highway 287 to the west, the Wise and Denton County line to the east, and Texas 114 approximately four miles to the south. New Fairview was originally settled by immigrants from the Illinois Valley, who creatively named the area, the “Illinois settlement”. The settlement's name was later changed to Fairview, due to the scenic vistas of the rolling hills and the surrounding prairies, only to be changed once again, in 1999, to New Fairview, when the city alderman discovered they were sharing their name with 14 other cities in Texas. The many large tracts of land remaining in the city have predominantly been held by families for generations, who have a strong ranching and dairy farm history, as well as having more than 400 active Barnett Shale gas wells.

The City of New Fairview is served by the Northwest and Decatur ISD, which are a primary driver of the new housing development seen between U.S. 287 and I-35.

Strategic Planning Process Overview

Strategic planning is a process in which an organization's leaders define their vision for the future and identify their organization's goals and objectives. The process includes establishing the sequence in which those goals should be realized so that the organization can reach its stated vision. It is important to involve as many people as possible to get diverse input when engaging in the strategic planning process to better understand community priorities. On December 8, 2022, the City launched a New Fairview Citizen Survey that collected input from residents on various city related topics. The survey was concluded on January 16, 2023, with 90 respondents to the survey.

On February 3, 2023, the City Council held a strategic planning retreat to review the results of the citizen survey. The Council reviewed the results of the 2021 City strategic planning initiative, and sample vision statements, mission statements, core values, and strategic goals and objectives from other cities. The strategic planning retreat focused primarily on what the City of New Fairview needs to do to realize its vision for the community's future and accomplish the mission of the organization. The strategic planning process was more policy-oriented and less about how to carry out the day-to-day operations and delivery of public services.

On February 20, 2023, staff had a work session discussion with the City Council on the draft vision statement, mission statement, core values, and strategic goals and objectives based on the input from the strategic planning retreat. Staff was directed to prepare a resolution for the adoption of a vision statement, mission statement, core values, and strategic goals and objectives. On March 20, 2023, the City Council passed Resolution (222303-04-123) adopting the Strategic Plan for the City, including a Vision Statement, Mission Statement, Core Values, and Strategic Goals and Objectives.

Vision, Mission, and Core Values

An organization's Vision is aspirational in nature. It defines what the organization wants to be or to achieve. It is an idealized description of the desired future state of the community. Vision statements act as a goal for an organization to strive toward and must align with its mission, strategic planning, culture, and core values. Below is the City Council's shared vision for New Fairview's future.

NEW FAIRVIEW VISION

New Fairview is a thriving rural community determined to balance old and new while strategically managing growth and sustainability for the next generation.

Whereas the Vision Statement describes the idealized future state of the community, a Mission Statement describes the organization's purpose. It defines the "business" of the organization and its relationship with its customers. The Mission Statement supports the vision and serves to communicate purpose and direction to employees, customers, and other stakeholders. This is a main building block to the formulation of the strategic plan. Below is the City Council's shared mission for the organization.

NEW FAIRVIEW MISSION

New Fairview is committed to governing with integrity and fiscal responsibility to ensure the overall quality of life for our citizens by providing excellence in public safety, economic growth, public infrastructure and community services.

Core Values are the fundamental principles that guide how members of the organization conduct themselves while carrying out the mission in pursuit of the vision. Together, the values provide an ethical framework for decision-making and action. In a values-led organization, the values create

a moral compass for the organization and its employees. It guides decision-making and establishes a standard against which actions can be assessed. These core values are an internalized framework that is shared and acted on by leadership. Below are the City Council’s shared Core Values for the organization.

NEW FAIRVIEW CORE VALUES

Integrity

Service

Trust

Transparency

Respectful

Accountable

Family Friendly

Fiscally Responsible

Preservation of our Natural Beauty

Strategic Goals and Objectives

A Strategic Plan should focus on a handful of Strategic Goals for an organization. These Strategic Goals should be aligned with the mission and vision statements and should each contain Strategic Objectives. The Strategic Objectives should be actionable, measurable, and easy to understand so that they can be used in making operational decisions. The Strategic Plan serves as a roadmap that can be used to prioritize resources, including the budget, goals, and operational initiatives.

A set of Strategic Objectives were identified and discussed using the ideas generated by the City Council, and based on the Citizen Satisfaction Survey, in a brainstorming activity during the strategic planning retreat. The objectives were then ranked by the City Council, without staff participation. The objectives receiving three or more votes were then grouped into strategic goals, for a total of six (6) Strategic Goals. Below are the City Council's shared Strategic Goals and Objectives for the organization.

GOAL 1 – Protect the Public

OBJECTIVE 1.1 – Improve Animal Control Services.

OBJECTIVE 1.2 – Improve Code Enforcement.

OBJECTIVE 1.3 – Grow Public Safety Services.

GOAL 2 – Invest in Infrastructure

OBJECTIVE 2.1 – Better Roads and Drainage.

OBJECTIVE 2.2 – Convert Multi-Purpose Building to public safety use only.

OBJECTIVE 2.3 – Build a Public Works Building.

GOAL 3 – Manage or Growth

OBJECTIVE 3.1 – Respect for our rural heritage.

OBJECTIVE 3.2 – Keep existing new residential minimum to one (1) acre lots.

OBJECTIVE 3.3 – Update the Zoning Map.

GOAL 4 – Exercise Fiscal Responsibility

OBJECTIVE 4.1 – Sustain a low Property Tax Rate.

OBJECTIVE 4.2 – Seek grant opportunities.

OBJECTIVE 4.3 – Seek interlocal opportunities.

GOAL 5 – Parks & Beautification

OBJECTIVE 5.1 – Develop and enhance Community Events.

OBJECTIVE 5.2 – Enhance the beautification of the community.

GOAL 6 – Advance our Interests

OBJECTIVE 6.1 – Improve Communication.

OBJECTIVE 6.2 – Protect Extraterritorial Jurisdiction.

OBJECTIVE 6.3 – Develop an Economic Development Plan.



**City of New Fairview
City Council
Regular Meeting Minutes
Monday, July 17, 2023**

**CITY COUNCIL
Mayor John Taylor
Mayor Pro Tem Steven King
Place 1 Councilman Harvey Lynn Burger
Place 2 Councilman Peter Kozlowski
Place 5 Councilman Richard Greene**

**City Staff
John Cabrales Jr, City Administrator
Brooke Boller, City Secretary
Roberta (Robin) Cross, City Attorney – Virtual
Susan Greenwood, Court Administrator**

**Absent
Place 3 Councilman Sarah Adams**

WORK SESSION

1. Call to Order and Determination of Quorum
2. Receive a report and hold a discussion regarding a proposed 345kV electric transmission line by Oncor Electric Delivery Company.
Council received a presentation from City Administrator John Cabrales and heard from Jarron Taylor, a representative with Oncor who stated construction is expected to begin in 2024/2025.
3. Receive a report and hold a discussion regarding the Fiscal Year (FY) 2022-23 budget trends and the projections and priorities for FY 2023-24 annual budget.
The council received a presentation from Michelle Sanchez explaining the 2023-24 annual budget.
4. Adjournment
**Motion: Councilman Richard Greene
Second: Councilman Peter Kozlowski
Vote: All in Favor
Result: Work Session was adjourned at 7:32pm.**

REGULAR SESSION

1. Call to Order and Determination of Quorum
2. Pledge to the 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.

3. Announcements & Special Recognitions: The agenda shall provide a time when proclamations, recognitions, general reports, and updates may be presented by the City Council.

Council received an update on the City Park & status of the Farmers Market.

Council was informed that the city will hold a school supply drive, allowing citizens to pick up supplies starting Aug 2nd.

4. City Administrator's Report: The City Administrator's Report may provide information on status of current city projects and other projects affecting the City, meetings and actions of the city's boards and commissions, upcoming local community events, including but not limited to departmental operations and capital improvement project status. No action will be taken with respect to this report.

5. Public Comment: 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.

Spaethe- Wanted to speak on Item I regarding the Oncor transmission line and how it would affect his property.

Phillip Harrison - Wanted to speak on the water quality issue in chisholm hills and the budget. He had concerns that the city is growing faster than it needed to. He also stated that he wanted to see more police presences.

6. Consent Agenda: All matters as Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. An item can be removed from the consent agenda by the City Administrator, Mayor, or any member of the City Council and will be considered after approval of the consent agenda.

A. Approve the City Council Meeting minutes for June 20, 2023.

B. Approve the June 2023 Financial Report and Third Quarter Investment Report.

Motion: Councilman Peter Kozlowski

Second: Mayor Pro Tem Steven King

Vote: All in Favor

Result: All items under the consent agenda were passed and approved

7. New Business: All matters listed in New Business will be discussed and considered separately.

A. Receive, consider, and act on the annual audit for Fiscal Year 2021-22.

Motion: Councilman Peter Kozlowski

Second: Councilman Richard Greene

Vote: All in Favor

Result: Council approved the annual audit for Fiscal Year 2021-22.

B. Consider approval of a final plat for Lot 1, Block A, Reynolds Addition, 5.04 acres in Block 51, Smith County School Land Survey Abstract No. 744 generally located in the 400 Block of Graham Road.

Motion: Councilman Harvey Lynn Burger

Second: Mayor Pro Tem Steven King

Vote: All in Favor

Result: Council approved with Conditions, on the request of the Final Plat of Lot 1, Block A, Reynolds Addition, 5.04 acres in Block 51 Smith County School Land Survey Abstract No. 744 generally located in the 400 block of Graham Road.

- C. Receive, consider, and act on a Resolution authorizing the City Administrator to enter into a contract with Fund Accounting Solutions Technologies, Inc (FundView) for software management services.

Motion: Mayor Pro Tem Steven King

Second: Councilman Harvey Lynn Burger

Vote: All in Favor

Result: Council approved a Resolution authorizing the City Administrator to enter into a contract with FundView for software management services, in final form as approved by City Attorney.

- D. Receive, consider, and act on a Resolution authorizing the City Administrator to enter into a professional services agreement with Pacheco Koch Consulting Engineers, LLC, a wholly owned subsidiary of Westwood Professional Services Inc., for the survey and engineering for roadway and drainage reconstruction of certain roads in the Chisholm Hills subdivision, in an amount not to exceed \$190,000.

Motion: Councilman Peter Kozlowski

Second: Mayor Pro Tem Steven King

Vote: All in Favor

Result: Council Approved a Resolution authorizing the City Administrator to enter into a professional services agreement with Pacheco Koch Consulting Engineers, LLC for engineering services for roadway improvements in the Chisholm Hills subdivision, in final form as approved by the City Attorney.

- E. Receive, consider, and act on a Resolution authorizing the City Administrator to enter into a professional services agreement with Pacheco Koch Consulting Engineers, LLC a wholly owned subsidiary of Westwood Professional Services Inc., for an update to the New Fairview Capital Improvements Plan and Transportation Impact Fee Study, in an amount not to exceed \$15,000.

Motion: Councilman Richard Greene

Second: Mayor Pro Tem Steven King

Vote: All in Favor

Result: Council Approved a Resolution authorizing the City Administrator to enter into a professional services agreement with Pacheco Koch Consulting Engineers, LLC a wholly owned subsidiary of Westwood Professional Services Inc., for an update to the New Fairview Capital Improvements Plan and Impact Fee Study, in an amount not to exceed \$15,000.

- F. Receive, consider, and act on an Interlocal Agreement for the administration of Municipal Court Services for the City of Boyd, Texas, by the City of New Fairview, Texas.

Motion: Councilman Peter Kozlowski

Second: Mayor Pro Tem Steven King

Vote: All in Favor

Result: Council Approved an Interlocal Agreement for the administration of Municipal Court Services for the City of Boyd, Texas, by the City of New Fairview, Texas.

- G. Receive, consider, and act on the First Amendment to the contract with Caprice Garcia for Municipal Court Judge.

Motion: Councilman Richard Greene

Second: Councilman Peter Kozlowski

Vote: All in Favor

Result: Council approved a Resolution for the First Amendment to the contract with Caprice Garcia for Municipal Court Judge, contingent on the approval by the City of Boyd for the Interlocal Agreement for municipal court services.

- H. Receive, consider, and act on the First Amendment to the contract with Antonio Gabilondo for Deputy City Attorney serving as a Municipal Prosecutor.

Motion: Councilman Peter Kozlowski

Second: Councilman Richard Greene

Vote: All in Favor

Result: Council approved a Resolution for the First Amendment to the contract with Antonio Gabilondo for Deputy City Attorney serving as a Municipal Prosecutor, contingent on the approval by the City of Boyd for the Interlocal Agreement for municipal court services.

- I. Receive, consider, and act on a Joint Resolution of the City of Justin City Council, City of New Fairview City Council, and City of Rhome City Council addressing the Ramhorn Hill-Dunham 345 kV Transmission Line Project proposed by Oncor Electric Delivery Company, LLC, and expressing concern over the potential impact of this project on existing neighborhoods and proposed development projects, and seeking construction of the transmission line along a regionally preferred route.

Motion: Councilman Peter Kozlowski

Second: Councilman Richard Greene

Vote: All in Favor

Result: Council approved a Resolution approving a Joint Resolution of the City of Justin City Council, City of New Fairview City Council, and City of Rhome City Council addressing the Ramhorn Hill-Dunham 345 kV Transmission Line Project proposed by Oncor Electric Delivery Company, LLC, and expressing concern over the potential impact of this project on existing neighborhoods and proposed development projects and seeking construction of the transmission line along a regionally preferred route.

8. Executive Session: Recess to Executive Session to discuss matters relating to real property pursuant to §551.072, Texas Government Code; deliberation of economic development negotiations pursuant to §551.087, Texas Government Code; discuss personnel matters pursuant to §551.074, Texas Government Code; discuss IT network or critical infrastructure security pursuant to §551.089, Texas Government Code; and to consult with the City Attorney pursuant to §551.071, Texas Government Code. The Council may go into closed session at any time when permitted by Chapter 551, Texas Government Code or Chapter 418, Texas Tax Code. Before going into closed session, a quorum of the Council must be present, the meeting must be convened as an open meeting pursuant to proper

notice, the presiding officer must announce that a closed session will be held and must identify the sections of Chapter 551 or 418, Texas Government Code authorizing the closed session.

9. Return to Open Session: Discuss and take appropriate action, if any, resulting from the discussions conducted in Executive Session.
10. Mayor & Council Member Announcements: The City Council may hear or make reports of community interest provided no action is taken or discussed. Community interest items may include information regarding upcoming schedules of events, honorary recognitions, and announcements involving imminent public health and safety threats to the city. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.
11. Adjournment
Motion: Councilman Richard Greene
Second: Councilman Peter Kozlowski
Vote: All in Favor
Result: Regular Session was adjourned at 9:53pm.

MINUTES APPROVED ON THIS, THE 7TH DAY OF AUGUST 2023

John Taylor, Mayor

Brooke Boller, City Secretary



AGENDA ITEM: 7A

CITY COUNCIL AGENDA MEMO

Prepared By: John Cabrales Jr, City Administrator

August 7, 2023

Issue of Certificates of Obligation, Series 2023

DESCRIPTION:

Receive, consider, and act on an Ordinance related to the issuance and sale of “City of New Fairview, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2023”, including the adoption of an ordinance authorizing the issuance of such certificates of obligation.

BACKGROUND INFORMATION:

On May 15, 2023, the City Council had a work session to discuss options for funding the needed reconstruction and drainage improvement of several city roads. Staff was directed to proceed with the issuance of \$3.5 million in Certificates of Obligation for the use of reconstructing all the roads listed in Priority 1, 2, and 3 from staff's recommendation for a total of \$2,334,350, and for the reconstruction of Graham Road at approximately \$792,600. The debt should be for 20 years and should include funds from the Transportation Impact Fee Special Revenue Fund to cover the debt service payment for Graham Road.

On June 5, 2023, The City Council approved a Resolution providing for the publication of a Notice of Intention to issue Certificates of Obligation (“CO”) to fund \$3.5 million in street and road improvements. City staff and Hilltop Securities, the City’s Financial Advisor, conducted rating calls with Standard and Poor’s on July 13th. On July 19th, Standard and Poor’s affirmed the City’s existing bond rating of A+ but revised the City’s rating outlook to “positive.” The CO’s will be priced the morning of August 8th with UMB Bank serving as the underwriter, and the results of the pricing will be presented to the City Council by Hilltop Securities for the City Council’s consideration/approval at the meeting that evening. The results are anticipated to be much better than the preliminary schedules that were provided to the City Council on May 15, 2023.

FINANCIAL CONSIDERATION:

None

RECOMMENDED MOTIONS:

I move to **Approve/Deny** an Ordinance related to the issuance and sale of “City of New Fairview, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2023”, including the adoption of an ordinance authorizing the issuance of such certificates of obligation.

ATTACHMENT(S):

1. Ordinance 202308-02-115

ORDINANCE NO. 202308-02-115

AN ORDINANCE authorizing the issuance of “CITY OF NEW FAIRVIEW, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2023”; specifying the terms and features of said certificates; providing for the payment of said certificates of obligation by the levy of an ad valorem tax upon all taxable property within the City and a limited pledge of the net revenues derived from the operation of the City’s solid waste disposal system; providing the terms and conditions of such certificates of obligation and resolving other matters incident and relating to the issuance, payment, security, sale and delivery of said certificates of obligation, including the approval and execution of a Paying Agent/Registrar Agreement and a Purchase Agreement and the approval and distribution of a Preliminary Official Statement and an Official Statement pertaining thereto; and providing an effective date.

WHEREAS, notice of the City Council's intention of the City of New Fairview, Texas (the “City”) to issue certificates of obligation in the maximum principal amount of \$3,565,000 for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: constructing and improving streets, including drainage, landscaping, streetscaping, retaining walls, curbs, gutters, sidewalks, signage, traffic signalization, street noise abatement, and utility system relocation incidental thereto and the acquisition of land and rights-of-way therefor, and (ii) professional services rendered in connection with the acquisition, construction and financing of such projects was (a) published in the *Wise County Messenger*, a newspaper of general circulation in the City, on June 15, 2023 and June 22, 2023 and (b) duly published continuously on the City’s website for at least forty-five (45) days before the tentative date stated therein for the passage of the ordinance authorizing the issuance of such certificates; and

WHEREAS, no petition protesting the issuance of the certificates of obligation and bearing valid petition signatures of at least 5% of the qualified voters of the City, has been presented to or filed with the Mayor, City Secretary or any other official of the City on or prior to the date of the passage of this ordinance; and

WHEREAS, the City Council hereby finds and determines that the certificates of obligation described in the aforesaid notice should be authorized, issued, and sold at this time in the amount and manner as hereinafter provided; now, therefore,

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

SECTION 1: Authorization, Designation, Principal Amount, Purpose. Certificates of obligation of the City shall be and are hereby authorized to be issued in the aggregate principal amount of \$_____, to be designated and bear the title “CITY OF NEW FAIRVIEW, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2023” (hereinafter referred to as the “Certificates”), for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: constructing and improving streets, including drainage, landscaping, streetscaping, retaining walls, curbs, gutters, sidewalks, signage, traffic signalization, street noise abatement, and utility system relocation incidental thereto and the acquisition of land and rights-of-way therefor, and (ii) professional services rendered in connection with the acquisition, construction and financing of such projects, pursuant to authority conferred by, and in conformity with, the Constitution and laws of the State of Texas, including Texas Local Government Code, Subchapter C of Chapter 271, as amended.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Certificate Date. The Certificates are issuable in fully registered form only; shall be dated September 1, 2023 (the “Certificate Date”); and shall be in denominations of \$5,000 or any integral multiple thereof (within a Stated Maturity), and the Certificates shall become due and payable on August 15 in each of the years and in principal amounts (the “Stated Maturities”) and bear interest at the per annum rate(s) in accordance with the following schedule:

<u>Year of Stated Maturity</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		

The Certificates shall bear interest on the unpaid principal amounts from the date of delivery to the initial purchaser at the rates per annum shown above in this Section (calculated on the basis of a 360-day year of twelve 30-day months) and such interest shall be payable on August 15 and February 15 in each year, commencing February 15, 2024, until maturity or prior redemption.

SECTION 3: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Certificates, due and payable by reason of maturity, redemption, or otherwise, shall be payable only to the registered owners or holders of the Certificates (hereinafter called the “Holders”) appearing on the registration and transfer books maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of BOKF, NA, Dallas, Texas, to serve as Paying Agent/Registrar for the Certificates is hereby approved and confirmed. Books and records relating to the registration, payment, transfer and exchange of the Certificates (the “Security Register”) shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, as provided herein and in accordance with the terms and provisions of a “Paying Agent/Registrar Agreement”, substantially in the form attached hereto as **Exhibit A**, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The

Mayor or Mayor Pro Tem and City Secretary are hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Certificates. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Certificates are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Certificates, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States mail, first-class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Certificates, shall be payable at the Stated Maturities or the redemption thereof only upon presentation and surrender of the Certificates to the Paying Agent/Registrar at its designated offices, initially in St. Paul, Minnesota, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest on the Certificates shall be paid to the Holders whose names appear in the Security Register at the close of business on the Record Date (the last business day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States mail, first-class, postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4: Redemption.

(a) Optional Redemption. The Certificates maturing on and after August 15, 20__, shall be subject to redemption prior to maturity, at the option of the City, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if in part by lot by the Paying Agent/Registrar), on August 15, 20__ or on any date thereafter at the redemption price of par plus accrued interest to the date of redemption.

At least forty-five (45) days prior to an optional redemption date for the Certificates (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of the decision to redeem Certificates, the principal amount of each Stated Maturity to be redeemed, and the date of redemption therefor. The decision of the City to exercise the right to redeem Certificates shall be entered in the minutes of the governing body of the City.

(b) Selection of Certificates for Redemption. If less than all Outstanding Certificates of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall treat such Certificates as representing the number of Certificates Outstanding which is obtained by dividing the principal amount of such Certificates by \$5,000 and shall select the Certificates to be redeemed within such Stated Maturity by lot.

(c) Mandatory Redemption. [The Certificates having Stated Maturities of August 15 in each of the years 20__, 20__, 20__, 20__, and 20__ (collectively, the "Term Certificates") shall be subject to mandatory redemption in part prior to maturity to at the redemption price of par and accrued interest to the date of redemption on the respective dates and in principal amounts as follows:

Term Certificates due August 15, 20__

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
August 15, 20__	
August 15, 20__*	

Term Certificates due August 15, 20__

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
August 15, 20__	
August 15, 20__*	

Term Certificates due August 15, 20__

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
August 15, 20__	
August 15, 20__*	

Term Certificates due August 15, 20__

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
August 15, 20__	
August 15, 20__*	

Term Certificates due August 15, 20__

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
August 15, 20__	
August 15, 20__*	

*maturity

At least forty-five (45) days prior to the mandatory redemption date for the Term Certificates, the Paying Agent/Registrar shall select by lot the numbers of the Term Certificates to be redeemed on the next following August 15 from moneys set aside for that purpose in the Certificate Fund (as hereinafter defined). Any Term Certificate not selected for prior redemption shall be paid on the date of its Stated Maturity.

The principal amount of the Term Certificates required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Certificates which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions set forth in paragraph (a) of this Section and not theretofore credited against a mandatory redemption requirement.]

(d) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Certificates, a notice of redemption shall be sent by United States mail, first-class, postage prepaid, in the name of the City and at the City's expense, to each Holder of a Certificate to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Certificates, (ii) identify the Certificates to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Certificates, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Certificates, or the principal amount thereof to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar only upon presentation and surrender of the Certificates. If a Certificate is subject by its terms to prior redemption and has been called for redemption and notice of redemption has been duly given as hereinabove provided, such Certificate (or the principal amount thereof to be redeemed) shall become due and payable and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys sufficient for the payment of such Certificate (or the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar.

(e) Conditional Notice of Redemption. With respect to any optional redemption of the Certificates, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, or such prerequisite is not satisfied, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

SECTION 5: Registration - Transfer - Exchange of Certificates - Predecessor Certificates. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every owner of the Certificates issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Certificate may be transferred or exchanged for Certificates of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Certificate to the

Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Certificate (other than the Initial Certificate(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Certificates of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Certificate or Certificates surrendered for transfer.

At the option of the Holder, Certificates (other than the Initial Certificate(s) authorized in Section 8 hereof) may be exchanged for other Certificates of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Certificates surrendered for exchange, upon surrender of the Certificates to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Certificates are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Certificates to the Holder requesting the exchange.

All Certificates issued in any transfer or exchange of Certificates shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States mail, first-class, postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Certificates surrendered in such transfer or exchange.

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

Certificates cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Certificates", evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Certificate or Certificates registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Certificates" shall include any mutilated, lost, destroyed or stolen Certificate for which a replacement Certificate has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 20 hereof and such new replacement Certificate shall be deemed to evidence the same obligation as the mutilated, lost, destroyed or stolen Certificate.

Neither the City nor the Paying Agent/Registrar shall be required to issue or transfer to an assignee of a Holder any Certificate called for redemption, in whole or in part, within 45 days of the date fixed for the redemption of such Certificate; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Certificate called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in this Ordinance hereof relating to the payment, and transfer/exchange of the Certificates, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company, a limited

purpose trust company organized under the laws of the State of New York (“DTC”), in accordance with the operational arrangements referenced in the Blanket Issuer Letter of Representations by and between the City and DTC (the “Depository Agreement”).

Pursuant to the Depository Agreement and the rules of DTC, the Certificates shall be deposited with DTC who shall hold said Certificates for its participants (the “DTC Participants”). While the Certificates are held by DTC under the Depository Agreement, the Holder of the Certificates on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Certificate (the “Beneficial Owners”) being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Certificates or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City decides to discontinue use of the system of book-entry transfers through DTC, the City covenants and agrees with the Holders of the Certificates to cause Certificates to be printed in definitive form and issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Certificates in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Certificates shall be made in accordance with the provisions hereof other than this Section.

SECTION 7: Execution - Registration. The Certificates shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under its seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officers on the Certificates may be manual or facsimile. Certificates bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the Certificate Date shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of the individuals executing the same shall no longer hold such offices prior to the delivery of the Certificates to the initial purchaser(s), and with respect to Certificates delivered in subsequent exchanges and transfers, all as authorized and provided in Texas Government Code, Chapter 1201, as amended.

No Certificate shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Certificate either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee, or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly certified, registered, and delivered.

SECTION 8: Initial Certificate(s). The Certificates herein authorized shall be initially issued either (i) as a single fully registered certificate in the total principal amount stated in Section 1 hereof with principal installments to become due and payable as provided in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered certificates with one certificate for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the “Initial Certificate(s)”) and, in either case, the Initial Certificate(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Certificate(s) shall be the Certificate(s) submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any

time after the delivery of the Initial Certificate(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Certificate(s) delivered hereunder and exchange therefor definitive Certificates of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) Forms Generally. The Certificates, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Certificates, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Certificates, or any maturities thereof, are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the officers executing such Certificates as evidenced by their execution. Any portion of the text of any Certificates may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Certificate.

The definitive Certificates and the Initial Certificate(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Certificates as evidenced by their execution.

(b) Form of Definitive Certificates.

REGISTERED
NO. R- __

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF NEW FAIRVIEW, TEXAS,
COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION, SERIES 2023

Certificate Date:	Interest Rate:	Stated Maturity:	CUSIP No.:
September 1, 2023	_____ %	August 15, 20____	_____

Registered Owner:

Principal Amount: DOLLARS

The City of New Fairview (hereinafter referred to as the "City"), a body corporate and municipal corporation in the Counties of Wise and Denton, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal

Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Certificate appearing below (unless this Certificate bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Certificate is prior to the initial interest payment date in which case it shall bear interest from the date of delivery to the initial purchaser) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on August 15 and February 15 in each year, commencing February 15, 2024, until maturity or prior redemption. Principal of this Certificate is payable at its Stated Maturity or on a redemption date to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Certificate is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Certificate. Interest is payable to the registered owner of this Certificate (or one or more Predecessor Certificates, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States mail, first-class, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Certificate shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Certificate is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Certificates") for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: constructing and improving streets, including drainage, landscaping, streetscaping, retaining walls, curbs, gutters, sidewalks, signage, traffic signalization, street noise abatement, and utility system relocation incidental thereto and the acquisition of land and rights-of-way therefor, and (ii) professional services rendered in connection with the acquisition, construction and financing of such projects, pursuant to authority conferred by and in strict conformity with the Constitution and laws of the State of Texas, particularly Texas Local Government Code, Subchapter C of Chapter 271, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

[The Certificates maturing on the date hereinafter identified (collectively, the "Term Certificates") are subject to mandatory redemption prior to maturity with funds on deposit in the Certificate Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the mandatory redemption date on the respective dates and in principal amounts as follows:

Term Certificates due August 15, 20__

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
August 15, 20__	
August 15, 20__*	

Term Certificates due August 15, 20__

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
August 15, 20__	
August 15, 20__*	

Term Certificates due August 15, 20__

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
August 15, 20__	
August 15, 20__*	

Term Certificates due August 15, 20__

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
August 15, 20__	
August 15, 20__*	

Term Certificates due August 15, 20__

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
August 15, 20__	
August 15, 20__*	

*maturity

The particular Term Certificates of a stated maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Certificates for a stated maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Certificates of like stated maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.]

The Certificates maturing on and after August 15, 20__ may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if in part by lot by the Paying Agent/Registrar), on August 15, 20__ or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to a redemption date, the City shall cause a written notice of such redemption to be sent by United States mail, first-class, postage prepaid, to the registered owners of each Certificate to be redeemed at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Certificate (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon the redemption date such Certificate (or the portion of its principal sum to be redeemed) shall become due and payable, and, if moneys for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable from and after the redemption date on the principal amount redeemed.

In the event a portion of the principal amount of a Certificate is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Certificate to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Certificate or Certificates of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Certificate is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Certificate to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Certificate redeemed in part.

With respect to any optional redemption of the Certificates, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received or such prerequisite is not satisfied, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

The Certificates are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City and from a limited pledge of the Net Revenues of the City's solid waste disposal system (the "System"), such pledge being limited to an amount of \$1,000 and being junior and subordinate to the lien on and pledge of such Net Revenues securing the payment of the Prior Lien Obligations (identified and defined in the Ordinance) now outstanding and hereafter issued by the City. In the Ordinance, the City reserves and retains the right to issue Prior Lien Obligations without limitation as to principal amount but subject to any applicable terms, conditions or restrictions under law or otherwise, as well as the right to issue additional obligations payable from the same sources as the Certificates and, together with the Certificates, equally and ratably secured by a parity lien on and pledge of the Net Revenues of the System.

Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all the provisions of which the owner or holder of this Certificate by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Certificates; the Net Revenues pledged to the payment of the principal of and interest on the

Certificates; the nature and extent and manner of enforcement of the pledge; the terms and conditions relating to the transfer or exchange of this Certificate; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which the tax levy and the pledges, charges and covenants made therein may be discharged at or prior to the maturity of this Certificate, and this Certificate deemed to be no longer Outstanding thereunder; and for the other terms and provisions contained therein. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Ordinance.

This Certificate, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Certificates of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Certificate as the owner entitled to payment of principal hereof at its Stated Maturity or upon its prior redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Certificates is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Certificates to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Certificates do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Certificates as aforestated. In case any provision in this Certificate shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Certificate to be duly executed under the official seal of the City as of the Certificate Date.

CITY OF NEW FAIRVIEW, TEXAS

John Taylor, Mayor

COUNTERSIGNED:

Brooke Boller, City Secretary

(City Seal)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Certificate(s) only.

REGISTRATION CERTIFICATE OF
THE COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER)
OF PUBLIC ACCOUNTS) REGISTER NO. _____
THE STATE OF TEXAS)

I HEREBY CERTIFY that this Certificate has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Certificates only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

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

Agent/Registrar.

The designated office of the Paying Agent/Registrar located in St. Paul, Minnesota, is the "Designated Payment/Transfer Office" for this Certificate.

BOKF, NA, Dallas, Texas,
as Paying Agent/Registrar

Registration Date:

By _____
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee) _____

(Social Security or other identifying number: _____)
the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature guaranteed:

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Certificate in every particular.

(f) The Initial Certificate(s) shall be in the form set forth in paragraph (b) of this Section, except that the form of a single fully registered Initial Certificate shall be modified as follows:

Heading and first paragraph shall be modified to read as follows:

REGISTERED
NO. T-1

PRINCIPAL AMOUNT
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF NEW FAIRVIEW, TEXAS,
COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION, SERIES 2023

Certificate Date: September 1, 2023

Registered Owner: _____

Principal Amount: _____ DOLLARS

The City of New Fairview (hereinafter referred to as the “City”), a body corporate and municipal corporation in the Counties of Wise and Denton, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated, on August 15 in each of the years and in principal installments in accordance with the following schedule:

<u>Year of Stated Maturity</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
------------------------------------	----------------------------------	------------------------------

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

(or so much thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal amounts hereof from the date of delivery to the initial purchaser at the per annum rate(s) of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on August 15 and February 15 in each year, commencing February 15, 2024, until maturity or prior redemption. Principal installments of this Certificate are payable on the Stated Maturity dates or on a redemption date to the registered owner hereof by BOKF, NA, Dallas, Texas (the “Paying Agent/Registrar”), upon its presentation and surrender at its designated offices, initially in St. Paul, Minnesota, or, with respect to a successor paying agent/registrar, at the designated office of such successor (the “Designated Payment/Transfer Office”). Interest is payable to the registered owner of this Certificate whose name appears on the “Security Register” maintained by the Paying Agent/Registrar at the close of business on the “Record Date”, which is the last business day of the month next preceding each interest payment date hereof and interest shall be paid by the Paying Agent/Registrar by check sent United States mail, first-class, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Certificate shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Definitions. For purposes of this Ordinance and for clarity with respect to the issuance of the Certificates herein authorized, and the levy of taxes and appropriation of Net Revenues therefor, the following words or terms, whenever the same appears herein without qualifying language, are defined to mean as follows:

(a) The term “Certificates” shall mean the \$_____ “City of New Fairview, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2023” authorized by this Ordinance.

(b) The term “Certificate Fund” shall mean the special fund created and established under the provisions of Section 11 of this Ordinance.

(c) The term “Collection Date” shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the City become delinquent.

(d) The term “Fiscal Year” shall mean the annual financial accounting period used with respect to the System now ending on September 30th of each year; provided, however, the City Council may change, by ordinance duly passed, such annual financial accounting period to end on another date if such change is found and determined to be necessary for accounting purposes and to be consistent with the ordinances authorizing the additional obligations of the City.

(e) The term “Government Securities” shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iv) any other then authorized securities or obligations that may be used to defease obligations such as the Certificates under the then applicable laws of the State of Texas.

(f) The term “Gross Revenues” shall mean, with respect to the System and for any defined period, all income and revenues derived from the operation and ownership of the System, excluding, however, gifts, grants in aid of construction, and similar kinds of receipts and moneys restricted as to use or expenditure.

(g) The term “Net Revenues” shall mean, with respect to the System and for any defined period, the Gross Revenues of the System after deducting the System’s Operating and Maintenance Expenses.

(h) The term “Operating and Maintenance Expenses” shall mean, for any defined period, all current expenses and costs of operating and maintaining the System, including all salaries, labor, materials, and repairs and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the reasonable judgment of the City Council, are necessary to keep the System in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the security of any Certificates or obligations payable from and secured by a lien on the Net Revenues of the System, shall be treated as “Operating and Maintenance Expenses” in determining Net Revenues. Depreciation and payments into and out of the funds maintained for the payment of the Prior Lien Obligations and similar funds maintained for the payment of obligations payable from and secured by a lien on and pledge of the Net Revenues shall never be considered as Operating and Maintenance Expenses.

(i) The term “Outstanding” when used in this Ordinance with respect to Certificates means, as of the date of determination, all Certificates theretofore issued and delivered under this Ordinance, except:

(1) those Certificates cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Certificates for which payment has been duly provided by the City in accordance with the provisions of Section 21 hereof; and

(3) those Certificates that have been mutilated, destroyed, lost, or stolen and replacement Certificates have been registered and delivered in lieu thereof, as provided in Section 20 hereof.

(j) The term "Prior Lien Obligations" shall mean (A) all revenue bonds or other obligations hereafter issued, payable solely from and secured only by a lien on and pledge of the Net Revenues of the System, and/or (B) obligations now outstanding and hereafter issued which, by the terms of this Ordinance and the ordinances authorizing their issuance, have a prior right and claim on the Net Revenues of the System to the claim and right securing the payment of the Certificates.

(k) The term "Similarly Secured Obligations" shall mean all tax and revenue obligations outstanding or hereafter issued which, by their terms, are payable from ad valorem taxes and additionally payable from and secured by a parity lien on and pledge of the Net Revenues of the System of equal rank and dignity with the lien and pledge securing the payment of the Certificates.

(l) The term "System" shall mean the City's solid waste disposal system, together with all future improvements, extensions, enlargements and additions thereto and replacements thereof, whether situated within or without the limits of the City.

SECTION 11: Certificate Fund. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption and retirement of the Certificates, there shall be and is hereby created a special account or fund on the books and records of the City known as the "Special 2023 Combination Tax and Revenue Certificate of Obligation Fund" (hereinafter, the "Certificate Fund") and all moneys deposited to the credit of such fund shall be kept and maintained in a special banking account at the City's depository bank, and moneys deposited in the Certificate Fund shall be used for no other purpose. The Mayor, Mayor Pro Tem, City Administrator, and City Secretary of the City, individually or collectively, of the City are hereby authorized and directed to make withdrawals from said fund sufficient to pay the principal of and interest on the Certificates as the same become due and payable, and, shall cause to be transferred to the Paying Agent/Registrar from moneys on deposit in the Certificate Fund an amount sufficient to pay the amount of principal and/or interest then coming due on the Certificates.

Pending the transfer of funds to the Paying Agent/Registrar, money in the Certificate Fund may, at the option of the City, be invested in obligations identified in, and in accordance with the provisions of the "Public Funds Investment Act" (Texas Government Code, Chapter 2256, as amended) relating to the investment of "bond proceeds"; provided that all such investments shall be made in such a manner that the money required to be expended from said fund will be available at the proper time or times. All interest and income derived from deposits and investments in said Certificate Fund shall be credited to, and any losses debited to, the said Certificate Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Certificates.

SECTION 12: Tax Levy. To provide for the payment of the "Debt Service Requirements" on the Certificates being (i) the interest on said Certificates and (ii) a sinking fund for their payment at maturity or redemption or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied a sufficient tax on each one hundred dollars' valuation of

taxable property in the City, within the limitations prescribed by law, adequate to pay such Debt Service Requirements while the Certificates remain Outstanding, full allowance being made for delinquencies and costs of collection; and said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Certificate Fund. The City Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the said Debt Service Requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

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

(a) Prior to the date the City Council establishes the annual tax rate and passes an ordinance levying ad valorem taxes each year, the City Council shall determine:

(1) The amount on deposit in the Certificate Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Certificates prior to the Collection Date for the ad valorem taxes to be levied and (b) adding thereto the amount of the Net Revenues and any other lawfully available funds which are appropriated and allocated to pay such Debt Service Requirements prior to the Collection Date for the ad valorem taxes to be levied.

(2) The amount of Net Revenues and any other lawfully available funds which are appropriated and to be set aside for the payment of the Debt Service Requirements on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(3) The amount of Debt Service Requirements to become due and payable on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(b) The amount of taxes to be levied annually each year to pay the Debt Service Requirements on the Certificates shall be the amount established in paragraph (3) above less the sum total of the amounts established in paragraphs (1) and (2), after taking into consideration delinquencies and costs of collecting such annual taxes.

The City has sufficient current funds available to pay the payment to become due on the Certificates on February 15, 2024 and there will be deposited in the Certificate Fund such amount of current funds which will be sufficient to pay the amounts to become due on the Certificates on February 15, 2024.

SECTION 13: Limited Pledge of Net Revenues. The City hereby covenants and agrees that Net Revenues of the System in an amount equal to \$1,000 are hereby irrevocably pledged to the payment of the principal of and interest on the Certificates, and the limited pledge of \$1,000 of the Net Revenues of the System herein made for the payment of the Certificates shall constitute a lien on the Net Revenues of the System (until such time as the City shall pay all of such \$1,000) after which time the pledge shall cease, all in accordance with the terms and provisions hereof. The pledge of Net Revenues herein made shall be on a parity in all respects with the lien on the Net Revenues securing the payment of the Similarly Secured Obligations, such lien and pledge, however, being junior and subordinate to the lien on and pledge of the Net Revenues securing

the payment of the Prior Lien Obligations hereafter issued by the City. Furthermore, such lien on and pledge of the Net Revenues securing the payment of the Certificates shall be valid and binding and fully perfected from and after the date of adoption of this Ordinance without physical delivery or transfer or transfer of control of the Net Revenues, the filing of this Ordinance, or any other act; all as provided in Texas Government Code, Chapter 1208, as amended ("Chapter 1208").

Chapter 1208 applies to the issuance of the Certificates and the pledge of the Net Revenues of the System granted by the City under this Section 13, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificates are Outstanding such that the pledge of the Net Revenues of the System granted by the City under this Section 13 is to be subject to the filing requirements of the Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of the Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 14: System Fund. The City covenants and agrees that all Gross Revenues (excluding earnings from the investment of money held in any special funds or accounts created for the payment and security of the Prior Lien Obligations) shall be deposited as collected into a fund maintained at an official depository of the City and known on the books of the City as the "System Fund" (hereinafter called the "System Fund"). All moneys deposited to the credit of the System Fund shall be allocated, dedicated and disbursed to the extent required for the following purposes and in the order of priority shown, to wit:

First: To the payment of all necessary and reasonable Operating and Maintenance Expenses of the System as defined herein or required by statute to be a first charge on and claim against the revenues thereof.

Second: To the payment of all amounts required to be deposited in the special funds created and established for the payment, security and benefit of Prior Lien Obligations in accordance with the terms and provisions of the ordinance(s) authorizing the issuance of Prior Lien Obligations.

Third: To the payment, equally and ratably, of the amounts pledged to the payment of the Certificates, and Similarly Secured Obligations, if any.

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

SECTION 15: Deposits to Certificate Fund. Subject to the provisions of Section 13 hereof, the City hereby covenants and agrees to cause to be deposited in the Certificate Fund from the pledged Net Revenues of the System in the System Fund, the amount of Net Revenues of the System pledged to the payment of the Certificates.

The City covenants and agrees that the amount of pledged Net Revenues of the System, (\$1,000), together with other lawfully available revenues appropriated by the City for payment of the Debt Service Requirements on the Certificates and ad valorem taxes levied, collected, and deposited in the Certificate Fund for and on behalf of the Certificates, will be an amount equal to

one hundred percent (100%) of the amount required to fully pay the interest and principal due and payable on the Certificates. In addition, any surplus proceeds from the sale of the Certificates not expended for authorized purposes shall be deposited in the Certificate Fund, and such amounts so deposited shall reduce the sums otherwise required to be deposited in the Certificate Fund from ad valorem taxes and the Net Revenues of the System.

SECTION 16: Security of Funds. All moneys on deposit in the funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

SECTION 17: Special Covenants. The City hereby further covenants as follows:

(i) It has the lawful power to pledge the Net Revenues of the System to the payment of the Certificates in the manner herein contemplated and has lawfully exercised such power under the Constitution and laws of the State of Texas, including said power existing under Texas Government Code, Chapter 1502, as amended, and Texas Local Government Code, Subchapter C of Chapter 271, as amended.

(ii) Other than for the payment of the Prior Lien Obligations or any Similarly Secured Obligations outstanding or hereafter issued and the Certificates, the Net Revenues of the System have not in any manner been pledged to the payment of any debt or obligation of the City or of the System.

SECTION 18: Issuance of Prior Lien Obligations and Similarly Secured Obligations. The City hereby expressly reserves the right to hereafter issue Prior Lien Obligations, without limitation as to principal amount but subject to any terms, conditions or restrictions applicable thereto under law or otherwise, payable, in whole or in part, from the Net Revenues (without impairment of the obligation of contract with the Holders of the Certificates) upon such terms and conditions as the City Council may determine. Additionally, the City reserves the right to issue Similarly Secured Obligations payable, in whole or in part, from the Net Revenues of the System and, to the extent provided, secured by a lien on and pledge of the Net Revenues of equal rank and dignity and on parity in all respects with the lien and pledge of the Net Revenues securing the payment of the Certificates.

SECTION 19: Application of Prior Lien Obligations Covenants and Agreements. It is the intention of this governing body and accordingly hereby recognized and stipulated that the provisions, agreements and covenants contained herein bearing upon the management and operations of the System, and the administering and application of revenues derived from the operation thereof, shall to the extent possible be harmonized with like provisions, agreements and covenants contained in the ordinance(s) authorizing the issuance of the Prior Lien Obligations, and to the extent of any irreconcilable conflict between the provisions contained herein and in the ordinance(s) authorizing the issuance of the Prior Lien Obligations, the provisions, agreements and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Ordinance but in all respects subject to the priority of rights and benefits, if any, conferred thereby to the holders of the Prior Lien Obligations.

SECTION 20: Mutilated - Destroyed - Lost and Stolen Certificates. In case any Certificate shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Certificate of like form and tenor, and in the same denomination and bearing

a number not contemporaneously outstanding, in exchange and substitution for such mutilated Certificate, or in lieu of and in substitution for such destroyed, lost or stolen Certificate, only upon the approval of the City and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Certificate, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Certificate shall be borne by the Holder of the Certificate mutilated, or destroyed, lost or stolen.

Every replacement Certificate issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Certificates; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Certificates.

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

SECTION 21: Satisfaction of Obligations of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Certificates, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and the Net Revenues of the System (to the extent such pledge of Net Revenues shall not have been discharged or terminated by prior payment of principal of or interest on the Certificates) and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Certificates or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Certificates or the principal amount(s) thereof at maturity or the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting or consulting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Certificates, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Certificates to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

The City reserves the right, subject to satisfying the requirements of (i) and (ii) above, to substitute other Government Securities for the Government Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

Upon such deposit as described above, such Certificates shall no longer be regarded to be outstanding or unpaid. Provided, however, the City has reserved the option, to be exercised at the time of the defeasance of the Certificates, to call for redemption, at an earlier date those Certificates which have been defeased to their maturity date, if the City (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Certificates for redemption; (ii) gives notice of the reservation of that right to the Owners immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

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

SECTION 22: Ordinance a Contract - Amendments. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City while any Certificates remain Outstanding except as permitted in this Section and in Section 36 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Holders holding a majority in aggregate principal amount of the Certificates then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Certificates, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Certificates, reduce the principal amount thereof, the redemption price or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required to be held by Holders for consent to any such amendment, addition, or rescission.

SECTION 23: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

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

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

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

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

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

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

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

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

“Yield” of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and (2) the Certificates has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Certificate to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Certificate, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Certificates:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Certificates, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Certificates or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Certificates to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Certificates directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Certificates.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Certificates to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038 G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Certificate is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Certificates with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its

official transcript of proceedings relating to the issuance of the Certificates until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Certificates by the Purchaser and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States from the general fund, other appropriate fund, or if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Certificate Fund, the amount that when added to the future value of previous rebate payments made for the Certificates equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Certificates, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Certificates not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Administrator, and City Secretary, individually or collectively, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Certificates, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(k) Qualified Tax-Exempt Obligations. In accordance with the provisions of paragraph (3) of subsection (b) of Section 265 of the Code, the City hereby designates the Certificates to be "qualified tax-exempt obligations" in that the Certificates are not "private activity bonds" as defined in the Code and the reasonably anticipated amount of "qualified tax-exempt obligations" to be issued by the City (including all subordinate entities of the City) for the calendar year in which the Certificate are issued will not exceed \$10,000,000.

SECTION 24: Sale of Certificates – Official Statement. The Certificates authorized by this Ordinance have been and are hereby sold to UMB Bank, N.A. (herein referred to as the "Purchaser") in accordance with the Purchase Agreement dated August 7, 2023 (the "Purchase

Agreement”), attached hereto as **Exhibit B** and incorporated herein by reference as a part of this Ordinance for all purposes. The Mayor or Mayor Pro Tem is hereby authorized and directed to execute the Purchase Agreement for and on behalf of the City and as the act and deed of this City Council, and in regard to the approval and execution of the Purchase Agreement, the City Council hereby finds, determines and declares that the terms of the sale are in the best interests of the City and the representations, warranties and agreements of the City contained therein are true and correct in all material respects and shall be honored and performed by the City. [The Certificates will be insured by a policy issued by [Assured Guaranty Municipal Corp.], or any successor thereto or assignee thereof.]

The use of the Preliminary Official Statement by the Purchaser in connection with the public offering and sale of the Certificates is hereby ratified, confirmed, and approved in all respects and is hereby deemed “final” as of its date, within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission and the City Council hereby finds that the information and data contained in said Preliminary Official Statement pertaining to the City and its financial affairs is true and correct in all material respects and no material facts have been omitted therefrom which are necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The final Official Statement which reflects the terms of sale (together with such changes approved by the Mayor, Mayor Pro Tem, City Administrator, or City Secretary, any one or more of said officials), shall be and is hereby in all respects approved and the Purchaser is hereby authorized to use and distribute said final Official Statement, dated August 7, 2023, in the reoffering, sale and delivery of the Certificates to the public. The Mayor or Mayor Pro Tem and City Secretary are further authorized and directed to deliver for and on behalf of the City copies of said Official Statement in final form as may be required by the Purchaser, and such final Official Statement in the form and content authorized to be delivered by said officials shall be deemed to be approved by the City Council and constitute the Official Statement authorized for distribution and use by the Purchaser.

SECTION 25: Proceeds of Sale. The proceeds of sale of the Certificates, excluding amounts to pay costs of issuance, shall be deposited in a construction fund maintained at a depository bank of the City. Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, as amended, including guaranteed investment contracts permitted by Texas Government Code, Section 2256.015 et. Seq., as amended, and the City’s investment policies and guidelines, any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Certificate Fund as shall be determined by the City Council. Any surplus proceeds of sale of the Certificates, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Certificate Fund.

SECTION 26: Control and Custody of Certificates. The Mayor or Mayor Pro Tem of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending the sale of the Certificates, the investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Certificates, and shall take and have charge and control of the Initial Certificate(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchaser.

SECTION 27: Notices to Holders - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first-class, postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

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

SECTION 28: Cancellation. All Certificates surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Certificates previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Certificates so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Certificates held by the Paying Agent/Registrar shall be returned to the City.

SECTION 29: Bond Counsel's Opinion. The Purchaser's obligation to accept delivery of the Certificates is subject to being furnished a final opinion of Norton Rose Fulbright US LLP, Dallas, Texas, approving the Certificates as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Certificates. An executed counterpart of said opinion shall accompany the global certificates deposited with DTC or a reproduction thereof shall be printed on the definitive Certificates in the event the book-entry-only system shall be discontinued. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

SECTION 30: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Certificates shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Certificates.

SECTION 31: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, and this Ordinance and all its provisions is intended to be and shall be for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

SECTION 32: Inconsistent Provisions. All ordinances, orders, or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 33: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 34: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 35: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 36: Continuing Disclosure Undertaking.

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

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

“MSRB” means the Municipal Securities Rulemaking Board.

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

“SEC” means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year ending in or after 2023, financial information and operating data with respect to the City of the general type included in the Official Statement under Tables numbered 1 through 5 and 7 through 10, and (2) if not provided as part of such financial information and operating data, audited financial statements of the City, when and if available, within 12 months after the end of each fiscal year ending in or after 2023, if available. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City will file unaudited financial statements within such 12 month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any financial statements so provided shall be (i) prepared in accordance with the accounting principles described in Appendix B to the Official Statement, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation and (2) audited, if the City commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than ten (10) business days after occurrence of the event:

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

For these purposes, (a) any event described in the immediately preceding subsection (c)12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City, and (b) the City intends the words used in the immediately preceding subsections (c) (15) and (16) in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

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

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) of this Section of any Certificate calls and defeasance that cause the City to be no longer such an “obligated person.”

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Certificates, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section. Except as expressly provided within this Section, the City does not undertake to provide any other information, whether or not it may be relevant or material to a complete presentation of the City’s financial results, condition, or prospects, nor does the City undertake to update any information provided in accordance with this Section or otherwise. Furthermore, the City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

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

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

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

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other

provision of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Certificates. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent an underwriter of the initial public offering of the Certificates from lawfully purchasing or selling Certificates in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 37: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 38: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Administrator, and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Certificates. In addition, prior to the initial delivery of the Certificates, the Mayor, Mayor Pro Tem, City Administrator, or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect or omission in the Ordinance or such other document or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Certificates by the Attorney General and if such officer or counsel determines that such changes are consistent with the intent and purpose of the Ordinance, which determination shall be final. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 39: Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 40: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 41: Effective Date. This Ordinance shall take effect and be in full force from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

PASSED AND APPROVED, this August 7, 2023.

CITY OF NEW FAIRVIEW, TEXAS

Mayor

ATTEST:

City Secretary

(City Seal)

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of August 7, 2023 (this "Agreement"), by and between BOKF, NA, a banking association duly organized and existing under the laws of the United States of America, or its successors (the "Bank") and the City of New Fairview, Texas (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "CITY OF NEW FAIRVIEW, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION" (the "Securities"), dated September 1, 2023, such Securities scheduled to be delivered to the initial purchasers thereof on or about September 7, 2023; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 Appointment. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Section 2271.002(a)(2) and Section 2274.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of

the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE TWO DEFINITIONS

Section 2.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

“Acceleration Date” on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

“Authorizing Document” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

“Bank Office” means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Holder” and “Security Holder” each means the Person in whose name a Security is registered in the Security Register.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

“Predecessor Securities” of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

“Responsible Officer”, when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any

other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Security Register” means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

“Stated Maturity” means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 Other Definitions. The terms “Bank,” “Issuer,” and “Securities (Security)” have the meanings assigned to them in the recital paragraphs of this Agreement.

The term “Paying Agent/Registrar” refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE THREE PAYING AGENT

Section 3.01 Duties of Paying Agent. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

BOKF, NA Corporate Trust Services
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder’s risk and expense.

Section 3.02 Payment Dates. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

ARTICLE FOUR REGISTRAR

Section 4.01 Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the “Security Register”) for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable

regulations as the Issuer and the Bank may prescribe. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 Securities. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04 List of Security Holders. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 Return of Cancelled Securities. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

Section 4.07 Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE FIVE THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality

of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, Issuer's financial advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 Recitals of Issuer. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.04 May Hold Securities. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

Section 5.08 DTC Services. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

Section 5.09 ** include this section only if the Bonds are taxable [Tax Reporting].** It shall be the duty of the Bank, on behalf of the Issuer, to report to the Holders and the Internal Revenue Service, to the extent required by the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, (i) the amount of "reportable payments," if any, subject to backup withholding during each year and the amount of tax withheld, if any, with respect to payments of the Securities and (ii) the amount of interest or amount treated as interest on the Securities and required to be included in gross income of the Holder.]

ARTICLE SIX MISCELLANEOUS PROVISIONS

Section 6.01 Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03 Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or

the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

Section 6.04 Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Merger, Conversion, Consolidation, or Succession. Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

Section 6.08 Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09 Entire Agreement. This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

Section 6.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11 Termination. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.12 Iran, Sudan or Foreign Terrorist Organizations. The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on the following page of such officer's internet website:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Section 6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BOKF, NA

By: _____

Title: _____

Address: 5956 Sherry Lane, Suite 1201
Dallas, Texas 75225

CITY OF NEW FAIRVIEW, TEXAS

By: _____
Mayor

Address: 999 Illinois Lane
New Fairview, Texas 76078

Attest:

[title]

ANNEX A

EXHIBIT B
PURCHASE AGREEMENT



AGENDA ITEM: 7B

**CITY COUNCIL
AGENDA MEMO**

Prepared By: Stephen A. Cook, AICP Senior Planner

August 7, 2023

Approval of Final Plat for Lovely Home Addition

DESCRIPTION:

Consider approval of a final plat for Lots 1, 2, and 3, Block A, Lovely Home Addition, 6.115 acres in M.E.O & P.R.R. Co. Survey, Abstract No. 633 and A.J. Walker Survey, Abstract No. 861 generally located in the 100 block of Ridge Trail.

BACKGROUND INFORMATION:

Lovely Home Solutions own three tracts of land in the City of New Fairview ETJ. These tracts total an area of 6.115 acres and are located within an area of unincorporated Wise County called Coyote Ridge. The tracts are separate parcels of land but have never been platted. This final plat will formalize the parcels into three lots of two acres in size or greater. Ridge Trail is a private road and is privately maintained. In order to develop these lots a final plat is required to be submitted and recommended for approval by the Planning and Zoning Commission and approved by the City Council.

The final plat conforms to the subdivision requirements of the City of New Fairview.

Staff recommends approval of the Final Plat.

FINANCIAL CONSIDERATION:

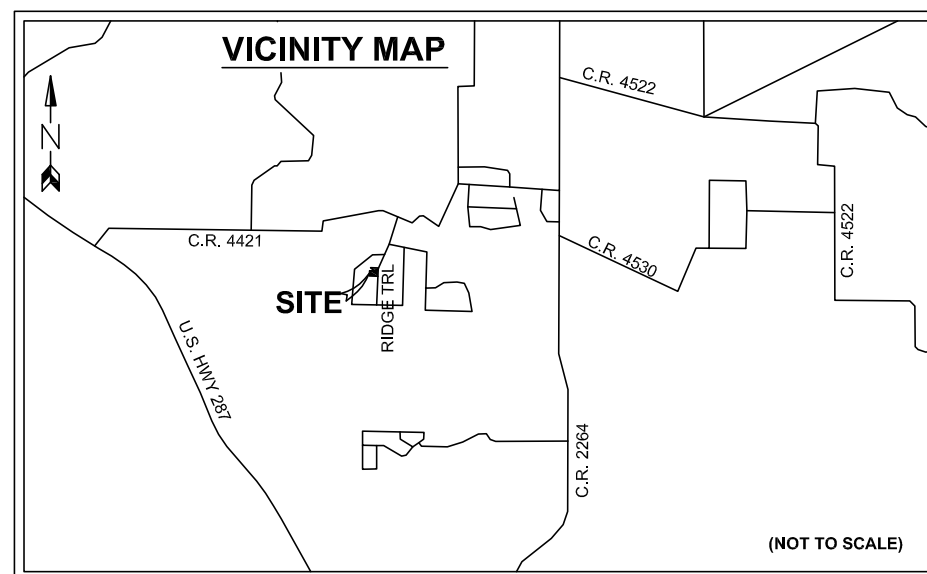
None

RECOMMENDED MOTIONS FOR PLANNING AND ZONING COMMISSION:

I move to **Approve/Deny/Approve with Conditions**, the request to final plat Lots 1, 2, and 3, Block A, Lovely Home Addition, 6.115 acres in M.E.O & P.R.R. Co. Survey, Abstract No. 633 and A.J. Walker Survey, Abstract No. 861 generally located in the 100 block of Ridge Trail.

ATTACHMENT(S):

1. Lovely Home Addition Final Plat

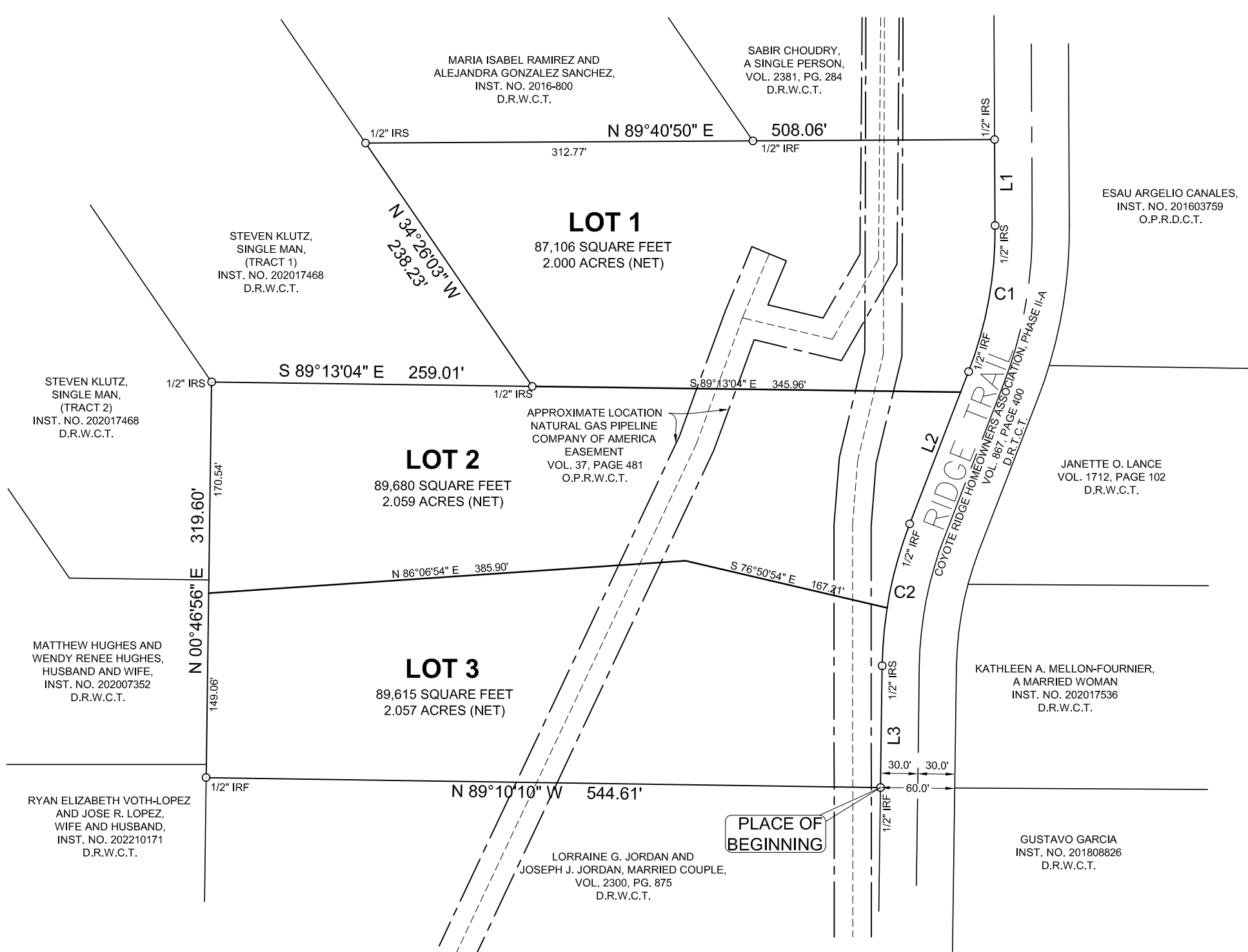
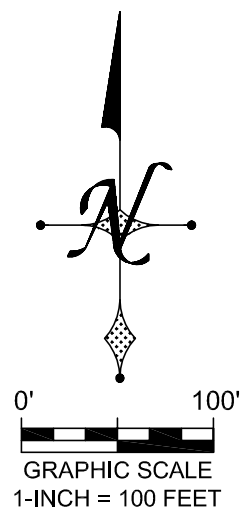


UTILITY EASEMENTS
 ANY PUBLIC UTILITY, INCLUDING WISE COUNTY, SHALL HAVE THE RIGHT TO MOVE AND KEEP MOVED ALL OR PART OF ANY BUILDING, FENCES, TREES, SHRUBS, OTHER GROWTHS OR IMPROVEMENTS WHICH IN ANY WAY ENDANGER OR INTERFERE WITH THE CONSTRUCTION, MAINTENANCE, OR EFFICIENCY OF ITS RESPECTIVE SYSTEMS ON ANY OF THE EASEMENTS SHOWN ON THE PLAT. AND ANY PUBLIC UTILITY, INCLUDING WISE COUNTY, SHALL HAVE THE RIGHT AT ALL TIMES OF INGRESS AND EGRESS TO AND FROM AND UPON SAID EASEMENTS FOR THE PURPOSE OF CONSTRUCTION, RECONSTRUCTION, INSPECTION, PATROLLING, MAINTAINING AND ADDING TO OR REMOVING ALL OR PART OF ITS RESPECTIVE SYSTEMS WITHOUT THE NECESSITY AT ANY TIME OF PROCURING THE PERMISSION OF ANYONE.

PUBLIC OPEN SPACE RESTRICTION:
 NO STRUCTURE, OBJECT, OR PLANT OF ANY TYPE MAY OBSTRUCT VISION FROM A HEIGHT OF THIRTY (30) INCHES TO A HEIGHT OF TEN (10) FEET ABOVE THE CROWN OF THE ROAD, INCLUDING, BUT NOT LIMITED TO BUILDINGS, FENCES, WALKS, SIGNS, TREES, SHRUBS, CARS, TRUCKS, ETC., IN THE PUBLIC OPEN SPACE. EASEMENT AS SHOWN ON THE PLAT. THESE OPEN SPACE EASEMENTS WILL REMAIN IN EFFECT UNTIL VACATED BY A COURT ORDER ISSUED BY THE COMMISSIONER'S COURT OF WISE COUNTY AND THE PROPERTY REPLATTED.

DRAINAGE EASEMENT RESTRICTION:
 NO CONSTRUCTION, OR FILLING WITHOUT THE WRITTEN APPROVAL OF THE WISE COUNTY COMMISSIONER'S COURT, SHALL BE ALLOWED WITHIN A DRAINAGE EASEMENT. NO OBSTRUCTION TO THE NATURAL FLOW OF WATER SHALL OCCUR. DEVELOPMENT RULES AND REGULATIONS FINAL PLAT & CONSTRUCTION DOCUMENTS - FINAL PLAT FORM AND CONTENT

FLOODWAY EASEMENT RESTRICTION:
 NO CONSTRUCTION, WITHOUT THE WRITTEN APPROVAL OF THE WISE COUNTY COMMISSIONER'S COURT, SHALL BE ALLOWED WITHIN A FLOODWAY EASEMENT, AND THEN ONLY AFTER DETAILED ENGINEERING PLANS AND STUDIES SHOW THAT NO FLOODING WILL RESULT, THAT NO OBSTRUCTION TO THE NATURAL FLOW OF WATER WILL RESULT. WHERE CONSTRUCTION IS PERMITTED, ALL FINISHED FLOOR ELEVATIONS SHALL BE A MINIMUM OF TWO (2) FOOT ABOVE THE 100-YEAR FLOOD ELEVATION.



OWNER'S ACKNOWLEDGMENT & DEDICATION

STATE OF TEXAS § COUNTY OF WISE §
 I (we), the undersigned, owner(s) of the land shown on this plat within the area described by metes and bounds as follows:

WHEREAS, Lovely Home Solutions, LLC, is the sole owner of a tract of land situated in the M.E.P. & P.R.R. Co. Survey, Abstract No. 633 and the A.J. Walker Survey, Abstract No. 861, in Wise County, Texas, and being all that tract of land described in Instrument No. 202212676, Deed Records of Wise County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for corner on the West right-of-way line of Ridge Trail (60' right-of-way), being the Northeast corner of a tract of land described in deed to Lorraine G. Jordan and Joseph J. Jordan, married couple, as recorded in Volume 2300, Page 875, Deed Records of Wise County, Texas, and being the Southeast corner of said tract described herein:

THENCE North 89 degrees 10 minutes 10 seconds West, a distance of 544.61 feet to a 1/2 inch iron rod found for corner on the East line of a tract of land described in deed to Ryan Elizabeth Voth-Lopez and Jose R. Lopez, wife and husband, as recorded in Instrument No. 202210171, Deed Records of Wise County, Texas;

THENCE North 00 degrees 46 minutes 56 seconds East, a distance of 319.60 feet to a 1/2 inch yellow-capped iron rod set for corner being the common easternmost Northeast corner of Tract 2 and the Southwest corner of Tract 1, as described in deed to Steven Klutz, a single man, as recorded in Instrument No. 202017468, Deed Records of Wise County, Texas;

THENCE South 89 degrees 13 minutes 04 seconds East, a distance of 259.01 feet to a 1/2 inch yellow-capped iron rod set for corner being the Southeast corner of said Tract 1 to Steven Klutz;

THENCE North 34 degrees 28 minutes 03 seconds West, a distance of 238.23 feet to a 1/2 inch yellow-capped iron rod set for corner being the Southwest corner of a tract of land described in deed to Maria Isabel Ramirez and Alejandra Gonzalez Sanchez, as recorded in Instrument No. 2016-800, Deed Records of Wise County, Texas;

THENCE North 89 degrees 40 minutes 50 seconds East, a distance of 508.06 feet to a 1/2 inch yellow-capped iron rod set for corner on the West right-of-way line of said Ridge Trail;

THENCE, South 00 degrees 19 minutes 10 seconds East, along said right-of-way line, a distance of 69.40 feet to a 1/2 inch yellow-capped iron rod set for corner at the beginning of a curve to the right having the radius of 320.00 feet;

THENCE along said curve to the right having a chord bearing of South 10 degrees 15 minutes 42 seconds West, a distance of 119.91 feet, and having a central angle of 21 degrees 35 minutes 50 seconds and arc length of 120.62 feet to a 1/2 inch iron rod found for corner;

THENCE South 21 degrees 09 minutes 53 seconds West, a distance of 131.81 feet to a 1/2 inch iron rod found for corner at the beginning of a curve to the left having a radius of 330.00 feet;

THENCE along said curve to the left having a chord bearing of South 10 degrees 58 minutes 32 seconds West, a distance of 116.75 feet, and having a central angle of 20 degrees 22 minutes 42 seconds, with an arc length of 117.37 feet to a 1/2 inch yellow-capped iron rod set for corner;

THENCE South 09 degrees 47 minutes 11 seconds West, a distance of 98.33 feet to the PLACE OF BEGINNING and containing 266,390 square feet or 6.115 acres of land.

and designated herein as the LOVELY HOME ADDITION, subdivision to Wise County, Texas, and whose name is subscribed hereto, hereby dedicate to the use of the public forever all streets, alleys, parks, water courses, drains, easements, right-of-way and public places thereon shown for the purpose and consideration therein expressed.

Witness my hand at _____, Texas, This _____ day of _____, 20__.

Name: _____
 Title: Owner

STATE OF TEXAS § COUNTY OF _____ §
 BEFORE ME, the undersigned, a Notary Public in and for the said County and State on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, acknowledged and in the capacity therein stated.

Witness my hand at _____, Texas, This _____ day of _____, 20__.

Notary Public in and for the State of Texas
 My commission expires: _____

WISE COUNTY NOTES

- IF SEWAGE DISPOSAL IS BY MEANS ON-SITE SEWAGE FACILITIES, A PERMIT MUST BE OBTAINED FOR EACH LOT.
- SEPTIC TANK PERFORMANCE CANNOT BE GUARANTEED, EVEN THOUGH ALL PROVISIONS OF THE WISE COUNTY RULES FOR PRIVATE SEWAGE FACILITIES ARE COMPLIED WITH.
- INSPECTION AND/OR ACCEPTANCE OF A PRIVATE SEWAGE FACILITY BY WISE COUNTY SHALL INDICATE ONLY THAT THE FACILITY MEETS THE MINIMUM REQUIREMENTS AND DOES NOT RELIEVE THE PROPERTY OWNER OF THE RESPONSIBILITY TO COMPLY WITH COUNTY, STATE AND FEDERAL REGULATIONS.
- ON-SITE SEWAGE FACILITIES, ALTHOUGH APPROVED OF MEETING MINIMUM STANDARDS, MUST BE UPGRADED BY THE PROPERTY OWNER AT THE PROPERTY OWNER'S EXPENSE IF THE NORMAL OPERATION OF THE FACILITY RESULTS IN OBJECTIONABLE ODOORS. IF UNSANITARY CONDITIONS ARE CREATED OR IF THE FACILITY, AT ANY TIME, DOES NOT COMPLY WITH GOVERNMENTAL REGULATIONS.
- A PROPERLY DESIGNED AND CONSTRUCTED ON-SITE SEWAGE FACILITY, SITUATED IN SUITABLE SOIL, MAY MALFUNCTION IF THE FACILITY IS NOT PROPERLY MAINTAINED AND CONTROLLED. THEREFORE, IT SHALL BE THE PROPERTY OWNER'S RESPONSIBILITY TO MAINTAIN AND OPERATE THE ON-SITE SEWAGE FACILITY IN A SATISFACTORY MANNER.
- ON-SITE SEWAGE FACILITIES MUST BE DESIGNED IN ACCORDANCE WITH THE RULES ESTABLISHED BY WISE COUNTY AND THE TCEQ. DESIGN SHALL BE BASED ON THE RESULTS OF A SITE EVALUATION PERFORMED ON EACH LOT.
- ONLY ONE SINGLE-FAMILY RESIDENCE OR DUPLEX SHALL BE LOCATED ON A LOT WHEN AN ON-SITE SEWAGE FACILITY IS USED AND ONLY ONE RESIDENCE SHALL BE CONNECTED TO SAID FACILITY.
- BUILDINGS TO BE BUILT ON LOTS WHICH ARE LOWER THAN THE ROAD OR ROADS ON WHICH THEY FRONT AND/OR ADJUT SHALL BE BUILT SUCH THAT THE MINIMUM FINISHED FLOOR ELEVATION IS AT LEAST 1-FOOT ABOVE THE PROPOSED GRADE OF THE YARD ADJACENT TO THE BUILDING. THIS IS TO REDUCE THE RISK OF DAMAGE TO BUILDING THAT MAY BE CAUSED BY STORM WATER DRAINAGE.
- NO BUILDING SHALL BE BUILT IN A 100-YEAR FLOOD PLAIN UNLESS THE MINIMUM RECOMMENDED FINISHED FLOOR ELEVATION IS COMPLIED WITH. IN NO CASE SHALL THE MINIMUM FINISHED FLOOR ELEVATION BE LESS THAN 2-FOOT ABOVE THE 100-YEAR FLOOD PLAIN ELEVATION. PRIOR TO ANY CONSTRUCTION WITHIN THE FLOODPLAIN, A FLOODPLAIN DEVELOPMENT PERMIT MUST BE OBTAINED FROM THE WISE COUNTY FLOODPLAIN ADMINISTRATOR.
- ANY FILLING OR OBSTRUCTION OF THE FLOODWAY OR DRAINAGE EASEMENTS IS PROHIBITED.
- ANY DRIVEWAY CULVERTS, IF NECESSARY, ARE TO BE INSTALLED BY THE PROPERTY OWNER AND IN ACCORDANCE WITH THE POLICIES OF WISE COUNTY AND SHALL BE OF SUFFICIENT SIZE TO PASS THE 10-DEVELOPMENT RULES AND REGULATIONS FINAL PLAT & CONSTRUCTION DOCUMENTS CONSTRUCTION PLANS WISE COUNTY, TEXAS 36 DECEMBER 2022 YEAR STORM. IN NO CASE SHALL A DRIVEWAY CULVERT BE LESS THAN 18-INCHES IN DIAMETER ON A PROPOSED ROAD.
- THE DRIVEWAY ABOVE A CULVERT SHOULD BE CONSTRUCTED SUCH THAT THE DRIVEWAY IS AT LEAST SIX (6") INCHES BELOW THE OUTSIDE EDGE OF THE MAIN ROADWAY. THIS WILL REDUCE THE RISK OF WATER, WHICH EXCEEDS THE CAPACITY OF THE CULVERT, FLOWING OVER THE CULVERT AND ENTERING THE ROADWAY.
- ANY UNDERGROUND UTILITY COMPANY SHALL BE CONTACTED TO VERIFY DEPTH AND LOCATIONS OF UTILITIES PRIOR TO ANY EXCAVATION OCCURRING ON THE LOT.
- ROUTINE MAINTENANCE AND MOWING OF DRAINAGE EASEMENTS SHALL BE THE RESPONSIBILITY OF THE INDIVIDUAL OWNER. IF NEEDED, THE COUNTY SHALL RESERVE THE RIGHT TO ACCESS/ENTER THE DRAINAGE EASEMENTS TO PERFORM ROUTINE MAINTENANCE AND/OR MOWING. FOR SUBDIVISIONS WITH PRIVATELY MAINTAINED ROADS, THE RESTRICTIONS MUST ALSO CONTAIN THE FOLLOWING STATEMENTS, AND THE MECHANISM FOR ASSESSING LOT OWNERS FOR MAINTENANCE MUST BE CLEARLY STATED.
- WISE COUNTY WILL NEVER ACCEPT OR MAINTAIN PRIVATELY MAINTAINED ROADS UNLESS THEY MEET COUNTY STANDARDS IN EFFECT ON THE DATE OF ACCEPTANCE.
- PRIVATELY MAINTAINED ROADS WILL BE MAINTAINED IN PERPETUITY BY THE OWNERS IN THE SUBDIVISION, AND A MECHANISM MUST BE IN PLACE FOR ASSESSING THE OWNERS TO PRODUCE ADEQUATE REVENUE FOR PERPETUAL MAINTENANCE.
- FOR DEVELOPMENTS INTENDED TO BE MAINTAINED BY A MUD OR SIMILAR ENTITY WITH ROAD POWERS, THE RESTRICTIONS MUST ALSO CONTAIN A STATEMENT THAT ROAD MAINTENANCE SHALL BE THE RESPONSIBILITY OF THE MUD OR SIMILAR ENTITY. FOR SPECIAL SITUATIONS SUCH AS COMMERCIAL, MULTI-UNIT RESIDENTIAL, AND SUBDIVISIONS WITH LARGE LOTS, THE RESTRICTIONS MAY REQUIRE REVISIONS, AND WILL BE REVIEWED ON A CASE-BY-CASE BASIS.
- THE FINAL PLAT SUBMITTAL SHALL INCLUDE A CERTIFICATE FROM THE COUNTY TAX COLLECTOR SHOWING THAT ALL TAXES, INCLUDING ALL OUTSTANDING, DELINQUENT, OR ROLL-BACK TAXES, ON THE LAND BEING SUBDIVIDED HAVE BEEN PAID TO THE CURRENT YEAR. TAX CERTIFICATES SHALL BE PROVIDED BOTH DURING THE PLATTING PROCESS AND ISSUED ON THE DAY OF FILING THE PLAT AND INDICATE A ZERO DOLLAR BALANCE.
- THE DEVELOPER WILL BE RESPONSIBLE FOR THE DRAINAGE ALONG THE RIGHT-OF-WAY.
- SEPTIC SYSTEMS WILL NOT BE ALLOWED ON PROPERTIES UNDER 2 ACRES WITHOUT PROOF OF PUBLIC WATER SERVICE.
- IF THE CURRENT PROPERTY QUALIFIES FOR AN AGRICULTURAL TAX EXEMPTION AND THE PROPOSED USE OF THE PROPERTY IS SUBJECT TO A CHANGE IN TAX EXEMPTION, THE PLAT SHALL CONTAIN A STATEMENT NOTIFYING LOT OWNERS THE SHOULD THE PROPERTY CHANGE LAND USE, THE PROPERTY MAY BE SUBJECT TO ROLL-BACK TAXES FOR THE PREVIOUS THREE YEARS.
- ALL MAILBOXES SHALL BE PLACED AND CONSTRUCTED IN ACCORDANCE WITH THE ACCESS DRIVEWAY PERMIT AND DEVELOPMENT RULES AND REGULATIONS REQUIREMENTS.

SURVEYOR'S CERTIFICATE

STATE OF TEXAS COUNTY OF DALLAS
 That I, Barry S. Rhodes, a Registered Professional Land Surveyor in the State of Texas, hereby certify that this plat is true and correct and was prepared from an actual survey of the property made under my supervision on the ground.

WITNESS MY HAND AT _____, TEXAS this the _____ day of _____, 20__.

PRELIMINARY FOR REVIEW PURPOSES ONLY

Barry S. Rhodes
 Registered Professional Land Surveyor R.P.L.S. No. 3691

STATE OF TEXAS COUNTY OF DALLAS
 BEFORE ME, the undersigned, a Notary Public in and for the said County and State on this day personally appeared Barry S. Rhodes, R.P.L.S. 3691, State of Texas, known to me to be the person whose name is subscribed to the foregoing instrument, acknowledged and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 20__.

Notary Public in and for the State of Texas
 My commission expires: _____

I hereby certify that the above and foregoing plat of Lovely Home Addition to the City of New Fairview, Texas, was approved by the City Council of the City of New Fairview on the _____ day of _____, 20__.

This approval shall be invalid unless the approved plat for such addition is recorded in the office of the County Clerk of _____ County, Texas, within one hundred eighty (180) days from said date of final approval. Said addition shall be subject to all the requirements of the Subdivision Regulations of the City of New Fairview.
 WITNESS OUR HANDS, this _____ day of _____, 20__.

City Secretary _____
 Recommended for final approval: _____
 Planning & Zoning Commission _____ Date _____
 Approved: _____
 City Administrator, City of New Fairview, Texas _____ Date _____

CITY CASE NO. 23-01-RP

LINE TABLE		
LINE	LENGTH	BEARING
L1	69.40	S00°19'10"E
L2	131.81	S21°09'53"W
L3	98.33	S00°47'11"W

CURVE TABLE				
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING & DISTANCE
C1	120.62	320.00	21°35'50"	S 10°15'42" W 119.91
C2	117.37	330.00	20°22'42"	S 10°58'32" W 116.75

LEGEND

D.R.W.C.T. DEED RECORDS, WISE COUNTY, TEXAS
 O.P.R.W.C.T. OFFICIAL PUBLIC RECORDS, WISE COUNTY, TEXAS
 C.M. CONTROLLING MONUMENT
 VOL. VOLUME
 PG. PAGE
 INST. NO. INSTRUMENT NUMBER
 IRF IRON ROD FOUND
 IRS IRON ROD SET WITH A YELLOW PLASTIC CAP STAMPED "RPLS 3691"

PROPERTY ADDRESS: 154 RIDGE TRAIL, RHOME, TX 76078
 OWNER: LOVELY HOME SOLUTIONS, LLC.
 ADDRESS: PO BOX 79293, FORT WORTH, TX 76179

BURNS SURVEYING
 PROFESSIONAL LAND SURVEYORS
 OFFICE: 1529 EAST INTERSTATE 30, GARLAND, TX 75043
 SURVEYOR: BARRY S. RHODES - RPLS NO. 3691
 FIRM NO. 10194366
 WEBSITE: WWW.BURNSSURVEY.COM
 PHONE: (214) 326-1090

FINAL PLAT
LOTS 1, 2 & 3, BLOCK A
LOVELY HOME ADDITION

BEING 6.115 ACRES OF LAND
 M.E.P. & P.R.R. Co. Survey, Abstract No. 633 and the A.J. Walker Survey, Abstract No. 861, in Wise County, Texas
 3 RESIDENTIAL LOTS

JOB NO.: 202212410-04 PREPARATION DATE: 05/01/2023 DRAWN BY: KW



CITY COUNCIL AGENDA MEMO

Prepared By: John Cabrales Jr, City Administrator

August 7, 2023

2023 Annual Service Plan Update to Constellation Lake

DESCRIPTION:

Receive, consider, and act on an Ordinance approving the 2023 Annual Service Plan Update to the Service and Assessment Plan, including the Assessment Roll, for the Constellation Lake Public Improvement District in accordance with Chapter 372, Local Government Code, as amended.

BACKGROUND INFORMATION:

On April 20, 2020, the City Council approved Ordinance No. 2020-07-202 which approved the Service and Assessment Plan for the District and levied Assessments to finance the Authorized Improvements to be constructed for the benefit of the Assessed Property within the District. The Service and Assessment Plan also set forth the costs of the Authorized Improvements, the indebtedness to be incurred for such Authorized Improvements, and the manner of assessing the property in the District for the costs of such Authorized Improvements based on the benefit provided to the Assessed Property.

On July 19, 2021, the City Council approved the 2021 Annual Service Plan Update by adopting Ordinance No. 202107-01-228, which updated the Assessment Rolls for 2021.

On August 1, 2022, the City Council approved the 2022 Annual Service Plan Update by adopting Ordinance No. 202208-01-241, which updated the Assessment Rolls for 2022.

Pursuant to the PID Act, the Service and Assessment Plan must be reviewed and updated annually. This document is the 2023 Annual Service Plan Update. This 2023 Annual Service Plan Update also updates the Assessment Roll for 2023.

Staff recommends approval of the Ordinance.

FINANCIAL CONSIDERATION:

The list of current Parcels within District, the corresponding total Assessments, and current Annual Installment are shown on the Improvement Area #1 Assessment Roll and Future Improvement Area Assessment Roll below as **Exhibit A-1** and **Exhibit A-2**, respectively. The Parcels shown on the Assessment Rolls will receive the bill for the 2023 Annual Installment which will be delinquent if not paid by January 31, 2024.

EXHIBIT A-1 – IMPROVEMENT AREA #1 ASSESSMENT ROLL

Property ID	Lot Type	Outstanding Assessment ^[a]	Annual Installment Due 1/31/2024 ^{[a],[b]}
68026	Improvement Area #1 Initial Parcel	\$ 816,802.32	\$ 102.72
70814	Improvement Area #1 Initial Parcel	\$ 914,430.56	\$ 114.99
Total		\$ 1,731,232.88	\$ 217.71

Notes:

[a] Outstanding Assessment and Annual Installment due may not match due to rounding.

[b] Annual Installment allocated to each Property ID pro rata based on acreage.

EXHIBIT A-2 – FUTURE IMPROVEMENT AREA ASSESSMENT ROLL

Property ID	Lot Type	Outstanding Assessment ^[a]	Annual Installment Due 1/31/2024 ^{[a],[b]}
68026	Future Improvement Area Initial Parcel	\$ 17,942,118.41	\$ 2,256.30
70814	Future Improvement Area Initial Parcel	\$ 20,086,648.71	\$ 2,525.99
Total		\$ 38,028,767.12	\$ 4,782.29

Notes:

[a] Outstanding Assessment and Annual Installment due may not match due to rounding.

[b] Annual Installment allocated to each Property ID pro rata based on acreage.

RECOMMENDED MOTIONS:

I move to **Approve/Deny** an Ordinance approving the 2023 Annual Service Plan Update to the Service and Assessment Plan, including the Assessment Roll, for the Constellation Lake Public Improvement District in accordance with Chapter 372, Local Government Code, as amended.

ATTACHMENT(S):

1. 2023 Annual Service Plan Update
2. Ordinance 202308-01-114



CITY OF NEW FAIRVIEW CONSTELLATION LAKE
PUBLIC IMPROVEMENT DISTRICT
2023 ANNUAL SERVICE PLAN UPDATE

JULY 17, 2023

INTRODUCTION

Capitalized terms used in this 2023 Annual Service Plan Update shall have the meanings set forth in the original Service and Assessment Plan (the “2020 SAP”) or the Reimbursement Agreement, as applicable.

The District was created pursuant to the PID Act by Resolution No. 2020-009-099 on April 6, 2020 by the City to finance certain Authorized Improvements for the benefit of the property in the District.

On April 20, 2020, the City approved the 2020 SAP for the District by Ordinance No. 2020-07-202 which approved the levy of Assessments for Assessed Property within the District and approved the Assessment Rolls.

On July 19, 2021, the City approved the 2021 Annual Service Plan Update by adopting Ordinance No. 202107-01-228, which updated the Assessment Rolls for 2021.

On August 1, 2022, the City approved the 2022 Annual Service Plan Update for the District by Ordinance No. 202208-01-241, which updated the Assessment Roll for 2022.

The 2020 SAP identified the Authorized Improvements to be constructed for the benefit of the Assessed Property within the District, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the District for the costs of the Authorized Improvements. Pursuant to the PID Act, the 2020 SAP must be reviewed and updated annually. This document is the Annual Service Plan Update for 2023.

The City Council also adopted an Assessment Roll identifying the Assessments on each Lot within the District, based on the method of assessment identified in the 2020 SAP. This 2023 Annual Service Plan Update also updates the Assessment Roll for 2023.

TRIGGER DATE

The 2020 SAP defines “Trigger Date” as the date a preliminary subdivision plat is filed and approved by the City Council. If the Trigger Date occurs on or before July 31st of the then current year, then Assessments will be due the January 31st of the following year, including twelve months of interest. If the Trigger Date occurs after July 31st of the then current year, then the Assessments will be due on the second January 31st after the preliminary plat is filed, including twelve months of interest.

Neither Improvement Area #1 or Future Improvement Area have reached the Trigger Date, and therefore have not triggered collection of Assessments to begin on Parcels within the District. Parcels within the District will pay for their pro rata share of Annual Collection Costs.

PARCEL SUBDIVISION

Improvement Area #1

There have not been any recorded plats in Improvement Area #1.

Future Improvement Area

There have not been any recorded plats in Future Improvement Area.

LOT AND HOME SALES

Improvement Area #1

Improvement Area #1 is anticipated to include 89 Single Family Units. No residential Lots have been completed to date.

Future Improvement Area

Future Improvement Area is anticipated to include 1,955 single family units. No residential Lots have been completed to date. Future Improvement Area is also anticipated to include commercial, multi-family, townhomes, and school district property located within the District that benefit from Authorized Improvements but are not Assessed for Authorized Improvement costs.

See **Exhibit C** for the buyer disclosures for District.

AUTHORIZED IMPROVEMENTS

Improvement Area #1

Per the Developer, the Authorized Improvements listed in the 2020 SAP for Improvement Area #1 are not yet under construction. No actual costs have been spent to date, as the Developer is currently determining service providers for water and sewer service. The budget for the Authorized Improvements remains unchanged as shown on the table below.

Future Improvement Area

Per the Developer, the Authorized Improvements listed in the 2020 SAP for the Future Improvement Area are not yet under construction. No actual costs have been spent to date, as the Developer is currently determining service providers for water and sewer service. The budget for the Authorized Improvements remains unchanged as shown on the table below.

Authorized Improvements	Total Budget	Budget for Future Improvement Area Projects	Budget for Improvement Area #1 Projects	Actual Costs Spent to Date ¹	Percent Complete
<i>Improvement Area #1 Improvements</i>					
Roads	\$ 1,527,221	\$ -	\$ 1,527,221	\$ -	0.00%
Storm Drain	1,070,677	-	1,070,677	-	0.00%
Soft Costs	532,569	-	532,569	-	0.00%
	\$ 3,130,466	\$ -	\$ 3,130,466	\$ -	0.00%
<i>Future Improvement Area Improvements</i>					
Roads	\$ 15,823,707	\$ 15,823,707		\$ -	0.00%
Storm Drain	6,977,815	6,977,815		-	0.00%
Soft Costs	4,674,312	4,674,312		-	0.00%
	\$ 27,475,834	\$ 27,475,834	\$ -	\$ -	0.00%
<i>Major Improvements</i>					
Landscaping, Entryway, Open Space, and Parks	7,598,763	7,267,897	330,866		0.00%
Soft Costs	1,557,746	1,489,919	67,828		0.00%
	\$ 9,156,510	\$ 8,757,816	\$ 398,693	\$ -	0.00%
Total	\$ 39,762,810	\$ 36,233,650	\$ 3,529,160	\$ -	0.00%

Notes:

1) Authorized Improvement costs spent to date as provided by the Developer.

OUTSTANDING ASSESSMENT

Improvement Area #1

Improvement Area #1 has an outstanding Assessment of \$1,731,232.88.

Future Improvement Area

Future Improvement Area has an outstanding Assessment of \$38,028,767.12.

ANNUAL INSTALLMENT DUE 1/31/2024

Improvement Area #1

- **Principal and Interest¹** - Pursuant to the Reimbursement Agreement, the Annual Installment shall include interest on the unpaid principal amount of the outstanding Assessment at a rate of 4.84% per annum, simple interest. Interest shall begin to accrue the January 1st after the Trigger Date has been met. The total principal and interest required for the Annual Installment for Improvement Area #1 is \$0.00.
- **Annual Collection Costs** - The cost of administering District and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of outstanding Assessment remaining on the Parcel. The total Annual Collection Costs budgeted for the Annual Installment for Improvement Area #1 is \$217.71.

Improvement Area #1	
Due January 31, 2024	
Principal	\$ -
Interest	-
Annual Collection Costs	217.71
Total Annual Installment	\$ 217.71

The Annual Installments for Lots in Improvement Area #1 are attached hereto as **Exhibit B-1**.

Future Improvement Area

- **Principal and Interest¹** - Pursuant to the Reimbursement Agreement, the Annual Installment shall include interest on the unpaid principal amount of the outstanding Assessment at a rate of 4.84% per annum, simple interest. Interest shall begin to accrue the January 1st after the Trigger Date has been met. The total principal and interest required for the Annual Installment for Future Improvement Area is \$0.00.
- **Annual Collection Costs** - The cost of administering District and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of outstanding Assessment remaining on the Parcel. The total Annual Collection Costs budgeted for the Annual Installment for Future Improvement Area is \$4,782.29.

¹ The Annual Installment covers the period September 15, 2023 to September 14, 2024 and is due January 31, 2024.

Future Improvement Area	
Due January 31, 2024	
Principal	\$ -
Interest	-
Annual Collection Costs	4,782.29
Total Annual Installment	\$ 4,782.29

The Annual Installments for Lots in the Future Improvement Area are attached hereto as **Exhibit B-2**.

PREPAYMENT OF ASSESSMENTS IN FULL

Improvement Area #1

No full prepayments of Assessments have occurred within Improvement Area #1.

Future Improvement Area

No full prepayments of Assessments have occurred within the Future Improvement Area.

PARTIAL PREPAYMENT OF ASSESSMENTS

Improvement Area #1

No partial prepayments of Assessments have occurred within Improvement Area #1.

Future Improvement Area

No partial prepayments of Assessments have occurred within the Future Improvement Area.

EXTRAORDINARY OPTIONAL REDEMPTIONS

Improvement Area #1

No extraordinary optional redemptions have occurred within Improvement Area #1

Future Improvement Area

No extraordinary optional redemptions have occurred within the Future Improvement Area.

SERVICE PLAN - FIVE YEAR BUDGET FORECAST

The PID Act requires the annual indebtedness and projected costs for the Authorized Improvements to be reviewed and updated in the Annual Service Plan Update, and the projection shall cover a period of not less than five years.

Improvement Area #1 ^[a,c]					
Annual Installments Due	1/31/2024	1/31/2025	1/31/2026	1/31/2027	1/31/2028
Principal	\$ -	\$ 26,781.87	\$ 28,078.11	\$ 29,437.09	\$ 30,861.84
Interest	\$ -	\$ 83,791.67	\$ 82,495.43	\$ 81,136.45	\$ 79,711.69
(1)	\$ -	\$ 110,573.54	\$ 110,573.54	\$ 110,573.54	\$ 110,573.54
Annual Collection Costs	(2) \$ 217.71	\$ 222.06	\$ 226.51	\$ 231.04	\$ 235.66
Annual Installment	(3) = (1) + (2) \$ 217.71	\$ 110,795.60	\$ 110,800.04	\$ 110,804.57	\$ 110,809.19

Future Improvement Area ^{[b],[c]}					
Annual Installments Due	1/31/2024	1/31/2025	1/31/2026	1/31/2027	1/31/2028
Principal	\$ -	\$ 596,127.74	\$ 624,383.26	\$ 653,994.41	\$ 685,026.56
Interest	\$ -	\$ 1,840,592.32	\$ 1,811,739.74	\$ 1,781,519.60	\$ 1,749,866.26
(1)	\$ -	\$ 2,436,720.06	\$ 2,436,123.00	\$ 2,435,514.01	\$ 2,434,892.82
Annual Collection Costs	(2) \$ 4,782.29	\$ 4,877.94	\$ 4,975.49	\$ 5,075.00	\$ 5,176.50
Annual Installment	(3) = (1) + (2) \$ 4,782.29	\$ 2,441,598.00	\$ 2,441,098.49	\$ 2,440,589.01	\$ 2,440,069.32

Notes:

- [a] Assumes the Trigger Date for collection of Improvement Area #1 Annual Installments will be met on or before July 31, 2024.
- [b] Assumes the Trigger Date for collection of Future Improvement Area Annual Installments will be met on or before July 31, 2024.
- [c] Collection of principal and interest on each Improvement Area will begin when the Trigger Date is met for said Improvement Area. To be updated annually in each Annual Service Plan Update.

ASSESSMENT ROLL

The list of current Parcels within District, the corresponding total Assessments, and current Annual Installment are shown on the Improvement Area #1 Assessment Roll and Future Improvement Area Assessment Roll attached hereto as **Exhibit A-1** and **Exhibit A-2**, respectively. The Parcels shown on the Assessment Rolls will receive the bill for the 2023 Annual Installment which will be delinquent if not paid by January 31, 2024.

EXHIBIT A-1 – IMPROVEMENT AREA #1 ASSESSMENT ROLL

Property ID	Lot Type	Outstanding Assessment ^[a]	Annual Installment Due 1/31/2024 ^{[a],[b]}
68026	Improvement Area #1 Initial Parcel	\$ 816,802.32	\$ 102.72
70814	Improvement Area #1 Initial Parcel	\$ 914,430.56	\$ 114.99
Total		\$ 1,731,232.88	\$ 217.71

Notes:

[a] Outstanding Assessment and Annual Installment due may not match due to rounding.

[b] Annual Installment allocated to each Property ID pro rata based on acreage.

EXHIBIT A-2 – FUTURE IMPROVEMENT AREA ASSESSMENT ROLL

Property ID	Lot Type	Outstanding Assessment ^[a]	Annual Installment Due 1/31/2024 ^{[a],[b]}
68026	Future Improvement Area Initial Parcel	\$ 17,942,118.41	\$ 2,256.30
70814	Future Improvement Area Initial Parcel	\$ 20,086,648.71	\$ 2,525.99
Total		\$ 38,028,767.12	\$ 4,782.29

Notes:

[a] Outstanding Assessment and Annual Installment due may not match due to rounding.

[b] Annual Installment allocated to each Property ID pro rata based on acreage.

EXHIBIT B-1 – IMPROVEMENT AREA #1 TOTAL ANNUAL INSTALLMENT

Annual Installments Due 1/31	Principal	Interest ¹	Annual Collection Costs	Total Annual Installment ²
2024	\$ -	\$ -	\$ 217.71	\$ 217.71
2025	\$ 26,781.87	\$ 83,791.67	\$ 222.06	\$ 110,795.60
2026	\$ 28,078.11	\$ 82,495.43	\$ 226.51	\$ 110,800.04
2027	\$ 29,437.09	\$ 81,136.45	\$ 231.04	\$ 110,804.57
2028	\$ 30,861.84	\$ 79,711.69	\$ 235.66	\$ 110,809.19
2029	\$ 32,355.56	\$ 78,217.98	\$ 240.37	\$ 110,813.91
2030	\$ 33,921.57	\$ 76,651.97	\$ 245.18	\$ 110,818.71
2031	\$ 35,563.37	\$ 75,010.17	\$ 250.08	\$ 110,823.62
2032	\$ 37,284.64	\$ 73,288.90	\$ 255.08	\$ 110,828.62
2033	\$ 39,089.21	\$ 71,484.32	\$ 260.18	\$ 110,833.72
2034	\$ 40,981.13	\$ 69,592.41	\$ 265.39	\$ 110,838.93
2035	\$ 42,964.62	\$ 67,608.92	\$ 270.70	\$ 110,844.23
2036	\$ 45,044.11	\$ 65,529.43	\$ 276.11	\$ 110,849.65
2037	\$ 47,224.24	\$ 63,349.30	\$ 281.63	\$ 110,855.17
2038	\$ 49,509.89	\$ 61,063.64	\$ 287.26	\$ 110,860.80
2039	\$ 51,906.17	\$ 58,667.36	\$ 293.01	\$ 110,866.55
2040	\$ 54,418.43	\$ 56,155.11	\$ 298.87	\$ 110,872.41
2041	\$ 57,052.28	\$ 53,521.25	\$ 304.85	\$ 110,878.38
2042	\$ 59,813.61	\$ 50,759.92	\$ 310.94	\$ 110,884.48
2043	\$ 62,708.59	\$ 47,864.94	\$ 317.16	\$ 110,890.70
2044	\$ 65,743.69	\$ 44,829.85	\$ 323.51	\$ 110,897.04
2045	\$ 68,925.68	\$ 41,647.85	\$ 329.98	\$ 110,903.51
2046	\$ 72,261.69	\$ 38,311.85	\$ 336.58	\$ 110,910.11
2047	\$ 75,759.15	\$ 34,814.39	\$ 343.31	\$ 110,916.84
2048	\$ 79,425.90	\$ 31,147.64	\$ 350.17	\$ 110,923.71
2049	\$ 83,270.11	\$ 27,303.43	\$ 357.18	\$ 110,930.71
2050	\$ 87,300.38	\$ 23,273.16	\$ 364.32	\$ 110,937.86
2051	\$ 91,525.72	\$ 19,047.82	\$ 371.61	\$ 110,945.14
2052	\$ 95,955.56	\$ 14,617.97	\$ 379.04	\$ 110,952.58
2053	\$ 100,599.81	\$ 9,973.72	\$ 386.62	\$ 110,960.16
2054	\$ 105,468.85	\$ 5,104.69	\$ 394.35	\$ 110,967.89
Total	\$ 1,731,232.88	\$ 1,585,973.24	\$ 9,226.44	\$ 3,326,432.57

Notes:

1) Interest is calculated at 4.84% from the Trigger Date. Assumes the Trigger Date for collection of Improvement Area #1 Annual Installments will be met on or before July 31, 2024. Prior to the Trigger Date being met for the Improvement Area #1, the Improvement Area #1 will continue to pay its allocable share of Annual Collection Costs pro rata based on the then outstanding Assessment.

2) The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs or other available offsets could increase or decrease the amounts shown.

EXHIBIT B-2 – FUTURE IMPROVEMENT AREA TOTAL ANNUAL INSTALLMENT

Annual Installments Due	Principal	Interest ¹	Annual Collection Costs	Total Annual Installment ²
2024	\$ -	\$ -	\$ 4,782.29	\$ 4,782.29
2025	\$ 596,127.74	\$ 1,840,592.32	\$ 4,877.94	\$ 2,441,598.00
2026	\$ 624,383.26	\$ 1,811,739.74	\$ 4,975.49	\$ 2,441,098.49
2027	\$ 653,994.41	\$ 1,781,519.60	\$ 5,075.00	\$ 2,440,589.01
2028	\$ 685,026.56	\$ 1,749,866.26	\$ 5,176.50	\$ 2,440,069.32
2029	\$ 717,548.25	\$ 1,716,710.98	\$ 5,280.03	\$ 2,439,539.26
2030	\$ 751,631.30	\$ 1,681,981.64	\$ 5,385.63	\$ 2,438,998.57
2031	\$ 787,351.05	\$ 1,645,602.70	\$ 5,493.35	\$ 2,438,447.10
2032	\$ 824,786.45	\$ 1,607,494.90	\$ 5,603.21	\$ 2,437,884.56
2033	\$ 864,020.29	\$ 1,567,575.24	\$ 5,715.28	\$ 2,437,310.81
2034	\$ 905,139.33	\$ 1,525,756.66	\$ 5,829.58	\$ 2,436,725.57
2035	\$ 948,234.53	\$ 1,481,947.92	\$ 5,946.18	\$ 2,436,128.63
2036	\$ 993,401.27	\$ 1,436,053.36	\$ 6,065.10	\$ 2,435,519.73
2037	\$ 1,040,739.52	\$ 1,387,972.74	\$ 6,186.40	\$ 2,434,898.66
2038	\$ 1,090,354.09	\$ 1,337,600.94	\$ 6,310.13	\$ 2,434,265.16
2039	\$ 1,142,354.87	\$ 1,284,827.80	\$ 6,436.33	\$ 2,433,619.00
2040	\$ 1,196,857.05	\$ 1,229,537.84	\$ 6,565.06	\$ 2,432,959.95
2041	\$ 1,253,981.36	\$ 1,171,609.96	\$ 6,696.36	\$ 2,432,287.68
2042	\$ 1,313,854.43	\$ 1,110,917.26	\$ 6,830.29	\$ 2,431,601.98
2043	\$ 1,376,608.95	\$ 1,047,326.70	\$ 6,966.89	\$ 2,430,902.54
2044	\$ 1,442,384.07	\$ 980,698.82	\$ 7,106.23	\$ 2,430,189.12
2045	\$ 1,511,325.66	\$ 910,887.44	\$ 7,248.36	\$ 2,429,461.46
2046	\$ 1,583,586.63	\$ 837,739.28	\$ 7,393.32	\$ 2,428,719.23
2047	\$ 1,659,327.28	\$ 761,093.68	\$ 7,541.19	\$ 2,427,962.15
2048	\$ 1,738,715.68	\$ 680,782.24	\$ 7,692.01	\$ 2,427,189.93
2049	\$ 1,821,928.02	\$ 596,628.40	\$ 7,845.85	\$ 2,426,402.27
2050	\$ 1,909,148.99	\$ 508,447.08	\$ 8,002.77	\$ 2,425,598.84
2051	\$ 2,000,572.26	\$ 416,044.28	\$ 8,162.83	\$ 2,424,779.37
2052	\$ 2,096,400.83	\$ 319,216.58	\$ 8,326.08	\$ 2,423,943.49
2053	\$ 2,196,847.53	\$ 217,750.78	\$ 8,492.60	\$ 2,423,090.91
2054	\$ 2,302,135.46	\$ 111,423.36	\$ 8,662.46	\$ 2,422,221.28
Total	\$ 38,028,767.12	\$ 34,757,346.50	\$ 202,670.76	\$ 72,988,784.38

Notes:

- 1) Interest is calculated at 4.84% from the Trigger Date. Assumes the Trigger Date for collection of Future Improvement Area Annual Installments will be met on or before July 31, 2024. Prior to the Trigger Date being met for the Future Improvement Area, the Future Improvement Area will continue to pay its allocable share of Annual Collection Costs pro rata based on the then outstanding Assessment.
- 2) The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs or other available offsets could increase or decrease the amounts shown.

EXHIBIT C – BUYER DISCLOSURES

The buyer disclosures for the following are found in this Exhibit.

- Improvement Area #1 Initial Parcel
- Future Improvement Area Initial Parcel
- Lot Type Single Family

[Remainder of page left intentionally blank.]

**CONSTELLATION LAKE PUBLIC IMPROVEMENT DISTRICT – IMPROVEMENT AREA
#1 INITIAL PARCEL BUYER DISCLOSURE**

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
THE CITY OF NEW FAIRVIEW, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

**IMPROVEMENT AREA #1 INITIAL PARCEL PRINCIPAL ASSESSMENT:
\$1,731,232.88**

As the purchaser of the real property described above, you are obligated to pay assessments to City of New Fairview, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *City of New Fairview Constellation Lake Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from City of New Fairview. The exact amount of each annual installment will be approved each year by the New Fairview City Council in the annual service plan update for the District. More information about the assessments, including the amounts and due dates, may be obtained from City of New Fairview.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

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COUNTY OF _____

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 INITIAL PARCEL

Annual Installments			Annual Collection	Total Annual
Due 1/31	Principal	Interest ¹	Costs	Installment ²
2024	\$ -	\$ -	\$ 217.71	\$ 217.71
2025	\$ 26,781.87	\$ 83,791.67	\$ 222.06	\$ 110,795.60
2026	\$ 28,078.11	\$ 82,495.43	\$ 226.51	\$ 110,800.04
2027	\$ 29,437.09	\$ 81,136.45	\$ 231.04	\$ 110,804.57
2028	\$ 30,861.84	\$ 79,711.69	\$ 235.66	\$ 110,809.19
2029	\$ 32,355.56	\$ 78,217.98	\$ 240.37	\$ 110,813.91
2030	\$ 33,921.57	\$ 76,651.97	\$ 245.18	\$ 110,818.71
2031	\$ 35,563.37	\$ 75,010.17	\$ 250.08	\$ 110,823.62
2032	\$ 37,284.64	\$ 73,288.90	\$ 255.08	\$ 110,828.62
2033	\$ 39,089.21	\$ 71,484.32	\$ 260.18	\$ 110,833.72
2034	\$ 40,981.13	\$ 69,592.41	\$ 265.39	\$ 110,838.93
2035	\$ 42,964.62	\$ 67,608.92	\$ 270.70	\$ 110,844.23
2036	\$ 45,044.11	\$ 65,529.43	\$ 276.11	\$ 110,849.65
2037	\$ 47,224.24	\$ 63,349.30	\$ 281.63	\$ 110,855.17
2038	\$ 49,509.89	\$ 61,063.64	\$ 287.26	\$ 110,860.80
2039	\$ 51,906.17	\$ 58,667.36	\$ 293.01	\$ 110,866.55
2040	\$ 54,418.43	\$ 56,155.11	\$ 298.87	\$ 110,872.41
2041	\$ 57,052.28	\$ 53,521.25	\$ 304.85	\$ 110,878.38
2042	\$ 59,813.61	\$ 50,759.92	\$ 310.94	\$ 110,884.48
2043	\$ 62,708.59	\$ 47,864.94	\$ 317.16	\$ 110,890.70
2044	\$ 65,743.69	\$ 44,829.85	\$ 323.51	\$ 110,897.04
2045	\$ 68,925.68	\$ 41,647.85	\$ 329.98	\$ 110,903.51
2046	\$ 72,261.69	\$ 38,311.85	\$ 336.58	\$ 110,910.11
2047	\$ 75,759.15	\$ 34,814.39	\$ 343.31	\$ 110,916.84
2048	\$ 79,425.90	\$ 31,147.64	\$ 350.17	\$ 110,923.71
2049	\$ 83,270.11	\$ 27,303.43	\$ 357.18	\$ 110,930.71
2050	\$ 87,300.38	\$ 23,273.16	\$ 364.32	\$ 110,937.86
2051	\$ 91,525.72	\$ 19,047.82	\$ 371.61	\$ 110,945.14
2052	\$ 95,955.56	\$ 14,617.97	\$ 379.04	\$ 110,952.58
2053	\$ 100,599.81	\$ 9,973.72	\$ 386.62	\$ 110,960.16
2054	\$ 105,468.85	\$ 5,104.69	\$ 394.35	\$ 110,967.89
Total	\$ 1,731,232.88	\$ 1,585,973.24	\$ 9,226.44	\$ 3,326,432.57

Notes:

1) Interest is calculated at 4.84% from the Trigger Date. Assumes the Trigger Date for collection of Improvement Area #1 Annual Installments will be met on or before July 31, 2024. Prior to the Trigger Date being met for the Improvement Area #1, the Improvement Area #1 will continue to pay its allocable share of Annual Collection Costs pro rata based on the then outstanding Assessment.

2) The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs or other available offsets could increase or decrease the amounts shown.

**CONSTELLATION LAKE PUBLIC IMPROVEMENT DISTRICT – FUTURE
IMPROVEMENT AREA INITIAL PARCEL BUYER DISCLOSURE**

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
THE CITY OF NEW FAIRVIEW, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

**FUTURE IMPROVEMENT AREA INITIAL PARCEL PRINCIPAL ASSESSMENT:
\$38,028,767.12**

As the purchaser of the real property described above, you are obligated to pay assessments to City of New Fairview, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *City of New Fairview Constellation Lake Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from City of New Fairview. The exact amount of each annual installment will be approved each year by the New Fairview City Council in the annual service plan update for the District. More information about the assessments, including the amounts and due dates, may be obtained from City of New Fairview.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

ANNUAL INSTALLMENTS - FUTURE IMPROVEMENT AREA INITIAL PARCEL

Annual Installments				Annual Collection	Total Annual
Due	Principal	Interest ¹		Costs	Installment ²
2024	\$ -	\$ -	\$	4,782.29	\$ 4,782.29
2025	\$ 596,127.74	\$ 1,840,592.32	\$	4,877.94	\$ 2,441,598.00
2026	\$ 624,383.26	\$ 1,811,739.74	\$	4,975.49	\$ 2,441,098.49
2027	\$ 653,994.41	\$ 1,781,519.60	\$	5,075.00	\$ 2,440,589.01
2028	\$ 685,026.56	\$ 1,749,866.26	\$	5,176.50	\$ 2,440,069.32
2029	\$ 717,548.25	\$ 1,716,710.98	\$	5,280.03	\$ 2,439,539.26
2030	\$ 751,631.30	\$ 1,681,981.64	\$	5,385.63	\$ 2,438,998.57
2031	\$ 787,351.05	\$ 1,645,602.70	\$	5,493.35	\$ 2,438,447.10
2032	\$ 824,786.45	\$ 1,607,494.90	\$	5,603.21	\$ 2,437,884.56
2033	\$ 864,020.29	\$ 1,567,575.24	\$	5,715.28	\$ 2,437,310.81
2034	\$ 905,139.33	\$ 1,525,756.66	\$	5,829.58	\$ 2,436,725.57
2035	\$ 948,234.53	\$ 1,481,947.92	\$	5,946.18	\$ 2,436,128.63
2036	\$ 993,401.27	\$ 1,436,053.36	\$	6,065.10	\$ 2,435,519.73
2037	\$ 1,040,739.52	\$ 1,387,972.74	\$	6,186.40	\$ 2,434,898.66
2038	\$ 1,090,354.09	\$ 1,337,600.94	\$	6,310.13	\$ 2,434,265.16
2039	\$ 1,142,354.87	\$ 1,284,827.80	\$	6,436.33	\$ 2,433,619.00
2040	\$ 1,196,857.05	\$ 1,229,537.84	\$	6,565.06	\$ 2,432,959.95
2041	\$ 1,253,981.36	\$ 1,171,609.96	\$	6,696.36	\$ 2,432,287.68
2042	\$ 1,313,854.43	\$ 1,110,917.26	\$	6,830.29	\$ 2,431,601.98
2043	\$ 1,376,608.95	\$ 1,047,326.70	\$	6,966.89	\$ 2,430,902.54
2044	\$ 1,442,384.07	\$ 980,698.82	\$	7,106.23	\$ 2,430,189.12
2045	\$ 1,511,325.66	\$ 910,887.44	\$	7,248.36	\$ 2,429,461.46
2046	\$ 1,583,586.63	\$ 837,739.28	\$	7,393.32	\$ 2,428,719.23
2047	\$ 1,659,327.28	\$ 761,093.68	\$	7,541.19	\$ 2,427,962.15
2048	\$ 1,738,715.68	\$ 680,782.24	\$	7,692.01	\$ 2,427,189.93
2049	\$ 1,821,928.02	\$ 596,628.40	\$	7,845.85	\$ 2,426,402.27
2050	\$ 1,909,148.99	\$ 508,447.08	\$	8,002.77	\$ 2,425,598.84
2051	\$ 2,000,572.26	\$ 416,044.28	\$	8,162.83	\$ 2,424,779.37
2052	\$ 2,096,400.83	\$ 319,216.58	\$	8,326.08	\$ 2,423,943.49
2053	\$ 2,196,847.53	\$ 217,750.78	\$	8,492.60	\$ 2,423,090.91
2054	\$ 2,302,135.46	\$ 111,423.36	\$	8,662.46	\$ 2,422,221.28
Total	\$ 38,028,767.12	\$ 34,757,346.50	\$	202,670.76	\$ 72,988,784.38

Notes:

1) Interest is calculated at 4.84% from the Trigger Date. Assumes the Trigger Date for collection of Future Improvement Area Annual Installments will be met on or before July 31, 2024. Prior to the Trigger Date being met for the Future Improvement Area, the Future Improvement Area will continue to pay its allocable share of Annual Collection Costs pro rata based on the then outstanding Assessment.

2) The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs or other available offsets could increase or decrease the amounts shown.

**CONSTELLATION LAKE PUBLIC IMPROVEMENT DISTRICT – LOT TYPE SINGLE
FAMILY BUYER DISCLOSURE**

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
THE CITY OF NEW FAIRVIEW, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

LOT TYPE SINGLE FAMILY PRINCIPAL ASSESSMENT: \$19,452.05

As the purchaser of the real property described above, you are obligated to pay assessments to City of New Fairview, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *City of New Fairview Constellation Lake Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from City of New Fairview. The exact amount of each annual installment will be approved each year by the New Fairview City Council in the annual service plan update for the District. More information about the assessments, including the amounts and due dates, may be obtained from City of New Fairview.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

COUNTY OF _____

§

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

ANNUAL INSTALLMENTS - LOT TYPE SINGLE FAMILY

Annual Installments Due	Principal	Interest ¹	Annual Collection Costs	Total Annual Installment ²
Year 1	\$ 300.92	\$ 941.48	\$ 2.45	\$ 1,244.85
Year 2	\$ 315.48	\$ 926.91	\$ 2.50	\$ 1,244.89
Year 3	\$ 330.75	\$ 911.65	\$ 2.55	\$ 1,244.94
Year 4	\$ 346.76	\$ 895.64	\$ 2.60	\$ 1,245.00
Year 5	\$ 363.55	\$ 878.85	\$ 2.65	\$ 1,245.05
Year 6	\$ 381.14	\$ 861.26	\$ 2.70	\$ 1,245.10
Year 7	\$ 399.59	\$ 842.81	\$ 2.75	\$ 1,245.15
Year 8	\$ 418.93	\$ 823.47	\$ 2.81	\$ 1,245.21
Year 9	\$ 439.20	\$ 803.19	\$ 2.87	\$ 1,245.27
Year 10	\$ 460.46	\$ 781.94	\$ 2.92	\$ 1,245.32
Year 11	\$ 482.75	\$ 759.65	\$ 2.98	\$ 1,245.38
Year 12	\$ 506.11	\$ 736.29	\$ 3.04	\$ 1,245.44
Year 13	\$ 530.61	\$ 711.79	\$ 3.10	\$ 1,245.50
Year 14	\$ 556.29	\$ 686.11	\$ 3.16	\$ 1,245.56
Year 15	\$ 583.22	\$ 659.18	\$ 3.23	\$ 1,245.63
Year 16	\$ 611.44	\$ 630.96	\$ 3.29	\$ 1,245.69
Year 17	\$ 641.04	\$ 601.36	\$ 3.36	\$ 1,245.76
Year 18	\$ 672.06	\$ 570.34	\$ 3.43	\$ 1,245.82
Year 19	\$ 704.59	\$ 537.81	\$ 3.49	\$ 1,245.89
Year 20	\$ 738.69	\$ 503.71	\$ 3.56	\$ 1,245.96
Year 21	\$ 774.45	\$ 467.95	\$ 3.63	\$ 1,246.03
Year 22	\$ 811.93	\$ 430.47	\$ 3.71	\$ 1,246.11
Year 23	\$ 851.23	\$ 391.17	\$ 3.78	\$ 1,246.18
Year 24	\$ 892.43	\$ 349.97	\$ 3.86	\$ 1,246.26
Year 25	\$ 935.62	\$ 306.78	\$ 3.93	\$ 1,246.33
Year 26	\$ 980.90	\$ 261.50	\$ 4.01	\$ 1,246.41
Year 27	\$ 1,028.38	\$ 214.02	\$ 4.09	\$ 1,246.49
Year 28	\$ 1,078.15	\$ 164.25	\$ 4.18	\$ 1,246.57
Year 29	\$ 1,130.33	\$ 112.06	\$ 4.26	\$ 1,246.66
Year 30	\$ 1,185.04	\$ 57.36	\$ 4.34	\$ 1,246.74
Total	\$ 19,452.05	\$ 17,819.92	\$ 99.24	\$ 37,371.22

Notes:

- 1) Interest is calculated at 4.84% from the Trigger Date. Table is shown for illustrative purposes only, and is subject to change pending the actual Trigger Date for each Improvement Area.
- 2) The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs or other available offsets could increase or decrease the amounts shown.

ORDINANCE NO. 202308-01-114

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEW FAIRVIEW, TEXAS APPROVING THE ANNUAL SERVICE PLAN UPDATE TO THE SERVICE AND ASSESSMENT PLAN, INCLUDING THE ASSESSMENT ROLL, FOR THE CITY OF NEW FAIRVIEW CONSTELLATION LAKE PUBLIC IMPROVEMENT DISTRICT IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on April 6, 2020, after notice and a public hearing in the manner required by law, the City Council (the "City Council") of the City of New Fairview, Texas (the "City") passed and approved Resolution No. 2020-009-099 authorizing the creation of the City of New Fairview Constellation Lake Public Improvement District (the "District") pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act"); and

WHEREAS, pursuant to the PID Act, and after publishing and mailing the required notices, the City Council opened a public hearing on April 20, 2020, regarding the levy of special assessments against certain benefitted property located within the District, and, after hearing testimony at such public hearing, the City Council closed the public hearing and adopted Ordinance No. 2020-07-202 (the "Assessment Ordinance") on April 20, 2020; and

WHEREAS, in the Assessment Ordinance, the City Council approved and accepted the "City of New Fairview Constellation Lake Public Improvement District Service and Assessment Plan", dated April 20, 2020, (the "Service and Assessment Plan") and levied the Assessments against benefitted property within the District as shown on the Assessment Roll; and

WHEREAS, the PID Act requires the Service and Assessment Plan must cover a period of at least five years and must also define the annual indebtedness and projected costs for improvements and such Service and Assessment Plan must be reviewed and updated annually for the purposes of determining the annual budget for improvements; and

WHEREAS, the City Council has received the "City of New Fairview Constellation Lake Public Improvement District 2023 Annual Service Plan Update" (the "Annual Service Plan Update") which includes the updated Assessment Roll and now desires to proceed with the adoption of this Ordinance which approves and adopts the Annual Service Plan Update and updated Assessment Roll for District as required by the PID Act.

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

Section 1. Terms. Terms not otherwise defined herein are defined in the Service and Assessment Plan.

Section 2. Findings. That the recitals and findings in the Recitals of this Ordinance are hereby found and determined to be true and correct and constitute the legislative findings and determinations of the City Council.

Section 3. Assessment Plan. The Annual Service Plan Update, including the updated Assessment Roll contained therein, in the form attached as **Exhibit A** is hereby approved and the same is incorporated as part of this Ordinance as if fully set forth in the body of this Ordinance.

Section 4. Severability. If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the governing body of the City in adopting this Ordinance that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

Section 5. Filing in Land Records. The City Secretary is directed to cause a copy of this Ordinance, including the 2023 Annual Service Plan Update, to be recorded in the real property records of Denton County, Texas, on or before July 24, 2023. The City Secretary is further directed to similarly file each Annual Service Plan Update approved by the City Council, with each such filing to occur within seven days of the date each respective Annual Service Plan Update is approved.

Section 6. Effective Date. This Ordinance shall take effect immediately from and after its passage in accordance with applicable law.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF NEW FAIRVIEW, TEXAS, THE 7th DAY OF AUGUST 2023.

CITY OF NEW FAIRVIEW

John Taylor, Mayor

ATTEST:

Brooke Boller, City Secretary

Exhibit A

2023 Annual Service Plan Update

[Remainder of page left intentionally blank.]



CITY COUNCIL AGENDA MEMO

Prepared By: Susan Greenwood, Municipal Court Administrator

August 7, 2023

Amending and Adding Municipal Court Fees

DESCRIPTION:

Receive, consider, and act on an Ordinance amending Chapter 2, Administration and Control, Article 2.06.000, of the Code or Ordinances entitled "Municipal Court," by amending Section 2.06.031, the Building Court Security Fund; by adding a new Section 2.06.032, entitled "Local Consolidated Fee; Created," a local consolidation fee established by state law; by adding Section 2.06.033 entitled, "Municipal Court Technology Fund; Created"; adding Section 2.06.034 entitled "Local Truancy Prevention and Diversion Fund; Created"; by adding Section 2.06.035 entitled "Warrant Fee; Created"; establishing a warrant fee of \$25 authorized by Article 45.203 of the Code of Criminal Procedure; by adding a new Section 2.06.036 entitled "Municipal Jury Fund; Created"; by adding Section 2.06.037 "Juvenile Case Manager Fee; Created"; by adding Section 2.06.038 allowing collection of additional state-authorized costs and fees; and by adding Section 2.06.039 for collection costs and fees.

BACKGROUND INFORMATION:

Staff evaluated the city's current court fines and fees ordinance. Upon the evaluation, it was found some fees had not been created and some needed to be amended.

Article 45.203. Collection of Fines and Costs states:

(a) The governing body of each municipality shall by ordinance prescribe rules, not inconsistent with any law of this state, as may be proper to enforce the collection of fines imposed by a municipal court. In addition to any other method of enforcement, the municipality may enforce the collection of fines by:

- (1) execution against the property of the defendant; or
- (2) imprisonment of the defendant.

(b) The governing body of a municipality may adopt such rules and regulations, not inconsistent with any law of this state, concerning the practice and procedure in the municipal court as the governing body may consider proper.

(c) The governing body of each municipality may prescribe by ordinance the collection, after due notice, of a fine not to exceed \$25 for an offense under Section 38.10(e), Penal Code, or Section 543.009, Transportation Code. Money collected from the fine shall be put into the municipal treasury for the use and benefit of the municipality.

(d) Costs may not be imposed or collected in criminal cases in municipal court by municipal ordinance.

The City must pass an ordinance to collect state-authorized municipal court fees and costs. Staff recommends Amending City Code by approving the Ordinance.

FINANCIAL CONSIDERATION:

None.

RECOMMENDED MOTIONS:

I move to **Approve/Deny** an Ordinance amending Chapter 2, Administration and Control, Article 2.06.000, of the Code or Ordinances entitled "Municipal Court," by amending Section 2.06.031, the Building Court Security Fund; by adding a new Section 2.06.032, entitled "Local Consolidated Fee; Created," a local consolidation fee established by state law; by adding Section 2.06.033 entitled, "Municipal Court Technology Fund; Created"; adding Section 2.06.034 entitled "Local Truancy Prevention and Diversion Fund; Created"; by adding Section 2.06.03 entitled "Warrant Fee; Created"; establishing a warrant fee of \$25 authorized by Article 45.203 of the Code of Criminal Procedure; by adding a new Section 2.06.036 entitled "Municipal Jury Fund; Created"; by adding Section 2.06.037 "Juvenile Case Manager Fee; Created"; by adding Section 2.06.038 allowing collection of additional state-authorized costs and fees; and by adding Section 2.06.039 for collection costs and fees.

ATTACHMENT(S):

1. Ordinance 202308-03-116

ORDINANCE No. 202308-03-116

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEW FAIRVIEW, TEXAS, AMENDING CHAPTER 2, ADMINISTRATION AND CONTROL, ARTICLE 2.06.000, OF THE CODE OF ORDINANCES ENTITLED "MUNICIPAL COURT," BY AMENDING SECTION 2.06.031, THE BUILDING COURT SECURITY FUND; BY ADDING A NEW SECTION 2.06.032, ENTITLED "LOCAL CONSOLIDATED FEE; CREATED," A LOCAL CONSOLIDATION FEE ESTABLISHED BY STATE LAW; BY ADDING SECTION 2.06.033 ENTITLED, "MUNICIPAL COURT TECHNOLOGY FUND; CREATED"; ADDING SECTION 2.06.034 ENTITLED "LOCAL TRUANCY PREVENTION AND DIVERSION FUND; CREATED"; BY ADDING SECTION 2.06.03 ENTITLED "WARRANT FEE; CREATED"; ESTABLISHING A WARRANT FEE OF \$25 AUTHORIZED BY ARTICLE 45.203 OF THE CODE OF CRIMINAL PROCEDURE; BY ADDING A NEW SECTION 2.06.036 ENTITLED "MUNICIPAL JURY FUND; CREATED"; BY ADDING SECTION 2.06.037 "JUVENILE CASE MANAGER FEE; CREATED"; BY ADDING SECTION 2.06.038 ALLOWING COLLECTION OF ADDITIONAL STATE-AUTHORIZED COSTS AND FEES; AND BY ADDING SECTION 2.06.039, FOR COLLECTION COSTS AND FEES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of New Fairview, Texas (the "City"), is a Type A - General Law municipality located in Denton and Wise Counties, Texas, created in accordance with Chapter 6 of the Texas Local Government Act; and

WHEREAS, the City maintains a municipal court of record, which collects certain court costs and fees pursuant to state law; and

WHEREAS, the City has long had the ability to add a state-authorized municipal court technology fee, local truancy prevention and diversion fund and a warrant fee as additional state-authorized fees as part of its court costs but had not yet done so as a non-record court; and

WHEREAS, the City desires to add such fees to more efficiently fund the costs of court operations; and

WHEREAS, on June 15, 2019, the Texas Legislature passed Senate Bill 346 ("SB 346") which, in addition to other matters, modified and established court fees and fines to be imposed on persons convicted and misdemeanors in municipal courts; and

WHEREAS, one of the fees established by SB 346 is the Local Consolidated Fee on Conviction of Non-Jailable Misdemeanor which includes, among other things, an allocation for municipal court building security funds and an allocation for municipal court technology funds; and

WHEREAS, SB 346 further established a State Consolidated Fee of \$62 for each person convicted of a misdemeanor offense, including criminal violations of municipal ordinances, other than for convictions of an offense relating to a pedestrian or the parking of a motor vehicle; and

WHEREAS, SB 346, among other matters, amended Article 45.20(c) of the Texas Code of Criminal Procedure to provide that the governing body of a municipality may prescribe by ordinance a fine not to exceed \$25 for the offense of failing to appear under Section 38.10(e) of the Texas Penal Code or under Section 543.009 of the Texas Transportation Code; and

WHEREAS, upon the effective date of SB 346, Article 2.06.000, Section 2.06.031 will not comply with the said statute and will not provide for the collection of required fees and fines; and

WHEREAS, to comply with S.B. 346 (2019), amending Section 133.001, Texas Government Code, the City of New Fairview Code of Ordinances needs to be updated to both create the Municipal Court Technology Fund, Juvenile Case Manager Fund, a Municipal Jury Fund, as well as amend Section 2.06.031, the Municipal Court Building Security Fund and add the local consolidated fee to the same.

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. That Chapter 2, Administration and Control, Article 2.06.000 of the Code of Ordinances of the City of New Fairview, Texas, is hereby amended by amending Section 2.06.031(b) and by adding Sections 2.06.032- 2.06.039, which shall read as follows:

“2.06.031. Building security fund.

~~(b) Method of funding; fee established. Said fund shall be funded by a charge as set forth in the fee schedule in appendix A of this code on each person convicted in trial for a misdemeanor offense in the municipal court of the city. The fee shall be taxed as costs of court on each conviction of a misdemeanor offense. Conviction shall include payment of a fine, imposition of community service, imposition of probation, suspension or deferred adjudication. All defendants that are convicted of nonjailable misdemeanor offenses in the municipal court of record shall pay a local consolidated fee, a portion of which shall fund the municipal court building security fund.~~

Sec. 2.06.032. – Local Consolidated Fee; Created.

- (a) All defendants that are convicted of nonjailable misdemeanor offenses, including a criminal violation of a municipal ordinance, in the municipal court of record shall pay court costs in accordance with Section 134.103(a) of the Texas Local Government Code, as amended, in addition to all other costs, on conviction.
- (b) A person is considered convicted in a case if:
 - (1) The court enters a judgment, a sentence, or both a judgment and a sentence are imposed on the person;
 - (2) The court orders and the person receives community supervision, deferred adjudication, or deferred disposition; or
 - (3) The court defers final disposition of the case or imposition of the judgment and sentence.
- (c) The Court Administrator or Municipal Court Clerk shall collect the costs and pay the funds to the municipal treasurer, or to any other official who discharges the duties commonly delegated to the municipal treasurer.
- (d) The municipal treasurer shall allocate the court costs received under this section in accordance with Section 134.103 of the Texas Local Government Code, as amended."

Sec. 2.06.033. - Municipal Court Technology Fund; Created.

- (a) There is hereby created a municipal court technology fund in accordance with Texas Code of Criminal Procedure article 102.0172, as amended.
- (b) All defendants that are convicted of non-jailable misdemeanor offenses in the municipal court of record shall pay a local consolidated fee, a portion of which shall fund the municipal court technology fund.
- (c) The municipal court technology fund may be used only to finance the purchase of or to maintain technological enhancements for the municipal court of record, including:
 - (1) Computer systems;
 - (2) Computer networks;
 - (3) Computer hardware;
 - (4) Computer software;
 - (5) Imaging systems;
 - (6) Electronic kiosks;
 - (7) Electronic ticket writers; and
 - (8) Docket management systems.
- (d) The municipal court technology fund shall be administered by or under the direction of the City Council.

Sec. 2.06.034. - Local Truancy Prevention and Diversion Fund; Created.

- (a) There is hereby created a local truancy prevention and diversion fund as authorized by Section 133.125 of the Texas Local Government Code, as amended, and Article 45.056

of the Texas Code of Criminal Procedure, as amended.

(b) All defendants that are convicted of a nonjailable misdemeanor offense in the City municipal court of record shall pay a local consolidated fee, a portion of which shall fund the local truancy prevention and diversion fund.

(c) This local truancy prevention and diversion fund may be used only to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expenses relating to the position of the juvenile case manager that is employed by the City municipal court of record under V.T.C.A., Code of Criminal Procedure, Art. 45.056. If there is money in the fund after those costs are paid, subject to the direction of the City Council, a juvenile case manager may direct the remaining money to be used to implement programs directly related to the duties of the juvenile case manager, including juvenile alcohol and substance abuse programs, educational and leadership programs, and any other projects designed to prevent or reduce the number of juvenile referrals to the court.

(d) The local truancy prevention and diversion fund shall be administered by, and under the direction of, the City Council. Upon further approval of the City Council, the City municipal court of record may employ one (1) or more full-time or part-time juvenile case managers to assist the court in administering the court's juvenile docket and in supervising its court orders in juvenile cases.

Sec. 2.06.035. - Warrant Fee, Created.

There is hereby a warrant fee of \$25 for an offense under Section 38.10(e), Penal Code, or Section 543.009, Transportation Code, as authorized by Article 45.203 of the Code of Criminal Procedure, as amended. Money collected shall be paid into the municipal treasury for the use and benefit of the municipality.

Sec. 2. 06.036. – Municipal Jury Fund; Created.

(a) There is hereby created a municipal jury fund as authorized by Local Government Code, Sec. 134.154.

(b) All defendants that are convicted of a fine-only misdemeanor offense in the City municipal court of record shall pay court costs, a portion of which shall fund the municipal jury fund.

(c) This jury fund may be used only to fund juror reimbursements and otherwise finance jury services under Local Government Code, Sec. 134.154.

(d) The jury fund shall be administered by and under the direction of the New Fairview City Council.

Sec. 2.06.037 Juvenile Case Manager Fee; Created.

(A) There is created a juvenile case manager fee, as set forth in the Tex. Code of Crim. Procedure, Art. 102.0174.

(B) A defendant convicted of a fine-only misdemeanor offense in Municipal Court shall pay juvenile case manager fee, not to exceed \$5, as a court cost. The fee does not apply to parking citations. For purposes of this section, a person is considered to be convicted if:

- (1) A sentence is imposed on the defendant by the court; or
- (2) The defendant receives deferred disposition from the court, including deferred proceedings under Tex. Code of Crim. Procedure, Art. 45.052 or 45.053.

(C) The Municipal Court Judge is authorized to waive the juvenile case manager fee in cases of demonstrated financial hardship on the part of a convicted defendant. For example, the Municipal Court Judge may waive the fee if the Judge has determined that the defendant is: indigent; has insufficient resources or income to pay the fee; or, is otherwise unable to pay all or part of the underlying fine or costs.

(D) The Municipal Court clerks shall collect the fee and pay it to the City Treasurer as applicable, or to any other official who discharges the duties commonly delegated to the municipal treasurer for deposit in Juvenile Case Manager Fund.

(E) The Fund may be used only to finance the salary and benefits of a juvenile case manager that is employed by the Municipal Court under Tex. Code of Crim. Procedure, Art. 45.056.

(F) Upon approval of the City Council, the Municipal Court may employ one or more full-time juvenile case managers to assist the court in administering the court's juvenile docket and in supervising its court orders in juvenile cases.

(G) The Fund shall be administered by or under the direction of the City Council as required by Section 102.0174 of the Texas Code of Criminal Procedure.

(H) The juvenile case manager fee shall be charged to and applied only to conduct that occurs on or after adoption of this chapter.

Sec. 2.06.038 Other Costs, Fees, and Fines

The municipal court is hereby authorized and directed to access and collect any and all other costs, fees and fines authorized or required under any applicable statutory provision including, without limitation, provisions of the Texas Local Government Code, Texas Code of Criminal Procedure or Texas Transportation Code that is, or shall become, effective on or after the effective date of this ordinance.

Sec. 2.06.039 Collection Fee

In accordance with article 103.0031 of the Texas Code of Criminal Procedure, there is hereby imposed an additional fee of thirty percent (30%) on all debts and accounts receivable, i.e., fines, fees, court costs, restitution, and other debts, that are more than sixty (60) days past due and have been referred to a private firm for collection.”

Section 3. SEVERABILITY

It is hereby declared to be the intention of the City Council that the phrases, clauses,

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

Section 4. REPEALER CLAUSE

Any provision of any prior ordinance of the City whether codified or uncodified, which are in conflict with any provision of this Ordinance, are hereby repealed to the extent of the conflict, but all other provisions of the ordinances of the City whether codified or uncodified, which are not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

Section 5. PROPER NOTICE AND MEETING

It is officially found and determined that the meeting at which this Ordinance was passed was open to the public and that the public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice was also provided as required by Chapter 52, Texas Local Government Code.

Section 6. EFFECTIVE DATE

This Ordinance shall become effective upon the date of final passage, as noted below, or when all applicable publication requirements, if any, are satisfied, in accordance with the City's Code of Ordinances and the laws of the State of Texas.

PASSED, APPROVED AND ADOPTED by the City Council of the City of New Fairview, Texas, on this the 7th day of August 2023.

APPROVED:

John T. Taylor, Mayor

ATTEST:

Brooke Boller, City Secretary

**CITY COUNCIL
AGENDA MEMO**

Prepared By: John Cabrales Jr., City Administrator

August 7, 2023

Amend City Code to codify position of City Secretary

DESCRIPTION:

Receive, consider, and act on an Ordinance amending Article 2.03. "Officers and Employees", by adding Division 3, Section 2.03.040, "The Office of City Secretary", providing for the appointment, supervision and removal of the City Secretary, establishing the principal duties and responsibilities of the City Secretary, and providing for a bond.

BACKGROUND INFORMATION:

After reviewing the City Code, and our ordinances, it appears that the position of City Secretary, despite being a Municipal Officer, had never been codified. The City Secretary is an officer of the City, appointed by the City Council. The position of City Secretary is a statutory position required by State Law pursuant to Chapter 22 of the Texas Local Government Code. There are many jobs that the City Secretary's Office performs, but there are specific functions of the City which various statutes and ordinances require to be performed by the City Secretary. These include acting as the custodian of municipal records, designation as the City's Elections officer, responsible for the administration of the elections for the City of New Fairview; serving as Records Management Officer, recording its legislative actions, and administering the City's Records Management Program.

Staff recommends approval of the ordinance.

FINANCIAL CONSIDERATION:

N/A

RECOMMENDED MOTIONS:

I move to **Approve/Deny** an Ordinance codifying the position of City Secretary.

ATTACHMENT(S):

1. Ordinance 202308-04-117
2. City Secretary Job Description

ORDINANCE NO. 202308-04-117

AN ORDINANCE AMENDING ARTICLE 2.03. OFFICERS AND EMPLOYEES, BY ADDING DIVISION 3, SECTION 2.03.040, THE OFFICE OF CITY SECRETARY, PROVIDING FOR THE APPOINTMENT, SUPERVISION, AND REMOVAL OF THE CITY SECRETARY, ESTABLISHING THE PRINCIPAL DUTIES AND RESPONSIBILITIES OF THE CITY SECRETARY, PROVIDING FOR A BOND, REPEALING CONFLICTING ORDINANCES OR PORTIONS OF ORDINANCES, PROVIDING FOR SEVERABILITY; PROVIDING A SAVINGS CLAUSE AND SETTING THE EFFECTIVE DATE.

WHEREAS, the City of New Fairview, Texas is a Type-A General Law Municipality empowered to adopt ordinances that protect the public safety, preserve the quality of life, and promote the health, safety, and welfare of the citizens of the City of New Fairview and the general public in accordance with authority granted Texas Local Government Code Chapter 22; and

WHEREAS, the City Council of the City of New Fairview, Texas, is required to have the City Office of City Secretary and having previously created such office, desires to codify the same; and

WHEREAS, the City permitted to create additional municipal officers as they see fit and prescribe the powers and duties of such new officers; and

WHEREAS, The City Council desires to amend City Code to formalize the position, as follows:

“Division 3. City Secretary

§ 2.03.033 through 2.03.038 (Reserved)

§ 2.03.038. Appointment and removal; qualifications; duties.

The City Council shall appoint the City Secretary, upon recommendation of the City Administrator. The City Council, the Mayor or the City Administrator may also appoint such Assistant or Deputy City Secretaries to act in the City Secretary’s absence or to assist as the City Council, Mayor or the City Administrator shall deem advisable. The City Secretary, Deputy, or an Assistant City Secretary, shall give notice of Council meetings, shall keep the minutes of the proceedings of such meetings, shall authenticate them by the Secretary's signature, and shall perform such other duties as may be assigned to the City Secretary by the Mayor, Council or City Administrator. Moreover, until such time as the City Council designates a "City Treasurer," the City Secretary shall also function in such capacity. The City Secretary shall execute a bond. The City Secretary shall serve at will and may be removed by the City Council.

§ 2.03.039. Recording ordinances.

All ordinances adopted or passed by the City Council shall be inscribed by the city secretary, and, at the foot of each ordinance so inscribed, the City Secretary shall attest the date of such ordinance's adoption.

§ 2.03.040. Custody of records and documents.

The City Secretary is made the legal custodian of all records of the City and shall be responsible for their safekeeping. The City Secretary and the successive holders of said office shall serve as records management officer for the city, as provided in § 2.07.004 of New Fairview City Code.

§ 2.03.041 Copies of official documents.

The City Secretary shall be responsible for furnishing duly certified and authenticated copies of any city records, consistent with City Council direction, state, or federal law.

WHEREAS, the City of New Fairview has determined it is in the interest of its citizens to codify the previously created position of City Secretary and to more formally prescribe duties to that office.

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

SECTION 1. Incorporation of Premises. All of the above premises are found to be true and correct and are incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2. Creation of Office. The office of City Secretary is hereby created. The City Secretary serves as an appointed officer and shall be an exempt salaried position of the City. The operating budget of the office of the City Secretary shall be provided in the City's annual budget, including compensation for the City Secretary.

SECTION 3. Appointment and Supervision. Upon recommendation of the City Administrator, a majority vote of the governing body shall be required to appoint the City Secretary. The City Secretary shall serve at the discretion of the City Council as an at-will employee and shall be supervised by and report to the Mayor and City Administrator.

SECTION 4. Removal. Upon recommendation of the City Administrator, a majority vote of the full City Council shall be required to remove the City Secretary in the same manner as any other officer of the city.

SECTION 5. Powers and duties. The City Secretary shall also faithfully perform the powers and duties as prescribed by Section 22.073 of the Texas Local Government Code enumerated below, in addition to the essential duties set forth in below and described in the job description attached as Exhibit "A."

- The City Secretary shall attend each meeting of the municipality and shall keep, in a record provided for that purpose, accurate minutes of the proceedings.
- The Secretary shall engross and enroll all laws, resolutions, and ordinances of the city council;
- Keep the corporate seal;
- Countersign all commissions issued to municipal officers and all licenses issued by the mayor, and keep a record of those commissions and licenses; and
- Prepare all notices required under any regulation or ordinance of the municipality.
- The Secretary shall draw all the warrants on the treasurer, countersign the warrants, and keep, in a record provided for that purpose, an accurate account of the warrants.
- The Secretary shall carefully keep all contracts made by the governing body.
- The Secretary shall perform all other duties required by law, ordinance, resolution, or order of the Mayor, City Council and/or City Administrator.

SECTION 6. Conflicts. All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed.

SECTION 7. Severability. If any Section, subsection, paragraph, clause, phrase or provision of this Ordinance or the application of any Section, subsection, paragraph, clause, phrase or provision to any person or circumstance is adjudged to be invalid, the invalidity shall not affect the other Section, subsection, paragraph, clause, phrase or provision or applications thereof, which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

SECTION 8. Savings Clause. This Ordinance shall remain in full force and effect, save and except, as amended or repealed.

SECTION 9. Effective Date. This Ordinance shall be effective upon passage and approval.

RESOLVED, PASSED AND APPROVED by the City Council of the City of New Fairview, Texas, this the 7th day of August 2023.

CITY OF NEW FAIRVIEW

By:

John T. Taylor, Mayor

ATTEST:

Brook Boller, City Secretary

EXHIBIT A

(Insert City Secretary Job Description)

CITY SECRETARY JOB DESCRIPTION

FLSA Classification: Exempt

Job description statements are intended to describe the general nature and level of work being performed by employees assigned to this job title. They are not intended to be construed as an exhaustive list of all responsibilities, duties and skills required.

GENERAL SUMMARY:

The City Secretary is appointed by the City Council upon recommendation by the City Administrator. The City Secretary is a department head and city officer. Responsible for the executive leadership, direction, and management of the City Secretary's Office. Provides secretarial/administrative support to the Mayor, City Council, and City Administrator. Performs functions and duties of Municipal Clerk, Records Management Officer, and Elections Administrator for the City. Performs other duties as required.

SUPERVISION RECEIVED AND EXERCISED:

This position receives direct supervision from the Mayor and the City Administrator.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

May include, but are not limited to, the following:

- Prepares and/or posts approved agendas and public notices for all City Council meetings as directed by the Mayor and/or City Administrator in compliance with the Texas Open Meetings Act
- Assists New Fairview Planning and Zoning Commission, Board of Adjustment, and other city boards and committees in preparation of agendas and minutes in compliance with the Texas Open Meetings Act
- Attends all City Council and city board meetings and prepares and preserves accurate official minutes, records, laws, resolutions, ordinances and actions of the City Council and boards as required
- Prepares and compiles resolutions, ordinances, proclamations, reports, memorandums, and agenda materials for distribution
- Maintains all City contracts and agreements
- Attests to, publishes, and posts all legal notices in accordance with law
- Participates in the development and administration of the City Secretary's office budget; forecasts funds needed for staffing, equipment, materials and supplies; approves expenditures; and implements budgetary adjustments, as needed
- Establishes and maintains an organized and accurate filing system for the City
- Administers and assures proper filing of Statements of Officer and Oaths of Office as required by state law
- Performs duties as Notary Public for all city documents
- Maintains custody of city seal; affixes to documents and obligations of the City as required
- Prepares correspondence for the City Secretary's Office, Mayor, City Council, and City Administrator as required.
- Gives professional and effective assistance to all city departments, city staff, elected officials and the public
- Coordinates with City Administrator for daily and ongoing assigned responsibilities
- Assists in maintaining the City's website including posting of agendas, minutes, various reports, election information, and general information

- Plans, oversees, and coordinates the processing of claims, subpoenas and summons against the City; delegates the gathering of necessary information; interacts with City Staff and insurance representatives regarding claims
- Maintains the City's Code of Ordinances by tracking ordinances and providing for their publication and distribution; administers in-house updates of the Code
- Responds to questions about municipal ordinances, resolutions, regulations, and other official actions
- Prepares documents and administers the bidding process
- Serves as the official custodian of records for the City; oversees the records management program including records retention, retrieval, and destruction of city records in accordance with the Texas State Library's records management procedures
- Administers and manages the City's public information program to ensure requests for information are handled in accordance with the Texas Public Information Act
- Official Elections Administrator for all City elections; maintains a calendar of election events for candidates and City ballot measures, including preparing candidate guidelines, prepares candidate packets, providing information to candidates regarding procedural and disclosure requirements and publishing election notices and results within legal guidelines
- Maintains accurate employment and personnel files
- Processes all workers compensation related claims
- Responsible for new employee orientation, paperwork and employee benefit administration
- Devotes all working time and attention to the affairs of the City
- Ensures all behaviors comply with the City's Personnel Policy Manual Rules and Regulations
- Performs other duties as assigned

MINIMUM JOB REQUIREMENTS:

- Must be a United States citizen
- Must be at least 18 years of age
- Must meet one of the following educational requirements:
 - High School graduate, OR
 - Have passed a general educational development (GED) test indicating a high school graduation level
- Bachelor's degree preferred
- Minimum of three (3) years municipal administrative/secretarial experience required
- Texas Registered Municipal Clerk certification preferred. Required to obtain within three (3) years of employment; must maintain during employment.
- Become a Texas State Notary
- Knowledge of municipal budgeting, State of Texas records retention policies/procedures, Texas Public Information Act, Texas Open Meetings Act, Texas election laws, and Texas Local Government Code.
- Must be capable of performing all essential job functions
- Must possess the mobility, vision, hearing and dexterity levels appropriate to work in a standard office setting and use standard office equipment

- Possess and maintain valid, current Texas driver license with acceptable driving record
- Must be customer service and people oriented
- Must be available to work 8:00 a.m. to 4:30 p.m. Monday through Friday and evenings and weekends as required
- Must be skilled in general office procedures, cash handling, typing and computer skills in working with Microsoft Word, Excel, PowerPoint, Outlook and Internet search tools
- Must be extremely organized, be able to maintain confidentiality, have the ability to multi-task and perform simultaneous clerical functions

To perform the responsibilities of this position successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skills and abilities required.

Knowledge of:

Modern office procedures, methods, and equipment. Basic municipal government practices and operations. Public relations and customer service practices and procedures. Basic principles and practices of human resources in a public agency setting. Records management and filing principles and practices. Principles of supervision, training and performance evaluation. Municipal budget preparation and maintenance. Computer data entry, filing, and cash handling procedures. Basic utility billing procedures. Proper phone etiquette and message taking procedures. Methods and practices of financial and statistical record keeping and reporting. Pertinent federal, state and local laws, codes and regulations.

Skills/Ability to:

Perform duties under minimal supervision. Ability to be punctual and attend work regularly. Demonstrate effective communication of ideas both verbally and in written form using the English language. Communicate in the English language under strained circumstances. Select, supervise, train, and evaluate subordinate employees. Plan, organize, direct, and coordinate the work of subordinate employees. Delegate authority and responsibility. Demonstrate basic mathematical ability in addition, subtraction, multiplication, and division. Type and operate a computer. Sit, stand, walk, bend, twist, kneel, reach, push, pull, drag, and/or lift items, listen in person and over the telephone, communicate orally and use hands and fingers to handle, feel or operate standard office equipment. Become proficient in the use of Fundview software. Learn, correctly interpret and apply laws, codes, policies and procedures related to all city operations. Ability to learn new skills and techniques. Prepare clear and concise reports. Maintain accurate record keeping, organization, and maintenance of files. Perform data entry and inquiry functions at an acceptable level of accuracy and speed. Perform multiple tasks simultaneously, accurately and efficiently and be flexible as priorities change. Ability to maintain a professional, polished manner and a pleasant tone of voice when dealing with the public even in emotional, high stress situations. Possess a high level of customer service and pay strong attention to detail. Effectively interact with coworkers to accomplish work. Work in a stressful environment and get along with the public and co-workers. Show independence and autonomy. Make quick and sound decisions in stressful situations. Effectively meet deadlines. Ability to accept responsibility and account for his/her actions. Understand and follow City/Departmental policies, rules and regulations and carry out oral and written instructions.

By my signature, I acknowledge the content of this job description, accept the responsibility, and understand the criteria for future work performance appraisals.

Employee Signature

Date

Supervisor Signature

Date



CITY COUNCIL AGENDA MEMO

Prepared By: John Cabrales Jr., City Administrator

August 7, 2023

Municipal Court Administrator

DESCRIPTION:

Receive, consider, and act on an Ordinance amending The City of New Fairview City Code permitting various appointments, to include that of Court Administrator, authorize the City Secretary to act as a Deputy Municipal Court Clerk, as well as memorialize court procedures.

BACKGROUND INFORMATION:

The City's Code does not provide for a Court Administrator, but only a Municipal Court Clerk. However, there are three different levels of certification as a Municipal Court Clerk. Susan Greenwood is certified at the third, or highest level, that of a Municipal Court Administrator.

Municipal Clerk certifications are achieved by examination with a successful applicant scoring 70% or above on each of the three parts. Participants must also attend 40 hours of approved education (32 hours of which must be taken in person) for each level. Levels I and II require additional examination and in-person classroom attendance. Susan Greenwood has been certified as a Municipal Court Administrator by the State of Texas for the previous five years. In light of the difference in credentials, training and experience between a Municipal Court Clerk I, II and a Municipal Court Clerk III or Court Administrator, it would seem appropriate to memorialize these distinctions in City Code.

Additionally, the City Code is being further amended to provide for appointment of Deputy Clerks, as well as include written court procedures required by Chapters 29 and 30 of the Texas Local Government Code as well as Chapters 45 and 102 of the Texas Rules of Criminal Procedure.

FINANCIAL CONSIDERATION:

N/A

RECOMMENDED MOTIONS:

I move to **Approve/Deny** an Ordinance amending City Code to reflect the levels of a Municipal Court Clerk, of a Municipal Court I, II and Municipal Court Administrator, as well as memorializing Municipal Court procedures.

ATTACHMENT(S):

1. Ordinance 202308-05-118

ORDINANCE NO. 202308-05-118

AN ORDINANCE OF THE CITY OF NEW FAIRVIEW, TEXAS, AMENDING CHAPTER 2, ADMINISTRATION AND CONTROL, ARTICLE 2.06.000, OF THE NEW FAIRVIEW CODE OF ORDINANCES ENTITLED “MUNICIPAL COURT,” AMENDING 2.06.004, TO ADD THE POSITION OF COURT ADMINISTRATOR, EX OFFICIO COURT DEPUTY AND MAKE CONFORMING CHANGES; ADDING SECTIONS 2.06.009–2.06.18 TO PROVIDE FOR PROCEDURES; PROVIDING FOR AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY; PROVIDING FOR PROPER NOTICE AND MEETING.

WHEREAS, the City of New Fairview, Texas (the “City”), is a Type A - General Law municipality located in Denton and Wise Counties, Texas, created in accordance with Chapter 6 of the Texas Local Government Act; and

WHEREAS, the City maintains a municipal court of record, pursuant to state law; and

WHEREAS, the City Code doesn’t currently contain provisions for the temporary appointment of the City Secretary as an *ex officio* Deputy or Municipal Court Clerk; and

WHEREAS, the City Code likewise lacks court procedures generally contained in Chapters 45 and 103 of the Texas Rules of Civil Procedure; and

WHEREAS, the City desires to add such provisions to further the efficient operations of the Municipal Court.

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

Section 1. FINDINGS OF FACT

The findings set forth above are incorporated into the body of this Ordinance by reference as findings of fact, as if fully set forth herein

Section 2. AMENDMENT

That Chapter 2, Administration and Control, Article 2.06.000, **Section 2.06.004 Clerk** of the Code of Ordinances of the City of New Fairview, Texas, is hereby amended to read as follows:

“Section 2.06.004 Clerk

“(a) Appointment.

Within the municipal court system there is hereby created the office of clerk of the municipal court. The city administrator, Mayor, ~~manager~~, ~~chief municipal~~

~~court judge~~, and the city council have the authority to appoint a Clerk of the municipal court of record, who shall be known as the Municipal Court Clerk, depending on the qualifications and credentials of the person so appointed. An appointee who is certified as a Municipal Court Clerk III shall be appointed as the Court Administrator.

(b) The Municipal Court Clerk or Court Administrator ~~clerk of the municipal court~~ shall keep the records of the municipal court of record, issue process, and generally perform the duties that a clerk of a county court at law exercising criminal jurisdiction performs for that court. In addition, the clerk shall maintain an index of all court judgments in the same manner as county clerks are required by law to prepare for criminal cases arising in county courts. The ~~municipal court clerk~~ Municipal Court Clerk or Court Administrator shall perform all duties in accordance with state statutes and city ordinances and: ~~The municipal court clerk~~ shall be a duly qualified notary public.

(c) Removal.

The city council may remove the Municipal Court Clerk or Court Administrator ~~court clerk~~ for incompetence, misconduct, malfeasance in office, or other reason after the clerk is given due notice and an opportunity to be heard in his or her own defense.

(d) Power.

The ~~municipal court clerk~~ Municipal Court Clerk or Court Administrator and any deputy clerks shall have the power to administer oaths and affidavits, make certificates, affix the seal of the court thereto, and otherwise perform all acts necessary in issuing process of the municipal court and conducting the business thereof.

(e) Responsibilities.

The ~~municipal court clerk~~ Municipal Court Clerk or Court Administrator shall be responsible for the proper administration of the affairs of the ~~municipal court clerk's~~ Municipal Court Clerk or Court Administrator's office and shall:

- (1) Maintain and keep a record of the business of the municipal court;
- (2) Collect and account for all fines paid in all cases filed in the municipal court;
- (3) Maintain and keep a record of all bonds filed with the municipal court; and
- (4) Perform any duties as may be from time-to-time authorized, delegated, or required by the chief municipal court judge or the city council.

(f) Deputy clerks.

The ~~city manager~~ City-Administrator, ~~chief municipal court judge~~ Mayor, and the city council have the authority to appoint one or more deputy clerks who, when acting in such capacity, shall have the same authority as the clerk.

(g) The City Secretary, as an *ex officio* clerk of said Court, may perform the duties of a deputy court clerk, when so directed by the Mayor or in the absence of the Municipal Clerk or Court Administrator."

That Chapter 2, Administration and Control, Article 2.06.000, of the Code of Ordinances of the City of New Fairview, Texas, is hereby further amended by adding Sections 2.06.009 - 2.06.018, which shall read as follows:

~~2.06.009 - 2.06.030 Reserved~~

Section 2.06.009 Rules of practice and procedure.

The rules of practice and procedure as prescribed by state law governing trials in the state justice and municipal courts shall govern the procedure and practice of the municipal court. The city council may prescribe such additional rules of practice and procedure as may not be inconsistent with state law.

2.06.010 - Sessions.

The proceedings of the municipal court shall be conducted at city hall, at such times as may be deemed appropriate by the municipal judge, unless the facilities are otherwise unavailable due to exigent circumstances, elections or lack of capacity. Regular sessions of the municipal court shall be held for the hearing and determination of unresolved cases coming before the court.

Sec. 2.06.011 Docket.

The Municipal Clerk or Court Administrator shall keep a docket in which they shall enter the proceedings in each trial, which docket shall show:

- (1) The style of the action;
- (2) The nature of the offense charged;
- (3) The date the warrant was issued, and the return made thereon;
- (4) The time when the examination of the trial was had, and, if a trial, whether it was by a jury or by the court;
- (5) The verdict of the jury, if any;
- (6) The judgment and sentence of the court;
- (7) Motion for new trial, if any, and the decision thereon;
- (8) If an appeal was taken; and
- (9) The time when, and the manner in which, the judgment and sentence was enforced.

Sec. 2.06.012 Complaints.

(a) Duties of clerk.

The Municipal Clerk or Court Administrator shall receive, prepare and file all complaints.

(b) Form.

All proceedings in the municipal court shall be commenced by a complaint which shall begin, "In the name and by the authority of the State of Texas," and shall conclude, "Contrary to the ordinances of the City of New Fairview, and contrary to the statutes in such cases made and provided, and against the peace and dignity of the State." Such complaint may be sworn to before any person authorized by law to administer oaths or before the judge, clerk of the court, city secretary or city attorney, each of whom for that purpose shall have the power to administer authority [oaths].

(c) Contents.

The complaint shall state:

(1) The name of the accused, if known, and if unknown shall describe him as accurately as practicable;

(2) The offense with which he is charged, in plain and intelligible words;

(3) That the offense was committed in the county in which the complaint is made; and

(4) It must show, from the date of the offense stated therein, that the offense is not barred by limitation.

Sec. 2.06.013 Issuance of warrants.

If the defendant named in a complaint filed in the municipal court of the city is not in the custody of an officer or other person authorized to make an arrest, a warrant shall be issued by the judge of such court, directed to any police officer, commanding any police officer to forthwith arrest the person named or described therein and to bring the person named or described therein before the judge of such court for a hearing upon the complaint.

Sec. 2.06.014 Cases to be tried in open court.

All cases coming before the municipal court shall be tried and disposed of in open court.

Sec. 2.06.015 Pleading by defendant.

(a) The complaint shall be read to the defendant, who shall plead thereto, and the plea shall be entered upon his docket by the judge of the municipal court. All pleas must be made to such judge by the defendant or his legal representative.

(b) Should the defendant plead guilty before such municipal court, the judge thereof shall thereupon enter the plea on the judge's docket and assess such fine and costs as may be authorized by law or by the ordinances of the city. If a plea

of not guilty shall be entered to the complaint, a trial shall be held, either by the court or by a jury, as the defendant may elect.

Sec. 2.06.016 Judgments.

Judgment shall be rendered in the municipal court for dismissal or for a fine and costs as the facts may appear.

Sec. 2.06.017 Jury pay.

Jurors in the municipal court who serve in the trial of cases in such court shall receive no less than six dollars (\$6.00) in each case in which they sit as jurors, provided that no juror in such court shall receive more than thirty dollars (\$30.00) for each day or fraction of a day he may so serve as such juror. All persons responding to the process of the court but who are excused by the court from jury service for any cause, after being tested on their *voir dire*, shall receive six dollars (\$6.00). The amount due jurors shall be paid by the City Treasurer upon the certificate of the Municipal Court Clerk or Court Administrator, which certificate shall state the service, when rendered, by whom rendered and the amount due therefor.

Sec. 2.06.018 Costs taxed against defendant.

There shall be taxed against each defendant convicted by a jury in the municipal court of the City the same jury fees.

2.06.019- 2.06.030 Reserved”

Section 3. SEVERABILITY

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

Section 4. REPEALER CLAUSE

Any provision of any prior ordinance of the City whether codified or uncodified, which are in conflict with any provision of this Ordinance, are hereby repealed to the extent of the conflict, but all other provisions of the ordinances of the City whether codified or uncodified, which are not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

Section 5. PROPER NOTICE AND MEETING

It is officially found and determined that the meeting at which this Ordinance was passed was open to the public and that the public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice was also provided as required by Chapter 52, Texas Local Government Code.

Section 5. EFFECTIVE DATE

This Ordinance shall become effective upon the date of final passage, as noted below, or when all applicable publication requirements, if any, are satisfied, in accordance with the City's Code of Ordinances and the laws of the State of Texas.

PASSED, APPROVED AND ADOPTED by the City Council of the City of New Fairview, Texas, on this the 7th day of August 2023.

APPROVED:

John T. Taylor, Mayor

ATTEST:

Brooke Boller, City Secretary



AGENDA ITEM: 7G

CITY COUNCIL AGENDA MEMO

Prepared By: John Cabrales Jr, City Administrator

August 7, 2023

Proposed Tax Rate and Public Hearing for FY 2023-34 Budget

DESCRIPTION:

Receive, consider, and act upon a Resolution accepting the proposed property tax rate; establishing dates for public hearings on the proposed property tax rate for the Fiscal Year 2023-2024 Budget; providing for the dates for the City Council to approve the property tax rate and Fiscal Year 2023-2024 Budget; and providing for publication of public hearing notices as provided by Texas law.

BACKGROUND INFORMATION:

In accordance with the "Truth in Taxation" laws of the State of Texas, if an entity's proposed tax rate exceeds the No New Revenue tax rate, the entity is required to vote to place a proposal for adoption of budget and tax rate, publish notices and conduct a public hearing.

The City is required to provide the results of the roll call vote. This information is provided in the "Truth in Taxation" notice that the Wise County Tax Office will publish for the City.

With City Council approval, the public hearing for the tax rate is scheduled for September 5, 2023 (as a reminder, Council had previously approved its meeting calendar to hold its Regular first September meeting to this date, in light of the Labor Day holiday). The public hearing for the proposed budget is scheduled for September 5, 2023.

The City Council's vote on the Tax Rate and Budget is scheduled for September 5, 2023.

The September 5 Council Meeting will be held at 6:00 pm at New Fairview City Hall, 999 Illinois Lane, New Fairview, Texas 76078.

All public notice and meeting requirements will be completed and will adhere to the requirements outlined by Texas Tax Code Chapter 26, Local Government Code and the Truth in Taxation requirements established by the State of Texas.

Below are significant dates for the FY 2023-24 Budget preparation and adoption.

- July 17 Budget Workshop at Regular Council Meeting
- August 7 Budget Workshop at Regular Council Meeting
(We will need to vote at this meeting to get council approval to call the public hearing for the tax rate and budget with a recorded vote of the proposed tax rate that will be held at the public hearing.)
- August 14 Publish Notice of Budget & Tax Hearing in the Newspaper
- August 14 Internet Notice of Tax Rate Hearing
- August 18 File Proposed Budget
- August 21 Budget Workshop at Regular Council Meeting
- August 28 Budget Workshop at Special Council Meeting
- September 5 Public Hearing on Tax Rate and Budget at Regular Council Meeting
- September 5 Adoption of Tax Rate and Budget at Regular Council Meeting
- September 29 Final Date to adopt a Budget

FINANCIAL CONSIDERATION:

The tax rate that is adopted will determine the amount of ad valorem revenue raised for the FY 2023-24 Budget.

RECOMMENDED MOTIONS:

I move to **Approve/Deny** a Resolution accepting the proposed property tax rate; establishing dates for public hearings on the proposed property tax rate for the Fiscal Year 2023-2024 Budget; providing for the dates for the City Council to approve the property tax rate and Fiscal Year 2023-2024 Budget; and providing for publication of public hearing notices as provided by Texas law.

ATTACHMENT(S):

1. Resolution 202308-01-139

RESOLUTION NO. 202308-01-139

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEW FAIRVIEW NEW FAIRVIEW, TEXAS, ACCEPTING THE PROPOSED PROPERTY TAX RATE; ESTABLISHING THE DATE, TIME, AND LOCATION FOR THE PUBLIC HEARING ON THE PROPOSED PROPERTY TAX RATE; PROVIDING FOR THE DATE TO ADOPT THE PROPERTY TAX RATE; ESTABLISHING THE DATE, TIME, AND LOCATION OF THE PUBLIC HEARING ON THE PROPOSED FISCAL YEAR 2022-2023 BUDGET; PROVIDING FOR A DATE TO CONDUCT A VOTE TO ADOPT THE FISCAL YEAR 2023-2024 BUDGET; PROVIDING FOR THE PUBLICATION OF THE PUBLIC HEARINGS AS PROVIDED BY THE TEXAS LAW; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of New Fairview has received the calculated effective tax rate information as presented by the Collin County Tax Assessor/Collector's Office; and

WHEREAS, the Proposed Property Tax Rate of \$0.272451 exceeds the No-New-Revenue Tax Rate of \$0.0178164 and does not exceed the Voter-Approval Tax Rate of \$0.272451; and

WHEREAS, the Texas Property Tax Code, Chapter 26 requires the City Council to hold a public hearing before adopting the Property Tax Rate that exceeds the lower of the Voter-Approval Tax Rate or the No-New-Revenue Tax Rate; and

WHEREAS, the Texas Property Tax Code, Chapter 26 requires the property tax rate hearing notice to include how all members of the City Council voted on the proposed tax rate and indicating the absences, if any, during the vote on the proposed tax rate; and

WHEREAS, the Texas Local Government Code, Chapter 102 requires the City Council to hold a public hearing before taking action on the proposed Fiscal Year 2023-2024 Budget.

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

SECTION 1. The above and foregoing premises are true and correct and are incorporated into the body of this Resolution as if fully set forth therein.

SECTION 2. The City Council hereby accepting the proposed Property Tax Rate of \$0.272451.

SECTION 3. The City Council will hold a Public Hearing on the proposed Property Tax Rate on September 5, 2022 at 7:00 p.m. in the New Fairview City Council Chambers at 999 Illinois Ln, New Fairview, Texas 75009 to receive public comment. At the regular meeting on September 5, 2022, the City Council will take action on the proposed Property Tax Rate adoption.

SECTION 4. The City Council will hold a Public Hearing on the proposed Fiscal Year 2022-2023 Budget on September 5, 2022 at 5:00 p.m. in the New Fairview City Council Chambers at 999 Illinois Ln, New Fairview , Texas, 76078-3940 to receive public comment. At the regular meeting on September 5, 2022, the City Council will take action on the proposed Fiscal Year 2022-2023 Budget adoption.

SECTION 5. The City Secretary is hereby authorized to cause notice of the aforementioned public hearings to be published in compliance with the Texas law.

SECTION 6. This Resolution shall be and become effective immediately upon and after its passage.

PASSED AND APPROVED by the City Council of the City of New Fairview, Texas, on August 7, 2023, by the following roll call vote:

Mayor John R. Taylor	YEA _	NAY _	ABSTAIN _	ABSENT _
Mayor Pro Tem Steven King	YEA _	NAY _	ABSTAIN _	ABSENT _
Council Member Harvey Burger	YEA _	NAY _	ABSTAIN _	ABSENT _
Council Member Peter Kozlowski	YEA _	NAY _	ABSTAIN _	ABSENT _
Council Member Richard Greene	YEA _	NAY _	ABSTAIN _	ABSENT _
Council Member Sarah Adams	YEA _	NAY _	ABSTAIN _	ABSENT _

APPROVED:

John R. Taylor, Mayor

ATTEST:

Brooke Boller, City Secretary