

**AMARILLO CITY COUNCIL REGULAR MEETING VIA VIDEO CONFERENCE
NOTICE IS HEREBY GIVEN IN ACCORDANCE WITH ORDER OF THE OFFICE OF
THE GOVERNOR ISSUED MARCH 16, 2020.**

**A REGULAR MEETING OF THE AMARILLO CITY COUNCIL TO BE HELD ON
TUESDAY, JANUARY 26, 2021 AT 1:00 P.M., CITY HALL, 601 SOUTH BUCHANAN
STREET, COUNCIL CHAMBER ON THE THIRD FLOOR OF CITY HALL, AMARILLO,
TEXAS BY VIDEO CONFERENCE (IN ORDER TO ADVANCE THE PUBLIC HEALTH
GOAL OF LIMITING FACE-TO-FACE MEETINGS ALSO CALLED "SOCIAL
DISTANCING" TO SLOW THE SPREAD OF THE CORONAVIRUS (COVID-19)).
THERE WILL BE NO PUBLIC ACCESS TO THE LOCATION DESCRIBED ABOVE.**

*City Council Mission: Use democracy to govern the City efficiently and effectively to
accomplish the City's mission.*

**This Agenda, and the Agenda Packet, are posted online at:
<https://www.amarillo.gov/city-hall/city-government/city-council>**

**The video meeting is hosted through Zoom. The meeting is broadcast on the City's
website at: www.amarillo.gov. The Zoom link to join the meeting is:
<https://amarillo.zoom.us/j/84017506072> and the conference bridge number for Zoom is:
Telephone # 3462487799 when prompted for meeting ID enter: 84017506072#. All callers
will be muted for the duration of the meeting.**

**This meeting will be recorded and the recording will be available to the public in
accordance with the Open Meetings Act upon written request.**

*Please note: The City Council may take up items out of the order shown on any
Agenda. The City Council reserves the right to discuss all or part of any item in an
executive session at any time during a meeting or work session, as necessary and
allowed by state law. Votes or final decisions are made only in open Regular or Special
meetings, not in either a work session or executive session.*

INVOCATION: Gene Shelburne, Anna Street Church of Christ

PROCLAMATION: "Black History Month"

PUBLIC ADDRESS

(For items on the agenda for City Council consideration)

The public will be permitted to offer public comment on agenda items. Public Address
signup times are available from Sunday 8:00 a.m. until Tuesday 12:45 p.m. at
[https://www.amarillo.gov/departments/city-manager/city-secretary/public-address-
registration-form](https://www.amarillo.gov/departments/city-manager/city-secretary/public-address-registration-form) or by calling the City Secretary's office at (806) 378-3014. Please call in
at 1:00 p.m. at Telephone # 3462487799 when prompted for meeting ID enter:
84017506072#.

AGENDA

1. City Council will discuss or receive reports on the following current matters or projects.
 - A. Review agenda items for regular meeting and attachments;
 - B. Coronavirus Update;
 - C. Discuss Illegal Dumping Task Force Proposed Ordinance;
 - D. Report and updates from City Councilmember serving on outside Boards:
Environmental Task Force;
Neighborhood Planning Oversight Committee;
Pedestrian and Bicycle Safety Advisory Committee;
 - E. Update on Building Safety Department;
 - F. Discuss Tri-State Exposition Master Plan Process;
 - G. Discuss Broadband Internet; and
 - H. Request future agenda items and reports from City Manager.

2. **CONSENT ITEMS:**

It is recommended that the following items be approved and that the City Manager be authorized to execute all documents necessary for each transaction:

THE FOLLOWING ITEMS MAY BE ACTED UPON BY ONE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THE ITEMS IS NECESSARY UNLESS DESIRED BY A COUNCILMEMBER, IN WHICH EVENT THE ITEM SHALL BE CONSIDERED IN ITS NORMAL SEQUENCE AFTER THE ITEMS NOT REQUIRING SEPARATE DISCUSSION HAVE BEEN ACTED UPON BY A SINGLE MOTION.

A. **CONSIDER APPROVAL – MINUTES:**

Approval of the City Council minutes for the regular meeting held on January 12, 2021.

B. **CONSIDER APPROVAL – JOINT ELECTION AGREEMENTS:**

(Contact: Frances Hibbs, City Secretary)

Terms and conditions as noted

This item approves agreements with the Potter and Randall Counties Election Administrators to conduct joint elections on May 1, 2021 with the City of Amarillo. This allows the participating entities to share vote center locations and authorizes the Potter and Randall Counties Election Administrators to perform the duties associated with an election. The conduct of a joint election reduces election costs for each of the entities.

C. **CONSIDER AWARD – GREENWAYS PUBLIC IMPROVEMENT DISTRICT LANDSCAPE MAINTENANCE CONTRACT:**

(Contact: Kelley Shaw, Development Services)

Ramirez Lawn Service – Not to exceed \$200,000.00 annually

This item is to consider award of the Greenways Public Improvement District (PID) landscape maintenance contract for the maintenance of improvements within the Greenways PID. Improvements include park areas, entryway features, irrigation, trees and specialty lighting. All improvements are constructed to applicable City standards. This contract is for one-year with options for two one-year renewals if all parties agree.

D. **CONSIDER APPROVAL – PROFESSIONAL SERVICES AGREEMENT FOR MARTIN ROAD LAKE PARK:**

(Contact: Matthew Thomas, City Engineer)

HDR Engineering -- \$247,300.00

This is a professional services agreement with HDR Engineering, Inc. for the erosion repairs for Martin Road Lake as well as a new fishing amenity. HDR Engineering, Inc. was selected for this project due to their unique qualifications as the design engineer on the Dale Street improvements and their ongoing analysis for the Martin Road Lake Park master plan.

E. **CONSIDER APPROVAL -- COMMERCIAL CONTRACT FOR THE SALE OF REAL ESTATE, APPROXIMATELY 9,660 SQUARE FEET, LOCATED AT 2015 PARAMOUNT DRIVE:**

(Contact: Jason Mays, Fire Chief)

This item authorizes the City Manager to execute a contract for the sale of excess land, approximately 9,660 square feet located at 2015 Paramount Drive. The purchase is for \$65,000 minus closing costs and related expenses.

F. **CONSIDER APPROVAL – IMMUNIZATION GRANT COVID:**

(Contact: Casie Stoughton, Public Health Director)

Grantor: Texas Department of State Health Services

Grant Amount: \$99,866

This item accepts the award from the Texas Department of State Health Services from January 2020 thru August 31, 2021 to fund COVID-19 vaccination efforts.

G. **CONSIDER APPROVAL – IMMUNIZATION GRANT:**

(Contact: Casie Stoughton, Public Health Director)

Grantor: Texas Department of State Health Services

Grant Amount: \$261,049

This item accepts the award from the Texas Department of State Health Services from September 1, 2021 thru August 31, 2022 to continue funding to prevent and control the transmission of vaccine-preventable diseases in children and adults, with emphasis on accelerating strategic interventions to improve their vaccine coverage levels.

H. **CONSIDER APPROVAL – AVIATION CLEAR ZONE EASEMENT:**

(Contact: Cris Valverde, Assistant Director of Planning and Development Services)

This item considers an Aviation Clear Zone Easement, being 3,750 feet above mean sea level above the plat of Amarillo Horizon Park Unit No. 1, an addition to the City of Amarillo being an unplatted tract of land in Section 93, Block 2, AB&M Survey, Potter County, Texas.

3. **NON-CONSENT ITEMS:**

A. **CONSIDERATION OF ORDINANCE NO. 7902:**

(Contact: Laura Storrs, Assistant City Manager)

This item is the first and final reading of an ordinance discussing and considering all matters incident and related to the issuance and sale of "City of Amarillo, Texas, General Obligation Bonds, Series 2021," including the adoption of an ordinance authorizing the issuance of such bonds.

B. **CONSIDERATION OF ORDINANCE NO. 7903:**

(Contact: Laura Storrs, Assistant City Manager)

This item is the first and final reading of an ordinance discussing and considering all matters incident and related to the issuance and sale of "City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2021," including the adoption of an ordinance authorizing the issuance of such certificates of obligation.

C. **CONSIDERATION OF ORDINANCE NO. 7904:**

(Contact: Laura Storrs, Assistant City Manager)

This item is the first and final reading of an ordinance discussing and considering all matters incident and related to the issuance and sale of "City of Amarillo, Texas, Waterworks and Sewer System Revenue Bonds, New Series 2021," including the adoption of an ordinance authorizing the issuance of such bonds.

D. **CONSIDERATION OF ORDINANCE NO. 7905:**

(Contact: Laura Storrs, Assistant City Manager)

This item is the first and final reading of an ordinance discussing and considering all matters incident and related to the issuance and sale of "City of Amarillo, Texas, Drainage Utility System Revenue Bonds, Series 2021," including the adoption of an ordinance authorizing the issuance of such bonds.

E. **PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 7906 --
ADOPTING THE AMARILLO COMMUNITY INVESTMENT PROGRAM
(CIP) FY 2020/2021-FY2024/2025:**

(Contact: Kyle Schniederjan, PE)

This item is a public hearing and first reading of an ordinance adopting the City's CIP which will guide capital investment decisions for the next five years.

F. **CONSIDERATION OF ORDINANCE NO. 7907:**

(Contact: Donny Hooper, Assistant Public Works Director)

This item is the first reading of an ordinance changing the Amarillo Municipal Code, Chapter 16-3, Section 16-3-1002, Schedule B Maximum Speed Limit for Soncy/Hollywood (Loop 335) from the current:

1. Speed limit to 40 MPH on Soncy from the City limits north of Amarillo Boulevard to south of 45th Avenue where it currently changes from 50 MPH to 60 MPH.
2. Speed limit to 50 MPH on Soncy and Hollywood Road from south of 45th Avenue where it currently changes from 50 MPH to 60 MPH all the way to where Coulter intersects Hollywood Road.

TXDOT recently completed speed studies on these corridors and recommended that speeds be lowered.

G. **CONSIDERATION OF ORDINANCE NO. 7908:**

(Contact: Martin Birkenfeld, Chief of Police)

This item is the first reading of an ordinance that converts one sergeant position and one officer position to corporal positions and reduces the number of sworn positions at the Amarillo Police Department by one.

H. **PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 7909:**

(Contact: Andrew Freeman, Managing Director of Planning and Development Services)

This item conducts a public hearing and first reading of an ordinance vacating a 15,210 square foot portion of a public utility easement lying in Lot 1, Block 1 and Lot 1, Block 3, Corrected Southgate Subdivision, in Section 31, Block 9, B.S.&F. Survey, Randall County, Texas. (Vicinity: Bell Street and Arden Road.)

I. **CONSIDERATION OF ORDINANCE NO. 7897:**

(Contact: Bryan McWilliams, City Attorney)

This item is the second and final reading of an ordinance which would amend Section 2-6-3 of the Amarillo Municipal Code to allow for the appointment of persons who are not necessarily registered voters of the City to be appointed to various City boards or commissions if they possessed special expertise or knowledge related to the board or commission's operation and/or charge. Board or Commission applicants will still be required to be registered voters and applicants who are registered voters of the City would still be preferred per this draft of the ordinance.

J. **CONSIDER RESOLUTION – CALLING MUNICIPAL ELECTION:**

(Contact: Frances Hibbs, City Secretary)

This resolution calls the regular municipal election to be held on May 1, 2021. The election will be for the offices of Mayor, Councilmember Place 1, Councilmember Place 2, Councilmember Place 3, and Councilmember Place 4.

K. **CONSIDER RESOLUTION – APPROVING AND AUTHORIZING AGREEMENT WITH TEXAS DEPARTMENT OF TRANSPORTATION TO INSTALL SIGNALS WITH ELIGIBLE FEDERAL OR SPECIAL PROGRAM FUNDS:**

(Contact: Donny Hooper, Assistant Public Works Director)

This item considers a resolution approving and authorizing an agreement with Texas Department of Transportation to operate and maintain signals installed with eligible federal or special program funds on BI-40D/Amarillo Boulevard. The TxDOT installed signals will be Hybrid Beacon Signals located in the 1000 block of Amarillo Boulevard East and 1500 block of Amarillo Boulevard East.

L. **CONSIDER RESOLUTION AUTHORIZING THE CITY OF AMARILLO TO SUBMIT THE 2020/21 GRANT APPLICATION FOR THE PROJECT SAFE NEIGHBORHOOD PROGRAM (PROJECT 4088001):**

(Contact: Kevin Starbuck, Deputy City Manager and Lt. Shane Chadwick, APD)

This resolution authorizes the City of Amarillo to submit project 408001 Shooting Response Team to the Office of the Governor through the 2020/21 Project Safe Neighborhood grant program. The project application is in the amount of \$103,850 for equipment, training, and software licensing.

M. **CONSIDER RESOLUTION – ADOPTING A LEGISLATIVE AGENDA FOR THE 87TH SESSION OF THE TEXAS LEGISLATURE:**

(Contact: Jared Miller, City Manager)

This item considers a resolution adopting a legislative agenda for the 87th Session of the Texas Legislature to include special called sessions of the 87th Legislature and the interim.

N. **CONSIDERATION OF ORDINANCE NO. 7901:**

(Contact: Kevin Carter, President and CEO)

This item is the second and final reading of an ordinance to consider designating certain areas of the City as Reinvestment Zone No. 12 for commercial and industrial tax abatement. The zone is approximately 110.39 acres in the vicinity of Northeast 24th Avenue and Loop 335.

O. **CONSIDER APPROVAL – TAX ABATEMENT AGREEMENT – BETWEEN CITY OF AMARILLO AND AMAZON SERVICES LLC, ET AMARILLO LLC AND HAPPY HORIZONS:**

(Contact: Kevin Carter, President and CEO)

Amazon Services, LLC is considering constructing a new non-sortable distribution center in Amarillo. The facility would be the first of its kind in West Texas and would help Amazon service its customers in our region with large item orders. Highlights of the project include:

- Construction of a new 1,000,000 square foot facility on 110.39 acres located at Northeast 24th Avenue and Loop 335
- \$100,000,000 in Capital Investment (\$70,000,000 in facility improvements and \$30,000,000 in equipment)
- 500 new employees
- \$13,500,000 minimum in new payroll projected

AEDC is asking the City Council to approve an abatement of future taxes on the construction and equipment costs. AEDC is recommending 50% abatement for five (5) years on the above costs.

P. **CONSIDER APPROVAL – LOCATION INCENTIVE AGREEMENT (LIA) – BETWEEN AMARILLO ECONOMIC DEVELOPMENT CORPORATION AND AMAZON.COM SERVICES, LLC:**

(Contact: Kevin Carter, President and CEO)

Amazon.Com Services, LLC, a wholly owned subsidiary of Amazon, is looking to build a 1,000,000 sq. ft. non-sortable fulfillment center at the corner of Northeast 24th Avenue and Loop 335. Highlights of the project include:

- \$70 MM estimated improvements
- \$30 MM in new equipment
- 500 new employees projected
- \$13,500,000 new payroll projected
- Incentive of \$2,500,000

AEDC will provide Amazon.com Services, LLC \$2,500,000.00 for the creation of up at least 500 FTE's and an annual payroll of \$13,500,000.00.

These funds will be paid out up front and will be based on a five-year (5) performance term.

Based on the level of capital investment, full-time jobs created, and projected payroll, the AEDC Board of Directors approved the LIA on January 19, 2021 with a 5-0 vote.

Amarillo City Hall is accessible to individuals with disabilities through its main entry on the south side (601 South Buchanan Street) of the building. An access ramp leading to the main entry is located at the southwest corner of the building. Parking spaces for individuals with disabilities are available in the south parking lot. City Hall is equipped with restroom facilities, communications equipment and elevators that are accessible. Individuals with disabilities who require special accommodations or a sign language interpreter must contact the City Secretary's Office 48 hours prior to meeting time by telephoning 378-3013 or the City TDD number at 378-4229.

Posted this 22nd day of January 2021.

Regular meetings of the Amarillo City Council stream live on Cable Channel 10 and are available online at:

<http://amarillo.gov/city-hall/city-government/view-city-council-meetings>

Archived meetings are also available.

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO



A

On the 12th day of January 2021, the Amarillo City Council met at 1:00 p.m. for a regular session meeting held via conference and in the Council Chamber located on the third floor of City Hall at 601 South Buchanan Street, with the following members present:

GINGER NELSON
ELAINE HAYS
FREDA POWELL
EDDY SAUER
HOWARD SMITH

MAYOR
COUNCILMEMBER NO. 1
COUNCILMEMBER NO. 2
COUNCILMEMBER NO. 3
MAYOR PRO TEM/COUNCILMEMBER NO. 4

Absent were none. Also in attendance were the following administrative officials:

JARED MILLER
KEVIN STARBUCK
FLOYD HARTMAN
LAURA STORRS
BRYAN MCWILLIAMS
STEPHANIE COGGINS
FRANCES HIBBS

CITY MANAGER
DEPUTY CITY MANAGER
ASSISTANT CITY MANAGER
ASSISTANT CITY MANAGER
CITY ATTORNEY
ASSISTANT TO THE CITY MANAGER
CITY SECRETARY

The invocation was given by Dr. Trevor Brown, First Baptist Church.

A proclamation was presented for "Dr. Martin Luther King, Jr. Day."

Mayor Nelson established a quorum, called the meeting to order, welcomed those in attendance and the following items of business were conducted:

PUBLIC ADDRESS:

Jolene Santiago, 2209 South Polk Street, stated she appreciated Council's leadership. She further stated she was excited about the AEDC tax abatement project but begged Council not to allow foreign outside people to take the jobs. There were no further comments.

ITEM 1:

- A. Review agenda items for regular meeting and attachments;
- B. Coronavirus Update; and
- C. Update on Animal Management and Welfare;
- D. Presentation and Report on the Amarillo Community Investment Program (CIP) for FY 2020/21 – FY 2024/25;
- E. Amarillo Fire Department Accreditation Strategic Plan Update;
- F. Thompson Park Pool Update;
- G. Presentation on Speed Limit Changes on Loop 335/Soncy; and
- H. Request future agenda items and reports from City Manager.

CONSENT ACTION ITEMS:

Mayor Nelson presented the consent agenda and asked if any item should be removed for discussion or separate consideration. Motion was made by Councilmember Powell to approve the consent agenda as presented, seconded by Councilmember Sauer:

- A. **MINUTES:**
Approval of the City Council minutes for the regular meeting held on December 15, 2020.
- B. **CONSIDER AWARD -- PURCHASE AND INSTALLATION OF UV SYSTEMS INSTALLATION AT SOUTHWEST AND SOUTHEAST POOLS:**
(Contact: Michael Kashuba, Director of Parks and Recreation)
Awarded to Progressive Commercial Aquatics, Inc. -- \$96,650.00

This item is for the turnkey purchase and installation of UV systems at Southeast and Southwest Pools.

C. **CONSIDER PURCHASE -- STREET SWEEPER:**

(Contact: Glenn Lavender, Fleet Services Superintendent)

Award to: Heil of Texas -- \$295,710.00

Utilizing HGAC Contract SW-04-18A

This item is the scheduled replacement of unit 7792, a 2014 Freightliner/Tymco Street Sweeper. This equipment is used by the Drainage Utility Division for daily operational requirements. Unit 7792 has reached its useable life cycle.

D. **CONSIDER AWARD -- AMMUNITION:**

(Contact: Trent Davis, Purchasing Agent)

Award to GT Distributors -- \$117,299.99

This award consists of ammunition for the Police Shooting Range, Airport Police, SWAT, Narcotics and Fire Marshal.

E. **CONSIDER APPROVAL -- PROFESSIONAL SERVICE CONTRACT:**

(Contact: Jonathan Gresham, Director of Utilities)

HDR Engineering Inc. -- \$58,269.00

This item is approval of a professional service contract to prepare the Emergency Response Plan for the Utilities Department.

F. **CONSIDER APPROVAL -- FY2020-FY2021 MOTOROLA MAINTENANCE (MICROWAVE SERVICES AND SECURITY MONITORING):**

(Contact: Chip Orton, Director of Emergency Management)

This item is consideration of FY2020-FY2021 continuing service agreement and maintenance of microwave services and security monitoring. These critical maintenance add-ons provide 24/7 response to potential issues with the City's radio system connectivity and 24/7 cybersecurity monitoring of the radio network. This purchase which is budgeted for and will recur annually will be in the amount of \$84,526.02.

G. **CONSIDER SALE -- PROPERTY:**

(Contact: Laura Storrs, Assistant City Manager)

Sheriff Sale property located in Potter County.

H. **CONSIDER APPROVAL -- AVIATION CLEAR ZONE EASEMENT:**

(Contact: Andrew Freeman, Director of Planning and Development Services)

This item considers an Aviation Clear Zone Easement, being 4,600 feet above mean sea level above the plat of South Georgia Place Unit No. 36, an addition to the City of Amarillo, being an unplatted tract of land in Section 183, Block 2, A.B.&M. Survey, Randall County, Texas.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

NON-CONSENT ITEMS:

ITEM 3A: Mayor Nelson presented the first reading of an ordinance which would amend Section 2-6-3 of the Amarillo Municipal Code to allow for the appointment of persons who are not necessarily registered voters of the City to be appointed to various City boards or commissions if they possessed special expertise or knowledge related to the board or commission's operation and/or charge. Board or Commission applicants would still be required to be registered voters somewhere and applicants who are registered voters of the City would still be preferred per this draft of the ordinance. This item was presented by Jared Miller, City Manager. Councilmember Hays inquired if other cities restricted their boards and commissions to candidates living inside the city limits or if they had to be registered voters. Both Mr. Miller and Mr. McWilliams stated they had no experience with board members living outside the city limits. Councilmember Hays stated the City of Amarillo had multiple citizens who had applied and there was not a place for all of them on our board openings. She suggested reserving those spots for local voters and citizens of the community. Mr. Smith stated subject-matter knowledge would serve the City well. Mayor Nelson stated

we have people who not reside within the city limits who have expertise but these instances would be unique and be rare occurrences. Councilmember Sauer stated he expected this to be rarely used. Motion was made by Councilmember Powell, seconded by Councilmember Smith that the following captioned ordinance be passed on first reading:

ORDINANCE NO. 7897

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS AMENDING ARTICLE 1, CHAPTER 2-6, BOARDS AND COMMISSIONS, OF THE AMARILLO CITY CODE AS FOLLOWS: AMENDING SECTION 2-6-3 TO AMEND QUALIFICATIONS OF BOARD AND COMMISSION MEMBERS; INCLUDING SEVERABILITY, REPEALER, AND DECLARING AN EFFECTIVE DATE.

Voting AYE were Mayor Nelson, Councilmembers Powell, Sauer and Smith; voting NO was Councilmember Hays; the motion carried by a 4:1 vote of the Council.

ITEM 3B: Mayor Nelson presented the first reading of an ordinance to consider designating certain areas of the City as Reinvestment Zone No. 12 for commercial and industrial tax abatement. The zone is approximately 110.39 acres in the vicinity of Northeast 24th Avenue and Loop 335. This item was presented by Kevin Carter, President and CEO. Mayor Nelson opened a public hearing. There were no comments. Mayor Nelson closed the public hearing. Councilmember Hays stated she would abstain due to underlying concerns this project was attached to. Councilmember Smith inquired as to the timeline. Motion was made by Councilmember Powell, seconded by Councilmember Smith that the following captioned ordinance be passed on first reading:

ORDINANCE NO. 7901

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS: DESIGNATING CERTAIN AREAS AS REINVESTMENT ZONE NO. 12 FOR COMMERCIAL / INDUSTRIAL TAX ABATEMENT, CITY OF AMARILLO, TEXAS, PURSUANT TO TEXAS TAX CODE, CHAPTER 312, SUBCHAPTERS A & B, ESTABLISHING THE BOUNDARIES THEREOF AND OTHER MATTERS RELATING THERETO; PROVIDING A SEVERANCE CLAUSE; PROVIDING AN EFFECTIVE DATE.

Voting AYE were Mayor Nelson, Councilmembers Powell, Sauer and Smith; voting NO were none; Councilmember Hays abstained; the motion carried by a 4:0:1 vote of the Council.

ITEM 3C: Mayor Nelson presented a resolution to approve the 2020/21 Community Development Block Grant (CDBG) in the amount of \$1,695,314 and HOME Partnership (HOME) Annual Action Plan in the amount of \$720,963. The Community Development Advisory Committee (CDAC) evaluated the Requests for Proposals (RFPs) and formulated a recommendation in the annual action plan for consideration by the City Council. With approval of the Resolution by the City Council, the 2020/21 Annual Action Plan will be submitted to the U.S. Department of Housing and Urban Development (HUD). This item was presented by Jason Riddlespurger, Community Development Director. Lilia Escajeda thanked Mr. Riddlespurger and the committee members. She stated these funding decisions are always difficult. Mr. Riddlespurger stated the HOME and Tenant Based Rental Assistance grants would assist low to moderate incomes that need assistance and are struggling during this pandemic. Mayor Nelson opened a public hearing. There were no comments. Mayor Nelson closed the public hearing. Motion was made by Councilmember Powell, seconded by Councilmember Hays that the following captioned resolution be passed:

RESOLUTION NO. 01-12-21-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS; CONDUCTING A PUBLIC HEARING AND AUTHORIZING THE ADOPTION OF THE 2020/2021 COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PARTNERSHIP ANNUAL ACTION PLAN AS REQUIRED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; DESIGNATING THE DEPUTY CITY MANAGER TO ACT AS THE CITY'S AUTHORIZED OFFICIAL IN ALL MATTERS PERTAINING TO CITY'S PARTICIPATION IN SAID PLAN; PROVIDING

A SAVINGS CLAUSE; PROVIDING SEVERABILITY CLAUSE AND EFFECTIVE DATE.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 3D: Mayor Nelson presented a resolution authorizing the Amarillo Continuum of Care (CoC) to apply for additional 2020 funding from the ESG program. This application is for up to \$865,899 from the 2020 CARES ESG funding to provide homeless prevention and rapid re-housing to persons experiencing homelessness. This item was presented by Jason Riddlepurger, Community Development Director. Motion was made by Councilmember Powell, seconded by Councilmember Sauer that the following captioned resolution be passed:

RESOLUTION NO. 01-12-21-2

A RESOLUTION A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS ("CITY") AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR ADDITIONAL FUNDING THROUGH THE 2020 CARES EMERGENCY SOLUTIONS GRANT (ESG) TO THE OFFICE OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS ("TDHCA") AND DESIGNATING THE DEPUTY CITY MANAGER TO ACT AS THE CITY'S AUTHORIZED OFFICIAL IN ALL MATTERS PERTAINING TO CITY'S PARTICIPATION IN SUCH GRANT PROGRAM; PROVIDING SAVINGS CLAUSE; PROVIDING SEVERABILITY CLAUSE AND EFFECTIVE DATE.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 3E: Mayor Nelson presented authorizes the City Manager to execute an assignment of a current contract for purchase of a building and land located at 812 Southwest 4th Avenue for a new Fire Fleet Maintenance Facility. The purchase is for \$600,000 plus closing costs and related expenses. This item was presented by Jason Mays, Fire Chief. Councilmember Hays reiterated this project will be fully funded by Proposition 2. Motion was made by Councilmember Powell, seconded by Councilmember Sauer that the following item be approved as presented.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 4: Mr. McWilliams advised at 4:06 p.m. that the City Council would convene in Executive Session per Texas Government Code: 1) Section 551.072 – Discuss the purchase, exchange, lease, sale, or value of real property and public discussion of such would not be in the best interests of the City's bargaining position: (a) Sale of real property located in the southwest quadrant of the Amarillo city limits.

Mr. McWilliams announced that the Executive Session was adjourned at 4:48 p.m. and recessed the regular meeting.

ATTEST:

Frances Hibbs, City Secretary

Ginger Nelson, Mayor



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	
Department	City Secretary		
Contact	Frances Hibbs, City Secretary		

Agenda Caption

CONSIDER APPROVAL – JOINT ELECTION AGREEMENTS:
(Contact: Frances Hibbs, City Secretary)
Terms and conditions as noted
This item approves agreements with the Potter and Randall Counties Election Administrators to conduct joint elections on May 1, 2021 with the City of Amarillo. This allows the participating entities to share vote center locations and authorizes the Potter and Randall Counties Election Administrators to perform the duties associated with an election. The conduct of a joint election reduces election costs for each of the entities.

Agenda Item Summary

This item considers agreements with Potter and Randall Counties and lists the vote centers for both election day and early voting.

Requested Action

Approval of agreements with both counties.

Funding Summary

Cost will vary. This election has been budgeted in the City Secretary’s budget 1220.51900.

Community Engagement Summary

Council will encourage voters to get out and vote.

Staff Recommendation

Approval of agreements.

JOINT ELECTION SERVICES CONTRACT

This Joint Election Services Contract (the Contract) is made by the following parties (the Parties), on the terms stated herein:

Potter County, Texas (Potter County)
City of Amarillo
Amarillo College (AC)
Amarillo Independent School District
Bushland Independent School District
Highland Park Independent School District
River Road Independent School District

I. RECITALS

Potter County owns an electronic voting system approved by the Texas Secretary of State pursuant to Chapter 122 of the Texas Election Code, and compliant with the accessibility requirements of Section 61.012 of the Code. The participating entities desire to use Potter County's voting system for early and election-day voting for a uniform election to be held on May 1, 2020 (the Election) under the terms stated in this Joint Election Services Contract, and under the supervision of the Potter County Elections Administrator, Melynn Huntley (the Administrator).

II. TERMS

A. ADMINISTRATION

1. The Parties agree to hold a joint election pursuant to Chapter 271 of the Texas Election Code and the terms of this contract. The Administrator will coordinate and supervise all aspects of the Election process. The participating entities agree to pay Potter County for equipment, supplies, services, and overtime pay for overtime hours worked by Potter County staff in assisting with the Election, and such other administrative costs and services as are specifically addressed in this Contract.

2. The Administrator will provide advice and guidance for the Parties' agents and employees who participate in the Election, but the Parties will bear ultimate responsibility for decisions and actions of their own agents and employees.

3. The Parties confirm that this is not an exclusive contract, and that Potter County may offer its joint election services to additional entities as joint participants in the Election and this contract, on the same general terms as stated herein. The participating entities consent to such additional participation and to the sharing of joint ballots with participating entities as may be appropriate, and to a proportionate sharing of expenses as agreed to as set forth in Exhibit C to this contract. Joint participants will share voting equipment and supplies to the extent possible.

4. In polling locations shared by participating entities that share common jurisdiction for all offices and measures up for election, a uniform ballot will be provided. In polling locations shared by participating entities that do not share common jurisdiction for all offices and measures up for election, multiple ballot styles will be provided, with each voter receiving the proper ballot style for offices and measures for which he or she is eligible to vote. In no instance will any voter be provided a ballot that includes any office or measure for which that voter is ineligible to vote.

B. RESPONSIBILITY FOR DOCUMENTS

1. Each participating entity will be responsible for the preparation, adoption, publication, and filing and/or posting of all election orders, resolutions, notices, and any other documents required by the Texas Election Code or the entity's governing body, charter, or ordinances in relation to offices, propositions, and measures specific to such entities. Preparation and transmission of all necessary information and documents for same, and translation of same into languages other than the English language if required or desired, will be the sole responsibility of the participating entities with respect to offices, propositions, and measures specific to those entities. Each participating entity will promptly provide to the Administrator with a copy of its election order and notice for the Election.

2. In compliance with the Voting Rights Act of 1965, each participating entity will prepare and transmit required submissions to the United States Department of Justice for pre-clearance of any special election or changes in election procedures for which pre-clearance is required.

C. VOTING LOCATIONS

1. The Administrator will arrange for locations for early and election-day voting at customary locations as available, or if not available at alternative locations approved by the participating entities, and in that event will see to the posting of change-of-location notices as required by law. Locations for the Election are agreed to as set forth in Exhibits A and B to this contract.

2. The Election will be conducted via county-wide voting with up to 16 polling locations, with registered voters permitted to vote at any of the designated polling locations.

D. ELECTION WORKERS

1. Election clerks, presiding judges, and alternate judges will be proposed by the Administrator and approved by the respective participating entity to include at least one official per polling location who is fluent in both the English and Spanish languages. All personnel who are recruited, trained and staffed by the Administrator specifically for

the Election which is the subject of this contract will be temporary employees of Potter County.

2. The Administrator will inform all prospective election judges of the eligibility requirements of Subchapter C of Chapter 32 of the Texas Election Code, and will take reasonable and necessary steps to assure that all persons proposed and appointed for service as election judges are eligible for such service.

3. Persons appointed for service as election judges will be notified of same by letter from the Administrator, to include notification of the date, time, and place for training, and distribution of election supplies, and the number of election clerks to be appointed by presiding judges.

4. The Administrator will arrange for training of election judges and clerks, and for the following compensation for election training and service:

- (a) For election and alternate election judges, \$ 12.00 per hour up to 40 hours per week, increased to \$ 18.00 per hour for hours in excess of 40 hours per week;
- (b) For election clerks, \$ 12.00 per hour up to 40 hours per week, increased to \$ 18.00 per hour for hours in excess of 40 hours per week;
- (c) For election and alternate election judges, an additional lump sum payment of \$ 25.00 for return of election supplies and equipment to the central counting station upon closing of the polls.

E. PREPARATION OF SUPPLIES AND VOTING EQUIPMENT

1. The Administrator will arrange for all election supplies and voting equipment including sample ballots, official ballots, voter registration lists, voting stations, and all forms, signs and other materials for use at the voting locations. The Administrator will provide voter registration information, instructions, and other information needed for the election. If special maps are needed for a participating entity, the Administrator will acquire the maps and charge that cost to that entity.

2. Each participating entity will provide the Administrator with a list of candidates and propositions showing the order and the exact manner in which candidate names and measures are to appear on the official ballot, including translated versions of titles and text into each language in which the entity's ballot is to be printed. At a minimum, all ballots and related information will be provided in both the English and Spanish languages. This information is to be delivered to the Administrator as soon as possible after ballot positions have been determined by the participating entity. Each participating entity is solely responsible for the prompt delivery of this information to the Administrator, and the accuracy and completeness of same.

F. EARLY VOTING

1. Each participating entity appoints the Administrator as its early voting clerk for purposes of the Election, and the Administrator's permanent employees as deputy early voting clerks, and further agrees that the Administrator may appoint other deputy early voting clerks to assist in the conduct of early voting, and that these additional clerks will be compensated at an hourly rate set by Potter County pursuant to Section 83.052 of the Texas Election Code. Early voting by personal appearance will be held at the locations, dates, and times as set forth in Exhibit B. All persons eligible to vote in the Election may vote early by personal appearance at any one of the specified early voting locations.

2. The Administrator, as early voting clerk, is authorized to receive applications for early voting ballots for submission by mail in accordance with Chapters 31 and 86 of the Texas Election Code. All requests received by participating entities for early voting mail-in ballots will be forwarded immediately to the Administrator. Original applications will be provided to the Administrator as required by chpts. 84 & 86 of the Texas Election Code.

3. Upon request from a participating entity, the Administrator will provide a copy of the Administrator's early voting report on a daily basis and a cumulative final early voting report following the election. The Administrator will post a link on its website to the early voting report.

G. EARLY VOTING BALLOT BOARD

1. The Potter County Election Board will appoint an Early Voting Ballot Board (EVBB) to process early voting results from the Election. The County will appoint a minimum of three members to constitute the EVBB. The Administrator will determine the number of EVBB members required to efficiently process early voting ballots.

H. CENTRAL COUNTING STATION AND ELECTION RETURNS

1. The Administrator will be responsible for establishing and operating a central counting station to receive and tabulate the voted ballots in accordance with the provisions of the Texas Election Code and this contract. The participating entities hereby designate the following central counting station oversight positions pursuant to Sections 127.002, 127.003, and 127.005 of the Texas Election Code: (a) Counting Station Manager, (b) Tabulation Supervisor, (c) Assistant Tabulation Supervisor, (d) Presiding Judge, and (e) Alternate Judge.

2. The Administrator will prepare the unofficial canvass reports after votes from all precincts have been counted, and will deliver a copy of the unofficial results to

the entities as soon as possible after all returns have been tabulated. Participating entities will be responsible for the official canvass of their respective elections.

I. ELECTION EXPENSES AND ALLOCATION OF COSTS

1. The participating entities will share the cost of joint administration of the Election pursuant to this contract. Allocation of costs among participating entities will be based upon a cost-per-polling place formula, with the cost per polling places shared by two or more entities divided proportionately among them as set forth in Exhibit C. Estimated expenses per entity are set forth in Exhibit D.

2. The cost for joint administration will include a rental fee of \$ 250.00 for each Verity Voting unit supplied by Potter County to a polling location and used on Election Day or during early voting, with this fee divided proportionately among the participating entities utilizing that polling location.

J. CANCELLATION OF ELECTION

1. A participating entity may withdraw from this contract in the event its election is cancelled in accordance with Sections 2.051 - 2.053 of the Texas Election Code. A withdrawing entity will be responsible to Potter County for any expenses incurred by the County on behalf of, or for the benefit of that entity, prior to Potter County's receipt of notice of cancellation. Any funds deposited with Potter County by the withdrawing entity in excess of expenses incurred by the County before receipt of the notice of cancellation will be refunded to the entity.

K. RECORDS OF THE ELECTION

1. The Administrator is hereby appointed joint general custodian of the voted ballots and all records of the Election as authorized by Section 271.010 of the Texas Election Code. Access to such records will be available to each participating entity as well as to the public as provided by and in accordance with the Texas Election Code and the Texas Public Information Act. The election records will be stored at the offices of the Administrator or at such other location as may be designated by Potter County. The Administrator will ensure that the records are maintained in an orderly manner in a clearly identifiable and retrievable format.

2. Records of the election will be retained and disposed of in accordance with Section 66.058 of the Texas Election Code, provided that records which become the subject of an election contest, investigation, pending or threatened litigation, or open records request prior to their disposal, will be maintained pending final resolution of same. It is the responsibility of each participating entity to promptly notify the Administrator in writing of the receipt of any and all notices of any election contest,

investigation, pending or threatened litigation, or open records request, to which records in the custody of the Administrator may be relevant.

L. RECOUNTS

1. A recount of votes cast in the Election may be obtained as provided by Title 13 of the Texas Election Code. Each entity agrees that any recount will take place at the offices of the Administrator, and that the Administrator will serve as recount supervisor and the entity's designated officer for performing all duties of a recount coordinator in relation thereto, and for providing advisory services to the entity as needed for conducting a proper recount.

M. MISCELLANEOUS

1. The Administrator will file copies of this contract with the Potter County Treasurer and the Potter County Auditor in accordance with Section 31.099 of the Texas Election Code.

2. In the event that administrative or judicial legal proceedings are filed against Potter County or its agents pursuant to Title 14 of the Texas Election Code for the purpose of contesting or overturning a participating entity's election results in the Election, that entity will, at its expense, provide legal representation for Potter County and any of its agents named in such proceedings through final conclusion of same.

3. The parties confirm that under the Constitution and laws of the State of Texas, neither Potter County nor any participating entity may contract for indemnity between or among them. Accordingly, nothing in this contract is intended to imply or impose any contractual indemnity obligation on the part of any party hereto.

4. This Contract will be construed under the laws of the State of Texas, with venue of any legal proceeding between the parties in relation hereto in Potter County, Texas. All obligations of the parties under this contract are performable in Potter County, Texas.

5. In the event that any provision of this Contract is for any reason held to be invalid, illegal, void, voidable, or unenforceable in any respect, such will not affect any other provision, and this contract will be construed and enforceable as if such provision had never been a part of this contract.

6. All parties will comply with all applicable laws, ordinances, and codes of the State of Texas and its political subdivisions.

7. The waiver by any party of any remedy for a breach of any provision of this Contract will not constitute a waiver with respect to any subsequent breach of that provision, or of any other provision.

8. Any amendment of this Contract will be of no effect unless stated in writing and signed by all parties hereto.

POTTER COUNTY, TEXAS

By: _____
Melynn Huntley, Potter County Elections
Administrator / Authorized Agent

_____ Date

CITY OF AMARILLO, TEXAS

By: _____

_____ Date

EXHIBIT A – ELECTION DAY POLLING LOCATIONS

Amarillo Auto Supply and Off Road
3601 E. Amarillo Blvd., main entrance
Amarillo, TX 79107

Casey Carpet One
3500 I-40 West Frontage Road, main
entrance
Amarillo, TX 79102

Chaparral Hills Church
4000 W. Cherry, Sanctuary
Amarillo, TX 79108

The Church at Bushland
1800 FM 2381, Foyer
Bushland, TX 79012

Don Harrington Discovery Center
1200 Streit Dr., West entrance, Dry lab
Amarillo, TX 79106

Highland Park ISD Admin. Bldg.
15300 E. Amarillo Blvd., Board Room
Amarillo, TX 79108

Hillside Christian Church, NW
600 Tascosa Road, Foyer
Amarillo, TX 79124

Kids, Inc.
2201 SE 27th, Mary E. Bivins Room
Amarillo, TX 79103

Lighthouse Baptist Church
5631 Pavillard Dr., Foyer
Amarillo, TX 79108

Pride Home Center
3503 NE 24th, Main entrance
Amarillo, TX 79107

Second Baptist Church
419 N. Buchanan, Family Life Center
Amarillo, TX 79107

Trinity Baptist Church
1601 I-40 West, enter east side
Amarillo, TX 79109

United Citizens Forum
903 N. Hayden, main entrance
Amarillo, TX 79107

Valle de Oro Fire Station
23801 FM 1061, main entrance
Valle de Oro, TX 79010

Wesley Community Center
1615 S. Roberts, Senior Living Room
Amarillo, TX 79104

EXHIBIT B - POLLING HOURS AND LOCATIONS FOR EARLY VOTING

MAIN EARLY VOTING:

Santa Fe Building, Ticket office

900 S. Polk

Judge: Brenda Johnson

Alternate Judge: Carolyn Kidd

Maximum # of Additional Clerks: 5

BRANCH LOCATIONS:

Casey Carpet One

3500 I-40 W Frontage Rd.

Judge: Barbara Veazey

Alternate Judge: Leslie Crawford

Maximum # of Additional Clerks: 4

United Amigos

3300 E I-40

Judge: Lo Davis

Alternate Judge: Katie Barnes

Maximum # of Additional Clerks: 3

Hillside Christian Church NW

Judge: Anita Crawford

Alternate Judge: Leslie Fullbright

Maximum # of Additional Clerks: 5

Cornerstone Outreach

1111 N. Buchanan

Judge: BF Roberts

Alternate Judge: Garry Snider

Maximum # of Additional Clerks: 3

Hours for voting at Santa Fe Building:

Mon – Fri., Apr. 19-23	8:00 a.m. – 5:00 p.m.
Mon. – Tues., Apr. 26-27	7:00 a.m. – 7:00 p.m.

Hours for Voting at Branch Locations:

Mon – Fri., Apr. 19-23	8:00 a.m. – 5:00 p.m.
Mon. – Tues., Apr. 26-27	7:00 a.m. – 7:00 p.m.

EXHIBIT C - COST ALLOCATION BY ENTITY

The jurisdictions of participating entities extend to various voting precincts as shown below, which for purposes of cost allocation are referred to as “participation units”. There are a total of 77 “participation units” as follows:

- City of Amarillo – 22 participation units
121, 122, 123, 124, 125, 126, 221, 222, 223, 224, 225, 323, 324, 325, 326, 327, 421, 422, 424, 425, 426, 427
- Amarillo College – 22 participation units
121, 122, 123, 124, 125, 126, 221, 222, 223, 224, 225, 323, 324, 325, 326, 327, 421, 422, 424, 425, 426, 427
- Amarillo ISD – 21 participation units
121, 122, 123, 124, 125, 126, 221, 222, 223, 224, 225, 323, 324, 325, 326, 421, 422, 424, 425, 426, 427
- Bushland ISD – 5 participation units
321, 322, 323, 324, 326
- River Road ISD – 2 participation units
323, 326
- Highland Park ISD – 3 participation units
222, 225, 327

Allocation of expenses is by the following formula: *Entity’s total number of “participation units” ÷ 99 = proportionate share of expenses*, as follows:

City of Amarillo	22 units ÷ 77	29% of total cost of election
Amarillo College	22 units ÷ 77	29% of total cost of election
Amarillo ISD	21 units ÷ 77	27% of total cost of election
Bushland ISD	5 units ÷ 77	6% of total cost of election
River Road ISD	3 units ÷ 77	4% of total cost of election
Highland Park ISD	4 units ÷ 77	5% of total cost of election

NOTE: If entities do listed above do not participate in the joint election, shared costs will change.

EXHIBIT D – COST ESTIMATE FOR ELECTION

Description	Amount*
Ballot Layout, Audio, Coding (10% of yearly licensing fee as allowed by law)	5,533.00
Ballots	500.00
Field Techs/Site Support	1,500.00
Early Voting Ballot Board	1,200.00
Early Voting Personnel	17,500.00
Election Day Personnel	13,800.00
Central Counting Station Personnel	1,880.00
Election Office overtime and additional staff	3,500.00
Election deliveries	500.00
Truck Rental/Deliveries	1,800.00
Security, EV, ED & CCS	3,200.00
ABBM Kits/Postage (1500 kits @ \$2.00 each)	3,000.00
FPCAs (Military)	80.00
Election Kits (\$40 x 21 sites)	840.00
PPE (due to COVID)	1,500.00
Pre and post cleaning of sites (due to COVID)	2,500.00
Verity Lease fee (140 units @ \$250 each)	35,000.00
Verizon Hotspots (\$50 x 10)	500.00
Postage	100.00
Public Notice of Test, AGN	400.00
Subtotal	94,833.00
10% Administrative Fee	9,483.30
Estimated Total	104,316.30

*Amounts are estimates only. Estimate also assumes joint agreement of Early Voting locations and hours. Estimate assumes participation of all entities. Refer to Exhibit C for estimate percentage by entity.

**JOINT ELECTION SERVICES AGREEMENT
BETWEEN RANDALL COUNTY ELECTIONS ADMINISTRATOR, CITY OF AMARILLO,
AMARILLO JUNIOR COLLEGE and
AMARILLO INDEPENDENT SCHOOL DISTRICT**

WHEREAS, The City of Amarillo, Amarillo Junior College and Amarillo Independent School District and/or other "Participating Entities," have each called an election; and

WHEREAS, the Participating Entities desire to conduct these elections jointly, pursuant to Chapter 271, Texas Election Code, on May 1, 2021; and

WHEREAS, the Randall County Elections Administrator or "Administrator" will provide election services to the Participating Entities;

NOW, THEREFORE, the Participating Entities and Administrator adopt this Agreement to conduct a joint election:

1. SCOPE The Participating Entities will hold an election on May 1, 2021 ("Election Day") jointly for the voters in Randall County.

2. BALLOT LANGUAGE Each Participating Entity will provide the appropriate ballot language, in both English and Spanish, for the contests to be voted on by the qualified voters of the Participating Entity. The Administrator will provide a final proof of ballot language, as it will appear on the ballot, for final approval. The ballots shall be printed in a timely fashion in order to be available for Early Voting by Mail and voting devices shall be programmed for Early Voting by personal appearance.

3. RESPONSIBILITIES OF RANDALL COUNTY ELECTIONS ADMINISTRATOR Randall County shall be responsible for performing the duties and performing the services associated with an election, including but not limited to the following:

- (a) Designate and confirm all early voting polling place locations. Days and hours for early voting on weekdays and weekends will be those days and hours provided by the County;
- (b) Receive and process requests for Early Voting by Mail;
- (c) Contact the owners or custodians of county-designated polling places and arrange for their use in the Election;
- (d) Procure and distribute all necessary election kits and supplies;
- (e) Procure all necessary voting machines and equipment, transport machines and equipment to and from the polling places and prepare the voting machines and equipment for use at the polling places;

(f) Notify the election judges of the date, time and place of the election school and arrange for a facility for holding the school;
(g) Arrange for the use of a central counting station, for tabulating personnel and equipment needed at the counting station and assist in the preparation of programs and test materials for tabulating the ballots to be used with electronic voting equipment;
(h) Publish legal notice of the date, time and place of the test of electronic tabulating equipment and conduct such test;
(i) Serve as the Custodian of Record, for the sole purpose of preserving all voted ballots securely in a locked room in the locked ballot boxes and securing electronic votes for the period of preservation required by the Election Code; and
(j) Provide staff and offices to administer the Joint Election under the direction of the Administrator.

4. CANVASS OF RESULTS Each Participating Entity will be responsible for the canvass of the returns regarding its ballot items.

5. LOCATION OF COMMON POLLING PLACES Exhibit "A" to this Agreement is a list of polling places that will be used as common polling places in this election. Exhibit "B" to this Agreement is a list of early voting polling places. Exhibits "A" and "B" are incorporated by reference.

6. ALLOCATION OF ELECTION EXPENSES

(a) The Administrator shall initially pay the expenses for the election and subsequently invoice the Participating Entity for its share of the expenses. Joint election expenses include, but are not limited to, election equipment rental, expenses for facilities, personnel, supplies and training actually incurred by the Administrator for establishing and operating all early voting and Election Day activities at the polling place in the joint election territory, as well as activities related to the tabulation of votes. Upon receipt of an invoice from the Administrator for election expenses, the Participating Entity shall pay the total amount within thirty (30) days.

(b) The expense for any early voting polling place established at the request of a Participating Entity, that is not mutually agreed upon by all the Participating Entities, shall be borne by the requesting Participating Entity.

(c) A Participating Entity may cancel an election but will be financially responsible for its share of any expense incurred by the Administrator up to the time of cancellation.

(d) In the event of a recount, the expense of the recount shall be borne by the Participating Entity involved in such recount. In the

event more than one Participating Entity is involved in a recount, the Participating Entity shall pay the expenses incurred only for that Participating Entity's recount.

(e) Election workers will be paid at the rate of \$12 per hour.

7. LEGAL NOTICES

(a) Each Entity shall be individually responsible for the preparation of election orders, resolutions, notices and other pertinent documents for adoption or execution by its respective governing board, as well as the posting or publication of election notices, including all expenses related thereto. Notices will be published or posted in both English and Spanish. This provision does not prevent the Participating Entities, or any combination of them, from issuing a joint notice of election and sharing the cost of same.

8. AUTHORITY TO CONFORM TO ELECTION LAW

The Participating Entities authorize the election administrator for each Entity to vary the terms of this agreement to conform to applicable law without further action by the governing body of any participating Entity.

9. EFFECTIVE DATE This Agreement takes effect upon the complete execution of this Agreement by the Participating Entities and the Administrator.

Attest:

**RANDALL COUNTY
ELECTIONS ADMINSTRATOR**

By: _____

By: _____
Shannon Lackey

Date: _____

Attest:

CITY OF AMARILLO

By: _____

By: _____

Date: _____

EXHIBIT "A"

Election Day Randall County Vote Centers

The Cowboy Church
8827 S. Washington
Amarillo, TX 79118

Arden Road Baptist
6701 Arden Road
Amarillo, TX 79109

Comanche Trail Church of Christ
2700 E. 34th
Amarillo, TX 79103

Central Baptist Church
1601 SW 58th
Amarillo, TX 79110

Randall County Justice Center
2309 Russell Long Blvd
Canyon, TX 79015

Oasis Southwest Baptist Church
8201 Canyon Drive
Amarillo, TX 79110

Southwest Church of Christ
4515 Cornell
Amarillo, TX 79109

Randall County Annex
4320 S. Western
Amarillo, TX 79110

Redeemer Christian Church
3701 S. Soncy
Amarillo, TX 79121

The Summit
2008 12th Avenue
Canyon, TX 79015

Southwest Branch Library
6801 W. 45th Ave.
Amarillo, TX 79109

Coulter Road Baptist Church
4108 S. Coulter
Amarillo, TX 79109

Journey Church
9711 FM 2186
Amarillo, TX 79119

EXHIBIT "B"
Early Voting Schedule
General Election
Election Day May 1, 2021

Randall County Election Administration Office**
1604 5th Ave
Canyon, TX 79015

April 19, 2021 – April 23, 2021 (Monday-Friday)	8 am - 5 pm
April 26 and April 27, 2021 (Monday & Tuesday)	7 am - 7 pm

Randall County Annex
4320 S. Western
Amarillo, TX 79110

April 19, 2021 – April 23, 2021 (Monday-Friday)	8 am - 5 pm
April 26 and April 27, 2021 (Monday & Tuesday)	7 am - 7 pm

Southwest Branch Library
6801 W. 45th Ave
Amarillo, TX 79109

April 19, 2021 – April 23, 2021 (Monday-Friday)	8 am - 5 pm
April 26 and April 27, 2021 (Monday & Tuesday)	8 am - 7 pm

Comanche Trail Church of Christ
2700 E. 34th
Amarillo, TX 79103

April 19, 2021 – April 23, 2021 (Monday-Friday)	8 am - 5 pm
April 26 and April 27, 2021 (Monday & Tuesday)	8 am - 7 pm

Randall County Justice Center
2309 Russell Long Blvd
Canyon TX, 79015

April 19, 2021 – April 23, 2021 (Monday-Friday)	8 am - 5 pm
April 26 and April 27, 2021 (Monday & Tuesday)	8 am - 7 pm

****Main Early Voting Location**

Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Development-Quality of Life
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Department	Development Services
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Agenda Caption

Consider Award – Bid No. 6890, Greenways Public Improvement District Landscape Maintenance Contract: Ramirez Lawn & Sprinkler – Not to exceed \$200,000.00 annually

Agenda Item Summary

This item is to consider award of the Greenways Public Improvement District (PID) landscape maintenance contract for the maintenance of improvements within the Greenways PID. Improvements include park areas, entryway features, irrigation, trees and specialty lighting. All improvements are constructed to applicable City standards. This contract is for one year with options for two one-year renewals if all parties agree.

Requested Action

Consider approval and award to Ramirez Lawn & Sprinkler – Monthly unit pricing (mowing, repairs, etc.) not to exceed \$200,000 annually

Funding Summary

Funding for this contract will be fully funded by PID assessment revenue. The City of Amarillo will not be responsible for funding any services related to this contract.

Community Engagement Summary

Bids for this contract were reviewed as part of a best value bid evaluation process. Three bids were reviewed by a five-member review committee consisting of staff, as well as three members of the Greenways PID Advisory Board and the Greenways HOA manager. Given the criteria evaluated and subsequent scores, the highest evaluated bid was Ramirez Lawn & Sprinkler. The Ramirez contract was presented to the full Greenways PID Advisory Board at their November 9, 2020 meeting. At that meeting, the Board recommended moving forward with awarding the bid.

Staff Recommendation

Development Services Staff is recommending approval and award of the recommended bid.

**The Greenways at Hillside Public Improvement District
Landscape Maintenance & Mowing Agreement**

This Agreement is made and entered into by and among the City of Amarillo, a Texas municipal corporation, ("CITY"), The Master Association for The Greenways at Hillside, Inc., a nonprofit corporation, ("HOA"), and Ramirez Lawn & Sprinkler ("CONTRACTOR").

**ARTICLE I
PURPOSE**

The CITY, hereby agrees to engage CONTRACTOR to perform landscape maintenance and mowing services for all areas serviced by the Greenways at Hillside Public Improvement District, as more particularly described in Exhibit "A," attached hereto and incorporated herein (the "Greenways Area"), for the purposes of appearance, safety, and general upkeep. CONTRACTOR agrees to provide such services under the terms and conditions set forth in this Landscape Maintenance & Mowing Agreement ("this Agreement").

**ARTICLE II
DESCRIPTION OF SERVICES**

CONTRACTOR hereby covenants and agrees that CONTRACTOR shall perform all of the services and work as described on Exhibit "B," attached hereto and incorporated herein. CONTRACTOR will work closely with the chosen agent of the HOA. Such agent will be decided by the joint approval of the HOA and Greenways at Hillside Public Improvement District ("PID"). When necessary, CONTRACTOR or HOA may schedule a meeting during a regular scheduled HOA meeting or a special called meeting with HOA and PID to discuss the services and work scope of this Agreement.

**ARTICLE III
CONTRACTOR'S PERFORMANCE**

CONTRACTOR shall furnish all necessary labor, tools, appliances, equipment, fuel, materials, fees of governmental bodies having authority, permits, licenses and applicable taxes necessary for the performance of the work described in this Agreement.

CONTRACTOR will take adequate precautions to insure safety to the public, including, but not limited to, preventing objects from being chipped by mowers, trimmers, or edgers onto surrounding parking lots, sidewalks, fences, vehicles, and homes.

CONTRACTOR shall immediately repair, at its expense, any water irrigation heads damaged as a result of CONTRACTOR'S activities on the premises.

CONTRACTOR or CONTRACTOR'S employees shall perform in a professional and workmanlike manner all the work called for in this Agreement. All CONTRACTOR'S employees who work on this project shall be fully qualified to undertake same and competent to do the work described in this Agreement.

CONTRACTOR shall provide adequate supervision to assure competent performance of the work and CONTRACTOR or his authorized agent will make sufficient on-the-job inspections to insure that all work is performed in accordance with this Agreement. CONTRACTOR agrees that all of CONTRACTOR'S employees or agents will be dressed in a clean and neat manner.

CONTRACTOR shall more particularly perform all of the services and work stated in Exhibit "B," attached hereto and incorporated herein.

**ARTICLE IV
PAYMENT**

The CONTRACTOR shall be paid in an amount not to exceed Two Hundred Thousand and No/100 Dollars (\$200,000.00) and be paid monthly with receipt of an invoice for work satisfactorily completed in accordance with this Agreement, with Exhibit "B," attached hereto and incorporated herein. All invoices will be turned into the HOA agent and in turn submitted to the CITY and paid in accordance with the approved PID budget.

If this Agreement is terminated prior to expiration, final payment will be made to CONTRACTOR only for actual work satisfactorily completed.

**ARTICLE V
TERM OF THE AGREEMENT**

The term of this Agreement is one (1) year beginning at the last signature date as the effective date of this Agreement and ending one year from the effective date with an option for two (2) one (1) year renewals upon the same terms and conditions herein. The CITY shall exercise each option for renewal by providing written notice to CONTRACTOR ninety (90) days prior to the end of the current term of this Agreement, and CONTRACTOR shall have thirty (30) days to accept in writing such option to renew. If any of the provisions of this Agreement are not fully executed, this Agreement may be terminated at the option of either party, which termination shall be effective sixty (60) days after written notice by the terminating party is received by the other party, of such default under this Agreement, unless such default has been cured within such sixty (60) days. Any conflict on the quality of work or any discrepancy in understanding the scope of work shall be discussed between the CONTRACTOR and the HOA agent. If either the HOA agent or the CONTRACTOR is not satisfied with the outcome, either party may set up a joint meeting with the HOA and the PID for a solution prior to any discussion with the CITY of terminating this Agreement.

**ARTICLE VI
NONDISCRIMINATION**

As a condition of this Agreement, CONTRACTOR covenants and agrees that CONTRACTOR shall take all necessary actions to insure, in connection with any work under this Agreement, that CONTRACTOR or CONTRACTOR'S associates, sub-contractors, or employees, will not discriminate in the treatment or employment of any individual or groups of individuals on the grounds of race, color, religion, national origin, age sex, or physical handicap unrelated to job performance, either directly or indirectly or through contractual or other arrangements. In this regard, CONTRACTOR shall keep, retain, and safeguard all records relating to this Agreement for work performed hereunder for a minimum period of three (3) years from the completion of this Agreement, with full access allowed to authorized representatives of the HOA or the City of Amarillo upon request, for purposes of evaluating compliance with this and other provisions of the Agreement.

**ARTICLE VII
INDEPENDENT CONTRACTOR**

By this Agreement's execution, the parties do not change the independent contractor status of CONTRACTOR. No term or provision of the Agreement or any act of CONTRACTOR in the performance of this Agreement may be construed as making CONTRACTOR the employee, agent, or representative of the CITY or the HOA.

**ARTICLE VIII
HOLD HARMLESS**

CONTRACTOR shall defend, indemnify, and hold the CITY, the HOA, and the HOA's designated agents, whole and harmless from and against any and all claims for damages, costs, and expenses to persons or property that may arise out of, or be occasioned by, the execution or

performance of this Agreement or any of CONTRACTOR'S activities or any act of commission or omission related to this Agreement of any representative, agent, customer, employee, subcontractor or invitee of CONTRACTOR or any representative, agent or employee of the CITY or the HOA.

ARTICLE IX INSURANCE

Prior to the commencement of work under this Agreement, CONTRACTOR shall obtain and shall continue to maintain in full force and effect during the term of this Agreement insurance with a company authorized to do business in the state of Texas and rated B+ or better in the current Best's Key Rating Guide, in an amount of not less than one million dollars per occurrence for liability and for property damage, which shall include bodily injury, death, automobile liability, and property damage coverage, with the CITY and the HOA listed as additional insureds as to general liability.

CONTRACTOR shall also obtain and continue to maintain in full force and effect during the term of this Agreement statutory workers comp and employers' liability insurance. The requisite workers comp shall include a waiver of subrogation in favor of the CITY and HOA.

A certificate of insurance will be placed on file with the City of Amarillo Purchasing Department prior to the execution of this Agreement. If, during the term of this Agreement or any extension thereof, the described insurance is terminated, altered or changed, this Agreement may be immediately terminated without a written notice to the CONTRACTOR.

ARTICLE X VENUE

The parties to this Agreement agree and covenant that this Agreement will be performed in Amarillo, Texas, and that if legal action is necessary to enforce this Agreement, exclusive venue will lie in Randall County, Texas.

ARTICLE XI NOTICES

All notices, communications and reports under this Agreement must be mailed or delivered to the respective parties at the addresses shown below, unless either party is otherwise notified in writing by the other party:

CITY OF AMARILLO:

Planning Director
City of Amarillo
808 S. Buchanan, 2d Floor
Amarillo, Texas 79101

THE MASTER ASSOCIATION FOR
THE GREENWAYS AT HILLSIDE, INC.

HOA Presiding Officer
P.O. Box 50564
Amarillo, Texas 79159

CONTRACTOR:

Ramirez Lawn & Sprinkler
8351 Shady Lake
Canyon, Texas 79015

ARTICLE XII COMPLIANCE WITH LAWS

CONTRACTOR shall comply with all federal, state and local laws, rules and regulations applicable to the services to be provided under this Agreement, including but not limited to those pertaining to landscape irrigation systems and licensed irrigators.

**ARTICLE XIII
SEVERABILITY**

In the event that any one or more of the provisions in the Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be considered as if such invalid, illegal or unenforceable provision had never been contained in this Agreement.

**ARTICLE XIV
ASSIGNMENT**

This Agreement may not be assigned by CONTRACTOR without the prior written consent of the CITY.

**ARTICLE XV
SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors, and, except as otherwise provided, their assigns.

**ARTICLE XVI
OBLIGATIONS CONTINGENT**

All obligations of the CITY are expressly contingent on the appropriation of sufficient monies to fund this Agreement in the annual fiscal year budget of the PID as approved by Ordinance of the CITY. In the event sufficient funds for the PID's fiscal year budget are not appropriated and approved this Agreement will automatically terminate at the end of the last fiscal year for which sufficient funds were appropriated and approved.

**ARTICLE XVII
ENTIRE AGREEMENT**

The Agreement contains all of the agreements of the parties with respect to the services to be provided by CONTRACTOR to the CITY and may not be amended or modified except in writing.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed as of date stated below with the last signature date being this Agreement's effective date.

RAMIREZ LAWN & SPRINKLER

By: [Signature]

Printed Name: Oscar T. Ramirez

Title: Owner

Date: 12-11-20

ATTEST:

Frances Hibbs, City Secretary

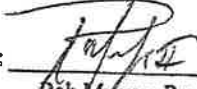
CITY OF AMARILLO

By: Jared Miller, City Manager

Date: _____

THE MASTER ASSOCIATION FOR
THE GREENWAYS AT HILLSIDE, INC.

By:


Bob Murray, President

Date:

12/21/2020

Exhibit "A"

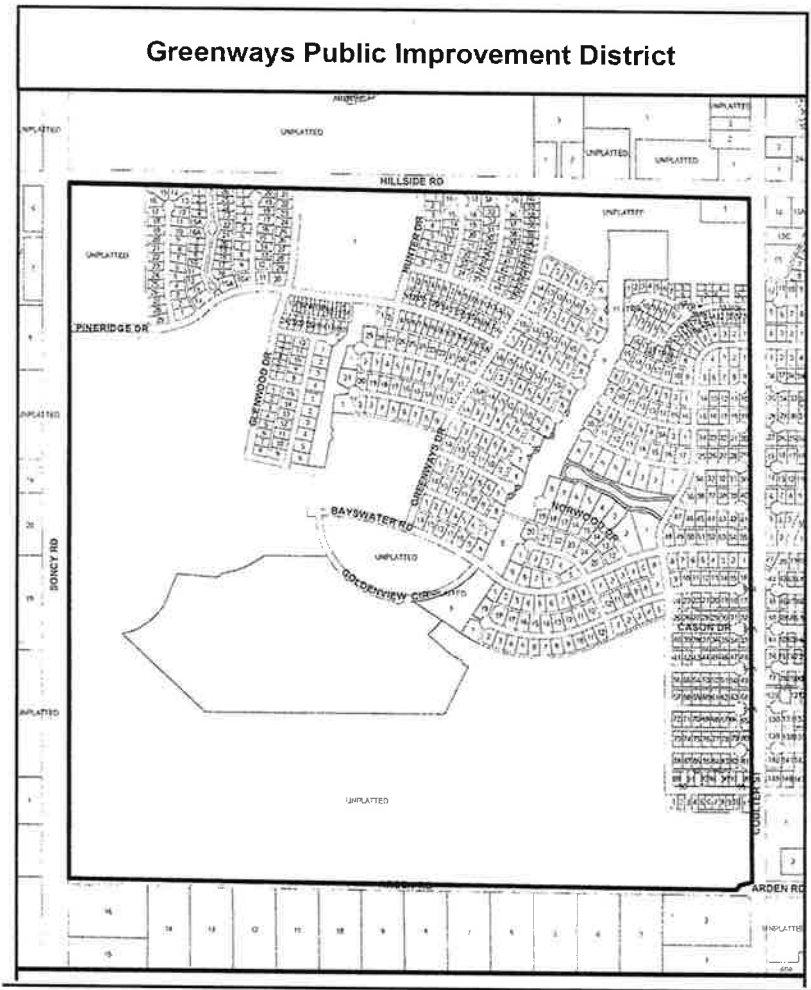


Exhibit "B"

Landscape Maintenance Specifications & Costs

A. Mowing, Edging & Trimming

1. Spring clean up begins first week in March and includes: Removal of leaves, debris, and cleaning out flower beds; shrubs pruned as needed.
2. Mowing shall be done once a week from March 1 through November 30: The remainder of the year mowing will be done as necessary, or at HOA's request to keep the lawn in the appropriate condition. Mowing shall be done using a professional grass catching mower.
3. Blades on mowers will be sharp at all times to provide a high quality cut and minimize disease.
4. Mowing height will be in accordance to grass type and variety and agreed upon with HOA's agent.
5. All sidewalks, fences, driveways, parking lots, other surfaced areas bordered by grass, buildings adjacent to turf, as well as plant tree rings and beds will be edged every other mowing. Contractor will clean all clippings from sidewalks, curbs, and roadways immediately after mowing and/or edging.
6. All mowing, edging and maintenance will be scheduled during Monday - Friday unless CONTRACTOR makes other arrangements with HOA agent to reschedule due to weather or other causes.
7. Flower beds are defined herein as all improved and landscaped non-turf areas at the entrances at Bayswater, Andover, Greenways Drive, Parkway, and Tuscany, both bridge locations, all areas along Coulter, and all areas in the Tuscany median.
8. CONTRACTOR will take reasonable precautions to prevent bringing fungicide in on equipment from other locations to the Greenways Area.

B. Fertilization

1. CONTRACTOR will be required and responsible for all turf fertilization. CONTRACTOR shall furnish and apply commercial lawn fertilizers at the rates recommended by label, always follow label and use product consistent with label instructions.
2. All turf areas shall be fertilized with application of 16-4-8 fertilizer.
3. All complete fertilizers shall be granular in composition.
4. All turf areas will be fertilized three (3) times per year. Applications shall be made during the months of February, May and September.
5. No fertilizer will be left on the concrete sidewalks or on any turf in bulk before, during or after application to cause the grass to burn or cause coloring on any concrete area.

C. Aeration, Grub & Weed Control

1. Lawns will be aerated in March and September.
2. The CONTRACTOR will be required and responsible for all turf Insect Control. CONTRACTOR shall furnish and apply an application in July for Grub control.
3. The CONTRACTOR will be required and responsible for all turf weed control and exercise extreme caution when using chemicals for control. CONTRACTOR shall furnish

and apply commercial lawn herbicides at the rates recommended by the label. 2-4D application will be applied in April and September for weed control.

D. Bedding

1. Flower Bed maintenance will be done weekly including cleaning litter and debris, weed removal and chemical application as needed, fertilization three (3) times a year, and winter pruning of all rose bushes and ornamental grasses.

2. Plant warranty: The CONTRACTOR will supply trees and plants for replacement if such trees or plants were purchased from nurseries that guaranteed such trees or plants for a minimum of one year, if within such warranty period.

E. Irrigation System

1. CONTRACTOR will inspect and test all components and zones in the irrigations system on a quarterly basis for maximum efficiency and coverage, beginning in February of each year. Operation times will be adjusted as needed at those times.

2. CONTRACTOR shall report any irrigation system symptoms of inadequate or excessive irrigation, drainage problems etc. Repairs or system service will be charged at an hourly rate plus parts. CONTRACTOR will notify HOA agent of all needs and repairs.

3. CONTRACTOR shall recommend and perform, as necessary, seasonal adjustments that need to be made in irrigation zones for run times according to seasonal changes.

4. A licensed irrigator will supervise an irrigation technician when connecting an irrigation system to a water supply or installing, maintaining, altering, repairing, or servicing an irrigation system, and/or supervise an installer connecting an irrigation system to a water supply.

F. Fountain Maintenance

1. Fountain will be cleaned and drained two (2) times per month and water kept at a functioning level during the warm weather months.

G. Other services available upon request:

1. Turf replacement
2. Tree mulching and pruning
3. Snow removal

H. Liabilities

1. CONTRACTOR is liable for:

- a. Any damage due to operation of his equipment in performing the contract.
- b. Complying with all laws pertaining to work performed on the Greenways Area.
- c. Damage to plant material due to improper work practices.
- d. Improper installation of irrigation system replacement components.

2. CONTRACTOR is not liable for:

- a. Death or decline of plants due to improper selection, placement or maintenance before the time of this agreement.
- b. Damage due to improper irrigation components in existence at the time of agreement execution.

c. Exposed cables/wires or sprinkler components/lines normally found below the surface of the lawn.

d. Flooding, storm, wind, or other damage by natural causes.

e. Disease or damage to lawns or landscape plants caused by excessive irrigation or lack of water due to inoperative irrigation components provided CONTRACTOR reported these to HOA agent, or irrigation restrictions imposed by water rationing by city authorities.

f. Damage caused by any item hidden in the landscape and not clearly guarded or marked.

g. Damage due to vandalism.

I. Unit Prices

1. Mowing is \$2,125.00 per mowing (Frequency : 36 x per year).
2. Fertilization is \$8,100.00 per application (Frequency: 3 times per year).
3. Aeration is \$1917.00 each (Frequency: 2 x per year).
4. Grub control is \$6,400.00 (Frequency: 1 x per year).
5. Weed control is \$2,700.00 each (Frequency: 2 x per year).
6. Flower Bed Maintenance is \$915.00 (Frequency: 40 x per year).
7. Replacement of trash receptacle liner 2 x a week \$50.00.
8. Fountain maintenance is \$400.00 per month fountain is operating (Frequency: May-October).
9. Additional park area added after October 1, 2020, for mowing, maintenance, and similar items \$65.00 per hour.
10. Snow removal as needed \$65.00 per hour.
11. Irrigation repair labor as needed \$45.00 per hour.
12. Turf replacement as needed \$.75 per square foot.
13. Low level tree mulching and pruning per tree \$20.00.
14. Fungicide control as needed \$75.00 per hour.
15. Tree trimming and mulching as needed \$20.00 per tree.

D



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Infrastructure Initiative
Department	Capital Projects & Development Engineering		
Contact	Matthew Thomas, City Engineer		

Agenda Caption

CONSIDER APPROVAL – Project #560137.17400.2130 – Professional Services Agreement with HDR Engineering, Inc. for the erosion repairs for Martin Road Lake as well as a new fishing amenity.

HDR, Engineering, \$247,300.00

Agenda Item Summary

Project #560137.17400.2130

This item is a professional services agreement with HDR Engineering, Inc. for the erosion repairs for Martin Road Lake as well as a new fishing amenity. HDR Engineering, Inc. was selected for this project due to their unique qualifications as the design engineer on the Dale Street improvements and their ongoing analysis for the Martin Road Lake Park master plan.

Requested Action

Consider approval of a professional services agreement with HDR Engineering, Inc. for execution by the City Manager.

Funding Summary

Funding for this project is available in the Project Budget Number 560137.

Community Engagement Summary

The work associated with this agreement will have significant public impact. The community engagement process will continue to be an integral part of this project as it moves to the construction phase.

Staff Recommendation

City staff is recommending approval of the agreement.

AGREEMENT FOR PROFESSIONAL SERVICES

PROJECT NO. 560137

This Agreement is made between the City of Amarillo, a municipal corporation located in Potter and Randall Counties, Texas ("OWNER") and HDR Engineering, Inc. ("CONSULTANT").

OWNER hereby engages CONSULTANT to perform the following professional services: engineering services in connection with Job #560137 Martin Road Lake Improvements – Additional Engineering Services project (the "Services").

The Services are more particularly set forth in Exhibit A (the "Scope of Work") and by this reference made a part of the Agreement. CONSULTANT accepts this engagement on the terms and conditions hereinafter set forth. In the event of any conflict between the Scope of Work and this Agreement, the terms of this Agreement will govern.

I.

CONSULTANT agrees to accept as payment for the completion of the Services a maximum fee, inclusive of expenses, of \$247,300, as shown in the Scope of Work. Additional services outside the Scope of Work will require prior written approval by OWNER.

II.

CONSULTANT will submit monthly billings to OWNER for payment. CONSULTANT'S billings will be in writing and of sufficient detail to fully identify the work performed to date of billing. No invoices detailing services performed outside the Scope of Work will be paid without corresponding proof of prior written authorization by the OWNER. Payments will be made by OWNER within 30 days of receipt of billing. Interest on payments over 30 days past due shall accrue at the rate provided by law.

III.

CONSULTANT will confer with representatives of OWNER to take such steps as necessary to keep the Services on schedule. OWNER'S representative for purposes of this Agreement shall be as indicated in section XVI, or his or her designee. CONSULTANT will begin work on the Services within five days after receipt of written notification to proceed from OWNER and shall complete the Services in a timely manner.

IV.

CONSULTANT agrees that all products, including but not limited to all reports, documents, materials, data, drawings, information, techniques, procedures, and results of the work ("Work Product") arising out of or resulting from the particular and defined Services, will be the sole and exclusive property of OWNER and are deemed "Works Made for Hire". CONSULTANT agrees to and does hereby assign the same to OWNER. CONSULTANT will enter into any and all necessary documents to affect such assignment to OWNER. CONSULTANT is entitled to maintain copies of all Work Product that is produced or used in the execution of this Agreement. It is understood that CONSULTANT does not represent that such Work Product is suitable for use by OWNER on any other projects or for any purposes other than those stated in this Agreement. Reuse of the Work Product by OWNER without the CONSULTANT'S specific written authorization, verification, and adaption will be at OWNER'S risk and without any liability on behalf of CONSULTANT.

V.

CONSULTANT agrees neither it nor its employees or subcontractors or agents will, during or after the term of this Agreement, disclose proprietary or confidential information of OWNER unless required to do so by court order or similar valid legal means. Such proprietary and confidential information received by CONSULTANT or its employees and agents shall be used by CONSULTANT or its employees and agents solely and exclusively in connection with the performance of the Services.

VI.

CONSULTANT agrees that OWNER or its duly authorized representatives will, until the expiration of four years after final payment under this Agreement, have access to and the right to examine, audit, and copy pertinent books, documents, papers, invoices and records of CONSULTANT involving transactions related to this Agreement, which books, documents, papers, invoices and records CONSULTANT agrees to maintain for said time period.

VII.

Any and all taxes assessed by any government body upon services or materials used in the performance of this Agreement shall be the responsibility of CONSULTANT.

VIII.

CONSULTANT shall furnish at CONSULTANT'S own expense, all materials, supplies and equipment necessary to carry out the terms of this Agreement.

IX.

If CONSULTANT is requested in writing by OWNER to provide any services outside of the Scope of Work, CONSULTANT and OWNER will agree in writing as to the nature of such services and to a price for such services before any work is started.

X.

CONSULTANT AGREES TO INDEMNIFY AND HOLD HARMLESS OWNER AND ITS OFFICERS, EMPLOYEES, AGENTS, SUCCESSORS, AND ASSIGNS FROM AND AGAINST LIABILITY FOR DAMAGE TO THE EXTENT THAT THE DAMAGE IS CAUSED BY OR RESULTS FROM AN ACT OF NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY THE CONSULTANT OR THE CONSULTANT'S AGENT, CONSULTANT UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH CONSULTANT EXERSED CONTROL. CONSULTANT SHALL BE RESPONSIBLE FOR PERFORMING THE SERVICES IN A SAFE AND PROFESSIONAL MANNER AND SHALL BE LIABLE FOR CONSULTANT'S NEGLIGENCE AND THAT OF CONSULTANT'S EMPLOYEES, CONTRACTORS, AND AGENTS.

XI.

CONSULTANT will provide insurance coverage in accordance with OWNER'S insurance requirements as set forth in the "Certificate of Insurance Requirements" attached to this Agreement as Exhibit C and by reference made a part hereof. If the required insurance is terminated, altered, or changed in a manner not acceptable to OWNER, this Agreement may be terminated by OWNER, without penalty, on written notice to CONSULTANT. In addition, CONSULTANT will provide Professional Liability Insurance in the amount of \$1,000,000.00 per claim.

XII.

CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, and regulations of the state, federal, and local governments which are in effect at the time of the performance of this Agreement.

XIII.

Either party shall have the right to terminate this Agreement by giving the non-terminating party seven days prior written notice. Upon receipt of notice of termination, CONSULTANT will cease any further work under this Agreement and OWNER will only pay for work performed prior to the termination date set forth in the notice. All finished and unfinished Work Product prepared by CONSULTANT pursuant to this Agreement will be the property of OWNER.

XIV.

In the event OWNER finds that any of the Work Product produced by CONSULTANT under this Agreement does not conform to the Scope of Work, then CONSULTANT will be given ten days after written notice of the nonconformity to make any and all corrections to remedy the non-conformance. If after these ten days CONSULTANT has failed to make the non-conforming Work Product conform to the specifications, OWNER may terminate this Agreement and will only owe for work done prior to termination and accepted by OWNER. All finished or unfinished Work Product prepared by CONSULTANT pursuant to this Agreement will be the property of OWNER.

XV.

Neither party shall be responsible for failure to fulfill its obligations hereunder or liable for damages resulting from delay in performance as a result of war, fire, strike, riot or insurrection, natural disaster, delay of carriers, governmental order or regulation, complete or partial shutdown of plant, unavailability of equipment or software from suppliers, default of a subcontractor or vendor to the party if such default arises out of causes beyond the reasonable control of such subcontractor or vendor, the acts or omissions of the other party, or its officers, directors, employees, agents, contractors, or elected officials, or other occurrences beyond the party's reasonable control ("Excusable Delay" hereunder). In the event of such Excusable Delay, performance shall be extended as agreed to in writing by the parties.

XVI.

CONSULTANT'S address for notice under this Agreement is as follows:

HDR Engineering, Inc.
Attention: Jaime Ordonez, P.E.
17111 Preston Road, Suite 300
Dallas, Texas 75248-1232
Telephone: (972) 960-4464
Email: jaime.ordonez@hdrinc.com

OWNER'S address for notice under this Agreement is as follows:

City of Amarillo, Texas
Attention: Adam Stewart, P.E.
808 S. Buchanan Street
Amarillo, Texas 79105-1971
Telephone: (806) 378-6440
Email: adam.stewart@amarillo.gov

Any notice given pursuant to this Agreement shall be effective as of the date of receipt if sent by registered or certified mail, or as of the date of sending if sent by fax or e-mail.

XVII.

All obligations of OWNER are expressly contingent upon appropriation by the Amarillo City Council of sufficient, reasonably available funds.

XVIII.

CONSULTANT shall provide experienced and qualified personnel to carry out the Services and shall be responsible for and in full control of the work of such personnel. CONSULTANT agrees to perform the Services hereunder as an independent contractor and in no event shall the employees or agents of CONSULTANT be deemed employees of OWNER. CONSULTANT shall be free to contract for similar services to be performed for others while CONSULTANT is under Agreement with OWNER.

XIX.

CONSULTANT will perform the Services with the professional skill and care ordinarily provided by consulting professionals practicing in the same or similar locality and under the same or similar circumstances and professional license and as expeditiously as is prudent considering the ordinary professional skill and care of consulting professionals.

XX.

CONSULTANT agrees not to discriminate by reason of age, race, religion, sex, color, national origin or condition of disability in the performance of the Services. CONSULTANT further agrees to comply with the Equal Opportunity Clause as set forth in Executive Order 11246 as amended and to comply with the provisions contained in the Americans With Disability Act, as amended.

XXI.

No modifications to this Agreement shall be enforceable unless agreed to in writing by both parties.

XXII.

OWNER and CONSULTANT hereby each binds itself, its successors, legal representatives, and assigns to the other party to this Agreement, and to the successors, legal representatives, and assigns of such party in respect to all covenants of this Agreement. Neither OWNER nor CONSULTANT will be obligated or liable to any third party as a result of this Agreement.

XXIII.

CONSULTANT will not assign, sublet, or transfer interest in this Agreement without the prior written consent of OWNER. OWNER will not assign, sublet, or transfer interest in this Agreement without the prior written consent of CONSULTANT.

XXIV.

This Agreement is entered into and is to be performed in the State of Texas. OWNER and CONSULTANT agree that the law of the State of Texas shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and shall govern the interpretation of this Agreement. All litigation arising out of this Agreement shall be brought in courts sitting in Texas with a venue in Potter County.

XXV.

In no event shall the making by OWNER of any payment to CONSULTANT constitute or be construed as a waiver by OWNER of any breach of the Agreement, or any default which may then exist, nor shall it in any way impair or prejudice any right or remedy available to OWNER in respect to such breach or default.

XXVI.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the parties have made and executed this Agreement as of the day, month and year shown below to be effective as of the date that the last of the parties signs.

ATTEST:

CITY OF AMARILLO
(OWNER)

Frances Hibbs, City Secretary

By: _____
Jared Miller, City Manager

Date: _____

APPROVED AS TO FORM:

City Attorney's Office

Date: _____

HDR ENGINEERING, INC.
(CONSULTANT)

By: _____

Printed Name: Ramon Miguez, P.E.

Title: Vice President

Date: 1/6/2021

Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Public Safety
Department	Fire Department	Contact Person	Jason Mays, Fire Chief

Agenda Caption
CONSIDER COMMERCIAL CONTRACT FOR THE SALE OF REAL ESTATE, APPROXIMATELY 9,660 SQUARE FEET, LOCATED AT 2015 PARAMOUNT DRIVE:

This item authorizes the City Manager to execute a contract for the sale of excess land, approximately 9,660 square feet located at 2015 Paramount Drive. The purchase is for \$65,000 minus closing costs and related expenses.

Agenda Item Summary
Fire Department staff identified excess land located at the new Fire Station 9 (2015 Paramount Drive), which could be sold to help accomplish other department goals. The 9,660 square feet of land, on the northeast side of the property, was listed with a local realtor in November. The City received interest from two neighboring properties.

The highest offer was from Fayeback Family LLC for \$65,000. Staff recommends approval of the offer. The funds received from this sale will go toward other Fire Department related projects, such as the Fleet Maintenance Facility.



Requested Action	Approve as presented
Funding Summary	N/A
Community Engagement Summary	N/A
Staff Recommendation	Staff recommends approval as presented



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Civic Pride
Department	Public Health		
Contact	Casie Stoughton		

Agenda Caption

Consider – Immunization Grant COVID

Grant Amount : \$99,866

Grantor: Texas Department of State Health Services

This item accepts the award from the Texas Department of State Health Services from January 2020 thru August 31, 2021 to fund COVID-19 vaccination efforts.

Agenda Item Summary

This grant, provided by the Texas Department of State Health Services, will support the COVID-19 vaccination efforts of Amarillo Public Health.

Requested Action

Accept grant award.

Funding Summary

Funding provided by the Texas Department of State Health Services.

Community Engagement Summary

To date, Amarillo Public Health has given over 23,000 doses of COVID-19 vaccine through the mass vaccination clinic model.

Staff Recommendation

Staff recommend acceptance of this grant.

COVID-19 Project Narrative:

Provide a detailed work plan that describes how your entity will accomplish all activities proposed for this project. The plan must also describe a clear method for reporting and evaluating the services and activities to be provided.

To be acceptable, project must:

- Scope must include allowable activities included in the announcement.
- Must contain clear milestones/activities/tasks and timeline for project completion (funding expires June 30, 2022).

Funds are "one-time" only and projects should not incur future recurring costs.

-
- Activities: Amarillo Public Health will provide COVID-19 vaccine, as allocated by DSHS, to the citizens of Potter/Randall Counties. APH will follow the allocation plan set out by the Expert Vaccine Allocation Panel, starting with phase 1a and 1b.
 - Currently, Amarillo Public Health is providing vaccine via mass vaccination clinic at the Amarillo Civic Center Complex.
 - Multiple City of Amarillo departments are involved including communications, library, civic center, fire, police, transit, and environmental health.
 - Civic Center is providing space, facility staffing, and patient flow expertise to move patients through the clinic at a rapid pace.
 - Transit is offering free rides to patrons coming to and from the vaccination clinic.
 - Police is providing site security as well as helping our elderly and those with mobility challenges access the clinic.
 - Fire is teaming up with Public Health to register, vaccinate, and monitor patients after vaccine clinic. They are also on site to respond to emergencies.
 - Once the need for mass vaccination subsides, COVID-19 vaccine will be integrated into Public Health operation at the public health clinic.
 - APH will integrate COVID-19 vaccination efforts into our EMR and ensure communication with ImmTrac2.
 - Reporting: ImmTrac2
 - Evaluation: Doses given based on allocation

- Activities. Amarillo Public Health will assure providers in Potter/Randall Counties have access to the information they need to be successful.
 - APH will designate a COVID-19 vaccine POC for providers and potential providers.
 - As DSHS makes information available to APH, our team will quickly pass this information on to local providers ensuring their success.
 - Reporting: Provider outreach/TA
 - Evaluation: Provider enrollment and success

FORM I: BUDGET SUMMARY (REQUIRED)

Legal Name of Respondent:

City of Amarillo

Budget Categories	Total Budget (1)	DSHS Funds Requested (2)	Direct Federal Funds (3)	Other State Agency Funds* (4)	Local Funding Sources (5)	Other Funds (6)
A. Personnel	\$4,000	\$4,000	\$0	\$0	\$0	\$0
B. Fringe Benefits	\$1,779	\$1,779	\$0	\$0	\$0	\$0
C. Travel	\$0	\$0	\$0	\$0	\$0	\$0
D. Equipment	\$20,592	\$20,592	\$0	\$0	\$0	\$0
E. Supplies	\$31,571	\$31,571	\$0	\$0	\$0	\$0
F. Contractual	\$41,500	\$41,500	\$0	\$0	\$0	\$0
G. Other	\$0	\$0	\$0	\$0	\$0	\$0
H. Total Direct Costs	\$99,442	\$99,442	\$0	\$0	\$0	\$0
I. Indirect Costs	\$424	\$424	\$0	\$0	\$0	\$0
J. Total (Sum of H and I)	\$99,866	\$99,866	\$0	\$0	\$0	\$0
K. Program Income - Projected Earnings	\$0	\$0				

NOTE: The "Total Budget" amount for each Budget Category will have to be allocated (entered) manually among the funding sources. Enter amounts in whole dollars. After amounts have been entered for each funding source, verify that the "Distribution Total" below equals the respective amount under the "Total Budget" from column (1).						
	Budget Category	Distribution Total	Budget Total	Budget Category	Distribution Total	Budget Total
Check Totals For:	Personnel	\$4,000	\$4,000	Fringe Benefits	\$1,779	\$1,779
	Travel	\$0	\$0	Equipment	\$20,592	\$20,592
	Supplies	\$31,571	\$31,571	Contractual	\$41,500	\$41,500
	Other	\$0	\$0	Indirect Costs	\$424	\$424

TOTAL FOR:	Distribution Totals	\$99,866	Budget Total	\$99,866
------------	---------------------	----------	--------------	----------

*Letter(s) of good standing that validate the respondent's programmatic, administrative, and financial capability must be placed after this form if respondent receives any funding from state agencies other than DSHS related to this project. If the respondent is a state agency or institution of higher education, letter(s) of good standing are not required. DO NOT include funding from other state agencies in column 4 or Federal sources in column 3 that is not related to activities being funded by this DSHS project.



A quote for your consideration.

Based on your business needs, we put the following quote together to help with your purchase decision. Below is a detailed summary of the quote we've created to help you with your purchase decision.

To proceed with this quote, you may respond to this email, order online through your **Premier page**, or, if you do not have Premier, use this **Quote to Order**.

Quote No.	3000076651799.1	Sales Rep	Cody Long
Total	\$20,592.00	Phone	(800) 456-3355, 6180336
Customer #	2428372	Email	Cody_Long@Dell.com
Quoted On	Jan. 11, 2021	Billing To	ACCOUNTS PAYABLE
Expires by	Feb. 10, 2021		CITY OF AMARILLO
Deal ID	15941515		PO BOX 1971
			AMARILLO, TX 79105

Message from your Sales Rep

Please contact your Dell sales representative if you have any questions or when you're ready to place an order. Thank you for shopping with Dell!

Regards,
Cody Long

Product	Unit Price	Qty	Subtotal
Latitude 3310 2-in-1	\$789.00	25	\$19,725.00
Subtotal:			\$19,725.00
Shipping:			\$867.00
Non-Taxable Amount:			\$20,592.00
Taxable Amount:			\$0.00
Estimated Tax:			\$0.00
Total:			\$20,592.00

Consult your DFS rep. Special lease pricing may be available.

Latitude 3310 2-in-1	\$789.00	Qty	Subtotal
Estimated delivery if purchased today: Jan. 15, 2021 Contract # C000000006841 Customer Agreement # DIR-TSO-3763		25	\$19,725.00

Description	SKU	Unit Price	Qty	Subtotal
Dell Latitude 3310 2-in-1 BTX	210-AUEJ	-	25	-
8th Generation Intel Core i5-8365U Processor (4 Core,6MB Cache,1.6GHz,15W)	379-BDQV	-	25	-
Win 10 Pro 64 English, French, Spanish	619-AHKN	-	25	-
No Microsoft Office License Included – 30 day Trial Offer Only	658-BCSB	-	25	-
Intel Core i5-8365U Processor w/Intel UHD Graphics 620	338-BUCH	-	25	-
Intel Sensor Solution	631-ACKH	-	25	-
No Out-of-Band Systems Management - No vPro	631-ACKI	-	25	-
8GB, 1x8GB, DDR4 Non-ECC	370-AFVS	-	25	-
M.2 256GB PCIe NVMe Class 35 Solid State Drive	400-BHRB	-	25	-
13" LCD Cover	320-BDPK	-	25	-
13.3" FHD WVA (1920 x 1080) Touch, Camera & Microphone, WLAN capable	391-BEWY	-	25	-
Palmrest No World Facing Camera	346-BFXT	-	25	-
Single Pointing Non-backlit Keyboard, English	583-BFMT	-	25	-
Intel Dual Band Wireless Driver 9560 (802.11ac) 2x2 + Bluetooth 5.0	555-BFME	-	25	-
Intel Dual Band Wireless AC 9560 (802.11ac) 2x2 + Bluetooth 5.0	555-BESD	-	25	-
3 Cell 42WHR Battery	451-BCMX	-	25	-
65 Watt AC Adapter	450-ADTR	-	25	-
No Anti-Virus Software	650-AAAM	-	25	-
OS-Windows Media Not Included	620-AALW	-	25	-
US Power Cord	537-BBBL	-	25	-
Quick Reference Guide	340-COJY	-	25	-
Intel Rapid Storage Technology	409-BCVO	-	25	-
No Carrying Case	460-BBEX	-	25	-
No Docking Station	452-BBSE	-	25	-
SERI Guide (ENG/FR/Multi)	340-AGIK	-	25	-
Fixed Hardware Configuration	998-DWPW	-	25	-
Regulatory Label, FCC	389-DPGZ	-	25	-
SupportAssist	525-BBCL	-	25	-
Dell(TM) Digital Delivery Cirrus Client	640-BBLW	-	25	-
Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps)	658-BBMR	-	25	-
Waves Maxx Audio	658-BBRB	-	25	-
Dell Power Manager	658-BDVK	-	25	-
Dell SupportAssist OS Recovery Tool	658-BEOK	-	25	-
Dell Latitude 3310 2-n-1 SRV	658-BEQO	-	25	-

Direct Ship Info Mod	340-AASO	-	25	-
Min Config Packaging DAO	340-COMI	-	25	-
System Ship Info	640-BBJB	-	25	-
No Option Included	340-ACQQ	-	25	-
No Resource USB Media	430-XXYG	-	25	-
ENERGY STAR Qualified	387-BBOJ	-	25	-
BTS/BTP Smart Selection Shipment (VS)	800-BBQH	-	25	-
EAN label	389-BKKL	-	25	-
Bottom Cover	354-BBBZ	-	25	-
Dell Limited Hardware Warranty Extended Year(s)	975-3461	-	25	-
Dell Limited Hardware Warranty	997-6727	-	25	-
Onsite/In-Home Service After Remote Diagnosis, 1 Year	997-6735	-	25	-
Onsite/In-Home Service After Remote Diagnosis, 2 Year Extended	997-6737	-	25	-

Subtotal:	\$19,725.00
Shipping:	\$867.00
Estimated Tax:	\$0.00
Total:	\$20,592.00

Important Notes

Terms of Sale

This Quote will, if Customer issues a purchase order for the quoted items that is accepted by Supplier, constitute a contract between the entity issuing this Quote ("Supplier") and the entity to whom this Quote was issued ("Customer"). Unless otherwise stated herein, pricing is valid for thirty days from the date of this Quote. All product, pricing and other information is based on the latest information available and is subject to change. Supplier reserves the right to cancel this Quote and Customer purchase orders arising from pricing errors. Taxes and/or freight charges listed on this Quote are only estimates. The final amounts shall be stated on the relevant invoice. Additional freight charges will be applied if Customer requests expedited shipping. Please indicate any tax exemption status on your purchase order and send your tax exemption certificate to Tax_Department@dell.com or ARSalesTax@emc.com, as applicable.

Governing Terms: This Quote is subject to: (a) a separate written agreement between Customer or Customer's affiliate and Supplier or a Supplier's affiliate to the extent that it expressly applies to the products and/or services in this Quote or, to the extent there is no such agreement, to the applicable set of Dell's Terms of Sale (available at www.dell.com/terms or www.dell.com/oemterms), or for cloud/as-a-Service offerings, the applicable cloud terms of service (identified on the Offer Specific Terms referenced below); and (b) the terms referenced herein (collectively, the "Governing Terms"). Different Governing Terms may apply to different products and services on this Quote. The Governing Terms apply to the exclusion of all terms and conditions incorporated in or referred to in any documentation submitted by Customer to Supplier.

Supplier Software Licenses and Services Descriptions : Customer's use of any Supplier software is subject to the license terms accompanying the software, or in the absence of accompanying terms, the applicable terms posted on www.Dell.com/eula. Descriptions and terms for Supplier-branded standard services are stated at www.dell.com/servicecontracts/global or for certain infrastructure products at www.dell.com/en-us/customer-services/product-warranty-and-service-descriptions.htm.

Offer-Specific, Third Party and Program Specific Terms : Customer's use of third-party software is subject to the license terms that accompany the software. Certain Supplier-branded and third-party products and services listed on this Quote are subject to additional, specific terms stated on www.dell.com/offeringsspecifictterms ("Offer Specific Terms").

In case of Resale only : Should Customer procure any products or services for resale, whether on standalone basis or as part of a solution, Customer shall include the applicable software license terms, services terms, and/or offer-specific terms in a written agreement with the end-user and provide written evidence of doing so upon receipt of request from Supplier.

In case of Financing only : If Customer intends to enter into a financing arrangement ("Financing Agreement") for the products and/or services on this Quote with Dell Financial Services LLC or other funding source pre-approved by Supplier ("FS"), Customer may issue its purchase order to Supplier or to FS. If issued to FS, Supplier will fulfill and invoice FS upon confirmation that: (a) FS intends to enter into a Financing Agreement with Customer for this order; and (b) FS agrees to procure these items from Supplier. Notwithstanding the Financing Agreement, Customer's use (and Customer's resale of and the end-user's use) of these items in the order is subject to the applicable governing agreement between Customer and Supplier, except that title shall transfer from Supplier to FS instead of to Customer. If FS notifies Supplier after shipment that Customer is no longer pursuing a Financing Agreement for these items, or if Customer fails to enter into such Financing Agreement within 120 days after shipment by Supplier, Customer shall promptly pay the Supplier invoice amounts directly to Supplier.

Customer represents that this transaction does not involve: (a) use of U.S. Government funds; (b) use by or resale to the U.S. Government; or (c) maintenance and support of the product(s) listed in this document within classified spaces. Customer further represents that this transaction does not require Supplier's compliance with any statute, regulation or information technology standard applicable to a U.S. Government procurement.

For certain products shipped to end users in California, a State Environmental Fee will be applied to Customer's invoice. Supplier encourages customers to dispose of electronic equipment properly.

Electronically linked terms and descriptions are available in hard copy upon request.

^Dell Business Credit (DBC):

OFFER VARIES BY CREDITWORTHINESS AS DETERMINED BY LENDER. Offered by WebBank to Small and Medium Business customers with approved credit. Taxes, shipping and other charges are extra and vary. Minimum monthly payments are the greater of \$15 or 3% of account balance. Dell Business Credit is not offered to government or public entities, or business entities located and organized outside of the United States.



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Civic Pride
Department	Public Health		
Contact	Casie Stoughton		

Agenda Caption

Consider – Immunization Grant

Grant Amount : \$261,049

Grantor: Texas Department of State Health Services

This item accepts the award from the Texas Department of State Health Services from September 1, 2021 thru August 31, 2022 to continue funding to prevent and control the transmission of vaccine-preventable diseases in children and adults, with emphasis on accelerating strategic interventions to improve their vaccine coverage levels.

Agenda Item Summary

Amarillo Public Health will continue vaccine-preventable disease prevention and control activities including vaccine education and outreach, immunization registry activities, school/childcare audits, TVFC provider support/management, and direct immunization services.

Requested Action

Accept grant award.

Funding Summary

Funding provided by the Texas Department of State Health Services.

Community Engagement Summary

Through this funding, the immunization team gave almost 15,000 doses of vaccine in 2020. The team also provides daycare and school audits of immunization records and management of the TVFC program.

Staff Recommendation

Staff recommend acceptance of this grant.

**InterLocal Application
For
Immunization Program Funds
Fiscal Year 2022**

www.ImmunizeTexas.com

Issue date: 12/23/2020

Due date: 1/15/2021

Immunization Unit
P.O. Box 149347
Austin, Texas 78714-9347

I. INTRODUCTION

The Department of State Health Services (DSHS) Immunization Unit announces the expected availability of Fiscal Year (FY) 2022 general revenue and federal funding to prevent and control the transmission of vaccine-preventable diseases in children and adults, with emphasis on accelerating strategic interventions to improve their vaccine coverage levels.

This Inter-Local Application (ILA) contains the requirements that all applicants shall meet to be considered for funding. Each applicant is solely responsible for the preparation and submission of an application in accordance with instructions contained in this ILA.

Please submit the completed renewal application electronically no later than January 15, 2021 to DSHSImmunizationContracts@dshs.texas.gov and Holly Zoerner at holly.zoerner@dshs.texas.gov.

The renewal application includes a form for Indirect Costs (I-7) within the budget template. DSHS Contract Oversight and Support (COS), the section that conducts fiscal audits of contractors, strongly urges that indirect costs be included. Please note that DSHS Immunization Unit has a cap on indirect costs. The total cost that may be funded under this renewal application may not be more than 10% of the personnel costs listed on Form I-1.

II. APPLICATION POINT OF CONTACT

For purposes of addressing questions concerning this Application, the contact is **Holly Zoerner** of the Contract Management Section. Communications concerning this Application may be addressed by email or fax to:

Phone and Fax Numbers:

512.776.3742

512.776.7391 fax

CMS Contact Email:

holly.zoerner@dshs.texas.gov

III. TABLE OF CONTENTS

THE APPLICATION SHOULD INCLUDE A TABLE OF CONTENTS AND BE ORGANIZED AND ARRANGED IN THE FOLLOWING ORDER:

- Form A. Face Page - Application for Financial Assistance
- Form A-1. Texas Counties and Regions List (see separate file)
- Form B. Table of Contents and Checklist
- Form C. Contact Person Information (last block is for emergency contact)
- Form C-1 Program Contract Information
- Form D. Job Descriptions (if applicable)
- Form E. Program Income Spending Plan

- Form I. Budget (see separate file)
- Appendix B. Copy of Approved Indirect Rate (if applicable)

Department of State Health Services
FORM A: FACE PAGE

CONTRACTOR INFORMATION	
1) LEGAL BUSINESS NAME: City of Amarillo	
2) MAILING Address Information: Include mailing address, street, city, county, state, and zip code): 1000 Martin Rd, Amarillo, TX 79107	
3) PAYEE Name and Mailing Address (if different from above):	
4) DUNS Number (9 digit) required if receiving American Recovery and Reinvestment Act of 2009 (ARRA) funds: 065032807	
5) Federal Tax ID no. (9 digit), State of Texas Comptroller Vendor ID No. and Mail Code 014	
<i>*The contractor acknowledges, understands and agrees that the contractor's choice to use a social security number as the vendor identification number for the contract, may result in the social security number being made public via state open records requests.</i>	
6) TYPE OF ENTITY (check all that apply):	
☐ City X ☐ County ☐ Other Political Subdivision ☐ State Agency ☐ Indian Tribe ☐ Nonprofit Organization * ☐ For Profit Organization** ☐ HUB Certified ☐ Community-Based Organization ☐ Minority Organization ☐ Faith Based (nonprofit Org) ☐ Individual ☐ Federally Qualified Health Centers ☐ State Controlled Institution of Higher Learning ☐ Hospital ☐ Private ☐ Other (specify):	

FORM A: FACE PAGE INSTRUCTIONS

This form provides basic information about the contractor and the proposed project with the Department of State Health Services (DSHS), including the signature of the authorized representative. It is the cover page of the renewal and is required to be completed. Signature affirms the facts contained in the contractor's response are truthful and the contractor is in compliance with the assurances and certifications contained in **APPENDIX A: DSHS Assurances and Certifications** and acknowledges that continued compliance is a condition for the award of a contract. Please follow the instructions below to complete the face page form and return with the contractor's renewal application.

- 1) **LEGAL BUSINESS NAME** - Enter the legal name of the contractor.
- 2) **MAILING ADDRESS INFORMATION** - Enter the contractor's complete physical address and mailing address, city, county, state, and zip code.
- 3) **PAYEE NAME AND MAILING ADDRESS** - Payee – Entity involved in a contractual relationship with contractor to receive payment for services rendered by contractor and to maintain the accounting records for the contract; i.e., fiscal agent. Enter the PAYEE's name and mailing address if PAYEE is different from the contractor. The PAYEE is the corporation, entity or vendor who will be receiving payments.
- 4) **DUNS Number** – 9 digit Dun and Bradstreet Data Universal Numbering System (DUNS) number or Central Contractor Registration number plus 4 digit extended DUNS number. This number is required if receiving **ANY** American Recovery and Reinvestment Act (ARRA) funds and can be obtained at: <http://fedgov.dnb.com/webform>
- 5) **FEDERAL TAX ID/STATE OF TEXAS COMPTROLLER VENDOR ID/SOCIAL SECURITY NUMBER** - Enter the Federal Tax Identification Number (9-digit) or the Vendor Identification Number assigned by the Texas State Comptroller (14-digit). *The contractor acknowledges, understands and agrees the contractor's choice to use a social security number as the vendor identification number for the contract, may result in the social security number being made public via state open records requests.
- 6) **TYPE OF ENTITY** - Check the type of entity as defined by the Secretary of State at <http://www.sos.state.tx.us/corp/businessstructure.shtml> or http://www.sos.state.tx.us/corp/nonprofit_org.shtml and/or the Texas State Comptroller at https://fmx.cpa.state.tx.us/fmx/pubs/tins/tinsguide/2009-04/TINS_Guide_0409.pdf and check all other boxes that describe the entity.

Historically Underutilized Business: A minority or women-owned business as defined by Texas Government Code, Title 10, Subtitle D, Chapter 2161. (<http://www.window.state.tx.us/procurement/prog/hub/>)
State Agency: an agency of the State of Texas as defined in Texas Government Code §2056.001.ii
Institutions of higher education as defined by §61.003 of the Education Code.
MINORITY ORGANIZATION is defined as an organization in which the Board of Directors is made up of 50% racial or ethnic minority members.
If a Non-Profit Corporation or For-Profit Corporation, provide the 10-digit charter number assigned by the Secretary of State.
- 7) **PROPOSED BUDGET PERIOD** - Enter the budget period for this proposal. Budget period is 09/01/2021 – 08/31/2022.
- 8) **COUNTIES SERVED BY PROJECT** - Enter the proposed counties served by the project.
- 9) **AMOUNT OF FUNDING REQUESTED** - Enter the amount of funding requested from DSHS for proposed project activities (not including possible renewals). This amount must match column (1) row K from the BUDGET SUMMARY used for cost reimbursement budgets.
- 10) **PROJECTED EXPENDITURES** - If contractor's projected federal expenditures exceed \$500,000 or its projected state expenditures exceed \$500,000 for contractor's current fiscal year, contractor must arrange for a financial compliance audit (Single Audit).
- 11) **PROJECT CONTACT PERSON** - Enter the name, phone, fax, and email address of the person responsible for the proposed project.
- 12) **FINANCIAL OFFICER** - Enter the name, phone, fax, and email address of the person responsible for the financial aspects of the proposed project.
- 13) **AUTHORIZED REPRESENTATIVE** - Enter the name, title, phone, fax, and email address of the person authorized to represent the contractor. Check the "Check if change" box if the authorized representative is different from previous submission to DSHS.
- 14) **SIGNATURE OF AUTHORIZED REPRESENTATIVE** - The person authorized to represent the contractor must sign in this blank.
- 15) **DATE** - Enter the date the authorized representative signed this form.

FORM B: TABLE OF CONTENTS AND CHECKLIST

Legal Business Name of Contractor: City of Amarillo

This form is provided as your Table of Contents and to ensure the proposal is complete, proper signatures are included, and the required assurances, certifications, and attachments have been submitted. Be sure to indicate page number.

FORM	DESCRIPTION	Included	Page #	Not Applicable
A	Face Page - completed, and proper signatures and date included	X		
A-1	Texas Counties and Regions List	X		
B	Table of Contents and Checklist – completed and included	X		
C	Contact Person Information – completed and included	X		
C-1	Program Contact Information – completed and included	X		
D	Job Descriptions (with supplemental documentation attached if required)	X		
E	Program Income Spending Page	X		
		☐		
F	Budget Summary Form and Detail Pages	X		
Appendix B	Copy of Approved Indirect Rate – included (if applicable)	X		

FORM C: CONTACT PERSON INFORMATION

Legal Business Name of Contractor: City of Amarillo

This form provides information about the appropriate contacts in the contractor's organization in addition to those on FORM A: FACE PAGE. If any of the following information changes during the term of the contract, please send written notification to the Contract Management Section.

Contacts must include, but are not limited to: Executive Director, Financial Contact, Program Contact, and Emergency Contact information.

Contact:	Alice Mayberry	Mailing Address
Title:	Immunization Program Manager	Street: 1000 Martin Rd
Phone:	806-378-6342	City: Amarillo
Fax:	806-378-6306	County: Potter
Email:	Alice.mayberry@amarillo.gov	State, Zip: TX, 79107
Contact:	Casie Stoughton	Street: 1000 Martin Rd
Title:	Director of Public Health	City: Amarillo
Phone:	806-378-6320	County: Potter
Fax:	806-378-3607	State, Zip: TX 79107
Email:	Casie.stoughton@amarillo.gov	
Contact:	Nancy Arjon	Street: PO Box 1971
Title:	Grants Manager, City of Amarillo	City: Amarillo
Phone:	806.378.5223	County: Potter
Fax:	806.378.3039	State, Zip: TX 79105
Email:	nancy.arjon@amarillo.gov	
Contact:	Carol Hill	Street: 1000 Martin Rd
Title:	Assistant Director	City: Amarillo
Phone:	806-378-6327 Ext:	County: Potter
Fax:	806-379-6307	State, Zip: TX 79107
Email:	Carol.hill@amarillo.gov	
Emergency Contact:	Joe Mike Briseno	Street: 1000 Martin Rd
Title:	Health Informatics Program Manager	City: Amarillo
Phone:	806.378.6322 Ext:	County: Potter
Fax:	806.378.6307	State, Zip: TX 79107
Email:	Joemike.briseno@amarillo.gov	

FORM D: JOB DESCRIPTIONS

Please insert job descriptions here for all positions listed on the Personnel Detail which were not listed last year. Also include any job description that was updated during fiscal year 2021.

Form E: PROGRAM INCOME SPENDING PLAN

Projected amount of the DSHS share of Program Income (from page 30, Budget Summary, Line K, Row 2)
\$

Please forecast how DSHS’ share of Program income will be used. This money is available for immunization activities in addition to contract funds. Throughout the year, LHDs are responsible for monitoring program income collections to assure that projections are being met prior to expending funds as described below. Use of these funds is subject to the same restrictions as apply to grant funds.

Cost Categories	Funds Projected	Purpose and Justification
A. Personnel	\$5,000	Salary
B. Fringe Benefits	\$2,918	Fringe benefits
C. Travel	\$6,962	Two mandatory trainings in Austin.
D. Supplies	\$5,000	Supplies for clinic, office supplies, and educational material.
E. Contractual	\$	
F. Other	\$	
Total (DSHS Share Program Income)	\$19,880	

Regional Program Managers FY 2022

<u>PUBLIC HEALTH REGION 1</u> Leigh Johnston Immunization Program Manager 6302 Iola Ave. Lubbock, Texas 79424 (806) 783-6412 (806) 783-6435 – Fax Leigh.Johnston@dshs.texas.gov	<u>PUBLIC HEALTH REGION 7</u> Debbie Shelton Immunization Program Manager 2408 South 37th Street Temple, Texas 76504-7168 (254) 778-6744 (254) 771-2612 - Fax Debbie.Shelton@dshs.texas.gov
<u>PUBLIC HEALTH REGION 2 & 3</u> Cheryl Millican Immunization Program Manager 1301 South Bowen Road, Suite 200 Arlington, Texas 76013-2262 (817) 264-4795 (817) 264-4800 – Fax Cheryl.Millican@dshs.texas.gov	<u>PUBLIC HEALTH REGION 8</u> Laurie Henefey Immunization Program Manager 112 Joe Carper Drive Uvalde, Texas 78801 (830) 591-4386 Extension 213 (830) 278-1831 - Fax Laurie.Henefey@dshs.texas.gov
<u>PUBLIC HEALTH REGION 4 & 5 NORTH</u> Amanda Rich Immunization Program Manager 1517 W. Front Street Tyler, Texas 75702 (903) 533- 5350 (903) 533-9502 - Fax Amanda.Rich@dshs.texas.gov	<u>PUBLIC HEALTH REGION 9 & 10</u> Donna Anders Immunization Program Manager 2301 N. Big Spring #300 Midland, Texas 79705-7649 (432) 571-4137 (432) 571-4190 - Fax Donna.Anders@dshs.texas.gov
<u>PUBLIC HEALTH REGION 6 & 5 SOUTH</u> Sabrina Stanley Immunization Program Manager 5425 Polk, Suite J Houston, Texas 77023 (713) 767--3411 (713) 767-3889 - Fax Sabrina.Stanley@dshs.texas.gov	<u>PUBLIC HEALTH REGION 11</u> Mason Covio Immunization Program Manager 601 W. Sesame Drive Harlingen, Texas 78550 (956) 421-5553-5581 (956) 443-3216 - Fax Mason.Covio@dshs.texas.gov

**FORM G: Federal Funding Accountability and Transparency Act (FFATA)
Personnel Activity Detail Form for Local Health Department Immunization Staff**

[illegible]

Certificate of Indirect Costs
(for use by local governments only)

Organization Name:	City of Amarillo – submitted for the Public Health Department
Address:	P.O. Box 1971
Address:	Amarillo, TX 79105
Address:	
Phone Number:	(806) 378-4209

This is to certify that I have reviewed the indirect cost rate proposal and to the best of my knowledge and belief:

(1) All costs included in this proposal to establish billing or final indirect costs rates for 10/1/2019 – 10/1/2020 and 10/1/2020 – 10/1/2021 are allowable in accordance with the requirements of the Federal **or state** award(s) to which they apply and OMB Circular A-87, "Cost Principles for State and Local Governments." Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal **or state** awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements.

Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently. The Department of State Health Services (DSHS) will be notified of any accounting changes that would affect the indirect cost rate. The indirect cost rate proposal and supporting documentation are on file and available for audit by DSHS or any of its duly authorized representatives.

Effective Period - From: 10/01/2019
Rate (%): 2.83%

To: 10/01/2020
Rate Type: Fixed

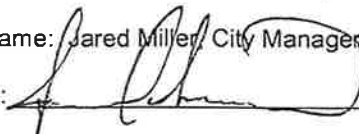
Effective Period - From: 10/01/2020
Rate (%): 8.87%

To: 10/01/2021
Rate Type: Fixed

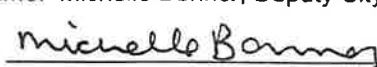
Base: Salaries and Benefits

I declare that the foregoing is true and correct.

Chief Executive Officer Printed Name: Jared Miller, City Manager

Chief Executive Officer Signature:  Date: 03/05/2020

Chief Financial Officer Printed Name: Michelle Bonner, Deputy City Manager

Chief Financial Officer Signature:  Date: 3.5.20

ADDRESSES:

The preferred method of submitting a cost allocation plan and certification is by an e-mail attachment to: coscap@dshs.state.tx.us

Cost allocation plan and certification may also be mailed to:

Department of State Health Services
Contract Oversight & Support Section
Mail Code 1326
1100 West 49th Street
Austin, TX 78756

Contact Paul Harris

Phone 512.458.7111 x 2516

FAX 512.458.7626

NOTES:

Your organization is not required to file an Indirect Cost Allocation Certificate. This is one of the options. Please reference the Rate type if you do file one:

1. A ***provisional*** rate is a temporary rate, agreed to in advance, based on anticipated future costs. It is subject to retroactive adjustment at a future date after costs are known.
2. A ***final*** rate is established after the costs are known. It adjusts the provisional rate but is administratively burdensome. Underpayments resulting from application of the provisional rate are subject to availability of funds, while overpayments must be credited or returned.
3. A ***fixed*** rate is also agreed to in advance, based on an estimate of future costs, but it is not retroactively adjusted. Instead, the difference between estimated and actual costs is carried forward to future years.
4. A ***predetermined*** rate is agreed to in advance, based on an estimate of future costs, but is not subject to adjustment except under very unique circumstances. It is intended to be permanent and thereby reduce the administrative burden associated with indirect cost recovery. A predetermined rate may not be used for any governmental unit that does not submit its indirect cost rate proposals to a cognizant agency for negotiation, nor may it be used on Federal contracts. The 1995 revision of Circular A-87 encourages long-term use of predetermined rates.

H



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26,2021	Council Priority	Consent Agenda
Department	Planning and Development Services		
Contact	Cris Valverde – Assistant Director of Planning and Development Services		

Agenda Caption
Consideration of an Aviation Clear Zone Easement, being 3,750 feet above mean sea level above the plat of Amarillo Horizon Park Unit No. 1, an addition to the City of Amarillo, being an unplatted tract of land in Section 93, Block 2, A.B.&M. Survey, Potter County, Texas.

Agenda Item Summary

The above referenced Aviation Clear Zone (ACZ) Easement is being requested by the City of Amarillo and is associated with the plat Amarillo Horizon Park Unit No. 1.

To ensure safety of operation and protection of air traffic operating into and out of the airport, future physical development around the airport needs to be regulated. In 1981, the Texas Legislature enacted the Airport Zoning Act, cited as Chapter 241 of the Local Government Code, which authorized cities in the state to establish and administer regulations pertaining to the height of structures and compatible land uses in the vicinity of the airport. One of the tools established in the Amarillo Code of Ordinances that allows the City of Amarillo to regulate this type of development is the Airport Height Hazard and Zoning Regulations (Chapter 4-9) which establishes minimum requirements to control the height and use of structures that may develop in the vicinity of the airport.

The ACZ Easement document is established during the platting of a tract of land to set the height regulations for noting on the associated plat, and the legal document is signed by the owner/developer of the tract. The placement of the note on the plat ensures that the height regulation is easily found by any future owner of the tract of land. Each ACZ Easement has an associated height regulation that is determined by the tract's proximity and location around the airport. For example, areas at the end of the runway will likely have a lower height regulation than ones at the same distance that are located adjacent to the length of the runway. The reason for this is because aircraft taking off or landing will need to be at a lower altitude during its approach or departure portion of the traffic pattern for the each associated runway.

This ACZ Easement is establishing a height regulation of 3,750 feet above mean sea level for the plat of Amarillo Horizon Park Unit No. 1.

Requested Action

Planning Staff have reviewed the associated Aviation Clear Zone Easement and the item is ready for City Council Consideration as a consent agenda item.

Amarillo City Council

Agenda Transmittal Memo



Funding Summary

The Easement is being granted to the City at no cost.

Community Engagement Summary

N/A

Staff Recommendation

Staff recommends approval of this Aviation Clear Zone Easement.

AVIATION CLEAR ZONE EASEMENT

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF POTTER

WHEREAS, Happy Horizons Properties, L.P., a Texas limited partnership, hereinafter called "GRANTOR," whether one or more, individual or corporate, partnership or association, is the owner in fee of that certain parcel or parcels of land being described as follows (the "Property"):

Lot 1, Block 1, Amarillo Horizon Park Unit No. 1, according to the Plat recorded in the Official Public Records of Potter County, File Clerk's No. _____ on _____, 2021.

NOW, THEREFORE, in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, GRANTOR does for itself, its successors and assigns, GRANT, BARGAIN, SELL AND CONVEY unto the City of Amarillo, Texas, hereinafter called GRANTEE, its successors and assigns, for the use and benefit of the public, an easement and right-of-way appurtenant to Rick Husband Amarillo International Airport for the unobstructed passage of all aircraft, "aircraft" being defined for the purpose of this instrument as any contrivance now known or hereafter invented, used or designed for navigation of or flight in the air, by whomsoever owned or operated, in the airspace that is above the Property and at least 3,750 feet above mean sea level; together with the right to cause in all airspace such noise, vibration, fumes, dust, fuel particulates and all other effects that may be caused by the operation of aircraft landing at, or taking off from, or operating at, on, over the Property; and GRANTOR, its successors or assigns, does hereby fully waive, remise and release any right, cause of action, and damage which it may now have or which it may have in the future against GRANTEE, its successors and assigns, due to such noise, vibrations, fumes, dust, fuel particulates and all other effects that may be caused or may have been caused by the operation of aircraft landing at, or taking off from, or operating near or on Rick Husband Amarillo International Airport or over the Property.

Nothing contained herein shall be construed to grant any party the right to fly aircraft that is not landing at, or taking off from Rick Husband Amarillo International Airport over any portion of the Property.

GRANTOR, for itself, its successors and assigns, does hereby covenant and agree that it will not hereafter erect, or permit the erection or growth of, any structure, tree or other object on the above described property to any height in excess of 3,750 feet above mean sea level.

GRANTOR does hereby GRANT and CONVEY to GRANTEE a continuing right of ingress and egress via passage easement on and across the above-described property for the purpose of taking any action necessary to remove any structure, tree or other object in the airspace to any elevation greater than 3,750 feet above mean sea level.

This instrument does not release the owners and operators of Aircraft from liability for damage or injury to person or property caused by falling Aircraft or falling physical objects from such Aircraft, excepts as stated herein with respect to noise, vibrations, fumes, dust and fuel particulates.

TO HAVE AND TO HOLD said aviation clear zone easement, passage easement, and rights-of-way, and all rights appertaining thereto unto the GRANTEE, its successors and assigns, until Rick Husband Amarillo International Airport shall be abandoned and shall cease to be used for public airport purposes. IT IS UNDERSTOOD AND AGREED that these covenants and agreements shall be binding upon the heirs, administrators, executors, successors and assigns of the GRANTOR and that these covenants and agreements shall run with the land, and that for the purposes of this instrument, this easement shall be considered the dominant estate on the above-referenced property.

[Signature on the following page.]

IN WITNESS WHEREOF, GRANTOR, whether one or more, individual or corporate, has hereunto set its hand on this the ____ day of January, 2021.

GRANTOR:

Happy Horizons Properties, L.P.,
a Texas limited partnership

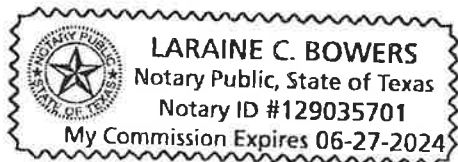
By: Happy Horizons, Inc.,
a Texas corporation, its General
Partner

By: Suzanne Boyce
Suzanne Boyce, President

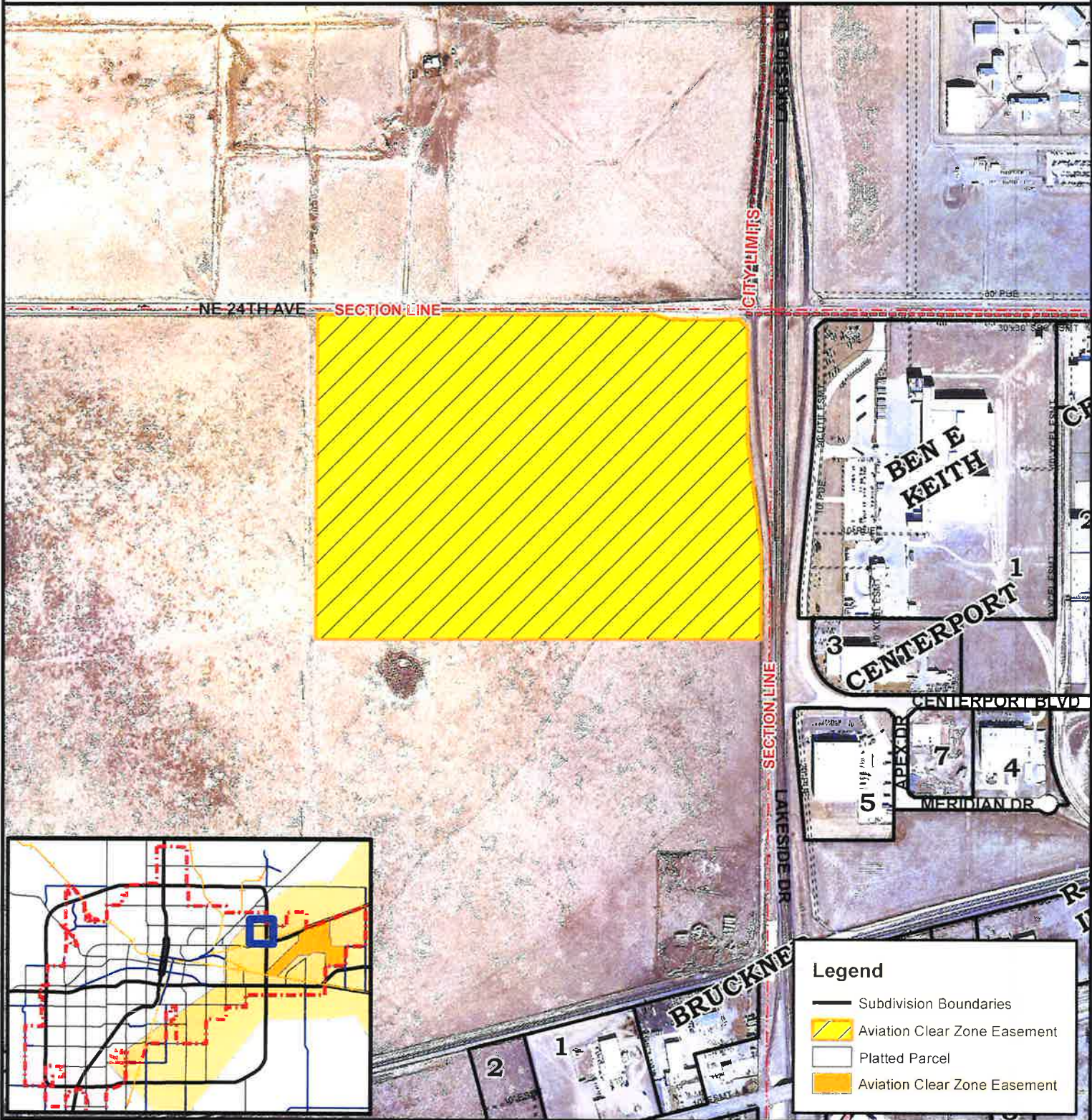
THE STATE OF Texas
COUNTY OF Potter

This instrument was acknowledged before me on this the 14th day of January, 2021, by Suzanne Boyce, the President of Happy Horizons, Inc., a Texas corporation, the General Partner of Happy Horizons Properties, L.P., a Texas limited partnership, on behalf of such limited partnership.

Laraine C. Bowers
Notary Public

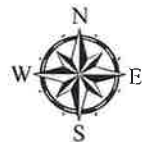


AVIATION CLEAR ZONE EASEMENT



CITY OF AMARILLO
PLANNING DEPARTMENT

Scale: 1 inch = 800 feet
Date: 12/7/2020
Case No: ACZ-20-22



Aviation Clear Zone Easement being 3,750 feet above mean sea level above the plat of Amarillo Horizon Park Unit No. 1, an addition to the City of Amarillo, being an unplatted tract of land in Section 93, Block 2, A.B.& M. Survey, Potter County, Texas.

Vicinity: NE 24th Ave. and Loop 335

Applicant: Happy Horizons Properties LP

AP: S-10

DISCLAIMER: The City of Amarillo is providing this information as a public service. The information shown is for information purposes only and except where noted, all of the data or features shown or depicted on this map is not to be construed or interpreted as accurate and/or reliable; the City of Amarillo assumes no liability or responsibility for any discrepancies or errors for the use of the information provided.

A



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Pillar	Transportation
Department	City Manager		
Contact	Laura Storrs, Assistant City Manager		

Agenda Caption

DISCUSSION AND CONSIDERATION OF ORDINANCE
(Contact: Laura Storrs)

Discussion and consideration of all matters incident and related to the issuance and sale of “City of Amarillo, Texas, General Obligation Bonds, Series 2021”, including the adoption of an ordinance authorizing the issuance of such bonds.

Agenda Item Summary

This ordinance authorizes the City to issue the “City of Amarillo, Texas, General Obligation Bonds, Series 2021”; levying a continuing direct annual ad valorem tax for the payment of said bonds; and resolving other matters incident and related to the issuance, sale, payment, and delivery of said bonds; establishing procedures for the sale and delivery of the bonds; and delegating matters relating to the sale and issuance of the bonds to an authorized official; and providing an effective date. These bonds were authorized at the election held on November 8, 2016 and proceeds will fund street projects totaling approximately \$57.2 million. This bond issue is the final issuance of the authorized \$89.5 million to fund streets and the final issuance of the voter approved bonds from the November 8, 2016 election.

Requested Action

Adopt the Ordinance authorizing the issuance of the General Obligation Bonds, Series 2020.

Funding Summary

N/A

Community Engagement Summary

Staff communicated with citizens through community meetings during the summer of 2016 to identify projects to be included in the five-year Community Investment Program. On November 8, 2016, the City of Amarillo voters approved Propositions 1 and 2. Proposition 1, in the amount of \$89.5 million, will fund street improvements and Proposition 2, in the amount of \$20.1 million, will fund Public Safety. The City issued the debt related to these two propositions over a multi-year period with the first issue of \$21,280,000 during 2017, the second during 2018 of \$22,400,000, the third during 2020 of \$8,100,000, and this \$57.2 million as the final issuance.

Staff Recommendation

City staff is recommending approval of the Ordinance.

ORDINANCE NO. 7902

AN ORDINANCE authorizing the issuance of "CITY OF AMARILLO, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2021"; levying a continuing direct annual ad valorem tax for the payment of said bonds; and resolving other matters incident and related to the issuance, sale, payment, and delivery of said bonds; establishing procedures for the sale and delivery of the bonds; and delegating matters relating to the sale and issuance of the bonds to an authorized City official; and providing an effective date.

WHEREAS, the City Council of the City of Amarillo, Texas (the "City"), hereby finds and determines that general obligation bonds approved and authorized to be issued at an election held on November 8, 2016 should be authorized to be issued at this time; a summary of the general obligation bonds authorized at said election, the principal amounts authorized, amounts heretofore issued and being issued pursuant to this ordinance and amounts remaining to be issued subsequent hereto shall be as follows (or as provided in the Pricing Certificate hereinafter referenced):

<u>Election Date</u>	<u>Purpose</u>	<u>Amount Authorized (\$)</u>	<u>Amounts Previously Applied (\$)</u>	<u>Amount Being Applied (\$)</u>	<u>Unissued Balance (\$)</u>
11-8-2016	Streets	89,495,000	32,340,000	*	*
11-8-2016	Public Safety	20,080,000	20,080,000	0	0

* amounts to be provided in the Pricing Certificate

WHEREAS, the City shall by this Ordinance, in accordance with the provisions of Texas Government Code, Chapter 1371, delegate to a Pricing Officer (hereinafter designated) the authority to determine the principal amount of Bonds to be issued and negotiate the terms of sale thereof; and

WHEREAS, the City Council hereby finds and determines that it is a public purpose and in the best interests of the City to authorize the issuance of the Bonds in one or more series and the terms of such bonds to be included in one or more pricing certificates (each a "Pricing Certificate") to be executed by the Pricing Officer (hereafter designated), all in accordance with the provisions of Texas Government Code, Chapter 1371, as amended, and now, therefore;

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

SECTION 1: Authorization - Series Designation - Principal Amount - Purpose - Bond Date. General obligation bonds of the City shall be and are hereby authorized to be issued in one or more series in the aggregate principal amount set forth in the Pricing Certificate to be designated and bear the title "CITY OF AMARILLO, TEXAS GENERAL OBLIGATION BONDS, SERIES 2021", or such other designation as specified in the Pricing Certificate (herein referred to as the "Bonds"), for the purposes of providing funds (1) for permanent public improvements and public purposes, to wit: acquiring, constructing, improving and maintaining streets, thoroughfares, alleyways and sidewalks within the City including related storm drainage improvements, traffic signalization and signage, street lighting, traffic management equipment, creek erosion, bridge and culvert improvements and utility relocations and the acquisition of land therefor and (2) to pay the costs and expenses of issuance, all as provided in the Pricing Certificate and in accordance with the authority conferred by and in conformity with the

Constitution and laws of the State of Texas, including Texas Government Code, Chapters 1331 and 1371, as amended.

SECTION 2: Bond Date - Fully Registered Obligations - Terms. The Bonds shall be dated (the "Bond Date") as provided in the Pricing Certificate. The Bonds shall be issued as fully registered obligations, without coupons, and the Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered "R" and numbered consecutively from one (1) upward and principal shall become due and payable on a date certain in each of the years and in amounts (the "Stated Maturities") in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer. (a) As authorized by Texas Government Code, Chapter 1371, as amended, the City Manager or Assistant City Manager (either, a "Pricing Officer") is hereby authorized to act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance, including determining whether the Bonds shall be issued in one or more series, determining the aggregate principal amount of each series of Bonds, the aggregate principal amount to be issued from each proposition, the date of each series of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds of each series will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the date from which interest on the Bonds will accrue, the interest payment dates, the record date, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, the determination of the use of a book-entry-only securities clearance, settlement and transfer system, the designation of a paying agent/registrar, the terms of any bond insurance applicable to the Bonds, the designation of one or more funds for the payment of the Bonds and all other matters relating to the issuance, sale, and delivery of the Bonds, including any modification of the continuing disclosure undertaking contained in Section 29 hereof as may be required by the purchasers of the Bonds in connection with any amendments to the Rule (as hereinafter defined), all of which shall be specified in the Pricing Certificate, provided that:

- (i) the aggregate original principal amount of the Bonds shall not exceed \$57,155,000;
- (ii) the true interest cost rate for the Bonds shall not exceed 3.50%;
- and
- (iii) the maximum maturity date for the Bonds shall not exceed February 15, 2046.

The execution of the Pricing Certificate shall evidence the sale date of the Bonds by the City to the Purchasers (hereinafter defined).

(b) The delegation made hereby shall expire if not exercised by the Pricing Officer within one (1) year of the date hereof. The Pricing Officer may exercise such delegation on more than one occasion during such time period. Bonds shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the "Purchasers"), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract (hereinafter defined), and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidenced by the execution of the Pricing Certificate.

SECTION 4: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (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 the Paying Agent/Registrar for the Bonds shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, 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 Pricing Officer or the Mayor is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds 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 Bonds, 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.

The Bonds shall be payable at their Stated Maturities or upon their earlier redemption, only upon the presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices provided in the Pricing Certificate (the "Designated Payment/Transfer Office"); provided, however, while a Bond is registered to Cede & Co., the payment thereof upon a partial redemption of the principal amount thereof may be accomplished without presentation and surrender of such Bond. Interest due on the Bonds shall be paid by the Paying Agent/Registrar to the Holders whose names appears in the Security Register at the close of business on the Record Date (which shall be set forth in the Pricing Certificate) and such interest payments shall be made (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 Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which 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 be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking

institutions are authorized to be closed; 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 non-payment of interest on one or more maturities of the Bonds 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 past due 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 fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of the Bonds 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 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the City at the Designated Payment/Transfer Office of the Paying Agent/Registrar, as provided herein and in accordance with the provisions of the Paying Agent/Registrar Agreement and such rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every Holder of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of like maturity, and amount and in authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office 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 for assignment or transfer of any Bond (other than the Initial Bond(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, one or more new Bonds, executed on behalf of and furnished by the City, shall be registered and issued to the assignee or transferee of the previous Holder; such Bonds to be of authorized denominations, of like Stated Maturity, and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

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

All Bonds issued upon any such transfer or exchange of Bonds 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 Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds 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.

Bonds cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered, and delivered in lieu thereof pursuant to the provisions of Section 11 hereof, and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

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

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 4 and 5 hereof relating to the payment and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representations, by and between the City and DTC, and the Letter of Representation from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Bonds.

In the event the Pricing Officer elects to utilize DTC's "Book-Entry-Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds 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 Bond (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 Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar, and payment of such Bonds shall be made in accordance with the provisions of Sections 4 and 5 hereof.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under the City's seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officials on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officials of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Chapter 1201, Texas Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond 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 or her 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 Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered, and delivered.

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount of the Bonds with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, or (ii) as multiple fully registered bonds, being one bond 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 Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds 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 Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds 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 Bonds, 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 Bonds, 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, with the Bonds to be completed and modified with the information set forth in the Pricing Certificate, 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 on insured Bonds and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the Pricing Officer. The Pricing Certificate(s) shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any

Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

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

(b) Form of Definitive Bonds.

REGISTERED
NO. R-_____

PRINCIPAL AMOUNT
\$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AMARILLO
GENERAL OBLIGATION BOND
SERIES 2021

Bond Date: _____

Interest Rate: _____ %

Stated Maturity: _____

CUSIP No.: _____

Registered Owner:

Principal Amount: _____ DOLLARS

The City of Amarillo (hereinafter referred to as the "City"), a body corporate and political subdivision in the Counties of Potter and Randall, 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 Bond appearing below (unless this Bond 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 Bond is prior to the initial interest payment date in which case it shall bear interest from the _____) 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 _____ and _____ in each year, commencing _____, until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or redemption 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 Bond 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 Bond. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, 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 _____ 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 Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which 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 on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond 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 Bond is one of the series specified in its title issued in the aggregate principal amount of \$ _____ (herein referred to as the "Bonds") for the purposes of providing funds (1) for permanent public improvements and public purposes, to wit: acquiring, constructing, improving and maintaining streets, thoroughfares, alleyways and sidewalks within the City including related storm drainage improvements, traffic signalization and signage, street lighting, traffic management equipment, creek erosion, bridge and culvert improvements and utility relocations and the acquisition of land therefor and (2) to pay the costs and expenses of issuance, under and in strict conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapters 1331 and 1371, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

[The Bonds maturing on the dates hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Sinking 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 date of redemption, and without premium, on the dates and in the principal amounts as follows:

Term Bonds due		Term Bonds due	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>

The particular Term Bonds 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 Bonds 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 Bonds of like Stated Maturity which, at least fifty (50) days prior to a mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds 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 Bonds maturing on and after _____, 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 within a Stated Maturity by lot by the Paying Agent/Registrar), on _____, 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 the date fixed for any redemption of Bonds, 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 Bond to be redeemed, in whole or in part, at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date such Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest 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.

In the event a portion of the principal amount of a Bond 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 Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds 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 Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Bond 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 Bond redeemed in part.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the redemption price of the Bonds 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 satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. 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 of the provisions of which the owner or holder of this Bond 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 Bonds; the terms and conditions relating to the transfer or exchange of this Bond; 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 this Bond may be discharged at or prior to its maturity or redemption, and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Ordinance.

This Bond, 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 Bonds 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 Bond as the owner entitled to payment of principal at the Stated Maturity, or its 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 Bond 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 fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner of a Bond 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 Bonds 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 Bonds 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 Bonds 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 Bonds by the levy of a tax as aforesated. In case any provision in this Bond 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 Bond 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 Bond to be duly executed under the official seal of the City.

CITY OF AMARILLO, TEXAS

COUNTERSIGNED:

Mayor

City Secretary

(SEAL)

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

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER
OF PUBLIC ACCOUNTS

THE STATE OF TEXAS

(
(
(REGISTER NO. _____
(

I HEREBY CERTIFY that this Bond 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 _____.

(SEAL)

Comptroller of Public Accounts
of the State of Texas

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

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered in the name of the Registered Owner shown above under the provisions of the within-mentioned Ordinance; the bond or bonds 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 in _____ is the Designated Payment/Transfer Office for this Bond.

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 Bond and all rights thereunder, and hereby
irrevocably constitutes and appoints _____

attorney to transfer the within Bond 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 Bond in every particular.

(f) The Initial Bonds shall be in the form set forth therefor in Subsection (b) of this
Section, except a single Initial Bond shall be modified as follows:

Heading and paragraph one shall be amended to read as follows:

NO. T-1

\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AMARILLO
GENERAL OBLIGATION BOND
SERIES 2021

Bond Date: _____

Registered Owner:

Principal Amount:

The City of Amarillo (hereinafter referred to as the "City"), a body corporate and political
subdivision in the Counties of Potter and Randall, 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
_____ in the years and in principal installments in accordance with the
following schedule:

Stated Maturity	Principal Installment (\$)	Interest Rate (%)
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(Information to be inserted from Pricing Certificate).

(or so much principal thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal installments hereof from the _____ at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____, and each _____ and _____ thereafter, until maturity or prior redemption. Principal installments of this Bond are payable in the year of maturity or on a redemption date to the registered owner hereof by _____ (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in _____ (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond 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 _____ 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. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the registered 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. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which 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 be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

SECTION 10: Levy of Taxes. To provide for the payment of the "Debt Service Requirements" of the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount is the greater) there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations prescribed by law, sufficient to pay the Debt Service Requirements of the Bonds as the same becomes due and payable; and such tax hereby levied on each one hundred dollars' valuation of taxable property in the City for the payment of the Debt Service Requirements of the Bonds shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Bonds while Outstanding; full allowance being made for delinquencies and costs of collection; the taxes levied, assessed, and collected for and on account of the Bonds shall be accounted for separate and apart from all other funds of the City and shall be deposited to the credit of a "Special 2021 Bond Account" (the "Interest and Sinking Fund") maintained on the records of the City and deposited in a special fund maintained at an official depository of the City's funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Bonds.

PROVIDED, however, in regard to the payment to become due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows

the Bond Date, if any, sufficient current funds will be available and are hereby appropriated to make such payments; and the Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, Assistant City Manager, Director of Finance and City Secretary of the City, individually or jointly, are hereby authorized and directed to transfer and deposit in the Interest and Sinking Fund such current funds which, together with the accrued interest, if any, received from the initial purchasers, will be sufficient to pay the payments due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date.

The Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, Assistant City Manager, Director of Finance and City Secretary of the City, individually or jointly, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Bonds, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Bonds as the same accrues or matures or comes due by reason of redemption prior to maturity; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Bonds.

SECTION 11: Mutilated – Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost, or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond; and with respect to a lost, destroyed, or stolen Bond, a replacement Bond may be issued only upon the approval of the City and after (i) the filing by the Holder with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss, or theft of such Bond, 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 Bond shall be borne by the Holder of the Bond mutilated, destroyed, lost or stolen.

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

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 Bonds.

SECTION 12: Satisfaction of Obligation 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 Bonds, at the times and in the manner stipulated in this Ordinance and the Pricing Certificate, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds 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 Bonds or the principal amount(s) thereof at maturity or to 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 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 Bonds, 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 Bonds 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.

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 Bonds, 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 Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds 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.

Unless otherwise modified in the Pricing Certificate, the term "Government Securities", as used herein, means (a) 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, (b) 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, (c) 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 (d) any other then authorized securities or obligations under applicable law that may be used to defease obligations such as the Bonds.

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 Bonds 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 Bonds, to call for redemption, at an earlier date, those Bonds 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 Bonds for redemption; (ii) gives notice of the reservation of that right to the Holders of the Bonds

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.

SECTION 13: Ordinance a Contract - Amendments - Outstanding Bonds. This Ordinance, together with the Pricing Certificate, 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 so long as any Bond remains Outstanding except as permitted in this Section and in Section 29 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance or any provision in the Pricing Certificate 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 who own a majority of the aggregate of the principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance or any provision in the Pricing Certificate; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of and interest on the Bonds, 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 or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

The term "Outstanding" when used in this Ordinance with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

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

(2) those Bonds deemed to be duly paid by the City in accordance with the provisions of Section 12 hereof; and

(3) those mutilated, destroyed, lost, or stolen Bonds which have been replaced with Bonds registered and delivered in lieu thereof as provided in Section 11 hereof.

SECTION 14: 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 Bonds 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 Bonds.

"*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 Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*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 Bonds. 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 Bonds 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 Bond 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 Bond, 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 Bonds:

(i) 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 Bonds 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

(ii) 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 Bonds 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 Bonds 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 Bonds 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 Bonds.

(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 Bonds 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:

(i) 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 (6) years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds 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.

(ii) 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 Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers 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 Holders thereof for federal income tax purposes, the City shall pay to the United States from an appropriate fund, or if permitted by applicable Texas statute, regulation, or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Bonds 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.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), 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 Bonds, 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 Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, Assistant City Manager and Director of Finance of the City, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as one or more of such persons deems necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption, or similar or other appropriate certificate, form, or document.

SECTION 15: Sale of Bonds – Official Statement. The Bonds authorized by this Ordinance may be sold by the City to the purchaser(s) (herein referred to as the "Purchasers") in accordance with a bond purchase agreement in the event of a negotiated sale, letter agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable (the "Purchase Contract"), the terms and provisions of which Purchase Contract are to be determined by the Pricing Officer in accordance with Section

3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City and as the act and deed of this City Council and to make a determination as to whether the terms are in the City's best interests, which determination shall be final.

With regard to such terms and provisions of said Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of any public offering of the Bonds by the Purchasers;
3. The details of any Official Statement or similar disclosure document (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the City's Rule 15c2-12 compliance, if applicable;
4. A security deposit for the Bonds, if any;
5. The representations and warranties of the City to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the City under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the City;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Bonds.

The Mayor and City Secretary of the City are further authorized and directed to deliver for and on behalf of the City copies of a Preliminary Official Statement and Official Statement, prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement in the form and content as approved by the Pricing Officer shall be deemed to be approved by the City Council of the City and constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 16: Control and Custody of Bonds. The Mayor shall be and is hereby authorized to take and have charge of all necessary ordinances, resolutions, orders and records, including the definitive Bonds and the Initial Bond(s), pending the investigation and approval of the Initial Bond(s) by the Attorney General of the State of Texas, and the registration

of the Initial Bond(s) to the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

Furthermore, the Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, Assistant City Manager, Director of Finance and City Secretary of the City, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents and certifications relating to the City and the issuance of the Bonds, including a certification as to facts, estimates, circumstances, and reasonable expectations pertaining to the use, expenditure, and investment of the proceeds of the Bonds, as may be necessary for the issuance of the Bonds, the approval of the Attorney General, the registration by the Comptroller of Public Accounts, and the delivery of the Bonds to the Purchasers and, together with the City's financial advisor, bond counsel and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bond(s) to the Purchasers and the initial exchange thereof for definitive Bonds.

SECTION 17: Proceeds of Sale. The proceeds of sale of the Bonds, excluding the accrued interest, if any, received from the purchasers and amounts to pay costs of issuance, shall be deposited in a construction fund maintained at a City depository, as provided in the Pricing Certificate. Pending expenditure for authorized projects and purposes, such proceeds of sale deposited to the construction fund may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, including guaranteed investment contracts permitted in Texas Section 2256.015, et seq, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Interest and Sinking Fund as shall be determined by the Pricing Officer. Any excess bond proceeds, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Interest and Sinking Fund.

SECTION 18: Notices to Holders-Waiver. Wherever this Ordinance or the Pricing Certificate 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 in which 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 Bonds. Where this Ordinance or the Pricing Certificate 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 19: Cancellation. All Bonds 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 Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying

Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the City.

SECTION 20: Bond Counsel Opinion. The obligation of the Purchasers to accept delivery of the Bonds is subject to being furnished a final opinion of Norton Rose Fulbright US LLP, Dallas, Texas, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. A true and correct reproduction of said opinion is hereby authorized to be printed on the Bonds, or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-Entry-Only System used in the settlement and transfer of the Bonds. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

SECTION 21: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 22: Benefits of Ordinance. Nothing in this Ordinance or the Pricing Certificate, 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 or the Pricing Certificate, this Ordinance and all of its provisions and the Pricing Certificate being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

SECTION 23: Inconsistent Provisions. All ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance or the Pricing Certificate, are hereby repealed to the extent of such conflict, and the provisions of this Ordinance and the Pricing Certificate shall be and remain controlling as to the matters contained herein and therein.

SECTION 24: 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 25: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 26: 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 27: 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 of the City hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 28: Incorporation of Findings and Determinations. The findings and determinations of the City Council of the City 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 29: Continuing Disclosure Undertaking. The Pricing Officer is hereby authorized to determine whether a continuing disclosure undertaking is required in connection with the issuance of the Bonds. To the extent it is determined that an undertaking under the Rule (defined below) is required, this Section 29 shall apply.

(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 of the City beginning in the year stated in the Pricing Certificate, financial information and operating data with respect to the City of the general type included in the final Official Statement approved by the Pricing Officer and described in the Pricing Certificate, and (2) if not provided as part such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the Official Statement, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the City shall file unaudited financial statements within such twelve-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

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 Bonds to the MSRB in a timely manner and not more than 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 Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, 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 paragraph (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 paragraphs (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 while, but only while, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Bond 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 Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The 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 and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE 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 to the contrary in this Ordinance, 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 Bonds in the primary offering of the Bonds 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 Bonds 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 Bonds. 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 underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds 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) hereof, 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 30: Municipal Bond Insurance. The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 31: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, Assistant City Manager, Director of Finance 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 Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, Assistant City Manager, Director of Finance, City Secretary or Bond Counsel to the City are each hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance, including the Pricing Certificate: (i) in order to cure any technical 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 Bonds by the Attorney General and if such officer or counsel determines that such ministerial 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 32: 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 Chapter 551 of the Government Code, as amended.

SECTION 33: Effective Date. This Ordinance shall take effect and be in full force immediately from and after its adoption on the date hereof in accordance with the provisions of Texas Government Code, Section 1201.028.

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PASSED AND ADOPTED, this January 26, 2021.

CITY OF AMARILLO, TEXAS

Mayor

ATTEST:

City Secretary



(City Seal)

APPROVED AS TO FORM:

City Attorney

EXHIBIT A

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

B



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Pillar	Economic Development and Redevelopment
Department	City Manager		
Contact	Laura Storrs, Assistant City Manager		

Agenda Caption

DISCUSSION AND CONSIDERATION OF ORDINANCE

(Contact: Laura Storrs)

Discussion and consideration of all matters incident and related to the issuance and sale of “City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2021”, including the adoption of an ordinance authorizing the issuance of such certificates of obligation.

Agenda Item Summary

This ordinance authorizes the City to issue the “CITY OF AMARILLO, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021” (bonds); 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 waterworks and sewer system; providing the terms and conditions of such certificates and resolving other matters incident and relating to the issuance, payment, security and delivery of said certificates of obligation; delegating matters relating to the sale and issuance of said certificates to an authorized City official; and providing an effective date. The \$1 million in proceeds will be used for costs incurred for acquiring, constructing, improving, and equipping park facilities for the Greenways Public Improvement District (PID). The debt service payments associated with this bond issue will be funded by PID assessments. The Greenways PID increased PID assessments for 2020/2021 to provide for the additional debt service.

Requested Action

Adopt the Ordinance authorizing the issuance of the Combination Tax and Revenue Certificates of Obligation, Series 2021.

Funding Summary

N/A

Community Engagement Summary

The Greenways PID 2020/2021 budget included a PID assessment increase to provide additional funding associated with this debt issue. At the November 17, 2020 City Council meeting, the City’s financial advisor, Specialized Public Finance, reviewed this bond issue. On December 1, 2020, the first publication of the Notice of Intent to issue Certificates was posted in the newspaper with the second publication on December 8, 2020. The Notice was also posted on the City of Amarillo website.

Staff Recommendation

City staff is recommending approval of the Ordinance.

ORDINANCE NO. 7903

AN ORDINANCE authorizing the issuance of "CITY OF AMARILLO, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021"; 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 waterworks and sewer system; providing the terms and conditions of such certificates and resolving other matters incident and relating to the issuance, payment, security and delivery of said certificates of obligation; delegating matters relating to the sale and issuance of said certificates to an authorized City official; and providing an effective date.

WHEREAS, the City Council of the City of Amarillo, Texas, has heretofore determined that certificates of obligation should be issued in the maximum principal amount not to exceed \$1,050,000 for the purpose of paying contractual obligations to be incurred for authorized needs and purposes, to wit: (i) acquiring, constructing, improving and equipping park facilities and (ii) professional services rendered in connection therewith; and

WHEREAS, a "Notice of Intention to Issue City of Amarillo, Texas, Certificates of Obligation" was (a) duly published in the *Amarillo Globe News*, a newspaper hereby found and determined to be of general circulation in the City of Amarillo, Texas, on December 1, 2020 and December 8, 2020, the date of the first publication of such notice being not less than forty-six (46) days prior to the date of the passage and adoption of this Ordinance and (b) duly published continuously on the City's website for at least forty-five (45) days before the date of the passage of this Ordinance; and

WHEREAS, no petition protesting the issuance of such 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 all of the certificates of obligation described in such notice should be issued and sold at this time in the amount and manner as hereinafter provided; and

WHEREAS, the City Council by this Ordinance, in accordance with the provisions of Texas Government Code, Chapter 1371, as amended ("Chapter 1371"), delegates to a Pricing Officer (hereinafter designated) the authority to determine the principal amount of the Certificates to be issued and to negotiate the terms of sale thereof; now therefore,

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

SECTION 1: Authorization – Designation – Principal Amount – Purpose.
Certificates of obligation of the City shall be and are hereby authorized to be issued in an amount not to exceed the aggregate original principal amount hereinafter set forth to be designated and bear the title "CITY OF AMARILLO, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021" or such other designation as

specified in the Pricing Certificate (hereinafter referred to as the "Certificates"), for the purpose of paying contractual obligations to be incurred for authorized needs and purposes, to wit: (i) acquiring, constructing, improving and equipping park facilities and (ii) professional services rendered in connection therewith, 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, and Chapter 1371.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Date. The Certificates are issuable in fully registered form only; shall be dated as provided in the Pricing Certificate (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 a date certain in each of the years and in principal amounts (the "Stated Maturities") and bear interest at the per annum rates in accordance with the details of the Certificates as provided in the Pricing Certificate.

The Certificates shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate (calculated on the basis of a 360-day year of twelve 30-day months) and shall be payable in each year, on the dates and commencing on the date, set forth in the Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer. (a) As authorized by Chapter 1371, the City Manager or Assistant City Manager of the City (either a "Pricing Officer") is hereby authorized to act on behalf of the City in selling and delivering the Certificates and carrying out the other procedures specified in this Ordinance determining the aggregate principal amount of the Certificates, the date of the Certificates, any additional or different designation or title by which the Certificates shall be known, the price at which the Certificates will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Certificates will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the date from which interest on the Certificates will accrue, the interest payment dates, the record date, the price and terms upon and at which the Certificates shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, determination of the use of a book-entry-only securities clearance, settlement and transfer system, the terms of any bond insurance applicable to the Certificates, any modification of the continuing disclosure undertaking contained in Section 32 hereof as may be required by the purchasers of the Certificates in connection with any amendments to Rule 15c2-12, and all other matters relating to the issuance, sale and delivery of the Certificates, all of which shall be specified in the Pricing Certificate, provided that:

- (i) the aggregate original principal amount of the Certificates shall not exceed \$1,050,000;
- (ii) the maximum true interest cost for the Certificates shall not exceed 3.00%; and
- (iii) the maximum maturity date of the Certificates shall not exceed February 15, 2041.

The execution of the Pricing Certificate shall evidence the sale date of the Certificates by the City to the Purchasers (hereinafter defined).

If the Pricing Officer determines that bond insurance results in a net reduction of the City's interest costs associated with the Certificates, then the Pricing Officer is authorized, in connection with effecting the sale of the Certificates, to make the selection of the municipal bond insurance company for the Certificates (the "Insurer") and to obtain from the Insurer a municipal bond insurance policy in support of the Certificates. The Pricing Officer shall have the authority to determine the provisions of the commitment for any such policy and to execute any documents to affect the issuance of said policy by the Insurer.

(b) In establishing the aggregate principal amount of the Certificates, the Pricing Officer shall establish an amount not exceeding the amount authorized in subsection (a)(i) above, which shall be sufficient in amount to provide for the purposes for which the Certificates are authorized and to pay costs of issuing the Certificates. The delegation made hereby shall expire if not exercised by the Pricing Officer within one (1) year of the date of the adoption of this Ordinance. The Certificates shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the "Purchasers"), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract (hereinafter defined), and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidenced by the execution of the Pricing Certificate.

SECTION 4: 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 the Paying Agent/Registrar for the Certificates shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Certificates (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, 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 or the Pricing Officer 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 as provided in the Pricing Certificate 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 Holder whose name appears in the Security Register at the close of business on the Record Date

(which shall be set forth in the Pricing Certificate) 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 non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. 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 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 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, executed on behalf of, and furnished by, the City, 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 Holders, Certificates (other than the Initial Certificate 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 so surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Certificates, executed on behalf of, and furnished by the City, to the Holder requesting the exchange.

All Certificates issued upon any transfer or exchange of Certificates shall be delivered at the Designated Payment/Transfer Office of the Paying Agent/Registrar, or sent by United States mail, first-class, postage prepaid, to the Holder and, upon the registration and delivery thereof,

the same shall be 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 canceled 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 Section 25 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 herein 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").

In the event the Pricing Officer elects to utilize DTC's "Book-Entry-Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, 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 in the event 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 of Sections 4 and 5 hereof.

SECTION 7: Execution - Registration. The Certificates shall be executed on behalf of the City by the Mayor or the 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 said individuals who are or were the proper officers of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or any of them shall cease to 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 by 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 or her 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. The Certificates herein authorized shall be initially issued as a single fully registered certificate in the total principal amount with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1 (hereinafter called the "Initial Certificate") and the Initial Certificate shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Certificate shall be the Certificate 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, the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Certificate 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 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 to be completed and modified with the information set forth in the Pricing Certificate 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 bond insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the Pricing Officer. The Pricing Officer shall set forth the final and controlling

forms and terms of the Certificates. 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 Certificates, including the Initial Certificate, shall be typewritten, printed, lithographed, or photocopied, or produced in any other similar manner, all as determined by the officers executing such Certificates as evidenced by their execution.

(b) **Form of Definitive Certificate.**

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AMARILLO, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATE OF OBLIGATION
SERIES 2021

Certificate Date:
_____, 2021

Interest Rate:
_____ %

Stated Maturity:
_____ 15, ____

CUSIP No.:

Registered Owner:

Principal Amount: _____ DOLLARS

The City of Amarillo (hereinafter referred to as the "City"), a body corporate and municipal corporation in the Counties of Potter and Randall, 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 stated above (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 _____) 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 _____ and _____ of each year, commencing _____, 20____, until maturity or prior redemption of this Certificate. Principal of this Certificate is payable at its Stated Maturity or redemption 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 the Certificate is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount 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 _____ 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 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 \$_____ to be designated and bear the title "CITY OF AMARILLO, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021" (hereinafter referred to as the "Certificates"), for the purpose of paying contractual obligations to be incurred for authorized needs and purposes, to wit: (i) acquiring, constructing, improving and equipping park facilities and (ii) professional services rendered in connection therewith, under 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 Texas Government Code, Chapter 1371, as amended, and pursuant to an ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

[The Certificates having Stated Maturities on and after ____ 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 within a Stated Maturity by lot by the Paying Agent/Registrar), on ____ 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 may, at the option of the City, be 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, 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 are additionally payable from and secured by a lien on and limited pledge of the Net Revenues (as defined in the Ordinance) of the City's combined waterworks and sewer system (the "System"), such lien and pledge being limited to the amount of \$1,000 and being junior and subordinate to the lien on and pledge of the Net Revenues of the System securing the payment of "Prior Lien Bonds" (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 Bonds while the Certificates are outstanding without limitation as to principal amount but subject to any terms, conditions or restrictions as may be applicable thereto 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 Holder 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 of the System pledged to the payment of the principal of and interest on the Certificates; the nature and extent and manner of enforcement of the limited 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 liens, 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, may treat the registered owner hereof 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 its 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 a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. 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 covenanted that the City is duly organized and legally incorporated 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 by the levy of a tax and a pledge of the Net Revenues of the System as aforestated. In case any provision in this Certificate or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications 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 AMARILLO, TEXAS

[Mayor][Mayor Pro Tem]

COUNTERSIGNED:

City Secretary

(CITY SEAL)

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

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER
OF PUBLIC ACCOUNTS

THE STATE OF TEXAS

(
(
(
(

REGISTER NO. _____

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 _____, _____ is the Designated Payment/Transfer Office for this Certificate.

_____ BANK,
_____, 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 shall be in the form set forth in paragraph (b) of this
Section, except that the heading and first paragraph shall be modified as follows:**

REGISTERED:
NO. T-1

REGISTERED:
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AMARILLO, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATE OF OBLIGATION
SERIES 2021

Certificate Date: _____, 2021

Registered Owner:

Principal Amount: _____ DOLLARS

The City of Amarillo (hereinafter referred to as the "City"), a body corporate and
municipal corporation in the Counties of Potter and Randall, 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 above stated Principal Amount on _____ in
each of the years and in principal installments in accordance with the following schedule:

<u>YEAR</u>	<u>PRINCIPAL INSTALLMENT (\$)</u>	<u>INTEREST RATE (%)</u>
-------------	---------------------------------------	------------------------------

(Information to be inserted from the Pricing Certificate).

(or so much thereof as shall not have been redeemed prior to maturity) and to pay interest on
the unpaid Principal Amount 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 _____) 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 _____ and _____ of each year, commencing _____, 20____, until maturity or prior redemption of this Certificate. Principal installments of this Certificate are payable at the year of maturity or on a redemption date to the registered owner hereof by _____, _____, Texas (the "Paying Agent/Registrar"), upon presentation and surrender at its designated offices in _____, _____, 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 _____ 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 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 appear herein without qualifying language, are defined to mean as follows:

(a) The term "Additional Certificates" shall mean tax and revenue obligations hereafter issued under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271, or other law and payable from ad valorem taxes and additionally payable from and secured by a lien on and pledge of the Net Revenues of the System on a parity with and of equal rank and dignity with the lien and pledge securing the payment of the Certificates.

(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 "Certificates" shall mean the "City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2021" authorized by this Ordinance.

(d) 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.

(e) The term "Fiscal Year" shall mean the twelve month period ending on September 30 of each year unless otherwise designated by the City.

(f) The term "Maintenance and Operation Expenses" shall mean all reasonable and necessary expenses directly related and attributable to the operation and maintenance of the System, including all salaries, labor, materials, repairs, extensions and other expenses reasonably and properly charged necessary to render efficient service to the City and its inhabitants. Depreciation and expenditures classed under generally accepted accounting principles as capital expenditures shall not be considered as "Maintenance and Operation Expenses" for purposes of determining "Net Revenues".

(g) The term "Net Revenues" shall mean, with respect to any period, all income, revenues, and receipts received from the operation and ownership of the System less Maintenance and Operation expenses of the System during such period.

(h) 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 canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Certificates deemed to be duly paid by the City in accordance with the provisions of Section 24 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 25 hereof.

(i) The term "Prior Lien Bonds" shall mean all bonds or other similar obligations now outstanding and hereafter issued that are payable from and secured by a lien on and pledge of the Net Revenues of the System, which is prior in right and claim to the lien on and pledge of the Net Revenues securing the payment of the Certificates, including but not limited to, the unpaid bonds or other obligations of the following issues or series:

(1) "City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2013," dated July 1, 2013;

(2) "City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2014," dated January 1, 2014;

(3) "City of Amarillo, Texas, Waterworks and Sewer System Revenue Bonds, New Series 2015," dated August 1, 2015;

(4) "City of Amarillo, Texas, Waterworks and Sewer System Revenue Refunding Bonds, New Series 2015A," dated August 15, 2015;

(5) "City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2017," dated April 1, 2017;

(6) "City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2018A," dated June 15, 2018;

(7) "City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2018B," dated June 15, 2018;

(8) "City of Amarillo, Texas, Waterworks and Sewer System Revenue Refunding Bonds, New Series 2020A," dated May 1, 2020; and

(9) "City of Amarillo, Texas, Waterworks and Sewer System Revenue Bonds, New Series 2020," dated August 1, 2020;

and (i) all bonds hereafter issued to refund any part of the aforesaid bonds or other obligations listed in this definition if the same are made payable from and secured by a lien on and pledge of the Net Revenues of the System and (ii) any obligations hereafter issued on a parity (insofar as the revenues of the System are concerned) with such Prior Lien Bond or refunding bonds issued to refund such obligations if the same are made payable from and secured by a lien on and pledge of the Net Revenues of the System.

(i) The term "System" shall mean the City's waterworks and sewer system, including all present and future additions, extensions, replacements, and improvements thereto.

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 on the books of the City to be designated "SPECIAL 2021 TAX AND REVENUE CERTIFICATE OF OBLIGATION FUND," and all moneys deposited to the credit of such account shall be kept and maintained in a banking fund maintained at the City's depository. The Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, Assistant City Manager, Director of Finance or City Secretary, individually or collectively, are hereby authorized and directed to make withdrawals from the Certificate 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 falling due on the Certificates, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for 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 City's Investment Policy as the same may be amended from time to time and the "Public Funds Investment Act" 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 redemption at maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied, within the limitations prescribed by law, for the current year and each succeeding year thereafter while said Certificates or any interest thereon shall remain Outstanding, a sufficient tax on each one hundred dollars' valuation of

taxable property in said City, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; 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 of the System 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 of the System, and any other lawfully available revenues 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.

SECTION 13: Limited Pledge of Net Revenues. The City hereby covenants and agrees that, subject to the prior lien on and pledge of the Net Revenues of the System to the payment and security of Prior Lien Bonds, the Net Revenues of the System, within the limitation of a total amount of \$1,000, are hereby irrevocably pledged, equally and ratably, 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. 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.

Texas Government Code, Section 1208, as amended, 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 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 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: Revenue Fund. The City hereby covenants and agrees that so long as the pledge of the Net Revenues is made to the payment of the Certificates all revenues derived from the operation of the System shall be kept separate and apart from all other funds, accounts and moneys of the City, and all such revenues shall be deposited as collected into the "City of Amarillo, Texas, Waterworks and Sewer System Fund" (heretofore created and established in connection with the issuance of outstanding Prior Lien Bonds and hereinafter called the "Revenue Fund"). All moneys deposited to the credit of the Revenue Fund shall be pledged and appropriated to the extent required for the following purposes and in the order of priority shown, to wit:

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

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 Bonds or any obligations of the City having a prior lien on and pledge of the Net Revenues in accordance with the terms and provisions of any ordinance authorizing the issuance of Prior Lien Bonds or any ordinance authorizing the issuance of any obligations of the City having a prior lien on and pledge of the Net Revenues.

Third: To the payment, equally and ratably, of the limited amounts required to be deposited in the special funds and accounts created and established for the payment of the debt service requirements of the Certificates and Additional Certificates.

Fourth: To the payment of the amounts required to be deposited in the special funds and accounts created and established for the payment of the (1) "City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2009" dated March 1, 2009, (2) "City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2009B" dated November 1, 2009 and (3) "City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2009C" dated November 1, 2009.

Any Net Revenues remaining in the Revenue 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 Revenue 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 said 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:

(1) It has the lawful power to pledge the Net Revenues of the System supporting this issue of Certificates and has lawfully exercised said powers 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, Sections 271.041, et seq., as amended.

(2) Other than for the payment of the Prior Lien Bonds, the "City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2009" dated March 1, 2009, the "City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2009B" dated November 1, 2009, the "City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2009C" dated November 1, 2009 and the Certificates, the Net Revenues of the System are not pledged to the payment of any debt or obligation of the City or of the System.

SECTION 18: Issuance of Prior Lien Bonds and Additional Certificates. The City hereby expressly reserves the right to hereafter issue Prior Lien Bonds, without limitation as to principal amount but subject to any terms, conditions or restrictions applicable thereto under law or otherwise, and also reserves the right to issue Additional Certificates which, together with the Certificates, shall be secured by a parity lien on and pledge of the Net Revenues of the System.

SECTION 19: Application of Prior Lien Bonds 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 ordinances authorizing the issuance of the Prior Lien Bonds, and to the extent of any irreconcilable conflict between the provisions contained herein and in the ordinances authorizing the issuance of the Prior Lien Bonds, 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 Bonds. Notwithstanding the above, any change or modification affecting the application of revenues derived from the operation of the System shall not impair the obligation of contract with respect to the pledge of revenues herein made for the payment and security for the Certificates.

SECTION 20: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, Assistant City Manager, Director of Finance 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 Manager, Deputy City Manager, Assistant City Manager, Director of Finance, 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 21: 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 on 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 22: Cancellation. All Certificates surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled 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 canceled by the Paying Agent/Registrar. All canceled Certificates held by the Paying Agent/Registrar shall be returned to the City.

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 Purchasers 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 Issuer 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 Manager, Deputy City Manager, Assistant City Manager or Director of Finance, either or any combination of them 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.** The Pricing Officer is hereby authorized to designate in the Pricing Certificate the designation of the Certificates as "qualified tax-exempt obligations" in accordance with the provisions of the paragraph (3) of subsection (b) of Section 265 of the Code in the event the Certificates qualify for such designation and confirm that the Certificates are not "private activity bonds" as defined in the Code and confirm the amount of "tax-exempt obligations" to be issued by the City (including all subordinate entities of the City) for the calendar year in which the Certificates are issued will not exceed the applicable limitation.

SECTION 24: 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 limited 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 ("Defeased Certificates") 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 (as defined below) 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 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. At such time as Certificates shall be deemed to be Defeased Certificates hereunder, as aforesaid, such Certificates and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the taxes or revenues levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Government Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem the Defeased Certificates that is made in conjunction with the payment arrangements specified in (i) or (ii) above in this paragraph shall not be irrevocable, provided that in the proceedings providing for such payment arrangements, the City: (1) expressly reserves the right to call the Defeased Certificates for redemption; (2) gives notice of the reservation of that right to the registered owners of the Defeased Certificates immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes. 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.

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.

Unless otherwise modified by the Pricing Officer, the term "Government Securities" as used herein, means (a) 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, (b) 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, (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded 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, and (d) 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.

SECTION 25: 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 26: Ordinance a Contract - Amendments. This Ordinance, together with the Pricing Certificate, 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 so long as any Certificate remains Outstanding except as permitted in this Section and Section 32 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 written consent of Holders holding a majority in aggregate principal amount of the Certificates and Additional 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 27: Sale of the Certificates – Official Statement. The Certificates authorized by this Ordinance are to be sold by the City to the Purchasers in accordance with a bond purchase agreement in the event of a negotiated sale, letter agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable (the "Purchase Contract"), the terms and provisions of which Purchase Contract are to be determined by the Pricing Officer in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City, as the act and deed of this Council, and to make a determination as to whether the terms are in the City's best interests, which determination shall be final.

With regard to such terms and provisions of the Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Certificates;
2. The details of any public offering of the Certificates by the Purchasers, if any;
3. The details of any Official Statement or similar disclosure document (and, if appropriate, any Preliminary Official Statement) relating to the Certificates and the City's Rule 15c2-12 compliance, if applicable;
4. A security deposit for the Certificates, if any;
5. The representations and warranties of the City to the Purchasers;
6. The details of the delivery of, and payment for, the Certificates;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the City under the Purchase Contract;
9. Termination of the Purchase Contract;

10. Particular covenants of the City;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Certificates.

The Mayor or Mayor Pro Tem and City Secretary of the City and the Pricing Officer are each further authorized and directed to deliver for and on behalf of the City copies of a Preliminary Official Statement and Official Statement prepared in connection with the offering of the Certificates by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement as delivered by said officials shall constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 28: Proceeds of Sale. The proceeds of sale of the Certificates excluding accrued interest, if any, received from the Purchasers, and amounts to pay costs of issuance and any additional proceeds to be deposited to the Certificate Fund as specified in the Pricing Certificate, shall be deposited in a fund maintained at a City depository bank (the "Construction Fund"). 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 specifically guaranteed investment contracts permitted by Texas Government Code, Section 2256.015, et seq., and the City's investment policies and guidelines, and 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. Accrued interest, if any, received from the Purchasers as well as proceeds of sale, including investment earnings thereon, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Certificate Fund.

SECTION 29: 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 pending the approval thereof by the Attorney General and its registration thereof by the Comptroller of Public Accounts.

Furthermore, the Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, Assistant City Manager, Director of Finance and City Secretary individually or collectively, are hereby authorized and directed to furnish and execute such documents and certifications relating to the City and the issuance of the Certificates, including a certification as to facts, estimates, circumstances and reasonable expectations pertaining to the use and expenditure and investment of the proceeds of the Certificates as may be necessary for the approval of the Attorney General and their registration by the Comptroller of Public Accounts. In addition, such officials, together with the City's financial advisor, bond counsel and the Paying Agent/Registrar, are authorized and directed to make the necessary arrangements for the delivery of the Initial Certificate to the initial purchasers.

SECTION 30: Bond Counsel's Opinion. The Purchasers' 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 The Depository Trust Company 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 31: 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 said Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Certificates.

SECTION 32: Continuing Disclosure Undertaking. This Section shall apply unless the Pricing Officer determines in the Pricing Certificate that an undertaking is not required pursuant to the Rule (defined below).

(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, beginning with the year stated in the Pricing Certificate, financial information and operating data with respect to the City of the general type included in the Official Statement approved by the Pricing Officer and described in the Pricing Certificate, and (2) if not provided as part of such financial information and operating data, audited financial statements of the City within twelve months after the end of each fiscal year, when and if available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation. If audited financial statements are not available by the required time, the City will file unaudited financial statements within such twelve-month period and audited financial statements when and if such audited financial statements become available.

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 documents 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 item (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 items (15) and (16) 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 of this Ordinance 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 underwriters 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 33: Municipal Bond Insurance. The Certificates may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Certificates and make the determination of the provisions of any commitment therefor.

SECTION 34: 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, this Ordinance and all its provisions being

intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

SECTION 35: 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 36: 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 37: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 38: 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 or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 39: 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 40: 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 41: 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 42: Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

[Remainder of page intentionally left blank]

PASSED AND ADOPTED, this January 26, 2021.

CITY OF AMARILLO, TEXAS

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:

City Attorney



(City Seal)

EXHIBIT A
PAYING AGENT/REGISTRAR AGREEMENT

101673884.2/1001089442



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Pillar	Economic Development and Redevelopment
Department	City Manager		
Contact	Laura Storrs, Assistant City Manager		

Agenda Caption

DISCUSSION AND CONSIDERATION OF ORDINANCE
(Contact: Laura Storrs)

Discussion and consideration of all matters incident and related to the issuance and sale of “City of Amarillo, Texas, Waterworks and Sewer System Revenue Bonds, New Series 2021”, including the adoption of an ordinance authorizing the issuance of such bonds.

Agenda Item Summary

This ordinance authorizes the City to issue the “CITY OF AMARILLO, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, NEW SERIES 2021” (bonds); prescribing the forms, terms, and provisions of said bonds; pledging the net revenues of the City’s Waterworks and Sewer System to the payment of the principal of and interest on said bonds; enacting provisions incident and related to the issuance, payment, security, sale and delivery of said bonds, and delegating matters relating to the sale and issuance of the bonds to an authorized City official; and providing an effective date. The proceeds will be used to improve and extend the City’s waterworks and sewer system.

Requested Action

Adopt the Ordinance authorizing the issuance of the Waterworks and Sewer System Revenue Bonds, New Series 2021.

Funding Summary

N/A

Community Engagement Summary

On October 1, 2020, a 3% rate increase went into effect to fund the debt service associated with this debt issuance. This rate increase was approved by Council through the annual budget process.

Staff Recommendation

City staff is recommending approval of the Ordinance.

ORDINANCE NO. 7904

AN ORDINANCE authorizing the issuance of "CITY OF AMARILLO, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, NEW SERIES 2021"; prescribing the forms, terms, and provisions of said bonds; pledging the net revenues of the City's Waterworks and Sewer System to the payment of the principal of and interest on said bonds; enacting provisions incident and related to the issuance, payment, security, sale and delivery of said bonds, and delegating matters relating to the sale and issuance of the bonds to an authorized City official; and providing an effective date.

WHEREAS, under the provisions of Texas Government Code, Chapter 1502, as amended, the City Council (the "City Council") of the City of Amarillo, Texas (the "City") is authorized to issue waterworks and sewer system revenue bonds for the improvement and extension of the City's waterworks and sewer system; and

WHEREAS, the Council by this Ordinance, in accordance with the provisions of Texas Government Code, Chapter 1371, as amended ("Chapter 1371"), delegates to a Pricing Officer (hereinafter designated) the authority to determine the principal amount of the Bonds to be issued and to negotiate the terms of sale thereof; and

WHEREAS, the City Council finds and determines that it is necessary and in the best interests of the City and its citizens that it issue such bonds authorized by this Ordinance, the terms of such bonds to be included in one or more pricing certificates (each a "Pricing Certificate") to be executed by the Pricing Officer and that the proceeds of such bonds are to be used solely for the purposes specified in this Ordinance, which the City Council hereby determines to be necessary and economically feasible; and

WHEREAS, the bonds to be issued pursuant to the terms and provisions of this Ordinance will be secured by a pledge of and lien on the Pledged Revenues of the System (as hereinafter defined); and

WHEREAS, this City Council is now authorized and empowered to proceed with the issuance of said bonds; now, therefore,

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

SECTION 1: Authorization - Designation - Principal Amount - Purpose. Revenue bonds of the City shall be and are hereby authorized to be issued in the aggregate principal amount set forth in the Pricing Certificate to be designated and bear the title "City of Amarillo, Texas, Waterworks and Sewer System Revenue Bonds, New Series 2021" or such other designation as specified in the Pricing Certificate (hereinafter referred to as the "Bonds"), for the improvement and extension of the City's waterworks and sewer system and to pay costs of issuance, all as provided in the Pricing Certificate and in conformity with the Constitution and laws of the State of Texas, including particularly Texas Government Code, Chapters 1502 and 1371, as amended.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Date. The Bonds are issuable in fully registered form only; shall be dated as provided in the Pricing Certificate (the "Bond Date") and shall be in denominations of \$5,000 or any integral multiple thereof (within a Stated Maturity) and the Bonds shall become due and payable on a date certain in each of the years and in principal amounts (the "Stated Maturities") and bear interest at per annum rates in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer. (a) As authorized by Chapter 1371, the City Manager or Assistant City Manager of the City (either, the "Pricing Officer") is hereby authorized to act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance, including determining the aggregate principal amount of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, determining whether the Bonds shall be issued in one or more series or subseries, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the date from which interest on the Bonds will accrue, the interest payment dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, determination of the use of a book-entry-only securities clearance, settlement and transfer system, the designation of one or more paying agent/registrars, the terms of any bond insurance applicable to the Bonds, including any modification of the continuing disclosure undertaking contained in Section 36 hereof as may be required by the purchasers of the Bonds in connection with any amendments to the Rule (hereinafter defined), and all other matters relating to the issuance, sale and delivery of the Bonds, all of which shall be specified in the Pricing Certificate, provided that:

- (i) the aggregate original principal amount of the Bonds shall not exceed \$28,500,000;
- (ii) the maximum true interest cost rate for the Bonds shall not exceed 3.00%; and
- (iii) the maximum maturity date for the Bonds shall not exceed April 1, 2041.

The execution of the Pricing Certificate shall evidence the sale date of the Bonds by the City to the Purchasers (hereinafter defined).

If the Pricing Officer determines that bond insurance results in a net reduction of the City's interest costs associated with the Bonds, then the Pricing Officer is authorized, in connection with effecting the sale of the Bonds, to make the selection of a municipal bond insurance company for the Bonds (the "Insurer") and to obtain from the Insurer a municipal bond insurance policy in support of the Bonds. The Pricing Officer shall have the authority to determine the provisions of the commitment for any such policy and to execute any documents to affect the issuance of said policy by the Insurer.

In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in subsection 3(a) above, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The delegation made hereby shall expire if not exercised by the Pricing Officer within one (1) year of the date of the adoption of this Ordinance. The Bonds shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the "Purchasers"), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract (hereinafter defined), and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidenced by the execution of the Pricing Certificate.

SECTION 4: Terms of Payment-Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books (the "Security Register") 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 the Paying Agent/Registrar for the Bonds shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar and at a location within the State of Texas, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement" substantially in the form of attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe; and the Pricing Officer or the Mayor are authorized to execute and deliver such Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds 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 Bonds, 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 Bonds shall be payable at the Stated Maturities or on a date of earlier redemption thereof only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices as provided in the Pricing Certificate (the "Designated Payment/Transfer Office"). Interest on the Bonds shall be paid to the Holder whose name appears in the Security Register at the close of business on the "Record Date" (the fifteenth 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 Bonds 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 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 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.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the City at the principal office of the Paying Agent/Registrar, and the Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each registered owner of the Bonds issued under and pursuant to the provisions of this Ordinance. Any Bond may, in accordance with its terms and the terms hereof, be transferred or exchanged for Bonds of other authorized denominations upon the Security Register by the Bondholder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Bondholder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for transfer of any Bond 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 Bonds executed on behalf of, and furnished by, the City of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Bondholder, Bonds may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are so surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds executed on behalf of, and furnished by, the City to the Bondholder requesting the exchange.

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

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

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any Bond registered and delivered pursuant to Section 28 hereof in lieu of a mutilated, lost, destroyed, or stolen Bond which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within 30 days of the date fixed for redemption of such Bond; provided, however, that such limitation of transfer shall not be applicable to an exchange by the Bondholder of an unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained herein and in the Pricing Certificate relating to the payment, redemption and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum as amended, the Blanket Issuer Letter of Representations, by and between the City and DTC, and the Letter of Representation from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement").

In the event the Pricing Officer elects to utilize DTC's "Book-Entry-Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds 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 Bond (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 Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the applicable provisions hereof and in the Pricing Certificate.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor under its seal reproduced or impressed thereon and attested by the City Secretary. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the Bond Date shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in

subsequent exchanges and transfers, all as authorized and provided in the Texas Government Code, Chapter 1201, as amended.

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

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued as a single fully registered bond in the total principal amount of this series with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, or (ii) as one bond for each year of maturity in the applicable principal amount and denomination as referenced in the Pricing Certificate and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds 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 Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts, and bearing applicable interest rates for transfer and delivery to the Bondholders 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 Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Registration, and the form of Assignment to be printed on each of the Bonds, 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, with the Bonds to be completed and modified with the information set forth in the Pricing Certificate, 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 Bonds, 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 Pricing Officer or the officers executing such Bonds as evidenced by their execution thereof. The Pricing Certificate shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds shall be printed, typed, lithographed, or engraved or produced in any other similar manner, all as determined by the officers executing such Bonds as evidenced

by their execution thereof, but the Initial Bond(s) submitted to the Attorney General of Texas may be typewritten or photocopied or otherwise reproduced.

The City may provide for registration of the Bonds in the name of a securities depository, or the nominee thereof. While any Bond is registered in the name of a securities depository or its nominee, references herein and in the Bonds to the holder or owner of such Bond shall mean the securities depository or its nominee and shall not mean any other person.

B. Form of Definitive Bond.

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AMARILLO, TEXAS
WATERWORKS AND SEWER SYSTEM REVENUE BOND
NEW SERIES 2021

Bond Date: _____, 2021

Interest Rate: _____

Stated Maturity: _____

CUSIP NO: _____

Registered Owner: _____

Principal Amount: _____ DOLLARS

The City of Amarillo, Texas (hereinafter referred to as the "City"), a body corporate and municipal corporation in the Counties of Potter and Randall, State of Texas, for value received, hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, solely from the revenues hereinafter defined, on the Stated Maturity date specified above, the Principal Amount stated above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount thereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond 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 Bond is prior to the initial interest payment date in which case it shall bear interest from _____) 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 April 1 and October 1 of each year commencing _____ 1, 20__, until maturity or prior redemption. Principal of this Bond shall be payable 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. Interest shall be payable to the registered owner of this Bond (or one or more Predecessor Bonds, 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 fifteenth day of the month next preceding each interest payment date. All payments of principal of, premium, if any, and interest on this Bond 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 made by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register on the Record Date 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 Bonds 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 banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Bonds") for the improvement and extension of the City's waterworks and sewer system and to pay costs of issuance, under and in strict conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapters 1502 and 1371, as amended, and pursuant to the Pricing Certificate and an ordinance adopted by the City Council of the City (the "Bond Ordinance" and jointly with the Pricing Certificate, the "Ordinance").

The Bonds maturing on and after ____ 1, 20__ are subject to redemption prior to maturity, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected by lot by the Paying Agent/Registrar), on any date beginning on or after ____ 1, 20__ at the redemption price of par plus accrued interest to the redemption date.

At least thirty 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 Bond 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 this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof 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 hereof redeemed.

In the event of a partial redemption of the principal amount of this Bond, payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of this Bond to the Paying Agent/Registrar at its principal office and, there shall be issued, without charge therefor, to the registered owner hereof, a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided in the Ordinance for the then unredeemed balance of the principal sum hereof. If this Bond is called for redemption, in whole or in part, the City or the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Bondholder within 45 days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the Bondholder of the unredeemed balance hereof in the event of its redemption in part.

With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds 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, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are special obligations of the City and, together with the outstanding and unpaid Bonds Similarly Secured (as defined in the Ordinance authorizing the issuance of the Bonds), are payable solely from and secured by a lien on and pledge of the Pledged Revenues (as defined in the Ordinance) of the City's Waterworks and Sewer System (the "System"). The Bonds do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any property of the City or the System, except with respect to the Pledged Revenues. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

Subject to satisfying the terms and conditions prescribed therefor, the City has reserved the right to issue additional revenue obligations payable from and equally and ratably secured by a parity lien on and pledge of the Pledged Revenues of the System, in the same manner and to the same extent as the Bonds.

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 of the provisions of which the Bondholder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for the Bonds; the properties constituting the System; the Pledged Revenues pledged to the payment of the principal of and interest on the Bonds; the nature and extent and manner of enforcement of the lien and pledge securing the payment of the Bonds; the terms and conditions for the issuance of additional revenue obligations; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Bondholders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which the liens, pledges, charges and covenants made therein may be discharged at or prior to the maturity or redemption of this Bond, and this Bond deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the same meanings assigned in the Ordinance.

This Bond, 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 Bonds 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, may treat the registered owner hereof 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 Bond as the owner entitled to payment of principal hereof at its Stated Maturity or its 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 non-payment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will

It is hereby certified, recited and represented and covenanted that the City is a duly organized and legally existing municipal corporation under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Bonds 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 Bonds to render the same lawful and valid special 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 Bonds 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 Bonds by a pledge of the Pledged Revenues of the System as aforesated. In case any provision in this Bond or any application thereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

CITY OF AMARILLO, TEXAS

COUNTERSIGNED:

(City Seal)

REGISTRATION CERTIFICATE OF COMPTROLLER OF PUBLIC ACCOUNTS

10

OF PUBLIC ACCOUNTS)
THE STATE OF TEXAS)

REGISTER NO. _____

I HEREBY CERTIFY that this Bond 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 Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered under the provisions of the within-mentioned Ordinance; the bond or bonds 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 offices of the Paying Agent/Registrar in _____, _____, is the "Designated Payment/Transfer Office" for this Bond.

_____, 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

Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond 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 Bond in every particular.

F. The Initial Bond(s) shall be substantially in the form set forth in paragraph B of this Section, except that the form of a single fully registered Initial Bond shall be modified as follows:

Heading and first paragraph shall read as follows:

REGISTERED
NO. T-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AMARILLO, TEXAS
WATERWORKS AND SEWER SYSTEM REVENUE BOND
NEW SERIES 2021

Bond Date: _____, 2021

Registered Owner: _____

Principal Amount: _____ MILLION _____ HUNDRED THOUSAND DOLLARS

The City of Amarillo (hereinafter referred to as the "City"), a body corporate and municipal corporation in the Counties of Potter and Randall, State of Texas, for value received, hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, solely from the revenues hereinafter identified, on _____ in each of the years and in principal amounts and bearing interest at per annum rates 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 prepaid prior to maturity) and to pay interest on the unpaid principal amounts hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond 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 Bond is prior to the initial interest payment date in which case it shall bear interest from _____) at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on April 1 and October 1 of each year, commencing _____ 1, 20____, until maturity or prior redemption.

Principal of this Bond shall be payable to the registered owner hereof, upon presentation and surrender, to _____, _____ (the "Paying Agent/Registrar") upon its presentation and surrender at its designated offices, initially in _____, _____, or, with respect to a successor paying agent/registrar, at the designated office of such successor (the "Designated Payment/Transfer Office"). Interest shall be payable to the registered owner of this Bond 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 fifteenth day of the month next preceding each interest payment date. All payments of principal of, premium, if any, and interest on this Bond 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 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 on the Record Date 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 Bonds 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 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.

SECTION 10: Definitions. That for all purposes of this ordinance and in particular for clarity with respect to the issuance of the Bonds herein authorized and the pledge and appropriation of revenues therefor, the following definitions are provided:

(a) The term "Additional Bonds" shall mean the additional parity revenue bonds which the City reserves the right to issue in the future, as provided in this Ordinance, as may be outstanding from time to time.

(b) The term "Board" shall mean Texas Water Development Board.

(c) The term "Bonds" or "New Series 2021 Bonds" shall mean the "City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2021", authorized by this Ordinance, as may be outstanding from time to time.

(d) The term "Bonds Similarly Secured" means the Bonds, the Previously Issued Bonds and Additional Bonds.

(e) The term "City" shall mean the City of Amarillo, in Potter and Randall Counties, Texas.

(f) The term "Gross Revenues of the City's Waterworks and Sewer System" and "Gross Revenues" shall mean all revenues, income, and receipts of every nature derived or received by the City from the operation and ownership of the System, including the interest income from the investment or deposit of money in any Fund mentioned in this Ordinance.

(g) The term "Net Revenues of the City's Waterworks and Sewer System" and "Net Revenues" shall mean all Gross Revenues after deducting and paying the current expenses of operation and maintenance of the System, as required by Texas Government Code, Chapter 1502, as amended, including all salaries, labor, materials, repairs, and extensions necessary to

render efficient service, provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised by the adoption of appropriate resolutions, are necessary to keep the System in operation and render adequate service to said City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the Bonds or Additional Bonds, shall be deducted in determining "Net Revenues". Depreciation shall never be considered as an expense of operation and maintenance. Capital expenditures shall never be considered as an expense of operation and maintenance.

(h) The terms "Outstanding" and "outstanding" when used in this Ordinance with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

(1) those Bonds theretofore canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds for which payment has been duly provided by the City by the irrevocable deposit with the Paying Agent/Registrar of money in the amount necessary to fully pay the principal of and interest thereon to maturity or redemption, as the case may be, provided that, if such Bonds are to be redeemed, notice of redemption thereof shall have been duly given pursuant to this Ordinance or irrevocably provided to be given to the satisfaction of the Paying Agent/Registrar, or waived;

(3) those Bonds that have been mutilated, destroyed, lost or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 28 hereof; and

(4) those Bonds for which the payment of the principal of and interest on which has been duly provided for by the City in accordance with law.

(i) The term "Pledged Revenues" shall mean (i) the Net Revenues, plus (ii) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Bonds or Additional Bonds.

(j) The term "Previously Issued Bonds" shall mean the following outstanding and unpaid revenue bonds, payable from and secured by a lien on and pledge of the Pledged Revenues of the System, further identified by issue or series as follows:

"City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2013," dated July 1, 2013, in the original principal amount of \$1,310,000;

"City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2014," dated January 1, 2014, in the original principal amount of \$8,495,000;

"City of Amarillo, Texas, Waterworks and Sewer System Revenue Bonds, New Series 2015," dated August 1, 2015, in the original principal amount of \$17,195,000;

"City of Amarillo, Texas, Waterworks and Sewer System Revenue Refunding Bonds, New Series 2015A," dated August 15, 2015, in the original principal amount of \$21,145,000;

"City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2017," dated April 1, 2017, in the original principal amount of \$31,005,000;

"City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2018A," dated June 15, 2018, in the original principal amount of \$12,500,000;

"City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2018B," dated June 15, 2018, in the original principal amount of \$14,610,000;

"City of Amarillo, Texas, Waterworks and Sewer System Revenue Refunding Bonds, New Series 2020A," dated May 1, 2020, in the original principal amount of \$9,775,000; and

"City of Amarillo, Texas, Waterworks and Sewer System Revenue Bonds, New Series 2020," dated August 1, 2020, in the original principal amount of \$28,500,000.

(k) The term "Water Development Board Bonds" shall mean the Bonds Similarly Secured which are owned by the Texas Water Development Board and further identified by issue or series as follows:

"City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2013," dated July 1, 2013, in the original principal amount of \$1,310,000;

"City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2014," dated January 1, 2014, in the original principal amount of \$8,495,000;

"City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2015," dated August 15, 2015, in the original principal amount of \$17,195,000;

"City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds, New Series 2018A," dated June 15, 2018, in the original principal amount of \$12,500,000; and

"City of Amarillo, Texas, Waterworks and Sewer System Revenue Bonds, New Series 2020," dated August 1, 2020, in the original principal amount of \$28,500,000.

(l) The term "Waterworks and Sewer System" and "System" shall mean and include the City's existing combined waterworks and sewer system, together with all future extensions, improvements, enlargements, and additions thereto, and all replacements thereof; provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term System shall not include any waterworks or sewer facilities which are declared

not to be a part of the System and which are acquired or constructed by the City with the proceeds from the issuance of "Special Facilities Bonds", which are hereby defined as being special revenue obligations of the City which are not secured by or payable from the Pledged Revenues as defined herein, but which are secured by and payable solely from special contract revenues or payments received from any other legal entity in connection with such facilities; and such revenues or payments shall not be considered as or constitute Gross Revenues of the System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such "Special Facilities Bonds".

(m) The term "year" shall mean the regular fiscal year used by the City in connection with the operation of the System, which may be any twelve consecutive months period established by the City.

SECTION 11: Pledge. That the City hereby covenants and agrees that the Pledged Revenues, with the exception of those in excess of the amounts required for the payment and security of the Bonds Similarly Secured, are hereby irrevocably pledged to the payment and security of the Bonds Similarly Secured, and the Pledged Revenues are further pledged irrevocably to the establishment and maintenance of the Interest and Redemption Fund as hereinafter provided. The Bonds Similarly Secured are and will be secured by and payable only from the Pledged Revenues, and are not secured by or payable from a mortgage or deed of trust on any real, personal, or mixed properties constituting the System.

Such lien on and pledge of the Pledged Revenues shall be valid and binding and fully perfected from and after the date of adoption of this Ordinance without physical delivery or transfer of control of the Pledged Revenues, the filing of this Ordinance or any other act; all as provided in Texas Government Code, Chapter 1208, as amended. Texas Government Code, Chapter 1208, as amended, applies to the issuance of the Bonds and the pledge of the Pledged Revenues granted by the City under this Section 11, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Pledged Revenues granted by the City under this Section 11 is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds 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 Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 12: Revenue Fund and Reserve Fund. There has been created and established and shall be maintained on the books of the City, and accounted for separate and apart from all other funds of the City, a special fund entitled the "City of Amarillo Waterworks and Sewer System Revenue Bonds Revenue Fund" (hereinafter called the "Revenue Fund"). All Gross Revenues shall be credited to the Revenue Fund immediately upon receipt and revenues deposited to said Revenue Fund shall be pledged and appropriated to the following uses and in the priority shown below:

First: To the payment of all necessary and reasonable maintenance and operation expenses of the System as said expenses are defined by law.

Second: To the payment, equally and ratably, of the amounts required to be deposited in the special funds or accounts created and established for the

payment and security of the Bonds Similarly Secured in accordance with the ordinances authorizing the issuance of the Bonds Similarly Secured.

Third: To the payment of any other indebtedness payable from and secured, in whole or in part, by a lien on and claim against the revenues of the System.

Fourth: Any revenues remaining in the Revenue Fund after satisfying the foregoing payments, or making adequate and sufficient provisions for the payment thereof, may be appropriated and used for any other purpose now or hereafter permitted by law.

Reserve Fund. There is no Reserve Fund for the Bonds Similarly Secured other than the Water Development Board Bonds and the City has established and shall maintain the "City of Amarillo, Texas, New Series Waterworks and Sewer System Reserve Fund" (the "Reserve Fund") for the Water Development Board Bonds as long as the Board is the owner of the Water Development Board Bonds for the purposes of (i) finally retiring the last of the Water Development Board Bonds and (ii) paying principal of and interest on the Water Development Board Bonds in the event moneys on hand in the Interest and Redemption Fund are insufficient for such purpose.

The amount to be accumulated in the Reserve Fund shall be equal to not less than the lesser of (i) the maximum annual debt service requirement on all outstanding Water Development Board Bonds, (ii) 125% of the average annual debt service requirements on all outstanding Water Development Board Bonds, or (iii) 10% of the stated principal amount of the outstanding Water Development Board Bonds (the "Required Reserve"). The Required Reserve shall be established and maintained with Pledged Revenues of the System or other lawfully available funds of the City, the proceeds of sale of Water Development Board Bonds or by depositing to the credit of the Reserve Fund, to the extent permitted by law, one or more surety bonds or insurance policies issued by a company or institution having a rating in the highest rating category by two nationally recognized rating agencies or services, or any combination thereof. The City hereby covenants and agrees that the initial Required Reserve to be deposited in the Reserve Fund in connection with the issuance of the Bonds shall be accumulated in equal monthly installments over the initial sixty (60) months following the initial delivery of the Bonds. If additional Water Development Board Bonds are issued to refund a portion of the then outstanding Water Development Board Bonds and there is a reduction in the average annual debt service of all the Water Development Board Bonds to be outstanding upon the issuance of the additional Water Development Board Bonds, the Required Reserve shall be reduced to reflect the average annual debt service requirements associated with such reduced requirement.

So long as the Water Development Board Bonds are outstanding and owned by the Board, prior to the City utilizing one or more surety bonds or insurance policies to fund all or a portion of the Required Reserve, the City shall notify the Executive Administrator of the Board no less than 30 days prior to converting from a cash reserve fund to a surety policy. Such a conversion may only be made if the proposed insurer or surety meets the financial guarantees established in the Board's rules and has been approved by the Executive Administrator of the Board.

As and when additional Water Development Board Bonds are delivered or incurred, the Required Reserve shall be increased, if required, to an amount equal to the lesser of (i) the average annual debt service requirements calculated on a Fiscal Year basis for all Water

Development Board Bonds then Outstanding and owned by the Board, as determined on the date each series of additional Water Development Board Bonds is initially delivered or (ii) the maximum amount in a reasonably required reserve fund that can be invested without restriction as to yield pursuant to Subsection (d) of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder. Any additional amount required to be maintained in the Reserve Fund shall be so accumulated (i) by depositing to the credit of the Reserve Fund (immediately after the delivery of the then proposed additional Water Development Board Bonds) cash or an additional surety bond or insurance policy or revised surety bond or revised insurance policy with coverage in an amount sufficient to provide for the new Required Reserve to be fully or partially funded, or (ii) at the option of the City, by making monthly deposits from funds in the Revenue Fund on or before the 1st day of each month following the month of delivery of the then proposed additional Water Development Board Bonds, of not less than 1/24th of the additional amount to be maintained in said Reserve Fund by reason of the issuance of the additional Water Development Board Bonds then being issued (or 1/24th of the balance of the additional amount not deposited immediately in cash or provided by a surety bond or insurance policy.)

When and so long as the cash and investments in the Reserve Fund and/or coverage afforded by a surety bond or insurance policy held for the account of the Reserve Fund total not less than the Required Reserve, no deposits need be made to the credit of the Reserve Fund; but, if and when the Reserve Fund at any time contains less than the Required Reserve (or so much thereof as shall then be required to be contained therein if additional Water Development Board Bonds have been issued and the City has elected to accumulate all or a portion of the Required Reserve with Pledged Revenues), the City covenants and agrees to cause monthly deposits to be made to the Reserve Fund on or before the 1st day of each month (beginning the month next following the month the deficiency in the Required Reserve occurred by reason of a draw on the Reserve Fund or as a result of a reduction in the market value of investments held for the account of the Reserve Fund) from Pledged Revenues of the System in an amount equal to either (1) 1/24th of the Required Reserve until the total Required Reserve then required to be maintained in said Fund has been fully restored or (2) the amounts to pay principal of and interest on Water Development Board Bonds held by an insurer, or evidenced by an instrument of assignment entitling an insurer to payment of principal of and interest on Water Development Board Bonds, as a result of payments or draws made on a surety bond or insurance policy held for the account of the Reserve Fund and such payments will result in the principal of and/or interest on such Water Development Board Bonds to be paid, as well as the restoration and replenishment of the surety bond or insurance policy coverage representing all or a portion of the Required Reserve. The City further covenants and agrees that, subject only to the payments to be made to the Interest and Redemption Fund, the Pledged Revenues of the System shall be applied and appropriated and used to establish and maintain the Required Reserve and to cure any deficiency in such amounts as required by the terms of this Ordinance and any other ordinance pertaining to the issuance of additional Water Development Board Bonds.

During such time as the Reserve Fund contains the total Required Reserve, the City may, at its option, withdraw any surplus above the Required Reserve and deposit such surplus in the Revenue Fund; provided, however, that to the extent the surplus, including investment earnings, are derived from proceeds of bonds used to fund all or a portion of the Required Reserve such surplus may only be used for the same purposes for which said bond proceeds may be used.

SECTION 13: Interest and Redemption Fund. That for the sole purpose of paying the principal of and interest on all Outstanding Bonds Similarly Secured, as the same come due, there has been created and established and shall be maintained at any official depository bank of the City a separate fund entitled the "City of Amarillo New Series Waterworks and Sewer System Revenue Bonds Interest and Redemption Fund" (hereinafter called the "Interest and Redemption Fund").

SECTION 14: Deposits of Pledged Revenues; Investments.

(a) The Pledged Revenues shall be deposited into the Interest and Redemption Fund when and as required by this Ordinance.

(b) To the extent permitted by law, money in any Fund mentioned in this Ordinance may, at the option of the City, be invested in investments authorized by the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, and the City's investment policy; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. All interest and income derived from such deposits and investments immediately shall be credited to, and any losses debited to, the Fund from which the deposit or investment was made, and surpluses in any Fund shall or may be disposed of as hereinafter provided. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds Similarly Secured.

SECTION 15: Funds Secured. Money in all Funds mentioned in this Ordinance, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the City.

SECTION 16: Debt Service Requirements.

(a) Promptly after the delivery of the Bonds the City shall cause to be deposited to the credit of the Interest and Redemption Fund any accrued interest received from the sale and delivery of the Bonds, and any such deposit shall be used to pay part of the interest next coming due on the Bonds.

(b) In addition to amounts required to be transferred by the ordinances authorizing the Bonds Similarly Secured, the City shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Redemption Fund the amounts, at the times, as follows:

(1) such amounts, deposited in approximately equal monthly installments on or before the 25th day of each month hereafter, commencing with the month during which the Bonds are delivered, or the month thereafter if delivery is made after the 25th thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Redemption Fund and available for such purpose, to pay the interest scheduled to accrue and come due on the Bonds and any Additional Bonds on the next succeeding interest payment date; and

(2) such amounts, deposited in approximately equal monthly installments on or before the 25th day of each month hereafter, commencing with the month during which the Bonds are delivered, or the month thereafter if delivery is made after the 25th day thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Redemption Fund and available for such purpose, to pay the principal

scheduled to mature and come due on the Bonds and any Additional Bonds on the next succeeding principal payment date.

SECTION 17: Reserved.

SECTION 18: Deficiencies; Excess Pledged Revenues.

(a) If on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Redemption Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(b) Subject to making the required deposits to the credit of the Interest and Redemption Fund when and as required by this Ordinance, or any ordinance authorizing the issuance of Additional Bonds, the excess Pledged Revenues may be used by the City for any lawful purpose.

SECTION 19: Payment of Bonds and Additional Bonds. On or before October 1, 2021, and semiannually on or before each April 1 and October 1 thereafter while any of the Bonds Similarly Secured are outstanding and unpaid, the City shall make available to the paying agents therefor, out of the Interest and Redemption Fund, money sufficient to pay such interest on and such principal of the Bonds Similarly Secured as will occur or mature on such dates, respectively. The Paying Agent/Registrar shall destroy all paid Bonds Similarly Secured and furnish the City with an appropriate certificate of cancellation or destruction.

SECTION 20: Final Deposits, Governmental Obligations.

(a) Any Bonds Similarly Secured shall be deemed to be paid, retired, and no longer Outstanding within the meaning of this Ordinance when payment of the principal of, redemption premium, if any, on such Bond Similarly Secured, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption), or (ii) shall have been provided by irrevocably depositing with, or making available to, the Paying Agent/Registrar therefor, in trust and irrevocably set aside exclusively for such payment, (1) money sufficient to make such payment or (2) Governmental Obligations, as hereinafter defined in this Section, 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, or sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of such paying agent pertaining to the Bonds Similarly Secured with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of such Paying Agent/Registrar. At such time as a Bond Similarly Secured shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefit of this Ordinance or a lien on and pledge of the Pledged Revenues, and shall be entitled to payment solely from such money or Government Obligations.

(b) Any moneys so deposited with a paying agent may at the direction of the City also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the paying agent pursuant to this Section which is not required for the payment of the Bonds Similarly Secured,

the redemption premium, if any, and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City or deposited as directed by the City.

(c) The City hereby covenants that no deposit will be made or accepted under clause (a)(ii) of this Section and no use made of any such deposit which would cause the Bonds to be treated as arbitrage bonds within the meaning of the Internal Revenue Code of 1986, as amended.

(d) For the purpose of this Section, unless otherwise modified by the Pricing Officer, the term "Government Obligations" 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 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 Bonds under the then applicable laws of the State of Texas.

(e) Notwithstanding any other provisions of this Ordinance, all money or Government Obligations set aside and held in trust pursuant to the provisions of this Section for the payment of the Bonds Similarly Secured, the redemption premium, if any, and interest thereon, shall be applied to and used for the payment of such Bonds Similarly Secured, the redemption premium, if any, and interest thereon.

SECTION 21: Additional Bonds.

(a) The City shall have the right and power at any time and from time to time and in one or more series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Bonds"), in accordance with law, in any amounts, for any lawful purpose, including the refunding of any Bonds Similarly Secured. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with this Ordinance, shall be secured by and made payable equally and ratably on a parity with the Bonds, and all other outstanding Previously Issued Bonds from an irrevocable lien on and pledge of the Pledged Revenues.

(b) The Interest and Redemption Fund mentioned in this Ordinance shall secure and be used to pay all Bonds Similarly Secured. However, each ordinance under which Additional Bonds are issued shall provide and require that, in addition to the amounts required by the provisions of this Ordinance and the provisions of any other ordinance or ordinances authorizing Additional Bonds to be deposited to the credit of the Interest and Redemption Fund, the City shall deposit to the credit of the Interest and Redemption Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same come due.

(c) That all calculations of average annual principal and interest requirements made pursuant to this Section shall be made as of and from the date of the Additional Bonds then proposed to be issued.

(d) That the principal of all Additional Bonds must be scheduled to be paid or mature on April 1 or October 1, or both, of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on April 1 and October 1.

SECTION 22: Further Requirements for Additional Bonds. Additional Bonds shall be issued only in accordance with this Ordinance, but notwithstanding any provisions of this Ordinance to the contrary, no installment, series, or issue of Additional Bonds shall be issued or delivered unless:

(a) The Mayor and the City Secretary of the City sign a written certificate to the effect that the City is not in default as to any covenant, condition, or obligation in connection with Bonds Similarly Secured, and the ordinances authorizing same, and that the Interest and Redemption Fund contains the amount then required to be therein.

(b) An independent certified public accountant, or independent firm of certified public accountants, signs a written certificate to the effect that, during either the next preceding year, or any twelve consecutive calendar month period ending not more than ninety days prior to the passage of the ordinance authorizing the issuance of the then proposed Additional Bonds, the Pledged Revenues were, in his or its opinion, at least equal to 1.25 times the principal and interest requirements of all Bonds Similarly Secured to be Outstanding after the issuance of the then proposed Additional Bonds for the year during which such requirements are scheduled to be the greatest.

SECTION 23: General Covenants. The City further covenants and agrees that in accordance with and to the extent required or permitted by law:

(a) Performance. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance, and each ordinance authorizing the issuance of Additional Bonds, and in each and every Bond Similarly Secured; that it will promptly pay or cause to be paid the principal of and interest on every Bond Similarly Secured, on the dates and in the places and manner prescribed in such ordinances and Bonds Similarly Secured; and that it will, at the times and in the manner prescribed, deposit or cause to be deposited the amounts required to be deposited into the Interest and Redemption Fund; and any holder of the Bonds Similarly Secured may require the City, its officials, and employees, to carry out, respect, or enforce the covenants and obligations of this Ordinance, or any ordinance authorizing the issuance of Additional Bonds, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the City, its officials, and employees.

(b) City's Legal Authority. It is a duly created and existing home rule city of the State of Texas, and is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken, and that the Bonds registered in the names of the registered owners thereof are and will be valid and enforceable special obligations of the City in accordance with their terms.

(c) Title. It has or will obtain lawful title to the lands, buildings, structures, and facilities constituting the System, that it warrants that it will defend the title to all the aforesaid lands, building, structures, and facilities, and every part thereof, for the benefit of the holders and owners of the Bonds Similarly Secured, against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the

Bonds Similarly Secured in the manner prescribed herein, and has lawfully exercised such rights.

(d) Liens. It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or the System, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's, or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's, or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the City.

(e) Operation of System; No Free Service. While the Bonds Similarly Secured are Outstanding and unpaid the City shall continuously and efficiently operate the System, and shall maintain the System in good condition, repair, and working order, at all reasonable cost. No free service of the System shall be allowed, and should the City or any of its agencies or instrumentalities make use of the services and facilities of the System, payment of the reasonable value shall be made by the City out of funds from sources other than the revenues of the System, unless made from surplus or excess Pledged Revenues as permitted in Section 18(b) hereof.

(f) Further Encumbrance. While the Bonds Similarly Secured are Outstanding and unpaid, the City shall not additionally encumber the Pledged Revenues in any manner, except as permitted in this Ordinance in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Ordinance or such pledge is equal to or less than \$10,000; but the right of the City to issue revenue bonds payable from a subordinate lien on the Pledged Revenues is specifically recognized and retained.

(g) Sale or Disposal of Property. While the Bonds Similarly Secured are Outstanding and unpaid, the City shall not sell, convey, mortgage, encumber, lease, or in any manner transfer title to, or otherwise dispose of the System, or any significant or substantial part thereof; provided that whenever the City deems it necessary to dispose of any property, machinery, fixtures, or equipment, it may sell or otherwise dispose of such property, machinery, fixtures, or equipment when it has made arrangements to replace the same or provide substitutes therefor, unless it is determined by resolution of the City Council that no such replacement or substitute is necessary.

(h) Insurance.

(1) The City shall cause to be insured such parts of the System as would usually be insured by corporations operating like properties, with a responsible insurance company or companies or through self insurance, against risks, accidents, or casualties against which and to the extent insurance is usually carried by corporations operating like properties, including, to the extent reasonably obtainable, fire and extended coverage insurance, insurance against damage by floods, and use and occupancy insurance. Public liability and property damage insurance shall also be

carried unless the City Attorney of the City gives a written opinion to the effect that the City is not liable for claims which would be protected by such insurance. At any time while any contractor engaged in construction work shall be fully responsible therefor, the City shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the owners of the Bonds and their representatives at all reasonable times. Upon the happening of any loss or damage covered by insurance from one or more of said causes, the City shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the City. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the City for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds pertaining to the System shall be used promptly as follows:

(i) for the redemption prior to maturity of the Bonds Similarly Secured, ratably in the proportion that the outstanding principal of each series or issue of Bonds Similarly Secured bears to the total outstanding principal of all Bonds Similarly Secured, provided that if on any such occasion the principal of any such series or issue is not subject to redemption, it shall not be regarded as Outstanding in making the foregoing computation; or

(ii) if none of the Bonds Similarly Secured is subject to redemption, then for the purchase on the open market and retirement of said Bonds Similarly Secured in the same proportion as prescribed in the foregoing clause (i), to the extent practicable; provided that the purchase price for any Bond Similarly Secured shall not exceed the redemption price of such Bond Similarly Secured on the first date upon which it becomes subject to redemption; or

(iii) to the extent that the foregoing clauses (i) and (ii) cannot be complied with at the time, the insurance proceeds, or the remainder thereof, shall be deposited in a special and separate trust fund, at an official depository of the City, to be designated the Insurance Account. The Insurance Account shall be held until such time as the foregoing clauses (i) and/or (ii) can be complied with, or until other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required, whichever of said events occurs first.

(2) The annual audit hereinafter required shall contain a section commenting on whether or not the City has complied with the requirements of this Section with respect to the maintenance of insurance, and listing all policies carried, and whether or not all insurance premiums upon the insurance policies to which reference is hereinbefore made have been paid.

(i) Rate Covenant. The City Council of the City will fix, establish, maintain, and collect such rates, charges, and fees for the use and availability of the System at all times as are necessary to produce Gross Revenues sufficient, together with any other Pledged Revenues, (1) to pay all current operation and maintenance expenses of the System, and (2) to produce Pledged Revenues for each year at least equal to 1.25 times the principal and interest requirements of all then Outstanding Bonds Similarly Secured for the year during which such requirements are scheduled to be the greatest.

(j) Records. It will keep proper books of record and account in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the System, the Pledged Revenues, and the Funds mentioned in this Ordinance, and all books, documents, and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any owner of a Bond.

(k) Audits. After the close of each year while any of the Bonds Similarly Secured are Outstanding, an audit will be made of the books and accounts relating to the System and the Pledged Revenues by an independent certified public accountant, or an independent firm of certified public accountants. As soon as practicable after the close of each such year, and when said audit has been completed and made available to the City, a copy of such audit for the preceding year shall be mailed to the Municipal Advisory Council of Texas and to any holder of 5% or more in aggregate principal amount of then Outstanding Bonds Similarly Secured who shall so request in writing. Such annual audit reports shall be open to the inspection of the owners of the Bonds Similarly Secured and their agents and representatives at all reasonable times.

(l) Governmental Agencies. It will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to the System, and which have been obtained from any governmental agency; and the City has or will obtain and keep in full force and effect all franchises, permits, authorization, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of the System.

(m) Competition. It will not grant any franchise or permit for the acquisition, construction, or operation of any competing facilities which might be used as a substitute for the System's facilities, and, to the extent that it legally may, the City will prohibit any such competing facilities.

SECTION 24: Amendment of Ordinance.

(a) The owners of Bonds Similarly Secured aggregating in principal amount of 51% of the aggregate principal amount of then Outstanding Bonds Similarly Secured shall have the right from time to time to approve any amendment to this Ordinance which may be deemed necessary or desirable by the City, provided, however, that nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions in this Ordinance or in the Bonds Similarly Secured so as to:

- (1) Make any change in the maturity of the Outstanding Bonds Similarly Secured;
- (2) Reduce the rate of interest borne by any of the Outstanding Bonds Similarly Secured;
- (3) Reduce the amount of the principal payable on the Outstanding Bonds Similarly Secured;
- (4) Modify the terms of payment of principal of or interest on the Outstanding Bonds Similarly Secured, or impose any conditions with respect to such payment;

EXHIBIT A
PAYING AGENT/REGISTRAR AGREEMENT

D



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Pillar	Economic Development and Redevelopment
Department	City Manager		
Contact	Laura Storrs, Assistant City Manager		

Agenda Caption

DISCUSSION AND CONSIDERATION OF ORDINANCE
(Contact: Laura Storrs)

Discussion and consideration of all matters incident and related to the issuance and sale of “City of Amarillo, Texas, Drainage Utility System Revenue Bonds, Series 2021”, including the adoption of an ordinance authorizing the issuance of such bonds.

Agenda Item Summary

This ordinance authorizes the City to issue the “CITY OF AMARILLO, TEXAS, DRAINAGE UTILITY SYSTEM REVENUE BONDS, SERIES 2021” (bonds); prescribing the forms, terms, and provisions of said bonds; pledging the net revenues of the City’s Drainage Utility System to the payment of the principal of and interest on said bonds; enacting provisions incident and related to the issuance, payment, security, sale and delivery of said Bonds, establishing procedures for the sale and delivery of said Bonds; and delegating matters relating to the sale and issuance of said Bonds to an authorized City official; and providing an effective date. The proceeds will be used for improvements and construction of the City’s drainage system.

Requested Action

Adopt the Ordinance authorizing the issuance of the Drainage Utility System Revenue Bonds, Series 2021.

Funding Summary

N/A

Community Engagement Summary

Increases in rates were approved by Council through the annual budget process and went into effect on 10/1/2018, 10/1/2019, and 10/1/2020 to support the issuance of this debt.

Staff Recommendation

City staff is recommending approval of the Ordinance.

ORDINANCE NO. 7905

AN ORDINANCE authorizing the issuance of "CITY OF AMARILLO, TEXAS, DRAINAGE UTILITY SYSTEM REVENUE BONDS, SERIES 2021"; prescribing the forms, terms, and provisions of said bonds; pledging the net revenues of the City's Drainage Utility System to the payment of the principal of and interest on said bonds; enacting provisions incident and related to the issuance, payment, security, sale and delivery of said Bonds, establishing procedures for the sale and delivery of said Bonds; and delegating matters relating to the sale and issuance of said Bonds to an authorized City official; and providing an effective date.

WHEREAS, under the provisions of Texas Local Government Code, Chapter 552, as amended, the City Council of the City of Amarillo, Texas (the "City"), is authorized to issue drainage utility system revenue bonds for acquiring, improving and constructing municipal drainage facilities, including the purchase of land, rights-of-way and equipment therefor;

WHEREAS, the City Council by this Ordinance, in accordance with the provisions of Texas Government Code, Chapter 1371, as amended ("Chapter 1371"), delegates to a Pricing Officer (hereinafter designated) the authority to determine the principal amount of the Bonds to be issued and to negotiate the terms of sale thereof; and

WHEREAS, the City Council finds and determines that it is necessary and in the best interests of the City and its citizens that it issue such bonds authorized by this Ordinance, the terms of such bonds to be included in one or more pricing certificates (each a "Pricing Certificate") to be executed by the Pricing Officer and that the proceeds of such bonds are to be used solely for the purposes specified in this Ordinance, which the City Council hereby determines to be necessary and economically feasible; and

WHEREAS, the bonds to be issued pursuant to the terms and provisions of this Ordinance will be secured by a pledge of and lien on the Pledged Revenues (as hereinafter defined) of the City's drainage utility system (the "System"); and

WHEREAS, this City Council is now authorized and empowered to proceed with the issuance of said bonds; now, therefore,

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

SECTION 1: Authorization - Designation - Principal Amount - Purpose. Revenue bonds of the City shall be and are hereby authorized to be issued in the aggregate principal amount set forth in the Pricing Certificate to be designated and bear the title "City of Amarillo, Texas, Drainage Utility System Revenue Bonds, Series 2021" or such other designation as specified in the Pricing Certificate (hereinafter referred to as the "Bonds"), for acquiring, improving and constructing municipal drainage facilities, including the purchase of land, rights-of-way and equipment therefor and to pay costs of issuance, all as provided in the Pricing Certificate and in conformity with the Constitution and laws of the State of Texas, including particularly Texas Local Government Code, Chapter 552, as amended, and Chapter 1371.

(5) Affect the rights of the owners of less than all of the Bonds Similarly Secured then Outstanding; or

(6) Change the minimum percentage of the principal amount of Bonds Similarly Secured necessary for consent to such amendment.

(b) If at any time the City shall desire to amend the Ordinance under this Section, the City shall cause notice of the proposed amendment to be published in a financial newspaper or journal published in the City of New York, New York, once during each calendar week for at least two successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Paying Agent/Registrar for inspection by all owners of Bonds Similarly Secured. Such publication is not required, however, if notice in writing is given to each owner of Bonds Similarly Secured.

(c) Whenever at any time not less than thirty days, and within one year, from the date of the first publication of said notice or other service of written notice the City shall receive an instrument or instruments executed by the owner of at least 51% in aggregate principal amount of all Bonds Similarly Secured then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file with the Paying Agent/Registrar, the City Council may pass the amendatory ordinance in substantially the same form.

(d) Upon the passage of any amendatory ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be amended in accordance with such amendatory ordinance, and the respective rights, duties, and obligations under this Ordinance of the City and all the owners of then Outstanding Bonds Similarly Secured and all future Bonds Similarly Secured shall thereafter be determined, exercised, and enforced hereunder, subject in all respects to such amendments.

(e) Any consent given by the owner of a Bond Similarly Secured pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice provided for in this Section, and shall be conclusive and binding upon all future owners of the same Bond Similarly Secured during such period. Such consent may be revoked at any time after six months from the date of the first publication of notice by the owner who gave such consent, or by a successor in title, by filing notice thereof with the Paying Agent/Registrar and the City, but such revocation shall not be effective if the owners of 51% in aggregate principal amount of the then Outstanding Bonds Similarly Secured as in this Section defined have, prior to the attempted revocation, consented to and approved the amendment.

(f) For the purpose of this Section, the fact of the holding of Bonds Similarly Secured, which are not required to be in registered form, by any bondholder and the amount and numbers of such Bonds Similarly Secured and the date of their holding same, may be proved by the affidavit of the person claiming to be such holder, or by a certificate executed by any trust company, bank, banker, or any other depository wherever situated showing that at the date therein mentioned such person had on deposit with such trust company, bank, banker, or other depository, the Bonds Similarly Secured described in such certificate. The City may conclusively assume that such ownership continues until written notice to the contrary is served upon the City.

SECTION 25: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in payments to be made to the Interest and Redemption Fund as required by this Ordinance or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance, the registered owner of any of the Bonds shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the City Council and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right or power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specifications of such remedies shall not be deemed to be exclusive.

SECTION 26: Covenants to Maintain Tax-Exempt Status.

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

"Closing Date" means the date on which the Bonds 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 Bonds.

"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 Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"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 Bonds. 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 Bonds 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 Bond 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 Bond, 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 Bonds:

(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 Bonds, 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 Bonds, 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 Bonds 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 Bonds 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 Bonds.

(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 Bonds 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 Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds 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 Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Underwriters 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 out of the Interest and Redemption Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Bonds 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 Bonds, 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 Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, City Manager, Deputy City Manager, any Assistant City Manager or Director of Finance, either or any combination of them, 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 Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 27: Notices to Holders-Waiver. Wherever this Ordinance provides for notice to Bondholders 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 Bondholder as it appears in the Security Register.

In any case where notice to Bondholders is given by mail, neither the failure to mail such notice to any particular Bondholders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Bondholder 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 Bondholders 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: Damaged, Mutilated, Lost, Stolen, or Destroyed Bonds.

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

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen or destroyed Bonds shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the applicant for a replacement bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the applicant shall furnish to the City

and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every cause of damage or mutilation of a Bond, the applicant shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

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

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

(e) Authority for Issuing Replacement Bonds. In accordance with Texas Government Code, Chapter 1201, as amended, this Section of the Ordinance shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such bonds in the form and manner and with the effect, as provided in the Ordinance for Bonds issued in conversion and exchange for other Bonds.

SECTION 29: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be disposed of as directed by the City.

SECTION 30: Sale of the Bonds; Official Statement. The Bonds authorized by this Ordinance are to be sold by the City to the Purchasers in accordance with a bond purchase agreement in the event of a negotiated sale, letter agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable (the "Purchase Contract"), the terms and provisions of which Purchase Contract are to be determined by the Pricing Officer in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City, as the act and deed of this Council, and to make a determination as to whether the terms are in the City's best interests, which determination shall be final.

With regard to such terms and provisions of the Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of any public offering of the Bonds by the Purchasers, if any;
3. The details of any Official Statement or similar disclosure document (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the City's Rule 15c2-12 compliance, if applicable;
4. A security deposit for the Bonds, if any;
5. The representations and warranties of the City to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the City under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the City;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Bonds.

The Pricing Officer or the Mayor and City Secretary of the City are further authorized and directed to deliver for and on behalf of the City copies of a Preliminary Official Statement and Official Statement prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement as delivered by said officials shall constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 31: Reserved.

SECTION 32: Control and Custody of Bonds. The Mayor of the City is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bond(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Underwriters.

Furthermore, the Mayor, Mayor Pro Tem, City Secretary, City Manager, Deputy City Manager, any Assistant City Manager and Director of Finance, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents and certifications relating to the City and the issuance of the Bonds, including certifications as to facts, estimates, circumstances and reasonable expectations pertaining to the use, expenditure and investment of the proceeds of the Bonds, as may be necessary for the approval of the Attorney General, the registration by the Comptroller of Public Accounts and the delivery of the Bonds to the Underwriters and, together with the City's financial advisor, bond counsel and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bond(s) to the Underwriters and the initial exchange thereof for definitive Bonds.

SECTION 33: Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale thereof, less proceeds used to pay costs of issuance and accrued interest, if any, shall be deposited to finance the permanent public improvements referenced in Section 1 hereof and the balance shall be used for the payment of costs of issuance; all in accordance with instructions from the City. Any investment earnings realized shall be expended for such authorized projects and purposes or deposited in the Interest and Redemption Fund. All surplus proceeds of sale of the Bonds, including investment earnings, remaining after completion of all authorized projects or purposes and payment of costs of issuance shall be deposited to the credit of the Interest and Redemption Fund or to another fund created for the payment of any Bond.

SECTION 34: Legal Opinion. The Underwriters' obligation to accept delivery of the Bonds herein authorized is subject to their being furnished a final legal opinion of Norton Rose Fulbright US LLP, Attorneys, Dallas, Texas, approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payable for the Bonds. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

SECTION 35: CUSIP Numbers. CUSIP numbers may be printed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

SECTION 36: Continuing Disclosure Undertaking. The Pricing Officer is hereby authorized to determine whether a continuing disclosure undertaking is required in connection with the issuance of the Bonds. To the extent it is determined that an undertaking under the Rule (defined below) is required, this Section shall apply.

(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 the year stated in the Pricing Certificate, financial information and operating data with respect to the City of the general type of information contained in the Official Statement approved by the Pricing Officer and described in the Pricing Certificate, and (2) if not provided as part of such financing information and operating data, within twelve months after the end of each fiscal year ending in the year stated in the Pricing Certificate, audited financial statements of the City. If audited financial statements are not available by the required time, the City will provide unaudited financial statements by the required time, and audited financial statements when and if such audited statements become available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and audited, if the City commissions an audit of such 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 and financial statements 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 Bonds 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 Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;

8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, 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 item 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 items 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 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 Bonds 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 Bond 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 Bonds; and, nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the 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 Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE 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 Bonds in the primary offering of the Bonds 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 Bonds 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 Bonds. 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 underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds 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: Municipal Bond Insurance. The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 38: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, any Assistant City Manager, Director of Finance 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 Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, City Manager, Deputy City Manager, any Assistant City Manager, Director of Finance 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 Bonds 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: 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, Bond Counsel for the City and the Bondholders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, Bond Counsel for the City and the Bondholders.

SECTION 40: 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 41: 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 42: 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 this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 43: 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 44: Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall take effect and be in full force immediately from and after its date of adoption shown below.

[Remainder of page intentionally left blank]

PASSED AND ADOPTED, this January 26, 2021.

CITY OF AMARILLO, TEXAS

Mayor

ATTEST:

City Secretary



(CITY SEAL)

APPROVED AS TO FORM:

City Attorney

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Date. The Bonds are issuable in fully registered form only; shall be dated as provided in the Pricing Certificate (the "Bond Date") and shall be in denominations of \$5,000 or any integral multiple thereof (within a Stated Maturity) and the Bonds shall become due and payable on a date certain in each of the years and in principal amounts (the "Stated Maturities") and bear interest at per annum rates in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer. (a) As authorized by Chapter 1371, the City Manager or Assistant City Manager of the City (either, the "Pricing Officer") is hereby authorized to act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance, including determining the aggregate principal amount of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, determining whether the Bonds shall be issued in one or more series or subseries, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the date from which interest on the Bonds will accrue, the record date, the interest payment dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, determination of the use of a book-entry-only securities clearance, settlement and transfer system, the designation of one or more paying agent/registrars, the terms of any bond insurance applicable to the Bonds, including any modification of the continuing disclosure undertaking contained in Section 34 hereof as may be required by the purchasers of the Bonds in connection with any amendments to the Rule (hereinafter defined), and all other matters relating to the issuance, sale and delivery of the Bonds, all of which shall be specified in the Pricing Certificate, provided that:

- (i) the aggregate original principal amount of the Bonds shall not exceed \$10,100,000;
- (ii) the maximum true interest cost rate for the Bonds shall not exceed 3.00%; and
- (iii) the maximum maturity date for the Bonds shall not exceed August 15, 2041.

The execution of the Pricing Certificate shall evidence the sale date of the Bonds by the City to the Purchasers (hereinafter defined).

If the Pricing Officer determines that bond insurance results in a net reduction of the City's interest costs associated with the Bonds, then the Pricing Officer is authorized, in connection with effecting the sale of the Bonds, to make the selection of a municipal bond insurance company for the Bonds (the "Insurer") and to obtain from the Insurer a municipal bond insurance policy in support of the Bonds. The Pricing Officer shall have the authority to determine the provisions of the commitment for any such policy and to execute any documents to affect the issuance of said policy by the Insurer.

In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in subsection 3(a) above, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The delegation made hereby shall expire if not exercised by the Pricing Officer within one (1) year of the date of the adoption of this Ordinance. The Bonds shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the "Purchasers"), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract (hereinafter defined), and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidenced by the execution of the Pricing Certificate.

SECTION 4: Terms of Payment-Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books (the "Security Register") 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 the Paying Agent/Registrar for the Bonds shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar and at a location within the State of Texas, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement" substantially in the form of attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe; and the Pricing Officer or the Mayor are authorized to execute and deliver such Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds 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 Bonds, 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 Bonds shall be payable at the Stated Maturities thereof only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices as provided in the Pricing Certificate (the "Designated Payment/Transfer Office"). Interest on the Bonds shall be paid to the Holder whose name appears in the Security Register at the close of business on the "Record Date" (which shall be set forth in the Pricing Certificate) 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 Bonds 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 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 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.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the City at the Designated Payment/Transfer Office of the Paying Agent/Registrar and at a place within the State of Texas, and the Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each registered owner of the Bonds issued under and pursuant to the provisions of this Ordinance. Any Bond may, in accordance with its terms and the terms hereof, be transferred or exchanged for Bonds of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond 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 for transfer of any Bond 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 Bonds executed on behalf of, and furnished by, the City of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are so surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds executed on behalf of, and furnished by, the City to the Holder requesting the exchange.

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

All transfers or exchanges of Bonds 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.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any Bond registered and delivered pursuant to Section 27 hereof in lieu of a mutilated, lost, destroyed, or stolen Bond which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within 30 days of the date fixed for redemption of such Bond; provided, however, that such limitation of transfer shall not be applicable to an exchange by the Holder of an unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained herein and in the Pricing Certificate relating to the payment, redemption and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum as amended, the Blanket Issuer Letter of Representations, by and between the City and DTC, and the Letter of Representation from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement").

In the event the Pricing Officer elects to utilize DTC's "Book-Entry-Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds 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 Bond (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 Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the applicable provisions hereof and in the Pricing Certificate.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor under its seal reproduced or impressed thereon and attested by the City Secretary. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the Bond Date shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in

subsequent exchanges and transfers, all as authorized and provided in the Texas Government Code, Chapter 1201, as amended.

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

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued as a single fully registered bond in the total principal amount of this series with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, or (ii) as one bond for each year of maturity in the applicable principal amount and denomination as referenced in the Pricing Certificate and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds 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 Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds 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 Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Registration, and the form of Assignment to be printed on each of the Bonds, 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, with the Bonds to be completed and modified with the information set forth in the Pricing Certificate, 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 Bonds, 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 Pricing Officer or the officers executing such Bonds as evidenced by their execution thereof. The Pricing Certificate shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds shall be printed, typed, lithographed, or engraved or produced in any other similar manner, all as determined by the officers executing such Bonds as evidenced

by their execution thereof, but the Initial Bond(s) submitted to the Attorney General of Texas may be typewritten or photocopied or otherwise reproduced.

The City may provide for registration of the Bonds in the name of a securities depository, or the nominee thereof. While any Bond is registered in the name of a securities depository or its nominee, references herein and in the Bonds to the holder or owner of such Bond shall mean the securities depository or its nominee and shall not mean any other person.

B. Form of Definitive Bond.

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AMARILLO, TEXAS
DRAINAGE UTILITY SYSTEM REVENUE BOND
SERIES 2021

Bond Date:
_____, 2021

Interest Rate: _____

Stated Maturity: _____

CUSIP NO: _____

Registered Owner: _____

Principal Amount: _____ DOLLARS

The City of Amarillo, Texas (hereinafter referred to as the "City"), a body corporate and municipal corporation in the Counties of Potter and Randall, State of Texas, for value received, hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, solely from the revenues hereinafter defined, on the Stated Maturity date specified above, the Principal Amount stated above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount thereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond 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 Bond is prior to the initial interest payment date in which case it shall bear interest from _____) 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 _____ and _____ of each year commencing _____, 20___. Principal of this Bond shall be payable 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. Interest shall be payable to the registered owner of this Bond (or one or more Predecessor Bonds, 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 _____ day of the month next preceding each interest payment date. All payments of principal of, premium, if any, and interest on this Bond 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 made by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register on the Record Date 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 Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where 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 banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Bonds") pursuant to the Pricing Certificate and an ordinance adopted by the governing body of the City (the "Bond Ordinance," and jointly with the Pricing Certificate, the "Ordinance"), for the purpose of acquiring, improving and constructing municipal drainage facilities, including the purchase of land, rights-of-way and equipment therefor and paying costs of issuance, under and in strict conformity with the Constitution and laws of the State of Texas, including Texas Local Government Code, Chapter 552, as amended, and Texas Government Code, Chapter 1371, as amended.

[The Bonds maturing on the date(s) hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Redemption 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:

<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
_____ 15, 20__	_____,000
_____ 15, 20__ (maturity)	_____,000

The particular Term Bonds 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 Bonds 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 Bonds 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 Bonds 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 Bonds maturing on and after _____ 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 within a Stated Maturity selected by lot by the Paying Agent/Registrar), on _____ 15, 20__ or on any date thereafter at the redemption price of par plus accrued interest to the date of redemption.

At least thirty 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 Bond 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 this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof 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 hereof redeemed.

In the event of a partial redemption of the principal amount of this Bond, payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of this Bond to the Paying Agent/Registrar at the Designated Payment/Transfer Office and, there shall be issued, without charge therefor, to the registered owner hereof, a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided in the Ordinance for the then unredeemed balance of the principal sum hereof. If this Bond is called for redemption, in whole or in part, the City or the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Holder within 45 days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds 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, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are special obligations of the City and, together with the outstanding and unpaid Bonds Similarly Secured (as defined in the Ordinance authorizing the issuance of the Bonds), are payable solely from and secured by a lien on and pledge of the Pledged Revenues (as defined in the Ordinance) of the City's municipal drainage utility system (the "System"). The Bonds do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any property of the City or the System, except with respect to the Pledged Revenues. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

Subject to satisfying the terms and conditions prescribed therefor, the City has reserved the right to issue additional revenue obligations payable from and equally and ratably secured by a parity lien on and pledge of the Pledged Revenues of the System, in the same manner and to the same extent as the Bonds.

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 of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for the Bonds; the properties constituting the System; the Pledged Revenues pledged to the payment of the principal of and interest on the Bonds; the nature and extent and manner of enforcement of the lien and pledge securing the payment of the Bonds; the terms and conditions for the issuance of additional revenue obligations; the terms and conditions relating to the transfer or exchange of this Bond; 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 liens, pledges, charges and covenants made therein may be discharged at or prior to the maturity or redemption of this Bond, and this Bond deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the same meanings assigned in the Ordinance.

This Bond, 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 Bonds 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, may treat the registered owner hereof 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 Bond as the owner entitled to payment of principal hereof at its Stated Maturity or its 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 non-payment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the 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 and represented and covenanted that the City is a duly organized and legally existing municipal corporation under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Bonds 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 Bonds to render the same lawful and valid special 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 Bonds 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 Bonds by a pledge of the Pledged Revenues of the System as aforestated. In case any provision in this Bond or any application thereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond 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 Bond to be duly executed under the official seal of the City as of the Bond Date.

CITY OF AMARILLO, TEXAS

Mayor

COUNTERSIGNED:

City Secretary

(City Seal)

C. Form of Registration Certificate of Comptroller of Public Accounts, to appear on Initial Bond only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

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

I HEREBY CERTIFY that this Bond 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 Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered under the provisions of the within-mentioned Ordinance; the bond or bonds 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 office of the Paying Agent/Registrar in _____, _____ is the Designated Payment/Transfer Office for this Bond.

_____, _____
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
Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____
attorney to transfer the within Bond 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 Bond in
every particular.

F. The Initial Bond(s) shall be substantially in the form set forth in paragraph B of
this Section, except that the form of a single fully registered Initial Bond shall be modified as
follows:

The heading and first paragraph shall be amended to read as follows:

REGISTERED
NO. T-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AMARILLO, TEXAS
DRAINAGE UTILITY SYSTEM REVENUE BOND
SERIES 2021

Bond Date: _____, 2021

Registered Owner: _____

Principal Amount: ____ MILLION ____ HUNDRED THOUSAND DOLLARS

The City of Amarillo (hereinafter referred to as the "City"), a body corporate and municipal corporation in the Counties of Potter and Randall, State of Texas, for value received, hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, solely from the revenues hereinafter identified, on _____ 15 in each of the years and in principal amounts and bearing interest at per annum rates in accordance with the following schedule:

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

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

(or so much thereof as shall not have been prepaid prior to maturity) and to pay interest on the unpaid principal amounts hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond 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 Bond is prior to the initial interest payment date in which case it shall bear interest from _____) at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____ and _____ of each year, commencing _____, 20____. Principal of this Bond shall be payable to the registered owner hereof, upon presentation and surrender to _____, _____, _____ (the "Paying Agent/Registrar"), at its designated offices, initially in _____, _____, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest shall be payable to the registered owner of this Bond 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 _____ day of the month next preceding each interest payment date. All payments of principal of, premium, if any, and interest on this Bond 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 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 on the Record Date 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 Bonds 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 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.

SECTION 10: Definitions. That for all purposes of this ordinance and in particular for clarity with respect to the issuance of the Bonds herein authorized and the pledge and appropriation of revenues therefor, the following definitions are provided:

(a) The term "Additional Obligations" shall mean the additional bonds, certificates of obligation, notes or other obligations, which the City reserves the right to issue in the future, as provided in this Ordinance, and as may be outstanding from time to time, payable from and secured by a lien on and pledge of the Pledged Revenues of equal rank and dignity, and on a parity in all respects, with the lien thereon and pledge thereof securing the payment of the Bonds Similarly Secured.

(b) The term "Bonds" or "Series 2021 Bonds" shall mean the "City of Amarillo, Texas Drainage Utility System Revenue Bonds, Series 2021", authorized by this Ordinance, as may be outstanding from time to time.

(c) The term "Bonds Similarly Secured" means the Previously Issued Bonds, the Bonds and Additional Obligations.

(d) The term "Certificate Fund" means the special fund created and established to pay the principal of and interest on the "City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2012A," dated November 1, 2012, under the provisions of Ordinance No. 7374 authorizing the issuance of such obligations.

(e) The term "City" shall mean the City of Amarillo, in Potter and Randall Counties, Texas.

(f) The term "Drainage Utility System" and "System" shall mean the City's municipal drainage utility system, including all present and future additions, extensions, replacements, and improvements thereto.

(g) The term "Gross Revenues of the City's Drainage Utility System" and "Gross Revenues" shall mean all revenues, income, and receipts of every nature derived or received by the City from the operation and ownership of the System, including the interest income from the investment or deposit of money in any fund mentioned in this Ordinance.

(h) The term "Maintenance and Operation Expenses" shall mean all reasonable and necessary expenses directly related and attributable to the operation and maintenance of the System, including all salaries, labor, materials, repairs, extensions and other expenses reasonably and properly charged necessary to render efficient service to the City and its inhabitants. Depreciation and expenditures classed under generally accepted accounting principles as capital expenditures shall not be considered as "Maintenance and Operation Expenses" for purposes of determining "Net Revenues".

(i) The term "Net Revenues of the City's Drainage Utility System" and "Net Revenues" shall mean, with respect to any period, all income, revenues, and receipts received from the operation and ownership of the System less Maintenance and Operation expenses of the System during such period.

(j) The terms "Outstanding" and "outstanding" when used in this Ordinance with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

(1) those Bonds theretofore canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds for which payment has been duly provided by the City by the irrevocable deposit with the Paying Agent/Registrar of money in the amount necessary to fully pay the principal of, premium, if any, and interest thereon to maturity or redemption, as the case may be, provided that, if such Bonds are to be redeemed, notice of redemption thereof shall have been duly given pursuant to this Ordinance or irrevocably provided to be given to the satisfaction of the Paying Agent/Registrar, or waived;

(3) those Bonds that have been mutilated, destroyed, lost or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 27 hereof; and

(4) those Bonds for which the payment of the principal of, premium, if any, and interest on which has been duly provided for by the City in accordance with law.

(k) The term "Pledged Revenues" shall mean (i) the Net Revenues, plus (ii) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Bonds Similarly Secured.

(l) The term "Previously Issued Bonds" shall mean the following outstanding and unpaid obligations as follows:

"City of Amarillo, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2012A," dated November 1, 2012;

"City of Amarillo, Texas Drainage Utility System Revenue Bonds, Series 2014," dated April 1, 2014; and

"City of Amarillo, Texas Drainage Utility System Revenue Bonds, Series 2020," dated July 1, 2020.

(m) The term "year" shall mean the regular fiscal year used by the City in connection with the operation of the System, which may be any twelve consecutive months period established by the City.

SECTION 11: Pledge. That the City hereby covenants and agrees that the Pledged Revenues, with the exception of those in excess of the amounts required for the payment and security of the Bonds Similarly Secured, are hereby irrevocably pledged to the payment and security of the Bonds Similarly Secured, and the Pledged Revenues are further pledged irrevocably to the establishment and maintenance of the Interest and Redemption Fund as hereinafter provided. The Bonds Similarly Secured are and will be secured by and payable only from the Pledged Revenues, and are not secured by or payable from a mortgage or deed of trust on any real, personal, or mixed properties constituting the System.

Such lien on and pledge of the Pledged Revenues shall be valid and binding and fully perfected from and after the date of adoption of this Ordinance without physical delivery or transfer of control of the Pledged Revenues, the filing of this Ordinance or any other act; all as provided in Texas Government Code, Chapter 1208, as amended. Texas Government Code, Chapter 1208, as amended, applies to the issuance of the Bonds and the pledge of the Pledged Revenues granted by the City under this Section, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Pledged Revenues granted by the City under this Section is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds 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 Texas Business and

Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 12: Revenue Fund. There has been created and established and shall be maintained on the books of the City, and accounted for separate and apart from all other funds of the City, a special fund entitled the "City of Amarillo, Texas, Drainage Utility System Fund" (hereinafter called the "Revenue Fund"). All Gross Revenues shall be credited to the Revenue Fund immediately upon receipt and revenues deposited to said Revenue Fund shall be pledged and appropriated to the following uses and in the priority shown below:

- First: To the payment of all necessary and reasonable Maintenance and Operation Expenses of the System as said expenses are defined by law.
- Second: To the payment, equally and ratably, of the amounts required to be deposited in the Certificate Fund, Interest and Redemption Fund or other fund or account, respectively, created and established for the payment of principal of and interest on the Bonds Similarly Secured as the same becomes due and payable.
- Third: To the payment of any other indebtedness payable from and secured, in whole or in part, by a lien on and claim against the revenues of the System.
- Fourth: Any revenues remaining in the Revenue Fund after satisfying the foregoing payments, or making adequate and sufficient provisions for the payment thereof, may be appropriated and used for any other purpose now or hereafter permitted by law.

SECTION 13: Interest and Redemption Fund. That for the sole purpose of paying the principal of and interest on all Outstanding Bonds Similarly Secured, as the same come due, there is hereby created and established and shall be maintained at any official depository bank of the City a separate fund entitled the "City of Amarillo Series Drainage Utility System Revenue Bonds Interest and Redemption Fund" (hereinafter called the "Interest and Redemption Fund").

SECTION 14: Deposits of Pledged Revenues; Investments.

(a) The Pledged Revenues shall be deposited into the Interest and Redemption Fund when and as required by this Ordinance.

(b) To the extent permitted by law, money in any Fund mentioned in this Ordinance may, at the option of the City, be invested in investments authorized by the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, and the City's investment policy; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. All interest and income derived from such deposits and investments immediately shall be credited to, and any losses debited to, the Fund from which the deposit or investment was made, and surpluses in any Fund shall or may be disposed of as hereinafter provided. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds Similarly Secured.

SECTION 15: Funds Secured. Money in all funds mentioned in this Ordinance, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the City.

SECTION 16: Debt Service Requirements.

(a) Promptly after the delivery of the Bonds the City shall cause to be deposited to the credit of the Interest and Redemption Fund any accrued interest received from the sale and delivery of the Bonds, and any such deposit shall be used to pay part of the interest next coming due on the Bonds.

(b) In addition to amounts required to be transferred by the ordinances authorizing the Bonds Similarly Secured, the City shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Redemption Fund the amounts, at the times, as follows:

(1) such amounts, deposited in approximately equal monthly installments on or before the 10th day of each month hereafter, commencing with the month during which the Bonds are delivered, or the month thereafter if delivery is made after the 10th thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Redemption Fund and available for such purpose, to pay the interest scheduled to accrue and come due on the Bonds and any Additional Obligations on the next succeeding interest payment date; and

(2) such amounts, deposited in approximately equal monthly installments on or before the 10th day of each month hereafter, commencing with the month during which the Bonds are delivered, or the month thereafter if delivery is made after the 10th day thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Redemption Fund and available for such purpose, to pay the principal scheduled to mature and come due on the Bonds and any Additional Obligations on the next succeeding principal payment date.

SECTION 17: Deficiencies; Excess Pledged Revenues.

(a) If on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Redemption Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(b) Subject to making the required deposits to the credit of the Interest and Redemption Fund when and as required by this Ordinance, or any ordinance authorizing the issuance of Additional Obligations, the excess Pledged Revenues may be used by the City for any lawful purpose.

SECTION 18: Payment of Bonds and Additional Obligations. On or before February 15, 2022, and semiannually on or before each August 15 and February 15 thereafter while any of the Bonds Similarly Secured are outstanding and unpaid, the City shall make available to the paying agents therefor, out of the Interest and Redemption Fund, money sufficient to pay such interest on and such principal of the Bonds Similarly Secured as will occur or mature on such dates, respectively. The Paying Agent/Registrar shall destroy all paid Bonds Similarly Secured and furnish the City with an appropriate certificate of cancellation or destruction.

SECTION 19: Final Deposits, Governmental Obligations.

(a) Any Bonds Similarly Secured shall be deemed to be paid, retired, and no longer Outstanding within the meaning of this Ordinance when payment of the principal of, redemption premium, if any, on such Bond Similarly Secured, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption), or (ii) shall have been provided by irrevocably depositing with, or making available to, the Paying Agent/Registrar therefor, in trust and irrevocably set aside exclusively for such payment, (1) money sufficient to make such payment or (2) Governmental Obligations, as hereinafter defined in this Section, 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, or sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of such paying agent pertaining to the Bonds Similarly Secured with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of such Paying Agent/Registrar. At such time as a Bond Similarly Secured shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefit of this Ordinance or a lien on and pledge of the Pledged Revenues, and shall be entitled to payment solely from such money or Government Obligations.

(b) Any moneys so deposited with a paying agent may at the direction of the City also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the paying agent pursuant to this Section which is not required for the payment of the Bonds Similarly Secured, the redemption premium, if any, and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City or deposited as directed by the City.

(c) The City hereby covenants that no deposit will be made or accepted under clause (a)(ii) of this Section and no use made of any such deposit which would cause the Bonds to be treated as arbitrage bonds within the meaning of the Internal Revenue Code of 1986, as amended.

(d) For the purpose of this Section, unless otherwise modified by the Pricing Officer, the term "Government Obligations" 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 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 Bonds under the then applicable laws of the State of Texas.

(e) Notwithstanding any other provisions of this Ordinance, all money or Government Obligations set aside and held in trust pursuant to the provisions of this Section for the payment of the Bonds Similarly Secured, the redemption premium, if any, and interest thereon, shall be

applied to and used for the payment of such Bonds Similarly Secured, the redemption premium, if any, and interest thereon.

SECTION 20: Additional Obligations.

(a) The City shall have the right and power at any time and from time to time and in one or more series or issues, to authorize, issue, and deliver Additional Obligations, in accordance with law, in any amounts, for any lawful purpose, including the refunding of any Bonds Similarly Secured. Such Additional Obligations, if and when authorized, issued, and delivered in accordance with this Ordinance, shall be secured by and made payable equally and ratably on a parity with the Bonds, and all other outstanding Previously Issued Bonds from an irrevocable lien on and pledge of the Pledged Revenues.

(b) The Interest and Redemption Fund mentioned in this Ordinance shall secure and be used to pay all Bonds Similarly Secured. However, each ordinance under which Additional Obligations are issued shall provide and require that, in addition to the amounts required by the provisions of this Ordinance and the provisions of any other ordinance or ordinances authorizing Additional Obligations to be deposited to the credit of the Interest and Redemption Fund, the City shall deposit to the credit of the Interest and Redemption Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Obligations then being issued, as the same come due.

(c) That all calculations of average annual principal and interest requirements made pursuant to this Section shall be made as of and from the date of the Additional Obligations then proposed to be issued.

(d) That the principal of all Additional Obligations must be scheduled to be paid or mature on February 15 or August 15, or both, of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on February 15 and August 15.

SECTION 21: Further Requirements for Additional Obligations. Additional Obligations shall be issued only in accordance with this Ordinance, but notwithstanding any provisions of this Ordinance to the contrary, no installment, series, or issue of Additional Obligations shall be issued or delivered unless:

(a) An independent certified public accountant, or independent firm of certified public accountants, signs a written certificate to the effect that, during either the next preceding year, or any twelve consecutive calendar month period ending not more than ninety days prior to the passage of the ordinance authorizing the issuance of the then proposed Additional Obligations, the Pledged Revenues were, in his or its opinion, at least equal to 1.25 times the principal and interest requirements of all Bonds Similarly Secured to be Outstanding after the issuance of the then proposed Additional Obligations for the year during which such requirements are scheduled to be the greatest.

SECTION 22: General Covenants. The City further covenants and agrees that in accordance with and to the extent required or permitted by law:

(a) Performance. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance, and each ordinance authorizing the issuance of Additional Obligations, and in each and every Bond Similarly Secured; that it will promptly pay or cause to be paid the principal of and interest on every Bond

Similarly Secured, on the dates and in the places and manner prescribed in such ordinances and Bonds Similarly Secured; and that it will, at the times and in the manner prescribed, deposit or cause to be deposited the amounts required to be deposited into the Interest and Redemption Fund; and any holder of the Bonds Similarly Secured may require the City, its officials, and employees, to carry out, respect, or enforce the covenants and obligations of this Ordinance, or any ordinance authorizing the issuance of Additional Obligations, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the City, its officials, and employees.

(b) City's Legal Authority. It is a duly created and existing home rule city of the State of Texas, and is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken, and that the Bonds registered in the names of the registered owners thereof are and will be valid and enforceable special obligations of the City in accordance with their terms.

(c) Title. It has or will obtain lawful title to the lands, buildings, structures, and facilities constituting the System, that it warrants that it will defend the title to all the aforesaid lands, building, structures, and facilities, and every part thereof, for the benefit of the holders and owners of the Bonds Similarly Secured, against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Bonds Similarly Secured in the manner prescribed herein, and has lawfully exercised such rights.

(d) Liens. It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or the System, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's, or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's, or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the City.

(e) Operation of System; No Free Service. While the Bonds Similarly Secured are Outstanding and unpaid the City shall continuously and efficiently operate the System, and shall maintain the System in good condition, repair, and working order, at all reasonable cost. No free service of the System shall be allowed, and should the City or any of its agencies or instrumentalities make use of the services and facilities of the System, payment of the reasonable value shall be made by the City out of funds from sources other than the revenues of the System, unless made from surplus or excess Pledged Revenues as permitted in Section 17(b) hereof.

(f) Further Encumbrance. While the Bonds Similarly Secured are Outstanding and unpaid, the City shall not additionally encumber the Pledged Revenues in any manner, except as permitted in this Ordinance in connection with Additional Obligations, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Ordinance or such pledge is equal to or less than \$10,000; but the right

of the City to issue revenue bonds payable from a subordinate lien on the Pledged Revenues is specifically recognized and retained.

(g) Sale or Disposal of Property. While the Bonds Similarly Secured are Outstanding and unpaid, the City shall not sell, convey, mortgage, encumber, lease, or in any manner transfer title to, or otherwise dispose of the System, or any significant or substantial part thereof; provided that whenever the City deems it necessary to dispose of any property, machinery, fixtures, or equipment, it may sell or otherwise dispose of such property, machinery, fixtures, or equipment when it has made arrangements to replace the same or provide substitutes therefor, unless it is determined by resolution of the City Council that no such replacement or substitute is necessary.

(h) Insurance.

(1) The City shall cause to be insured such parts of the System as would usually be insured by corporations operating like properties, with a responsible insurance company or companies or through self insurance, against risks, accidents, or casualties against which and to the extent insurance is usually carried by corporations operating like properties, including, to the extent reasonably obtainable, fire and extended coverage insurance, insurance against damage by floods, and use and occupancy insurance. Public liability and property damage insurance shall also be carried unless the City Attorney of the City gives a written opinion to the effect that the City is not liable for claims which would be protected by such insurance. At any time while any contractor engaged in construction work shall be fully responsible therefor, the City shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the owners of the Bonds and their representatives at all reasonable times. Upon the happening of any loss or damage covered by insurance from one or more of said causes, the City shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the City. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the City for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds pertaining to the System shall be used promptly as follows:

(i) for the redemption prior to maturity of the Bonds Similarly Secured, ratably in the proportion that the outstanding principal of each series or issue of Bonds Similarly Secured bears to the total outstanding principal of all Bonds Similarly Secured, provided that if on any such occasion the principal of any such series or issue is not subject to redemption, it shall not be regarded as Outstanding in making the foregoing computation; or

(ii) if none of the Bonds Similarly Secured is subject to redemption, then for the purchase on the open market and retirement of said Bonds Similarly Secured in the same proportion as prescribed in the foregoing clause (i), to the extent practicable; provided that the purchase price for any Bond Similarly Secured shall not exceed the redemption price of such Bond Similarly Secured on the first date upon which it becomes subject to redemption; or

(iii) to the extent that the foregoing clauses (i) and (ii) cannot be complied with at the time, the insurance proceeds, or the remainder thereof, shall be deposited in a special and separate trust fund, at an official depository of the City, to be designated the Insurance Account. The Insurance Account shall be held until such time as the foregoing clauses (i) and/or (ii) can be complied with, or until other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required, whichever of said events occurs first.

(2) The annual audit hereinafter required shall contain a section commenting on whether or not the City has complied with the requirements of this Section with respect to the maintenance of insurance, and listing all policies carried, and whether or not all insurance premiums upon the insurance policies to which reference is hereinbefore made have been paid.

(i) Rate Covenant. The City Council of the City will fix, establish, maintain, and collect such rates, charges, and fees for the use and availability of the System at all times as are necessary to produce revenues of the System sufficient, together with any other Pledged Revenues, (1) to pay all current operation and maintenance expenses of the System, and (2) to produce Pledged Revenues for each year at least equal to 1.25 times the principal and interest requirements of all then Outstanding Bonds Similarly Secured for the year during which such requirements are scheduled to be the greatest.

(j) Records. It will keep proper books of record and account in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the System, the Pledged Revenues, and the Funds mentioned in this Ordinance, and all books, documents, and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any owner of a Bond.

(k) Audits. After the close of each year while any of the Bonds Similarly Secured are Outstanding, an audit will be made of the books and accounts relating to the System and the Pledged Revenues by an independent certified public accountant, or an independent firm of certified public accountants. As soon as practicable after the close of each such year, and when said audit has been completed and made available to the City, a copy of such audit for the preceding year shall be mailed to the Municipal Advisory Council of Texas and to any holder of 5% or more in aggregate principal amount of then Outstanding Bonds Similarly Secured who shall so request in writing. Such annual audit reports shall be open to the inspection of the owners of the Bonds Similarly Secured and their agents and representatives at all reasonable times.

(l) Governmental Agencies. It will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to the System, and which have been obtained from any governmental agency; and the City has or will obtain and keep in full force and effect all franchises, permits, authorization, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of the System.

(m) Competition. It will not grant any franchise or permit for the acquisition, construction, or operation of any competing facilities which might be used as a substitute for the System's facilities, and, to the extent that it legally may, the City will prohibit any such competing facilities.

SECTION 23: Ordinance to Constitute Contract - Amendment of Ordinance. This Ordinance shall constitute a contract with the Holder of any Bond from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 34 hereof. The City, may, without the consent of or notice to any Holders of Bonds, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders of any Bond, including the curing of any ambiguity, inconsistency or formal defect or omission herein. In addition, the City may, with the written consent of the Holders of Bonds owning a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition or rescission shall (a) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor 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 Bonds, (b) give any preference to any Bond over any other Bond or (c) reduce the aggregate principal amount of Bonds required for consent to any such amendment, addition or rescission.

SECTION 24: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in payments to be made to the Interest and Redemption Fund as required by this Ordinance or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance, the registered owner of any of the Bonds shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the City Council and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right or power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specifications of such remedies shall not be deemed to be exclusive.

SECTION 25: Covenants to Maintain Tax-Exempt Status.

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

“*Closing Date*” means the date on which the Bonds 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 Bonds.

"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 Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"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 Bonds. 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 Bonds 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 Bond 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 Bond, 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 Bonds:

(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 Bonds, 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 Bonds, or any

property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds Bonds, 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 Bonds 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 Bonds 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 Bonds.

(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 Bonds 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 Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds 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 Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchasers 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 out of the Interest and Redemption Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Bonds 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 Bonds, 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 Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, City Manager, Deputy City Manager, any Assistant City Manager or Director of Finance, either or any combination of them, 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 Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 26: 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 as it appears in the Security Register.

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 Bonds. 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 27: Damaged, Mutilated, Lost, Stolen, or Destroyed Bonds.

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

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

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

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

(e) Authority for Issuing Replacement Bonds. In accordance with Chapter 1201, Texas Government Code, as amended, this Section of the Ordinance shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such bonds in the form and manner and with the effect, as provided in the Ordinance for Bonds issued in conversion and exchange for other Bonds.

SECTION 28: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The

City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be disposed of as directed by the City.

SECTION 29: Sale of the Bonds - Official Statement Approval. The Bonds authorized by this Ordinance are to be sold by the City to the Purchasers in accordance with a bond purchase agreement in the event of a negotiated sale, letter agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable (the "Purchase Contract"), the terms and provisions of which Purchase Contract are to be determined by the Pricing Officer in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City, as the act and deed of this Council, and to make a determination as to whether the terms are in the City's best interests, which determination shall be final.

With regard to such terms and provisions of the Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of any public offering of the Bonds by the Purchasers, if any;
3. The details of any Official Statement or similar disclosure document (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the City's Rule 15c2-12 compliance, if applicable;
4. A security deposit for the Bonds, if any;
5. The representations and warranties of the City to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the City under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the City;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Bonds.

The Pricing Officer or the Mayor and City Secretary of the City are further authorized and directed to deliver for and on behalf of the City copies of a Preliminary Official Statement and Official Statement prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement as delivered by said officials shall constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 30: Control and Custody of Bonds. The Mayor of the City is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bond(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

Furthermore, the Mayor, Mayor Pro Tem, City Secretary, City Manager, Deputy City Manager, any Assistant City Manager and Director of Finance, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents and certifications relating to the City and the issuance of the Bonds, including certifications as to facts, estimates, circumstances and reasonable expectations pertaining to the use, expenditure and investment of the proceeds of the Bonds, as may be necessary for the approval of the Attorney General, the registration by the Comptroller of Public Accounts and the delivery of the Bonds to the purchasers and, together with the City's financial advisor, bond counsel and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bond(s) to the Purchasers and the initial exchange thereof for definitive Bonds.

SECTION 31: Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale of the Bonds, excluding accrued interest, if any, shall be deposited for the payment of costs of issuance and to finance the permanent public improvements referenced in Section 1 hereof. Any investment earnings realized shall be expended for such authorized projects and purposes or deposited in the Interest and Redemption Fund. Any additional proceeds shall be deposited to the credit of the Interest and Redemption Fund as determined by the Pricing Officer. All surplus proceeds of sale of the Bonds, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Interest and Redemption Fund or to another fund created for the payment of any Bond.

SECTION 32: Legal Opinion. The Purchasers' obligation to accept delivery of the Bonds herein authorized is subject to their being furnished a final legal opinion of Norton Rose Fulbright US LLP, Attorneys, Dallas, Texas, approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payable for the Bonds. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

SECTION 33: CUSIP Numbers. CUSIP numbers may be printed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

SECTION 34: Continuing Disclosure Undertaking. The Pricing Officer is hereby authorized to determine whether a continuing disclosure undertaking is required in connection

with the issuance of the Bonds. To the extent it is determined that an undertaking under the Rule (defined below) is required, this Section shall apply.

(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, beginning in the year stated in the Pricing Certificate, financial information and operating data with respect to the City of the general type of information contained in the final Official Statement approved by the Pricing Officer and described in the Pricing Certificate and (2) if not provided as part such financial information and operating data, within twelve months after the end of each fiscal year ending in or after the year stated in the Pricing Certificate, audited financial statements of the City. If audited financial statements are not available by the required time, the City will provide unaudited financial statements by the required time, and audited financial statements when and if such audited statements become available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and audited, if the City commissions an audit of such 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 and financial statements 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 Bonds 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 Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, 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 item 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 items 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 Bonds 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 Bond 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 Bonds; and, nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The 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 Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE 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 Bonds in the primary offering of the Bonds 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 Bonds 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 Bonds. 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 underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds 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 35: Municipal Bond Insurance. The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 36: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Deputy City Manager, any Assistant City Manager, Director of Finance 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 Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, City Manager, Deputy City Manager, any Assistant City Manager, Director of Finance 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 Bonds 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 37: 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, Bond Counsel for the City and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, Bond Counsel for the City and the Holders.

SECTION 38: 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 39: 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 40: 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 this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 41: 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 42: Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall take effect and be in full force immediately from and after its date of adoption shown below.

[Remainder of page intentionally left blank]

PASSED AND ADOPTED, this January 26, 2021.

CITY OF AMARILLO, TEXAS

Mayor

ATTEST:

City Secretary



(CITY SEAL)

APPROVED AS TO FORM:

City Attorney

EXHIBIT A
PAYING AGENT/REGISTRAR AGREEMENT

E



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Economic Development and Redevelopment, Fiscal Responsibility
Department	Capital Projects & Development Engineering		
Contact	Kyle Schniederjan, PE		

Agenda Caption

Public Hearing and First Reading of an Ordinance Adopting the Amarillo Community Investment Program (CIP) FY 20/21-FY 24/25

This item is a public Hearing and first reading of an ordinance adopting the City’s CIP which will guide capital investment decisions for the next five years.

Agenda Item Summary

This item considers an Ordinance adopting the City’s 5-year CIP which will guide capital investments over the next five years.

Requested Action

Conduct Public Hearing and approve the Ordinance adopting the FY 19/20-FY 23/24 Community Investment Plan.

Funding Summary

See the Community Investment Plan document and the approved FY 20/21 Annual Budget

Community Engagement Summary

Community outreach, workshops, multi-media presentations, and Council workshops are held throughout the year.

Staff Recommendation

Recommend approval of the proposed Ordinance.

12/20/20 mwn-_____

ORDINANCE NO. 1904

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS, APPROVING AND ADOPTING THE FIVE-YEAR COMMUNITY INVESTMENT PROGRAM FOR FY 2020-2021 THROUGH 2024-2025; AND MAKING CERTAIN FINDINGS; PROVIDING REPEALER; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, City Council of the City of Amarillo, Texas, has directed the City staff to prepare and present a statement of capital projects planned for the next succeeding five (5) fiscal years, with estimates of their cost; and

WHEREAS, the City Manager has presented in detail to the City Council a proposed Community Investment Program (CIP) for Fiscal Years 2020-2021 through 2024 -2025; and

WHEREAS, the City Council has considered the input of the public and the recommendations of its staff and hereby determines it to be in the public interest to adopt a five-year Community Investment Program for Fiscal Years 2020-2021 through 2024 -2025 to service the public health, safety and general welfare of the citizens; and

WHEREAS, a copy of the Community Investment Program for Fiscal Years 2020-2021 through 2024 -2025 has been made available for public review and the City Council desires to adopt the Program; and

WHEREAS, the FY 2020-2021 through 2024 -2025 Community Investment Program provides a general framework to guide project planning and financing over a five-year period; and

WHEREAS, the FY 2020-2021 through 2024 -2025 Community Investment Program is based on general priorities and available financing as can be anticipated at the present time; and

WHEREAS, it is the intention of the City Council that the Community Investment Program will be updated annually and include five years of planned and affordable projects while considering projects that have been completed in the prior fiscal year.

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. The certain compilation identified as the Proposed Community Investment Program for Fiscal Years 2020-2021 through 2024 -2025, a copy of which is

12/20/20 mwn-_____

attached hereto, is hereby incorporated in full by this reference and is hereby adopted as the five-year Community Investment Program for the City of Amarillo, Texas.

SECTION 3. The Community Investment Program will be updated each year to recognize changes in the Program as the result of completed projects, changes in project cost and current financing capability of the City.

SECTION 4. The first year of the Community Investment Program will be adopted each year as the Capital Improvement Program for the current fiscal year through the annual budget ordinance.

SECTION 5. Repealer. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 6. Effective Date. This ordinance shall become effective on and after its passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading this the____ day of January 2021; and **PASSED** on Second and Final Reading the ____ day of February 2021.

ATTEST:

Ginger Nelson, Mayor

Frances Hibbs, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney



F

Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Provide a safer driving environment
Department	Transportation / 1731		

Agenda Caption

City Ordinance change – Speed Limit Reduction: Soncy/Hollywood (Loop 335)

Agenda Item Summary

This is a change of City Ordinance Chapter 16-3-1002, Schedule B Maximum Speed Limit for Soncy/Hollywood (Loop 335) from the current:

1. Speed limit to 40 MPH on Soncy from the City limits north of Amarillo Blvd to south of 45th where it currently changes from 50 MPH to 60 MPH.
2. Speed limit to 50 MPH on Soncy and Hollywood Rd. from south of 45th where it currently changes from 50 MPH to 60MPH all the way to where Coulter intersects Hollywood Rd.

TXDOT recently completed speed studies on these corridors and recommended that speeds be lowered.

Requested Action

Requesting Council to consider reduction of the speed limit on Soncy/Hollywood (Loop 335) per TXDOT recommendation from:

1. Speed limit to 40 MPH on Soncy from the City limits north of Amarillo Blvd to south of 45th where it currently changes from 50 MPH to 60 MPH.
2. Speed limit to 50 MPH on Soncy and Hollywood Rd. from south of 45th where it currently changes from 50 MPH to 60MPH all the way to where Coulter intersects Hollywood Rd.

Funding Summary

N/A

Community Engagement Summary

Residents of the Greenways as well as Hillside Terrace and Heritage Hills subdivisions have made numerous requests of the City Transportation Division and the Texas Department of Transportation to lower the speed limit on Soncy (Loop 335) from I-40 south. TXDOT will be presenting to the Texas Transportation Commission in February. The City will work with TXDOT to produce media releases to inform the public of the change

Staff Recommendation

Results of the Soncy/Hollywood (Loop 335) speed study conducted by TXDOT have been reviewed by City Staff. The TXDOT District office is in agreement as well as City Transportation Staff to reduce the speed limit on Soncy/Hollywood (Loop 335)

ORDINANCE NO. 1907
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS: AMENDING THE MUNICIPAL CODE OF THE CITY OF AMARILLO, CHAPTER 16-3, ARTICLE XXI, SECTION 16-3-1002, CHANGING THE MAXIMUM SPEED LIMIT ON SEGMENTS OF SONCY ROAD AND HOLLYWOOD ROAD (LOOP 335); PROVIDING FOR SEVERABILITY, REPEALER, CONTINUATION OF PRIOR LAW, PENALTY, PUBLICATION AND EFFECTIVE DATE.

WHEREAS, the Amarillo Traffic Commission recommends changing the maximum speed limit for the road segment(s) specified herein, in conjunction with TXDOT speed studies and its recommendation to change speeds as shown herein; and,

WHEREAS, the City Council of the City of Amarillo has considered the record before the Traffic Commission and now finds that such recommendation balances the need for efficient traffic movement on the streets as well as protecting the public health and safety;

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

SECTION 1. That Chapter 16-3, Article XXI, Section 16-3-1002 (Schedule B) be and hereby is amended in part, to read as follows:

Sec. 16-3-1002. Schedule B, maximum speed limit.

Schedule of Maximum Speed Limits

<i>Location</i>	<i>From</i>	<i>To</i>	<i>MPH</i>
Soncy Road (Loop 335)	North City Limit	I-40 600 ft. south of S.W. 45 th Avenue	50- 40
Soncy Road (Loop 335)	I-40	S.W. 34th Avenue	45
Soncy Road (Loop 335)	S.W. 34th	600 ft. south of S.W. 45th Avenue	50
Soncy Road (Loop 335)	600 ft. south of SW45th Avenue	South City Limits Coulter Street	60 50
Hollywood Rd. (Loop 335)	West City Limits	A point of 750 ft. west of Coulter St.	60

SECTION 2. Severability. If any provision, section, subsection, sentence, clause or the application of same to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this ordinance or the application thereby shall remain in effect, it being the intent of the

City Council of the City of Amarillo, Texas in adopting this ordinance, that no portion thereof or provision contained herein shall become inoperative or fail by any reasons of unconstitutionality of any other portion or provision.

SECTION 3. Repealer. All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed to the extent of conflict with this ordinance.

SECTION 4. Continuation. That nothing in this ordinance shall be construed to affect any suit or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause of action acquired or existing, under any act or ordinance repealed by this ordinance.

SECTION 5. Penalty. It is an offense to violate any part of this ordinance, punishable upon conviction in accordance with Section 1-1-5 of the Amarillo Municipal Code of Ordinances.

SECTION 6. Publishing and Effective Date. This ordinance shall be published and become effective according to law.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading this the 26th day of January, 2021; and **PASSED** on Second and Final Reading the 9th day of February, 2021.

Ginger Nelson, Mayor

ATTEST:

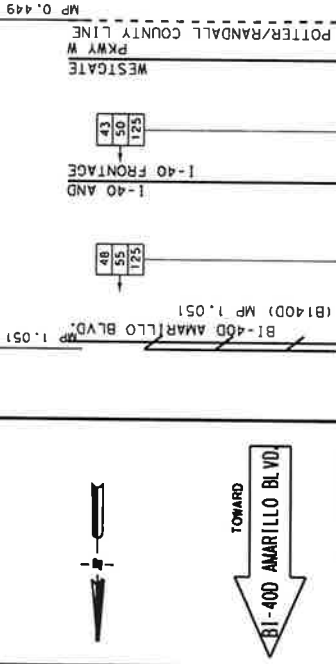
Frances Hibbs, City Secretary

APPROVED AS TO FORM:

Bryan S. McWilliams, City Attorney

SL 335

DEVELOPMENT	URBAN
RES. SIGHT DISTANCE	
BALL BANK OR ADVISORY SPEED	
CURVES OVER 2"	
GRADES OVER 3%	
SURFACE WIDTH AND TYPE	86' PAVED, 6 LANE WITH 14" TWLTL, CURB ROW 120', ROBD. WIDTH 86'
R.O.W. AND ROBD. WIDTH	
ACCIDENTS	
ZONE LENGTHS (MILES)	
ZONE SPEEDS (MPH)	



EXISTING SPEEDS (M.P.H.)	50 MPH	50 MPH	45 MPH	45 MPH	25 MPH
ZONE SPEEDS (M.P.H.)					
ZONE LENGTHS (MILES)					
ACCIDENTS	6X 3X	13X 5X	13X 5X	13X 5X	13X 5X
R.O.W. AND ROBD. WIDTH	86' PAVED, 6 LANE WITH 14" TWLTL, CURB ROW 120', ROBD. WIDTH 86'				
SURFACE WIDTH AND TYPE					
GRADES OVER 3%					
CURVES OVER 2"					
BALL BANK OR ADVISORY SPEED					
RES. SIGHT DISTANCE					
DEVELOPMENT	URBAN	URBAN	URBAN	URBAN	URBAN
DISTRICT: AMARILLO	COUNTY: POTTER	MINUTE NO. 1	DATE / /	DATE / /	DATE / /
HIGHWAY: SL 335	CITY: AMARILLO	REPLACES 1	DATE / /	DATE / /	DATE / /
DATE OF STUDY: 04-09-2020	SCALE 1" = 0.25 MILES	REPLACED BY 1	DATE / /	DATE / /	DATE / /
LIMITS OF ZONE					
SECTION ONE	0.602				
STA. OR M.P.	CONT. AND SECT. PROJECT				
BEGINS	2635-04				
ENDS	2635-04				

SPEED ZONE

CONT. 2635 SEC 04
LIMITS: NORTH CITY LIMITS OF AMARILLO
AT B140D (AMARILLO BLVD.)
TO
RANDALL COUNTY LINE

42	85 PERCENTILE SPEED
63	TOP SPEED MEASURED
125	NUMBER OF CARS CHECKED

- FATAL ACCIDENT
- PERSONAL INJURY ACCIDENT
- PROPERTY DAMAGE ACCIDENT
- INDICATES SECTION ZONED BY COMMISSION MINUTE



TEXAS Department of Transportation

SPEED ZONE STRIP MAP
POTTER COUNTY
SL 335

SECTION 1 OF 1

CHECKED	DATE	BY	DATE	BY

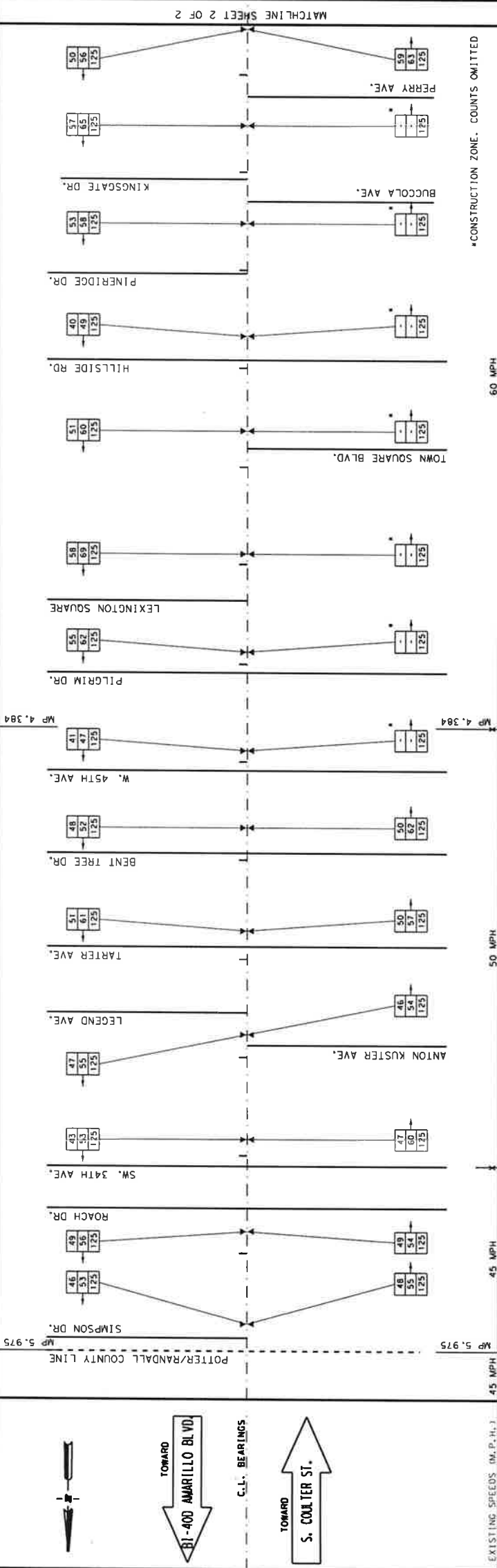
STATE: TEXAS COUNTY: POTTER AMARILLO

SECTION: 4

PROJECT: SL 335

SL 335

DEVELOPMENT	URBAN
RES. SIGHT DISTANCE	
BALL BANK OR ADVISORY SPEED	
CURVES OVER 2"	
GRADES OVER 3%	
SURFACE WIDTH AND TYPE	106' PAVED, 6 LANE WITH 14' TWLTL, CURB
R.O.W. AND ROBD. WIDTH	ROW: 200', ROBD. WIDTH: 106'
ACCIDENTS	
ZONE LENGTHS (MILES)	1.591
ZONE SPEEDS (MPH)	40 MPH



EXISTING SPEEDS (M.P.H.)	45 MPH	45 MPH	40 MPH	50 MPH	60 MPH
ZONE SPEEDS (M.P.H.)	45 MPH	45 MPH	40 MPH	50 MPH	60 MPH
ZONE LENGTHS (MILES)	1.591	2.434	2.434	2.434	2.434
ACCIDENTS	1x	4x	9x	7x	10x
R.O.W. AND ROBD. WIDTH	ROW: 120', ROBD. WIDTH: 86'	ROW: 120', ROBD. WIDTH: 86'	ROW: 120', ROBD. WIDTH: 86'	ROW: 120', ROBD. WIDTH: 86'	ROW: 200', ROBD. WIDTH: 106'
SURFACE WIDTH AND TYPE	86' PAVED, 6 LANE WITH 14' TWLTL, CURB	86' PAVED, 6 LANE WITH 14' TWLTL, CURB	86' PAVED, 6 LANE WITH 14' TWLTL, CURB	86' PAVED, 6 LANE WITH 14' TWLTL, CURB	106' PAVED, 6 LANE WITH 14' TWLTL, SHOULDER
GRADES OVER 3%					
CURVES OVER 2"					
BALL BANK OR ADVISORY SPEED					
RES. SIGHT DISTANCE					

DEVELOPMENT	URBAN
DISTRICT: AMARILLO	COUNTY: RANDALL
HIGHWAY: SL 335	CITY: AMARILLO
DATE OF STUDY: 04-09-2020	SCALE 1" = 0.25 MILES

SECTION ONE	0.717
STA. OR M.P.	2635-03
PROJECT	1
ENDS	1
STA. OR M.P.	2635-03
PROJECT	1

SPEED ZONE

CONT. 2635 SEC 03
POTTER COUNTY LINE
TO
S. COULTER ST.

- 85 PERCENTILE SPEED
- TOP SPEED MEASURED
- NUMBER OF CARS CHECKED
- FATAL ACCIDENT
- PERSONAL INJURY ACCIDENT
- PROPERTY DAMAGE ACCIDENT
- INDICATES SECTION ZONED BY COMMISSION MINUTE



Texas Department of Transportation

SPEED ZONE STRIP MAP
RANDALL COUNTY
SL 335

DESIGN TYPE: FEDERAL AID PROJECT NO. SHEET NO.

STATE: TEXAS COUNTY: POTTER

SECTION: 03

CHECKED: 03

SL 335

Delete:

<u>Location</u>	<u>From</u>	<u>To</u>	<u>Speed</u>
Hollywood Rd. (Loop 335)	West City Limits	A point of 750ft west of Coulter Street	60
Soncy Road (Loop 335)	North City Limit	I-40	50
Soncy Road (Loop 335)	I-40	SW 34 th Avenue	45
Soncy Road (Loop 335)	SW 34 th Avenue	A point 600 ft south of SW 45 th Avenue	50
Soncy Road (Loop 335)	A point 600 ft south of SW 45 th Avenue	South City Limits	60

Add:

Hollywood Rd. (Loop 335)	West City Limits	A point of 750ft west of Coulter Street	50
Soncy Road (Loop 335)	North City Limit	I-40	40
Soncy Road (Loop 335)	I-40	SW 34 th Avenue	40
Soncy Road (Loop 335)	SW 34 th Avenue	A point 600 ft south of SW 45 th Avenue	40
Soncy Road (Loop 335)	A point 600 ft south of SW 45 th Avenue	South City Limits	50



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Public Safety
Department	Police		
Contact	Martin Birkenfeld, Chief of Police		

Agenda Caption

Consider of Ordinance No. _____

This item is the first reading of an ordinance that converts one sergeant position and one officer position to corporal positions and reduces the number of sworn positions at the Amarillo Police Department by one.

Agenda Item Summary

This ordinance adjusts the number of sworn positions within the police department to accommodate the addition of an Evidence and Property Manager. The ordinance supports the department strategy of reducing the number of sergeant positions by attrition and increasing the number of corporal positions. The resulting changes will make the total authorized sergeants at 76, corporals at 80, and officers at 193. Total police sworn positions will be 372.

Requested Action

Approve the ordinance converting one sergeant position and one officer position to corporal positions, reducing the number of sworn positions at the Amarillo Police Department by one.

Funding Summary

This adjustment is budget neutral.

Community Engagement Summary

N/A

Staff Recommendation

Staff recommends approval of the ordinance, authorizing the City Manager and the Chief of Police to make the appropriate staffing adjustments.

ORDINANCE NO. 17908

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, CONVERTING ONE SERGEANT POSITION AND ONE OFFICER POSITION TO CORPORAL POSITIONS; REDUCING THE NUMBER OF SWORN POSITIONS AT THE AMARILLO POLICE DEPARTMENT; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Chief of Police recommends that one (1) officer position be converted to a corporal position and one (1) sergeant position be converted to a corporal position; and

WHEREAS, the Chief of Police has recommended that one (1) sergeant position be eliminated; and

WHEREAS, that the essential job functions of the sergeant position to be eliminated, Property and Evidence Manager, does not require a license issued by the Texas Commission on Law Enforcement; and

WHEREAS, the job functions of the aforementioned position can be performed by non-sworn personnel at a savings to the Amarillo Police Department; and

WHEREAS, non-sworn personnel will not supervise police officers as a result of this action; and

WHEREAS, the Amarillo City Council finds that the conversion of one officer and one sergeant position to corporal positions and the reduction of one sergeant position in these circumstances enhances the efficiency of operations of the Amarillo Police Department, promotes public safety, and is to the betterment of municipal service.

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

SECTION 1. That in accordance with the annual personnel budget for the City one (1) officer position be converted to a corporal position and one (1) sergeant position be converted to a corporal position and that one (1) sergeant position be eliminated thereby reducing the number of sworn positions by one.

SECTION 2. That all ordinances, resolutions, and appropriations for which provisions have heretofore been made are hereby expressly repealed to the extent of any conflict with the provisions of this ordinance.

SECTION 3. That this ordinance shall be effective on and after its adoption.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading the 26th day of January, 2021; and PASSED on Second and Final Reading the 9th day of February, 2021.

Ginger Nelson, Mayor

ATTEST:

Frances Hibbs, City Secretary

APPROVED AS TO FORM

Bryan McWilliams, City Attorney

Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Regular Agenda Item – Public Hearing
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Department	Planning and Development Services Andrew Freeman – Managing Director of Planning and Development Services
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Agenda Caption

Public hearing to consider an ordinance vacating a 15,210 square foot portion of a Public Utility Easement lying in Lot 1, Block 1 and Lot 1, Block 3, Corrected Southgate Subdivision, in Section 31, Block 9, B.S.&F. Survey, Randall County, Texas.
(Vicinity: Bell Street and Arden Road)

Agenda Item Summary

Proposal

The applicant is proposing to vacate a portion of an existing Public Utility Easement, which was retained in 1985 as part of a vacation of a previously dedicated street.

The applicant is proposing to develop the site with a truck and auto convenience store and one of the proposed onsite improvements is a truck scale. The truck scale is proposed to be located within the portion of the Public Utility Easement within the site and due to structures not being allowed to encumber a public easement, must be vacated.

The vacation request has been reviewed by the customary City Departments and local utility companies with no objections raised with vacation of the easement. As with any vacation request, an applicant is required to either pay fair market value to acquire the area, dedicate an area of equal or greater value, pay only the higher cost of the fair market value or the relocation cost, or complete a combination of these requirements.

In this instance, the applicant has dedicated 1.26 acres for public right-of-way which far exceeds the fair market value of the area being requested for vacation (\$45,923 vs \$12,951). Additionally, costs to bring the just mentioned right-of-way up to standards was approximately \$55,000. Considering this, no fair market value payment is necessary in this instance.

Requested Action/Recommendation

Considering all the above the Planning and Zoning Commission recommends **approval** as presented.

ORDINANCE NO. 17909

AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF AMARILLO, TEXAS DETERMINING LACK OF PUBLIC NECESSITY FOR A PUBLIC UTILITY EASEMENT IN THE VICINITY OF BELL STREET AND ARDEN ROAD, RANDALL COUNTY, TEXAS; VACATING AND ABANDONING THE HEREIN DESCRIBED PUBLIC UTILITY EASEMENT; AUTHORIZING THE CITY MANAGER TO CONVEY SUCH REAL PROPERTY TO THE PROPERTY OWNER; PROVIDING A REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Amarillo has been petitioned to abandon a 15,210 square foot portion of an existing Public Utility Easement in the vicinity of Bell Street and Arden Road in Randall County, Texas; and

WHEREAS, after reviewing information presented in the petition, the Planning and Zoning Commission of the City of Amarillo has recommended to the City Council that there is no public necessity for the following described Public Utility Easement; and

WHEREAS, the City Council, having reviewed said recommendation and having considered all relevant information pertaining to the proposed vacation described below, is of the opinion that the Public Utility Easement described is no longer necessary and no longer serves a public purpose; and

WHEREAS, the City Council, having reviewed said recommendation and having considered all relevant information pertaining to the proposed vacation described below, is of the opinion that same is no longer needed for public purposes; and

WHEREAS, the City Council further determined that this Public Utility Easement abandonment is not detrimental or injurious to the public health, safety or general welfare, or otherwise offensive to the neighborhood.

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

SECTION 1. The herein-described portion of Public Utility Easement to be vacated and abandoned for public purposes:

Vacation of a 15,210 square foot portion of a Public Utility Easement lying in Lot 1, Block 1 and Lot 1, Block 3, Corrected Southgate Subdivision, in Section 31, Block 9, B.S.&F. Survey, Randall County, Texas, being further described below as Segment A and Segment B:

Segment A:

Being a 14,279 square foot tract of land situated within the City of Amarillo, BS&F Survey, Section 31, Block 9, Abstract Number 97, Randall County, Texas, being a portion of L. Louise Lane as shown on the Plat titled "Southgate Subdivision Replat" recorded in Volume 492, Page 623 of the Deed Records of Randall County, Texas, vacated by Ordinance No. 5505 but retained a Public Utility Easement recorded in Volume 937, Page 384 of said Deed Records and being a portion of a called 9.337-acre tract of land as described in the deed to Trios Real Estate Investments, Inc. recorded under Instrument Number 2015000339 of the Official Public Records of Randall County, Texas. Said 14,279 square foot tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch capped iron rod stamped "1519 SURVEYING" set on the south line of said 9.337-acre tract of land common with the north line of a called 3.421-acre tract of land as described in the deed to Attebury Elevators, LLC recorded under Instrument Number 2017022193 of said Official Public Records, from which a 3/8-inch iron rod found at the southwest corner of said 9.337-acre tract of land bears SOUTH 89 degrees 27 minutes 03 seconds WEST, 734.54 feet;

THENCE NORTH 00 degrees 39 minutes 36 seconds WEST, 47.42 feet to the west line of said Public Utility Easement;

THENCE NORTH 05 degrees 35 minutes 55 seconds EAST, 333.77 feet with the west line of said Public Utility Easement to a 1/2-inch iron rod found at the northwest corner of said Public Utility Easement on the south right of way line of Arden Road, a 120-foot right of way, as shown on the plat recorded in Volume 698, Page 49 of the Plat Records of Randall County, Texas;

THENCE SOUTH 89 degrees 27 minutes 03 seconds EAST, 37.86 feet with the south right of way line of said Arden Road to the intersection of the south right of way line of said Arden Road with the west line of a 20-foot Sanitary Sewer Easement recorded in Volume 445, Page 64 of said Deed Records, from which a 1/2-inch capped iron rod stamped "C.I. RPLS 260" found at the northeast corner of said Public Utility Easement bears SOUTH 89 degrees 27 minutes 03 seconds EAST, 22.37 feet;

THENCE SOUTH 05 degrees 32 minutes 57 seconds WEST, 364.45 feet with the west line of said 20-foot Sanitary Sewer Easement;

THENCE SOUTH 22 degrees 05 minutes 35 seconds WEST, 18.09 feet with the west line of said 20-foot Sanitary Sewer Easement to its intersection with the common line of said 9.337-acre tract of land and said 3.421-acre tract of land;

THENCE NORTH 89 degrees 27 minutes 03 seconds WEST, 27.83 feet with the common line of said 9.337-acre tract of land and said 3.421-acre tract of land to the POINT OF BEGINNING, containing 14,279 square feet (0.3278 acres).

Segment B:

Being a 931 square foot tract of land situated within the City of Amarillo, BS&F Survey, Section 31, Block 9, Abstract Number 97, Randall County, Texas, being a portion of L. Louise Lane as shown on the Plat titled "Southgate Subdivision Replat" recorded in Volume 492, Page 623 of the Deed Records of Randall County, Texas, vacated by Ordinance No. 5505 but retained a Public Utility Easement recorded in Volume 937, Page 384 of said Deed Records and being a portion of a called 3.421-acre parcel of land as described in the deed to Attebury Elevators, LLC recorded under Instrument Number 20170022193 of the Official Public Records of Randall County, Texas. Said 931 square foot tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch capped iron rod stamped "1519 SURVEYING" set on the south line of said 9.337-acre tract of land common with the north line of a called 3.421-acre tract of land as described in the deed to Attebury Elevators, LLC recorded under Instrument Number 2017022193 of said Official Public Records, from which a 3/8-inch iron rod found at the southwest corner of said 9.337-acre tract of land bears SOUTH 89 degrees 27 minutes 03 seconds WEST, 734.54 feet;

THENCE SOUTH 89 degrees 27 minutes 03 seconds EAST, 27.83 feet with the common line of said 3.421-acre tract of land and said 9.337-acre tract of land to a point on the east line of said Public Utility Easement common with the west line of a 20-foot sanitary Sewer Easement recorded in Volume 445, Page 64 of said Deed Records;

THENCE SOUTH 22 degrees 05 minutes 35 seconds WEST, 71.94 feet with the east line of said Public Utility Easement to its intersection with the west line of said 3.421-acre tract of land;

THENCE NORTH 00 degrees 39 minutes 36 seconds WEST, 66.93 feet with the west line of said 3.421-acre tract of land to the POINT OF BEGINNING, containing 931 square feet (0.0237 acres).

SECTION 2. The City Manager is authorized to execute an instrument of conveyance to the abutting landowner(s) as allowed by law.

SECTION 3. Repealer. All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed to the extent of conflict with this Ordinance.

SECTION 4. Severability. If any provision, section, subsection, clause or the application of sale to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this Ordinance or the application thereby shall remain in effect, it being the intent of

the City Council of the City of Amarillo, Texas in adopting this Ordinance, that no portion thereof or provision contained herein shall become inoperative or fail by any reasons of unconstitutionality of any other portion or provision.

SECTION 5. Effective Date. This Ordinance shall be effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this the 26th day of January, 2021 and PASSED on Second and Final Reading on this the 9th day of February, 2021.

ATTEST:

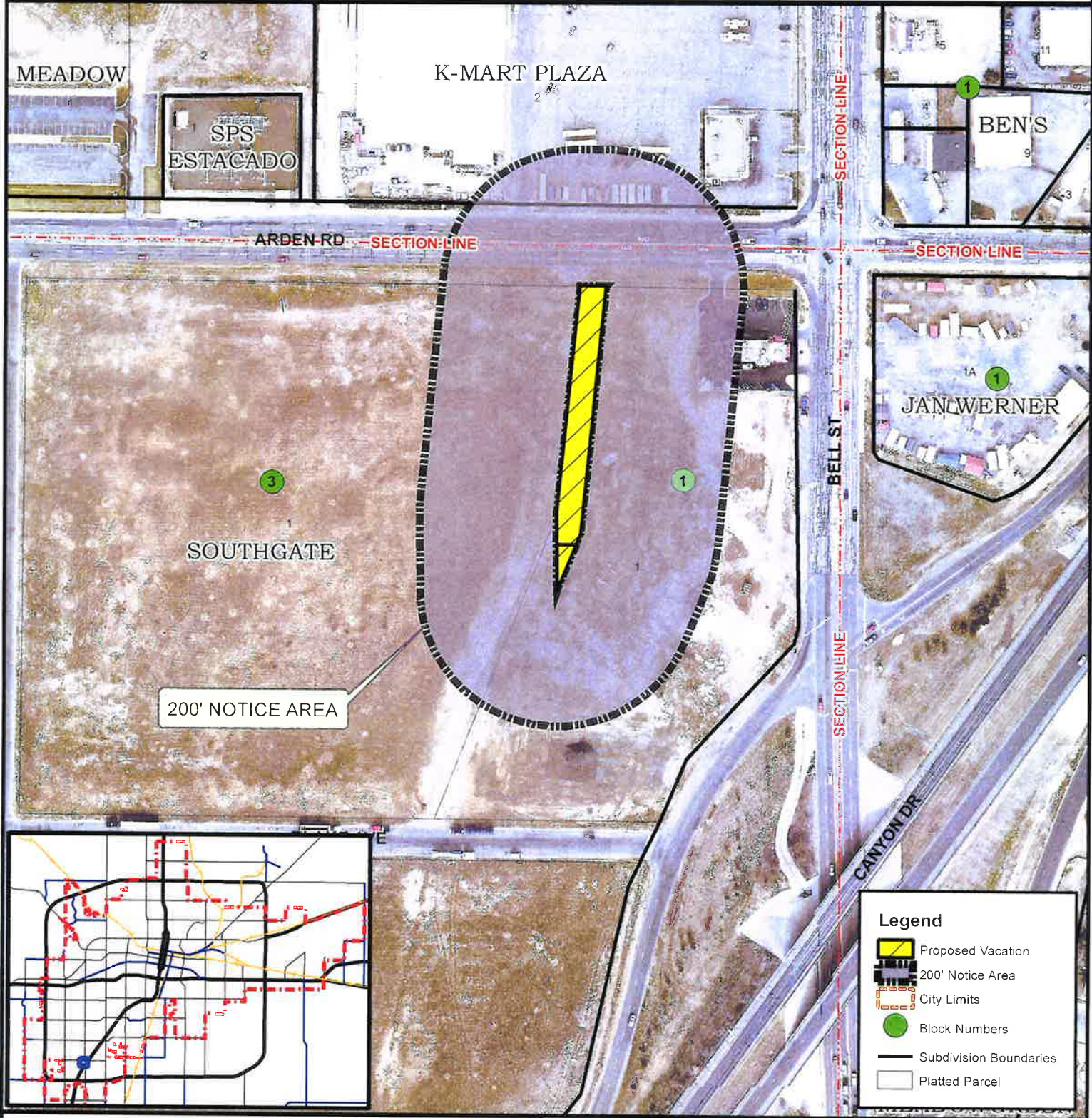
Ginger Nelson, Mayor

Frances Hibbs, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

CASE V-20-05
VACATION OF PUBLIC UTILITY EASEMENT
(CORRECTED SOUTHGATE SUBDIVISION)



CITY OF AMARILLO
PLANNING DEPARTMENT

Scale: 1 inch = 200 feet
Date: 12/9/2020
Case No: V-20-05



Vacation of a 15,210 square foot portion of a Public Utility Easement lying in Lot 1, Block 1 and Lot 1, Block 3, Corrected Southgate Subdivision, in Section 31, Block 9, B.S.&F. Survey, Randall County, Texas.

Applicant: Erik Eckhart for Attebury Elevators LLC and Trios Real Estate Investments Inc.

Vicinity: Arden Rd & Bell St.

AP: J-17

DISCLAIMER: The City of Amarillo is providing this information as a public service. The information shown is for information purposes only and except where noted, all of the data or features shown or depicted on this map is not to be construed or interpreted as accurate and/or reliable; the City of Amarillo assumes no liability or responsibility for any discrepancies or errors for the use of the information provided.

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Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	
Department	Legal	Contact Person	Bryan McWilliams

Agenda Caption
CONSIDERATION OF ORDINANCE NO.7897 AMENDING SECTION 2-6-3 OF THE AMARILLO MUNICIPAL CODE RELATED TO QUALIFICATIONS FOR CITY BOARDS AND COMMISSIONS.

Agenda Item Summary
This item is the second and final reading of an Ordinance amending Section 2-6-3 of the Amarillo Municipal Code to allow for the appointment of persons who are not necessarily registered voters of the City to be appointed to various City boards or commissions if they possessed special expertise or knowledge related to the board or commission’s operation and/or charge. Board or Commission applicants would still be required to be registered voters somewhere and applicants who are registered voters of the City would still be preferred per this draft of the ordinance.

Requested Action
Approval of Ordinance
Funding Summary
N/A
Community Engagement Summary
N/A
Staff Recommendation

ORDINANCE NO. 7897

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS AMENDING ARTICLE I, CHAPTER 2-6, BOARDS AND COMMISSIONS, OF THE AMARILLO CITY CODE AS FOLLOWS: AMENDING SECTION 2-6-3 TO AMEND QUALIFICATIONS OF BOARD AND COMMISSION MEMBERS; INCLUDING SEVERABILITY, REPEALER, AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council finds that it is in the best interests of the citizens of the City of Amarillo that qualifications to City Boards and Commissions be amended to allow for appointment of persons with special expertise.

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

SECTION 1. Chapter 2-6, Boards and Commission. Article 1, Section 2-6-3 is hereby amended as follows:

Sec. 2-6-3. - Qualifications.

Members of City boards and commissions shall be, and continue to be during the period of board service: a registered voters ~~of the City~~, and shall not be indebted to the City contrary to the provisions of section 4 of Article V of the Charter. The City Manager is hereby directed to inform the City Council whether or not a prospective appointee to or currently serving member of a board is or becomes indebted to the City. Boards and Commission members shall also possess such expertise as the Council may require by this Chapter for service on a particular board or commission or as desired by the Council. While registered voters of the City will be preferred, the Council may appoint any person not registered to vote in the City who brings exceptional subject-matter knowledge or expertise to serve on a board or commission.

SECTION 2. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 3. All ordinances and resolution or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 4. This ordinance shall be effective upon passage and adoption on second reading.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading this the _____ day of _____, 2021; and **PASSED** on Second and Final Reading the _____ day of _____, 2021.

Ginger Nelson, Mayor

ATTEST:

Frances Hibbs, City Secretary

APPROVED AS TO FORM:

Bryan S. McWilliams, City Attorney



Amarillo City Council
Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	N/A
Department	City Secretary		
Contact	Frances Hibbs, City Secretary		

Agenda Caption

RESOLUTION – CALLING MUNICIPAL ELECTION:

This resolution calls the regular municipal election to be held on May 1, 2021. The election will be for the offices of Mayor, Councilmember Place 1, Councilmember Place 2, Councilmember Place 3, and Councilmember Place 4.

Agenda Item Summary

This item considers a Resolution calling the 2021 general election. Its sets the time applications will be accepted; it is a joint election with both Potter and Randall Counties; lists the voting places for both election day and early voting; sets the date for a possible run-off election (if one becomes necessary).

Requested Action

Approval of this Resolution to call the May 1, 2021 general election.

Funding Summary

The election has been budgeted in the City Secretary's budget - 1220.51900.

Community Engagement Summary

Voters will appoint the Mayor and Councilmembers.

Staff Recommendation

Approval of Resolution Calling the Election.

RESOLUTION NO. 01-26-21-1

A RESOLUTION OF THE AMARILLO CITY COUNCIL:
ORDERING THE REGULAR MUNICIPAL ELECTION OF THE
CITY OF AMARILLO, TEXAS TO BE CONDUCTED ON
MAY 1, 2021 IN THE CITY OF AMARILLO, TEXAS; AS A
JOINT ELECTION WITH ONE OR MORE OTHER ENTITIES;
DESIGNATING POLLING PLACES AND VOTE CENTERS;
DESIGNATING JUNE 5, 2021 AS THE RUN-OFF ELECTION
DATE; AND PROVIDING FOR THE CONDUCT OF SUCH
ELECTION, EARLY VOTING, PAYMENT OF ELECTION
EXPENSES, PROVIDING FOR OTHER ADMINISTRATIVE
CLAUSES.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AMARILLO,
TEXAS:

SECTION 1. Order Regular City Election. A regular municipal election for the offices
of Mayor, Councilmember Place No. One, Councilmember Place No. Two, Councilmember
Place No. Three, and Councilmember Place No. Four shall be held on Saturday, May 1, 2021.
The polls for said election shall be open from 7:00 a.m. until 7:00 p.m.

SECTION 2. Applications. Filing applications for a place on the ballot shall occur
between January 13, 2021 and February 12, 2021. The City Secretary shall receive applications
for places on the ballot.

SECTION 3. Combined Elections. That a combined or joint election is authorized with
the City of Amarillo, the Amarillo Independent School District, and such other entity(ies) in
Potter or Randall counties as may conduct an election on May 1, pursuant to the terms and
conditions of an intergovernmental cooperation agreement which is incorporated herein by this
reference, and the City Manager is authorized to execute and perform said agreements.

SECTION 4. Contract. The City of Amarillo shall contract with the respective election
officers of Potter County and Randall County to conduct early voting, give notice of the election,
prepare the official ballot, appoint election officials and persons to work in the Central Counting
Station for ballots cast in the City election within each respective county.

SECTION 5. Voting Places. Said election shall be held in each of the counties using
vote centers as shown in Exhibit A and B. Moreover, because the City will contract with the
respective counties for the conduct of the City's election, the City Council hereby accepts and
approves of any and all changes made by either County to the below stated polling places or vote
centers, subsequent to the passage of this Resolution, to the extent that such change(s) by a
County is lawful and timely authorized in the manner provided by the Texas Election Code.

SECTION 6. Ballots. Paper ballots shall be used for Voting by Mail, military and overseas ballots and for voting Limited Ballots. The Early Voting Ballot Board will qualify the paper ballots for tabulation as required by Texas Election Code. Counting for both paper ballots and ballots cast on Direct Recording Devices will be tabulated using the computer tabulation systems adopted by the contracting counties.

An Early Voting Ballot Board shall be appointed by each county to count and sort the early votes. Electronic counting devices may be used for voting and counting of said election. If a contracting County is capable and desires to use an electronic or optical scan ballot for mail ballots and/or early voting by personal appearance then the use of such is also authorized as acceptable for the City election.

SECTION 7. Early Voting. Early voting shall be conducted using vote centers as shown in Exhibit B on weekdays beginning Monday, April 19, 2021 and ending Tuesday, April 27, 2021 between the hours of 8:00 a.m. and 5:00 p.m. Moreover, because the City will contract with the respective counties for the conduct of the City's election, the City Council hereby accepts and approves the use of any branch Early Voting place at a vote center if a county chooses to operate such for purposes of Early Voting in the joint election it conducts that includes the City election, to the extent that such is lawfully and timely authorized and noticed by the County.

SECTION 8. Counting Stations. (a) For the City votes cast within the Randall County portion of the City, the Randall County Offices at 1604 5th Avenue, Canyon, Texas, is hereby established as the Central County Station to receive and tabulate all voted ballots for said election and officials of the Central Counting Station shall be appointed by separate order. (b) For the votes cast within the Potter County portion of the City, the Potter County Offices at 900 South Polk Street, Amarillo, Texas, is hereby established as the Central County Station to receive and tabulate all voted ballots for said election and officials of the Central Counting Station shall be appointed by separate order. (c) In the event the City contracts with both Potter and Randall Counties to conduct the City election, then the Amarillo City Secretary's Office at City Municipal Building, 601 South Buchanan Street, Room 303, Amarillo, Texas is hereby established as the City's Central County Station which shall receive the result from each of the County Central Counting Stations and tabulate the cumulative results of the City election.

SECTION 9. Run-Off Election. Should a run-off election be required between candidates for any City office, a run-off election will be ordered on same day the vote is canvassed. If needed, such runoff shall be conducted June 5, 2021. Early Voting for the run-off shall be held at the same hours and places as stated herein for Early Voting. Due to historically

lower turnout for run-off elections, the City Manager, in coordination and consultation with the county elections administrators, may reduce the number of polling places to be opened by no more than fifty percent (50%) from the number of polling places staffed for the regular election, by consolidating precincts. Provided however, the City Manager shall use due care to assure that access to a poll and any inconvenience of consolidation is roughly the same throughout the city.

SECTION 10. Expenses Authorized. That the City Secretary and City Manager are expressly authorized to: obtain election supplies; pay election officials; contract with some or all election duties and services from Potter and Randall counties (including conduct of a joint election), in accordance with the adopted budget, applicable law, and an interlocal cooperation agreement, and to timely pay such reasonable and necessary expenses incurred in conducting the regular municipal election ordered herein.

SECTION 11. Construction. In the event of a conflict between the terms of this Resolution and any interlocal cooperation agreement executed to implement the directives and intent of this Resolution, then the terms of the interlocal agreement shall prevail.

SECTION 12. Severance. If any provision, section, subsection, sentence, clause or the application of same to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this Resolution or the application thereby shall remain in effect, it being the intent of the City Council of the City of Amarillo, Texas in adopting this Resolution, that no portion thereof or provision contained herein shall become inoperative or fail by any reasons of unconstitutionality of any other portion or provision.

SECTION 13. Effective Date and Publishing. This Resolution shall be effective upon adoption. The City Secretary shall publish timely notice of this election as provided in Texas Election Code, section 4.003.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on this 26th day of January 2021.

Ginger Nelson, Mayor

ATTEST:

Frances Hibbs, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

EXHIBIT A – ELECTION DAY POLLING LOCATIONS

POTTER COUNTY

Amarillo Auto Supply and Off Road
3601 E. Amarillo Blvd., main entrance
Amarillo, TX 79107

Casey Carpet One
3500 I-40 West Frontage Road, main entrance
Amarillo, TX 79102

Chaparral Hills Church
4000 W. Cherry, Sanctuary
Amarillo, TX 79108

The Church at Bushland
1800 FM 2381, Foyer
Bushland, TX 79012

Don Harrington Discovery Center
1200 Streit Dr., West entrance, Dry lab
Amarillo, TX 79106

Highland Park ISD Admin. Bldg.
15300 E. Amarillo Blvd., Board Room
Amarillo, TX 79108

Hillside Christian Church, NW
600 Tascosa Road, Foyer
Amarillo, TX 79124

RANDALL COUNTY

The Cowboy Church
8827 S. Washington
Amarillo, TX 79118

Comanche Trail Church of Christ
2700 E. 34th
Amarillo, TX 79103

Randall County Justice Center
2309 Russell Long Blvd
Canyon, TX 79015

Southwest Church of Christ
4515 Cornell
Amarillo, TX 79109

Redeemer Christian Church
3701 S. Soncy
Amarillo, TX 79121

Southwest Branch Library
6801 W. 45th Ave.
Amarillo, TX 79109

Journey Church
9711 FM 2186
Amarillo, TX 79119

Kids, Inc.
2201 SE 27th, Mary E. Bivins Room
Amarillo, TX 79103

Lighthouse Baptist Church
5631 Pavillard Dr., Foyer
Amarillo, TX 79108

Pride Home Center
3503 NE 24th, Main entrance
Amarillo, TX 79107

Second Baptist Church
419 N. Buchanan, Family Life Center
Amarillo, TX 79107

Trinity Baptist Church
1601 I-40 West, enter east side
Amarillo, TX 79109

United Citizens Forum
903 N. Hayden, main entrance
Amarillo, TX 79107

Valle de Oro Fire Station
23801 FM 1061, main entrance
Valle de Oro, TX 79010

Wesley Community Center
1615 S. Roberts, Senior Living Room
Amarillo, TX 79104

Arden Road Baptist
6701 Arden Road
Amarillo, TX 79109

Central Baptist Church
1601 SW 58th
Amarillo, TX 79110

Oasis Southwest Baptist Church
8201 Canyon Drive
Amarillo, TX 79110

Randall County Annex
4320 S. Western
Amarillo, TX 79110

The Summit
2008 12th Avenue
Canyon, TX 79015

Coulter Road Baptist Church
4108 S. Coulter
Amarillo, TX 79109

EXHIBIT B - POLLING HOURS AND LOCATIONS FOR EARLY VOTING

POTTER COUNTY

MAIN EARLY VOTING:

Santa Fe Building, Ticket office

900 S. Polk

Judge: Brenda Johnson

Alternate Judge: Carolyn Kidd

Maximum # of Additional Clerks: 5

BRANCH LOCATIONS:

Casey Carpet One

3500 I-40 W Frontage Rd.

Judge: Barbara Veazey

Alternate Judge: Leslie Crawford

Maximum # of Additional Clerks: 4

United Amigos

3300 E I-40

Judge: Lo Davis

Alternate Judge: Katie Barnes

Maximum # of Additional Clerks: 3

Hillside Christian Church NW

Judge: Anita Crawford

Alternate Judge: Leslie Fullbright

Maximum # of Additional Clerks: 5

Cornerstone Outreach

1111 N. Buchanan

Judge: BF Roberts

Alternate Judge: Garry Snider

Maximum # of Additional Clerks: 3

Hours for voting at Santa Fe Building:

Mon – Fri., Apr. 19-23 8:00 a.m. – 5:00 p.m.

Mon. – Tues., Apr. 26-27 7:00 a.m. – 7:00 p.m.

Hours for Voting at Branch Locations:

Mon – Fri., Apr. 19-23 8:00 a.m. – 5:00 p.m.

Mon. – Tues., Apr. 26-27 7:00 a.m. – 7:00 p.m.

RANDALL COUNTY

Randall County Election Administration Office**

1604 5th Ave

Canyon, TX 79015

April 19, 2021 – April 23, 2021 (Monday-Friday)

8 am - 5 pm

April 26 and April 27, 2021 (Monday & Tuesday)

7 am - 7 pm

Randall County Annex

4320 S. Western

Amarillo, TX 79110

April 19, 2021 – April 23, 2021 (Monday-Friday)

8 am - 5 pm

April 26 and April 27, 2021 (Monday & Tuesday)

7 am - 7 pm

Southwest Branch Library
6801 W. 45th Ave
Amarillo, TX 79109

April 19, 2021 – April 23, 2021 (Monday-Friday)	8 am - 5 pm
April 26 and April 27, 2021 (Monday & Tuesday)	8 am - 7 pm

Comanche Trail Church of Christ
2700 E. 34th
Amarillo, TX 79103

April 19, 2021 – April 23, 2021 (Monday-Friday)	8 am - 5 pm
April 26 and April 27, 2021 (Monday & Tuesday)	8 am - 7 pm

Randall County Justice Center
2309 Russell Long Blvd
Canyon TX, 79015

April 19, 2021 – April 23, 2021 (Monday-Friday)	8 am - 5 pm
April 26 and April 27, 2021 (Monday & Tuesday)	8 am - 7 pm

****Main Early Voting Location**

K



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Provide safer crossings for the public
Department	Transportation / 1731		

Agenda Caption
Consider Approval - Resolution for Traffic Signal Agreement with TxDOT
Agenda Item Summary
Resolution for agreement for TxDOT to install and the City of Amarillo to operate and maintain signals installed with eligible federal or special program funds on BI40D/Amarillo Blvd. The TxDOT installed signals be Hybrid Beacon Signals located in the 1000 block of Amarillo Blvd. East and 1500 block of Amarillo Blvd. East.
Requested Action
Requesting Council to consider and approve resolution for TxDOT to install and the City of Amarillo to operate and maintain signals in TxDOT right of way but inside the City Limits.
Funding Summary
TxDOT federal and special program funds, after installation City Traffic operations maintenance funds.
Community Engagement Summary
The City will work with TXDOT to produce media releases to inform the public of the upcoming installations.
Staff Recommendation
The TXDOT District office is in agreement as well as City Transportation Staff to approve the resolution for agreement for TxDOT to install and the City of Amarillo to operate and maintain signals installed with eligible federal or special program funds on BI40D/Amarillo Blvd.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS APPROVING AND AUTHORIZING AGREEMENT WITH TEXAS DEPARTMENT OF TRANSPORTATION TO INSTALL SIGNALS WITH ELIGIBLE FEDERAL OR SPECIAL PROGRAM FUNDS, AND ONCE COMPLETED, THE CITY WILL OPERATE AND MAINTAIN SIGNALS INSTALLED; AUTHORIZED SIGNATURE FOR EXECUTION OF DOCUMENT; PROVIDING A SAVINGS CLAUSE; PROVIDING SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

WHEREAS, the Texas Department of Transportation ("State") has the authority to install traffic signals on non-freeway locations within cities of over 50,000 population, and on non-highway routes in cities with less than 50,000 population in accordance with Title 43, Texas Administrative Code Section 25.5, when installation(s) is (are) eligible for reimbursement from Federal Aid funds or special related program funds;

WHEREAS, the City desires to enter an Agreement with the State for it to use these funds for the installation of specific eligible signals, and the City will then operate and maintain these signals installed in accordance with such Agreement;

WHEREAS, the City Council finds it is in the best interest of the City of Amarillo citizens to participate in this Agreement to promote the public health, safety, and welfare of Amarillo citizens; and

WHEREAS, the City Council designates the Assistant City Manager over development as the City's authorized official to execute such Agreement.

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

Section 1. The City Council does hereby authorize and approve the Agreement, attached herein and incorporated hereto, with the Texas Department of Transportation ("State") to expend specific funds stated for the installation of three signals for three designated locations consultants identified as a public safety issue for pedestrians, also referred to as the AMA-Pedestrian Improvement Project 0904-02-045-Pedestrian Hybrid Beacon.

Section 2. Upon the State's completion of such installed signals, the City Council further approves and authorizes the City to operate and maintain such signals in a manner stated in the attached Agreement.

Section 3. The City Council designates the Assistant City Manager for Development as the authorized official to execute the Agreement on behalf of the City.

Section 4. All resolutions or parts thereof that conflict with this Resolution are hereby repealed, to the extent of such conflict.

Section 5. In the event this Resolution or any part hereof is found to be invalid, such invalidity shall not affect the remaining portions of the Resolution, and such remaining portions shall continue to be in full force and effect.

Section 6. This Resolution shall become and be effective on and after its adoption.

PASSED AND APPROVED this 26th day of January, 2021.

Ginger Nelson, Mayor

ATTEST:

Frances Hibbs, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

Contract No _____

STATE OF TEXAS §

COUNTY OF TRAVIS §

**AGREEMENT FOR THE STATE TO INSTALL AND
CITY TO OPERATE AND MAINTAIN SIGNALS INSTALLED
WITH ELIGIBLE FEDERAL OR SPECIAL PROGRAM FUNDS**

THIS AGREEMENT, dated this _____ day of _____, 20____, by and between the State of Texas, acting by and through the Texas Department of Transportation, hereinafter called the "State", and the City of AMARILLO, POTTER County, Texas, acting by and through its duly authorized officers under an Ordinance/Resolution, passed the _____ day of _____, 20____, hereinafter called the "City", is made to become effective when fully executed by both parties.

WITNESSETH

WHEREAS, the City has authorized the installation of traffic signal(s) by Ordinance/Resolution, passed on the _____ day of _____, 20____, at the location(s) shown on Exhibit 1, attached hereto and made a part hereof; and

WHEREAS, the State under the provisions of Title 43, Texas Administrative Code, Section 25.5, has authority to install traffic signals on non-freeway locations within cities of over 50,000 population, and on non-highway routes in cities with less than 50,000 population when the installation(s) is (are) eligible for reimbursement from Federal Aid funds or special related program funds.

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto to be by them respectively kept and performed, as hereinafter set forth, it is agreed as follows:

AGREEMENT

Article 1. This Agreement shall apply to all highway traffic signal installations approved by both the State and the City, the City's approval being indicated by the signature of the (title of signing city official) on the plan title sheet for such installation.

Highway traffic signal installations made a part of this Agreement shall contain on the title sheet the following statement:

"The City hereby consents to the construction of this highway traffic signal as to location and manner of construction as indicated on these plans, said installation being a part of "Agreement (Traffic Signal – Type F), dated _____."

Article 2. The State will furnish the necessary funds for the actual construction, prepare plans and specifications, install said highway traffic signal(s), and supervise construction.

Article 3. The City hereby consents to the construction of the highway traffic signal(s) by the approval of the location and manner of construction as shown on plans and described in specifications.

Article 4. The City will operate and maintain the highway traffic signal(s) at their own expense upon completion of the installation(s) by the State.

Article 5. The City will pay all power costs for operating the signal(s), including all power necessary for installation and testing of the signals prior to completion of the installation by the State.

Article 6. The City shall be the responsible authority to make changes in the design and operation of the highway traffic signal(s) as it may deem necessary and advisable to promote the safe, convenient, and orderly movement of traffic.

Article 7. The City will return any and all parts of said highway traffic signal installation(s) to the State should it (they) be removed by the City for any reason other than for installation on a State or Federal numbered highway route at a location approved by the State.

Article 8. The City will be responsible for the police enforcement required for securing obedience to the highway traffic signal(s).

Article 9. In the event the signal(s) installed in accordance with this Agreement become unnecessary or are removed for any reason, this Agreement shall terminate.

Article 10. The City acknowledges that it is not an agent, servant, or employee of the State and thus, is responsible for its own acts and deeds and for those of its agents or employees during the performance of the work defined in this Agreement.

Article 11. The State will not incur any financial obligation to the City as a result of this Agreement.

Article 12. The State will retain ownership of all materials and equipment furnished and installed under this Agreement.

Article 13. This Agreement may be terminated by any of the following conditions

- (a) By mutual consent and agreement of the parties hereto.
- (b) In the event the population of the City falls below 50,000, in accordance with the latest Federal Census.

Termination of this agreement shall extinguish all rights, obligations, and liabilities of the parties hereto.

Article 14. Any changes in the provisions of this Agreement or obligations of the parties hereto shall be enacted by a written amendment executed by both the State and the City.

Article 15. In case one or more of the provisions contained in this agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof and this agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Contract No _____

Article 16. All notices to either party by the other required under this Agreement shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to such party at the following respective addresses:

City:	State:
<u>CITY OF AMARILLO</u>	<u>TEXAS DEPT. OF TRANSPORTATION</u>
<u>P.O. BOX 1971</u>	<u>5715 CANYON DRIVE</u>
<u>AMARILLO, TEXAS 79105</u>	<u>AMARILLO, TEXAS 79110</u>
_____	_____

All notices shall be deemed given on the date so delivered or so deposited in the mail, unless otherwise provided herein. Either party hereto may change the above address by sending written notice of such change to the other in the manner provided herein.

Article 17. The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the contract or indirectly through a subcontract under the contract. Acceptance of funds directly under the contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

Article 18. At the request of the State, the Local Government shall submit any information required by the State in the format directed by the State.

Article 19. This Agreement constitutes the sole and only agreement between the parties hereto and supersedes any prior understandings or written or oral agreements respecting the within subject matter.

Contract No _____

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

THE CITY OF AMARILLO

Executed on behalf of the City by:

By _____ Date _____

Typed or Printed Name and Title _____

THE STATE OF TEXAS

Executed for the Executive Director and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By _____ Date _____
District Engineer

Contract No _____

EXHIBIT 1 - LOCATIONS

PEDESTRIAN HYBRID BEACON SIGNALS

- A. 1000 Block of Amarillo Blvd. E. (BI-40D) (US 60)
- B. 1500 Block of Amarillo Blvd. E. (BI-40D) (US 60)

STATE OF TEXAS
DEPARTMENT OF TRANSPORTATION

SHEET NO.
1
2
DESCRIPTION
TITLE SHEET
INDEX OF SHEETS

PLANS OF PROPOSED
STATE HIGHWAY IMPROVEMENT
FEDERAL PROJECT: NH 2021(373)
HIGHWAY - VARIOUS
POTTER COUNTY

CONTROL: 0904 - 02 - 045

BI-40D PEDESTRIAN IMPROVEMENTS PHASE I

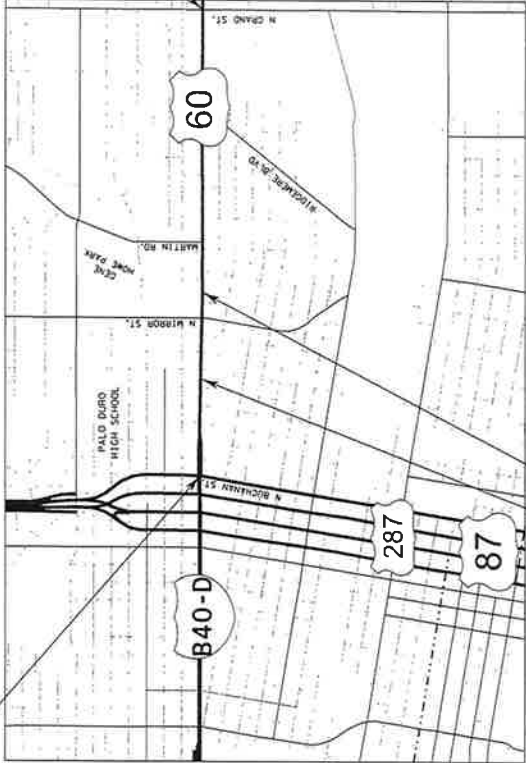
FOR THE CONSTRUCTION OF PEDESTRIAN IMPROVEMENTS CONSISTING
OF INSTALLING TWO PEDESTRIAN HYBRID BEACONS

LIMITS: FROM US 87 (N BUCHANAN ST) TO N GRAND ST
NET LENGTH OF PROJECT: 10,020.00 FEET ± 1.90 MILES

COORDINATES BASED ON
TX83-NF-NAD83
TEXAS STATE PLANES
NORTH ZONE, US FOOT
SURFACE ADJUSTMENT
FACTOR = 1.00015

BEGIN PROJECT
EASTING=557943.02
NORTHING=3726477.18
US 87 (N BUCHANAN ST)
@ BI 40D

END PROJECT
EASTING=568042.30
NORTHING=3726423.91
N GRAND ST @ BL 40D



EXCEPTIONS:
NONE

RAILROADS:
NONE

EQUATIONS:
NONE

REGISTERED ACCESSIBILITY SPECIALIST (RAS) INSPECTION RECORD
TDL # NO. TABS2021002654

SPECIFICATIONS ADOPTED BY THE TEXAS DEPARTMENT OF
TRANSPORTATION NOVEMBER 1, 2014 AND SPECIFICATION ITEMS
LISTED AS FOLLOWS SHALL GOVERN ON THIS PROJECT: REQUIRED
CONTRACT PROVISIONS FOR ALL FEDERAL-AID CONSTRUCTION CONTRACTS
(FORM FHWA 1215, MAY 2012).

TYPE NO.	SECTION NO.	PROJECT NO.	SHEET NO.
6	02	0904	001
STATE	DATE	COUNTY	
TEXAS	11/19/2020	POTTER	
CONF	DATE	JOB	
0904	02	045	VARIOUS

FINAL PLANS AND QUANTITIES
AS CONSTRUCTED

CONTRACTOR NAME:
CONTRACTOR ADDRESS:
LETTING DATE:
DATE TIME CHARGES BEGAN:
DATE WORK BEGAN:
DATE WORK COMPLETED:
DATE OF ACCEPTANCE:
FINAL CONTRACT COST: \$

FUNCTIONAL CLASSIFICATION = MAJOR ARTERIAL

DESIGN SPEED = 40 MPH
ADT (2020) = 21,430

THE CITY HEREBY CONSENTS TO CONSTRUCTION
OF THIS HIGHWAY TRAFFIC SIGNAL AS TO LOCATION
AND MANNER OF CONSTRUCTION AS INDICATED ON
THESE TRAFFIC PLANS, SAID INSTALLATION BEING
PART OF AGREEMENT (TRAFFIC SIGNAL=TYPE F)
DATED

REQUIRED SIGNS AND BARRICADES MUST BE IN ACCORDANCE
WITH BC STANDARDS AND THE "TEXAS MANUAL ON UNIFORM
TRAFFIC CONTROL DEVICES".

PLANS PREPARED BY:

GLOBAL CIVIL SOLUTIONS, LLC

F-12801



SUBMITTED
FOR LETTING
DATE
11/19/2020
PROJECT MANAGER
GLOBAL CIVIL SOLUTIONS, LLC.



DATE
12/3/2020
MANAGER, AVAIL
11/03/2020

RECOMMENDED FOR LETTING:
Decommissioned by:
1050N4428D0468

Decommissioned by:
1050N4428D0468

TRANSPORTATION
MENT DATE
12/3/2020

APPROVED FOR LETTING:
Decommissioned by:
Blair Johnson

ENGINEER

PROJECT MANAGER



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Priority	Public Safety
Department	Amarillo Police Department (APD)		
Contact	Kevin Starbuck, Deputy City Manager and Lt. Shane Chadwick (APD)		

Agenda Caption
CONSIDER RESOLUTION AUTHORIZING THE CITY OF AMARILLO TO SUBMIT THE 2020/21 GRANT APPLICATION FOR THE PROJECT SAFE NEIGHBORHOOD PROGRAM (PROJECT 4088001) (Contact: Kevin Starbuck, Deputy City Manager and Lt. Shane Chadwick, APD) This resolution authorizes the City of Amarillo to submit project 408001 Shooting Response Team to the Office of the Governor through the 2020/21 Project Safe Neighborhood grant program. The project application is in the amount of \$103,850 for equipment, training, and software licensing.

Agenda Item Summary
The resolution authorizes the City of Amarillo Deputy City Manager to submit project 408001 Shooting Response Team to the Office of the Governor in the amount of \$103,850 from the 2020/21 Project Safe Neighborhood grant program. The purpose of the project is to assist in the identification of suspects involved in our high traffic/crime areas where shootings are occurring. The project will fund equipment, training, and software licensing to support the APD Shooting Response Team.

Requested Action
Approve the resolution authorizing the City of Amarillo to submit the 2020/21 grant application for the Project Safe Neighborhood program (project 408001).

Funding Summary
The grant project application is in the amount of \$103,850. No matching funds are required for this project. The project will be managed by APD.

Community Engagement Summary
N/A

Staff Recommendation
Staff recommends approval of the resolution, authorizing the Deputy City Manager to submit the project application to the Office of the Governor.

1/19/21-bsm

RESOLUTION NO. 01-26-21-3

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS: AUTHORIZING THE SUBMISSION OF THE 2020/21 GRANT APPLICATION FOR THE PROJECT SAFE NEIGHBORHOODS PROGRAM (PROJECT 4088001) AND DESIGNATING THE DEPUTY CITY MANAGER TO ACT AS THE CITY'S AUTHORIZED OFFICIAL; PROVIDING OTHER CLAUSES AND EFFECTIVE DATE

WHEREAS, the Office of the Governor, Public Safety Office, has solicited applications for the Project Safe Neighborhoods Grant Program for 2020/21 for projects that are designed to create and foster safer neighborhoods through a sustained reduction in violent crime, including but not limited to, addressing criminal gangs and felonious possession and use of firearms; and

WHEREAS, the Amarillo Police Department (APD) Shooting Response Team identifies suspects and investigates crimes involving gun violence and felonious assault; and

WHEREAS, the City of Amarillo designates Deputy City Manager as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

WHEREAS, the City of Amarillo is eligible to apply for and receive funding in the grant program; and

WHEREAS, the City intends to timely file an application pursuant to the Request for Applications; and

WHEREAS, the City Council finds it in the best interest of public safety, health, and welfare to apply for said grant funding as specified below;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS THAT:

Section 1. The City Council hereby approves the submission of the FY20/21 grant application for the Project Safe Neighborhood Program (Project 4088001) to the Office of the Governor, on behalf of the City of Amarillo.

Section 2. This application shall be for funds in the amount of ONE HUNDRED and THREE THOUSAND, EIGHT HUNDRED AND FIFTY DOLLARS (\$103, 850.00) to assist in the identification of suspects relating to crimes involving gun violence and felonious assault. The project will fund related equipment, training, and software licensing to support the APD Shooting Response Team.

Section 3. Pursuant to the program requirements, the City Council now provides this assurance that, in the event of loss or misuse of said funds, these funds will be returned to the Office of the Governor in full.

Section 4. The Deputy City Manager is hereby designated as the City/grantee's authorized official to apply for, accept, reject, alter, or terminate the application and/or subsequent grant on behalf of the City.

Section 5. Should any part of this Resolution conflict with any other resolution, then such other resolution is repealed to the extent of the conflict with this Resolution.

Section 6. Should any word, phrase, or part of this Resolution be found as invalid or unconstitutional, such finding shall not affect any other word, phrase, or part hereof and such shall be and continue in effect.

Section 7. This Resolution shall be effective on and after its adoption

PASSED AND APPROVED this 26th day of January 2021.

Ginger Nelson, Mayor

ATTEST:

Frances Hibbs, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

M



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Pillar	Multiple
Department	City Manager's Office		
Contact	Jared Miller, City Manager		

Agenda Caption

CONSIDER RESOLUTION – ADOPTING A LEGISLATIVE AGENDA FOR THE 87TH SESSION OF THE TEXAS LEGISLATURE:

This item considers a resolution adopting a legislative agenda for the 87th Session of the Texas Legislature to include special called sessions of the 87th Legislature and the interim.

Agenda Item Summary

This item considers adopting an agenda of legislative priorities that Council and City staff will follow to advocate support or opposition to various legislative topics.

Requested Action

Consider for approval the attached resolution.

Funding Summary

N/A

Community Engagement Summary

N/A

Staff Recommendation

Staff recommends the resolution to adopt a legislative agenda for the 87th Session of the Texas Legislature be approved.

RESOLUTION NO. 01-26-21- 4

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMARILLO ADOPTING A LEGISLATIVE AGENDA FOR THE 87TH SESSION OF THE TEXAS LEGISLATURE TO INCLUDE SPECIAL CALLED SESSIONS OF THE 87TH LEGISLATURE AND THE INTERIM.

WHEREAS, local government is the most direct and frequent point of contact with its residents; and

WHEREAS, the process for local government is a public and participatory process whereby the actions of local governments are subject to the public scrutiny of the residents; and

WHEREAS, local government is responsible for providing basic and emergency services; and

WHEREAS, local governments are the first responders in local emergencies; and

WHEREAS, the ability of local government to provide those services is dependent on the ability to have the resources and authority necessary to carry out its responsibilities; and

WHEREAS, state representatives and senators are charged with working in the best interest of the citizens they represent; and

WHEREAS, residents of the state of Texas expect elected government officials representing local governments to make every effort to be informed on the needs of the constituents and the local government to ensure that local governments have the necessary authorities and resources in which to fulfill the desired needs of the citizens who have elected them.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS, THAT:

SECTION 1. That City Council members will meet with area state representatives and senators to discuss the City's legislative agenda and provide both information and assistance on all matters relating to bills and other legislative matters that come before the Legislature to ensure that they have the resources to call upon in making decisions that impact the lives of their constituents.

SECTION 2. The City of Amarillo shall proactively seek the filing and passage of any legislation identified as being sought in Exhibit A.

SECTION 3. The City Council and City staff may work with TML, peer cities in the State and other appropriate entities to jointly pursue the passage or defeat of legislation that is listed as "supported" or "opposed" by the City of Amarillo in Exhibit A.

SECTION 4. The City Manager and his staff shall:

(a) Take all necessary actions to inform Amarillo residents of the City's legislative agenda; and

(b) Encourage residents to make every effort to be aware of the local and state governing and legislative process and expect their elected representatives from all levels to seek a proactive and positive relationship that does not pass a

burden from the State to the County or City without providing the tools and resources to undertake the added responsibility.

SECTION 5. That it believes it is incumbent of all legislators to work in consort with city and county governments to ensure that the entire governing process is as effective as possible and, to that end, seek input and advice from the local level of government on issues that have a direct impact on their ability to undertake their responsibilities.

SECTION 6. That it expects elected representatives of state government to fully understand the implications of legislation they act upon to ensure there are no negative impacts on the community and to strongly support and take all actions necessary in furtherance of the information in Exhibit A, as it may be amended from time to time.

SECTION 7. That it believes the state legislative body should not exempt its members from any regulation that they impose upon any other member of a political subdivision unless it can clearly be shown that there is a clear and compelling need to do so.

SECTION 8. That it adopts the Legislative Agenda for the 87th Session of the Texas Legislature as shown on Exhibit A, attached to and incorporated into this resolution by reference.

SECTION 9. This resolution shall be effective on and after its adoption.

INTRODUCED AND PASSED this 26th Day of January 2021.

Ginger Nelson, Mayor

ATTEST:

Frances Hibbs, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

EXHIBIT A
87TH TEXAS LEGISLATIVE PRIORITIES
POSITION STATEMENTS

TRANSPORTATION

The City of Amarillo will support legislation that enhances statewide and national passenger and freight mobility through the City of Amarillo and increases the safety of passengers traveling through the City, specifically including legislation that:

- a. increases funding to complete the building of Loop 335; and
- b. supports future expansion of Interstate 27 to the north and south.

PROPERTY TAX AND DEBT

The City of Amarillo will support legislation that protects local control of government, specifically including legislation that:

- a. applies taxing rules more equitably by tying revenue caps or rollback rates to a statewide average as opposed to a percentage of a taxing unit's property tax rate.

The City of Amarillo will oppose legislation that restricts local control of government, specifically including legislation that:

- a. would impose revenue caps including a lowered rollback rate, mandatory property tax rate ratification elections or lowered rollback petition requirements;
- b. would have a disproportionate negative effect on the most prudent and responsible taxing entities that have a very low property tax rate, like the City of Amarillo; or
- c. would unnecessarily restrict the City's ability to issue debt or impose undue burdens on debt issuance referendums.

ANNEXATION

Currently, certain annexation of adjacent land requires the Texas Department of Transportation (TxDOT) to provide a written request for annexation. The City of Amarillo will support legislation that would remove the requirement for written request from TxDOT or any other state agency, while retaining their right to protest an annexation request.

The City of Amarillo will oppose legislation that would further restrict a municipality's authority to annex land or impose more stringent requirements on a municipality's ability to annex land.

EXPANSION OF BROADBAND INTERNET

The City of Amarillo will support legislation that would address the digital divide disparity by expanding internet coverage or aiding in elimination of financial barriers for all citizens to gain access to broadband internet.

RIGHT-OF-WAY AND SMALL CELL TOWERS

The City of Amarillo will support legislation that:

- a. preserves municipal control of municipal rights of way;
- b. requires service providers to pay market rate (or close to market rate) for the use of municipal infrastructure and rights of way; and
- c. provides for local authority over small cell nodes.

OPEN MEETINGS AND OPEN RECORDS

The City of Amarillo will support legislation that would provide clarifications to open meetings laws and public information laws to enhance communication between elected officials and their constituents, specifically including legislation that:

- a. would provide for the continued use of technology and other tools that provides for transparent, convenient, and secure virtual public meetings and encourage the general public to participate, provide feedback, and engage with State and local governments remotely; and
- b. would reduce the financial burden on local governments required by the Open Meetings Act and Open Records Requests.

The City of Amarillo will oppose legislation that would attempt to make the current open meetings and public information laws more restrictive or ambiguous.

DISASTERS AND EMERGENCIES

The City of Amarillo will support legislation that provides for or enhances local control during disaster or other emergency declarations to allow cities to better manage such situations. The City of Amarillo will also support any legislation that ensures funding of public health and other operations at the levels necessary to respond to disasters or emergencies.

ECONOMIC DEVELOPMENT

The City of Amarillo will support legislation that reauthorizes Chapter 312 ad-valorem tax abatements.

The City of Amarillo will oppose legislation that would restrict a city's ability to compete for projects that provide jobs and economic benefit to the community and region.

MENTAL HEALTH

The City of Amarillo will support legislation that improves funding for mental health crisis intervention and funds resources for persons who are suffering from mental illness either temporarily or chronically, with the goal of diversion from the criminal justice system. The

funding should support training for law enforcement, mental health caseworkers to aid in crisis response, alternatives to hospitalization, and alternatives to incarceration.

AMARILLO CIVIC CENTER COMPLEX

The City of Amarillo will actively support legislation to finance the renovation, revitalization and/or expansion of the Amarillo Civic Center Complex (ACCC).

PURCHASING

The City of Amarillo will support continuation of alternative project delivery methods that allow municipalities to select contractors based on both price and qualifications.

PUBLIC ADVERTISING

The City of Amarillo will support legislation that would enable the use of electronic notice for all public notices.

WATER RESOURCES

The City of Amarillo will support legislation that protects and expands the City's ability to purchase water, provide water to its residents and customers, use water within the City limits and Extraterritorial Jurisdiction Areas, and collaborate with local and regional entities on projects and initiatives that seek to enhance the City's water resources.

CITY ADVOCACY

The City of Amarillo will support legislation that further promotes the City's ability to communicate with legislators and advocate on behalf of the community.

For more information, please contact:

Stephanie Coggins
Assistant to the City Manager
City of Amarillo
P.O. Box 1971
Amarillo, Texas 79105-1971
(806) 378-6210 office
(806) 378-9394 fax

2



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Pillar	Economic Development
Department	AEDC		
Contact	Kevin Carter, President and CEO		

Agenda Caption

Ordinance 7901 - Consideration of Reinvestment Zone 12 (Second Reading)

Public hearing and second reading of an ordinance to consider designating certain areas of the City as Reinvestment Zone No. 12 for commercial and industrial tax abatement. The zone is approximately 110.39 acres in the vicinity of 24th Street and Loop 335.

Agenda Item Summary

Designating a reinvestment zone is a step in the property tax abatement process under Chapter 312 of the Tax Code. Local governments often use tax abatements to attract new industry and commercial enterprises and to encourage the retention and development of existing businesses. Designation of an area as a reinvestment zone is required before City Council has the ability to offer a tax abatement.

The 110.39 acres proposed for Reinvestment Zone No. 12 is located at 24th Street and Loop 335. The reason for creating this zone is to provide Council the option to offer an economic development incentive to a prospective warehouse facility.

Before Council may consider a new zone, it must be preceded by a public hearing, with 7 days written notice of the hearing provided to the presiding officer of each of the other taxing entities with jurisdiction in the zone, and notice of the hearing in a newspaper of general circulation in the city.

Council must make findings that the improvements sought in the zone are feasible and practical and would be a benefit to the zone after expiration of a tax abatement agreement. Zones must also meet one of the applicable criteria for reinvestment zones. For the case of this zone, the criteria met is that with designation of the zone it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City.

Requested Action

Second Reading of Ordinance 7901 on January 26, 2021.

Funding Summary

N/A

Staff Recommendation

AEDC staff is recommending approval of the designation of Reinvestment Zone 12.

ORDINANCE NO. 7901

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS: DESIGNATING CERTAIN AREAS AS REINVESTMENT ZONE NO. 12 FOR COMMERCIAL / INDUSTRIAL TAX ABATEMENT, CITY OF AMARILLO, TEXAS, PURSUANT TO TEXAS TAX CODE, CHAPTER 312, SUBCHAPTERS A & B, ESTABLISHING THE BOUNDARIES THEREOF AND OTHER MATTERS RELATING THERETO; PROVIDING A SEVERANCE CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Amarillo, Texas ("City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a Reinvestment Zone for commercial/industrial tax abatement, as authorized by Texas Tax Code Chapter 312, Subchapters A & B;

WHEREAS, City has elected by Resolution No. 08-20-19-2 to become eligible to participate in tax abatements;

WHEREAS, a public hearing in a regularly scheduled meeting before the City Council was held on January 12, 2021, such date being at least seven (7) days after the date of publication of the notice of such public hearing as required by the Texas Tax Code; and

WHEREAS, notice of the public hearing was delivered to the presiding officer of the governing body of each taxing unit located within the proposed Reinvestment Zone at least seven (7) days before the date of the public hearing; and

WHEREAS, the City at such hearing invited all interested persons, or their counsel, to appear and speak for or against the creation of the proposed Reinvestment Zone, the boundaries of the proposed Reinvestment Zone, and whether all or part of the property described in this ordinance should be included in such proposed Reinvestment Zone; and

WHEREAS, all interested persons were given the opportunity to be heard and the proponents of the Reinvestment Zone offered evidence in favor of the creation of the proposed Reinvestment Zone and the proponents also submitted evidence as to the proposed improvements, and any opponents of the proposed Reinvestment Zone were given the opportunity to contest creation of the proposed Reinvestment Zone; and

WHEREAS, the area to be designated meets the statutory requirement that, it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the municipality, and/or meets other criteria that satisfies state law for establishment of a reinvestment zone;

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

SECTION 1. That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and are adopted as findings of fact by this body and as part of its official record.

SECTION 2. The City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the testimony and evidence presented to it:

- a) That a public hearing on the designation of the Reinvestment Zone has been properly called, held and conducted and that notice of such hearing was published as required by law and delivered to all taxing units overlapping the territory inside the proposed reinvestment zones; and
- b) That the boundaries of the area to be known as City of Amarillo Reinvestment Zone No. 12 shall be the area of land described on the document attached hereto as Exhibit "A", which is incorporated herein for all purposes; and
- c) That the creation of the City of Amarillo Reinvestment Zone No. 12 with the boundaries as described in (b) above, will result in benefits to the City and to the land included in the zone and to the City after the expiration of any Tax Abatement Agreement entered into, and the improvements sought are feasible and practical; and
- d) That the Reinvestment Zone as described in (b) above meets the criteria for the creation of a Reinvestment Zone as set forth in Texas Tax Code Chapter 312, Subchapters A & B in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the Reinvestment Zone that would be a benefit to the property and that would contribute to the economic development of the City; and
- e) That the City of Amarillo Reinvestment Zone No. 12 as defined herein satisfies the requirement of a Reinvestment Zone and is eligible under the Guidelines and Criteria for Tax Abatement in the City of Amarillo, Resolution No. 08-20-19-2.

SECTION 3. That pursuant to Texas Tax Code Chapter 312, Subchapter B, the City hereby creates a Reinvestment Zone for commercial/industrial tax abatement encompassing the

area described by the legal description in Section 2 (b) above and such Reinvestment Zone is hereby designated and shall hereafter be designated City of Amarillo Reinvestment Zone No. 12 for a period of five (5) years.

SECTION 4. If any portion of this ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof.

SECTION 5. That the establishment of City of Amarillo Reinvestment Zone No. 12 shall take effect on the date of the final passage of this Ordinance.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this 12th day of January, 2021, and PASSED on Second and Final Reading on this the 26th day of January, 2021.

Ginger Nelson, Mayor

ATTEST:

Frances Hibbs, City Secretary

APPROVED AS TO FORM

Bryan S. McWilliams, City Attorney

EXHIBIT A
LEGAL DESCRIPTION OF REINVESTMENT ZONE

An area consisting of 110.3886 acres in the vicinity of NE 24th St. and Loop 335, further described as the following:

BEING a 110.3886 acre (4,808,529 square foot) tract of land situated in Section 93, Block 2, AB&M Survey, Abstract No. 31, City of Amarillo, Potter County, Texas; said tract being part of that tract of land described in Warranty Deed to Happy Horizons Properties, L.P. recorded in Volume 3026, Page 467 of the Deed Records of Potter County, Texas; said tract being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod with cap stamped "KHA" set at the west end of a right-of-way corner clip at the intersection of NE 24th Avenue (a variable width right-of-way) and the west right-of-way line of Loop Highway No. 335 (a variable width right-of-way);

THENCE South 43°56'33" East, along the southwest line of said corner clip, a distance of 69.32 feet to a 5/8-inch iron rod with cap stamped "KHA" set at the east of said right-of-way corner clip;

THENCE along the said west line of Loop Highway No. 335 the following three (3) calls:

South 0°05'53" West, a distance of 654.71 feet to an aluminum disk found for corner;
South 7°28'23" East, a distance of 631.28 feet to an aluminum disk found for corner;
South 0°13'05" West, a distance of 539.60 feet to a 5/8-inch iron rod with cap stamped "KHA" set for corner;

THENCE South 89°54'37" West, departing the said west line of Loop Highway No. 335, a distance of 2584.82 feet to a 5/8-inch iron rod with cap stamped "KHA" set for corner;

THENCE North 0°12'00" East, a distance of 1900.80 feet to a 5/8-inch iron rod with cap stamped "KHA" set for corner in the said south line of NE 24th Avenue;

THENCE along the said south line of NE 24th Avenue, the following three (3) calls:

North 89°54'37" East, a distance of 1956.32 feet to a 5/8-inch iron rod with cap stamped "KHA" set for corner;
South 73°25'43" East, a distance of 104.33 feet to a 5/8-inch iron rod with cap stamped "KHA" set for corner;
North 89°59'12" East, a distance of 394.84 feet to the **POINT OF BEGINNING** and containing 110.3886 acres or 4,808,529 square feet of land, more or less.



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Pillar	Economic Development
Department	AEDC		
Contact	Kevin Carter, President and CEO		

Agenda Caption

CONSIDER APPROVAL – TAX ABATMENT AGREEMENT – BETWEEN CITY OF AMARILLO AND AMAZON SERVICES LLC, ET AMARILLO LLC and HAPPY HORIZONS.

Agenda Item Summary

Amazon Services, LLC is considering constructing a new non-sortable distribution center in Amarillo. The facility would be the first of its kind in West Texas and would help Amazon service its customers in our region with large item orders.

Highlights of the project include:

- Construction of a new 1,000,000 square foot facility on 110.39 acres located at 24th Street and Loop 335.
- \$100,000,000 in Capital Investment (\$70,000,000 in facility improvements and \$30,000,000 in Equipment)
- 500 New Employees
- \$13,500,000 minimum in new payroll projected

AEDC is asking the City Council to approve an abatement of future taxes on the construction and equipment costs. AEDC is recommending 50% abatement for 5 years on the above costs.

Requested Action

Approval of the Tax Abatement Agreement as presented.

Funding Summary

n/a

Staff Recommendation

AEDC staff is recommending approval of the Tax Abatement Agreement.

**TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF AMARILLO,
HAPPY HORIZONS PROPERTIES L.P., ET AMARILLO, LLC, AND AMAZON.COM
SERVICES LLC**

STATE OF TEXAS §
 §
COUNTY OF POTTER §

This Tax Abatement Agreement (“*Agreement*”), is entered into as of this _____ day of _____, 2021 (“*Effective Date*”), by and between the City of Amarillo, Texas (“*City*”), a home rule city and municipal corporation located in Potter and Randall Counties, Texas, duly acting herein by and through its City Manager or other designated representative, Happy Horizons Properties L.P., a Texas limited partnership (“*Happy Horizons*”), ET Amarillo, LLC, a Delaware limited liability company (“*Elm Tree*”), and Amazon.com Services LLC, a Delaware limited liability company (“*Amazon*”).

WITNESSETH:

WHEREAS, the City Council of the City of Amarillo, Texas (“*City Council*”) indicated its election to be eligible to participate in Tax Abatements in the Resolution Adopting Guidelines and Criteria for Tax Abatement in the City of Amarillo (“*Policy Statement*”), by the passage of Resolution No. 7-26-88-1 on the 21st day of July, 1988; and

WHEREAS, on the 20th day of August, 2019, the City Council readopted the Policy Statement by the passage of Resolution No. 08-20-19-2; and

WHEREAS, the City’s current Policy Statement entitled:

RESOLUTION ADOPTING GUIDELINES
AND CRITERIA FOR TAX ABATEMENT WITHIN REINVESTMENT ZONES
FOR THE
CITY OF AMARILLO

Is attached as Exhibit A hereto; and

WHEREAS, the Policy Statement constitutes appropriate “guidelines and criteria” governing tax abatement agreements which may be entered into by the City as contemplated by the Texas Tax Code (“*Tax Code*”), and provides for the availability of tax abatement for both new facilities and structures and for the contemplated expansion or modernization of existing facilities or structures; and

WHEREAS, entering into this Agreement will produce public benefits:

- 1) enhancing and diversifying the economic and industrial bases of the Amarillo area;

- 2) contributing to the retention and expansion of primary employment; and
- 3) attracting major investment that will be of benefit to the Premises (as hereafter defined) and that will contribute to the economic development of the City; and

WHEREAS, on the 26th day of January, 2021, the City Council adopted Ordinance No. _____ establishing City of Amarillo Reinvestment Zone No. 12 ("**Zone**") for commercial/industrial tax abatement, as authorized by Tax Code Chapter 312; and

WHEREAS, Happy Horizons currently holds title to the Premises, but Elm Tree expects to receive title to the Premises under a real estate purchase contract between Happy Horizons and Elm Tree ("**Purchase Agreement**"); and

WHEREAS, Elm Tree and Amazon expect Amazon to lease the Premises from Elm Tree after the closing of the Purchase Agreement; and

WHEREAS, the contemplated uses of the Premises (a distribution center), the contemplated improvements to the Premises as set forth in this Agreement, the contemplated equipment, and other business personal property, and the other terms of this Agreement will encourage development of the Zone, are in accordance with the purposes for its creation, and are in compliance with the Policy Statement, the Ordinance, and all applicable laws; and

WHEREAS, Amazon's use of the Premises is expected to favorably influence the economic and employment base of the City, to wit: within 24 months to provide 500 new full time warehousing, transportation, and management positions; and

WHEREAS, the City Council finds that the improvements sought are feasible and practical and will be of benefit to the Premises, the Zone, and to the City after expiration of this Agreement; and

WHEREAS, the City Council finds that the terms of this Agreement and the proposed Qualified Facilities and Qualified Personal Property (as hereafter defined) subject to this Agreement meet the applicable guidelines and criteria previously adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the law, to the presiding officers of the governing bodies of each of the taxing units in which the Premises subject to the Agreement is located;

NOW, THEREFORE, the City for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the attraction of major investment to the Zone and business activity which contributes to the overall economic development of the City and enhancement of the tax base in the City; Happy Horizons, Elm Tree, and Amazon for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged by each, which consideration includes the tax abatement set forth below, as authorized by Tax Code Chapter 312, Subchapter B, do hereby contract and agree as follows:

1. Definitions

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

- 1) "Tax Code" means the relevant provisions of Texas Tax Code.
- 2) "Eligible Property Value" shall mean the value of Elm Tree's Qualified Facilities and Amazon's Qualified Personal Property that:
 - a) is eligible for tax abatement under Tax Code Chapter 312 (which shall not include the real property's current value – only increase in value of the real property may be exempted); and
 - b) has taxable situs in the Zone on January 1 of the first tax year as set forth in Section 3 or on January 1 of any subsequent tax year as set forth in Section 3.

However, pursuant to Tax Code Section 312.204, tangible personal property that was located on the Premises before the beginning date of the abatement period shall not be eligible for tax abatement. Supplies and inventory located in the Zone at any time shall not be eligible for tax abatement.

- 3) "Qualified Facilities" shall mean the buildings and other improvements constructed by or for the benefit of Elm Tree for design, assembly, manufacturing, storage, training, repair, or other purposes in the Zone, consisting of a minimum of an approximately 1,000,000 ft² distribution warehouse expected to cost at least approximately \$70,000,000.
- 4) "Qualified Personal Property" shall mean Amazon's machinery, equipment, furniture, fixtures, and other tangible personal property that are eligible for tax abatement under Tax Code Chapter 312, consisting of furniture, fixtures, and equipment sufficient to carry on consumer goods warehousing and distribution and expected to cost approximately \$30,000,000, and that:
 - a) is owned by Amazon or a third party as described in Section 2(11)(b);
 - b) is located in the Zone; and
 - c) but for this Agreement would be subject to appraisal by the Potter-Randall Appraisal District or its successor for the applicable tax year.
- 5) "Premises" shall mean the parcel of land described on Exhibit B, which is attached hereto and incorporated by reference, and is located within the Zone.
- 6) "Abatement" shall mean the tax abatement rate in those percentages set forth in Section 5 for each applicable year.

2. General Provisions

- 1) Elm Tree and Amazon agree that their use of the Premises will be in accordance with applicable state and local laws and regulations.
- 2) Intentionally omitted.
- 3) The procedures followed by the City in the enforcement and administration of this Agreement will conform to the requirements of the Tax Code and other applicable law.
- 4) The Premises are presently owned by Happy Horizons and are to be owned by Elm Tree under the Purchase Agreement. Happy Horizons joins herein solely as an accommodation party currently owning the Premises which are to be transferred to Elm Tree under such Purchase Agreement; provided, however, that all parties hereto agree that the Purchase Agreement is the sole agreement between Happy Horizons and Elm Tree with respect to the purchase and sale of the Property, and this Agreement does not create, and shall not be construed to create, an independent obligation of Happy Horizons to convey the Property to Elm Tree. The Premises are located solely within the corporate limits of the City and within the Zone.
- 5) The City acknowledges that Premises and Qualified Facilities are not an improvement project financed by tax increment bonds.
- 6) Happy Horizons, Elm Tree and Amazon acknowledge that this Agreement is entered into subject to the rights of the holders of outstanding bonds of the City.
- 7) The City represents and warrants that Premises and Qualified Personal Property are not owned or leased by any member of the Amarillo City Council or any member of the Planning and Zoning Commission of the City or a member of the governing body of any taxing units joining in or adopting this Agreement.
- 8) The City represents and warrants that it has adopted guidelines and criteria governing tax abatement agreements and it has the authority to enter into this Agreement.
- 9) The parties acknowledge that this Agreement is intended to comply with the requirements of law and is authorized by the Texas Property Redevelopment and Tax Abatement Act, Tax Code Chapter 312, Policy Statement, and by resolution of the City Council of the City of Amarillo authorizing execution of this Agreement.
- 10) During the period of tax abatement herein authorized, Elm Tree and Amazon shall be subject to taxation on all real and personal property not abated or otherwise exempted.

- 11) This Agreement shall apply to Qualified Facilities and Qualified Personal Property which is owned by:
 - a) Elm Tree or Amazon; or
 - b) A third party when
 - i) Elm Tree or Amazon is contractually obligated to pay taxes on said personal property; and
 - ii) Elm Tree or Amazon renders said personal property for taxation.
- 12) The construction and development of the Qualified Facilities and Qualified Personal Property contemplated by this Agreement will be diligently pursued by Elm Tree and Amazon and may occur in Phases. Each Phase will be created as set forth in Section 4 of this Agreement.

3. Term and Abatement Period

A five (5) year tax abatement is hereby granted to Elm Tree and Amazon subject to meeting the conditions herein. The five (5) year abatement period commences beginning on January 1 of the first tax year for which Elm Tree or Amazon files an approved abatement application with the Potter-Randall Appraisal District (the "Abatement Application"). For any subsequent Phase, the five (5) year abatement period commences on January 1 of the first tax year for which Elm Tree or Amazon timely files an approved Abatement Application for that Phase with the Potter-Randall Appraisal District. Notwithstanding any other provision of this Agreement, Amazon has the right to terminate this Agreement for any reason or no reason by delivering notice to the City at least 5 business days prior to the desired termination date.

4. Construction May Occur in Phases

At its option, Elm Tree or Amazon may elect to stage development of the Qualified Facilities and Qualified Personal Property to occur at different times within the Zone. If Elm Tree or Amazon chooses to make this election, each individual Phase shall be eligible for Abatement under the terms of this Agreement for a period of five (5) years.

Elm Tree and Amazon will designate each Phase by metes and bounds or by description of the improvement or property sought to be abated, to be submitted with the first Abatement Application filed on each Qualified Facility or Qualified Personal Property in that Phase. Each Phase so designated will be sequentially numbered as Phase 1, Phase 2, and so forth. Thereafter, the Qualified Facilities and Qualified Personal Property in each Phase shall be the subject of a separate Abatement Application as may be required by law. For purposes of identifying property within a Phase, it shall be sufficient to generally identify the improvement or property by its use or purpose and relative geographic location to other existing improvements.

The deadline for designating a Phase under Section 4 of this Agreement coincides with the expiration of the Zone, being the fifth (5th) anniversary of the establishment of the Zone, unless renewed or extended to a later date by the City.

5. Rate of Abatement

The rate and scope of tax abatement shall be as follows:

- 1) **Scope of Abatement.** The annual rate of abatement will be applied as set forth below to the Eligible Property Value.
- 2) **Annual Rate of Abatement.** The following shall be the annual rate of tax abatement. The rate of abatement shall be applied separately to the Eligible Property Value in each Phase created under this Agreement for each applicable tax year.

<u>Year of Abatement</u>	<u>Rate of Abatement on Incremental Increase</u>
1	50%
2	50%
3	50%
4	50%
5	50%

6. Records and Audits

- 1) Before December 31 of each year, Elm Tree or Amazon must certify in writing to the governing body of each participating taxing unit that it is in compliance with each term of this Agreement; provided, however, that Elm Tree and Amazon shall not be considered in default hereunder until the applicable party has received notice of non-compliance, and has had a period of time (not to exceed 30 days) to provide the required certification.
- 2) To the extent that the City has questions about the data supplied by Amazon in any report, application, filing or other document provided under this Agreement, the parties will engage in good faith efforts to resolve such questions and, upon the City's reasonable request, Amazon will furnish back-up documentation reasonably sufficient to verify the accuracy and completeness of report, application, filing or other document, and to demonstrate the manner in which such items or their contents were calculated or prepared. If, notwithstanding the good faith efforts of the parties to resolve any questions concerning such items, the parties are unable to resolve such issues, during the term of this Agreement and for six (6) months thereafter, the City's independent third-party certified public accountant (and their agents and colleagues) who is reasonably acceptable to Amazon (any such independent third-party accountant to be retained on a non-contingency fee basis), may examine and audit such books and records of Amazon as are reasonably sufficient to verify the accuracy of such items. Any such audit must: (i) not be disruptive to Amazon's business and must take place at a mutually agreed time during Amazon's normal business hours; (ii) not occur more than once during any 12-consecutive-month period; (iii) only cover statements rendered since the last audit conducted by the City (if any) and during the 24 months prior to the date the audit is commenced; (iv) take place on at least

thirty (30) days' prior written notice; (v) be completed within thirty (30) days from commencement; and (vi) be conducted by the City or its accountant (as described above) alone and not in conjunction or cooperation with any other party. The City may not schedule an audit to take place in the fourth calendar quarter of any year. The City agrees that any information learned or disclosed in connection with any such audit is confidential information of Amazon and subject to the security, nondisclosure and nonuse obligations set forth herein. In the event the City's examination reveals a payment deficiency or discrepancy, the parties will cooperate in good faith to address and resolve such deficiency or discrepancy. The City will be solely responsible for all costs of any audit it conducts. Information, documents and materials that do not constitute public records under the Texas Public Information Act or similar (TPIA) or are exempt from disclosure under the TPIA learned by the City's auditor in connection with any such audit shall be treated as confidential information of Amazon and the City agrees to maintain the confidentiality of such information to the maximum extent permitted by applicable law. Information, documents and materials provided by Amazon that constitute public records under TPIA shall be treated as described in this Agreement. Notwithstanding the foregoing or any other provision of this Agreement, Amazon shall not be required to disclose, permit the inspection of or examination of, or discuss, any document, information or other matter that (a) constitutes trade secrets or proprietary information, (b) in respect of which disclosure is prohibited by law or any binding agreement or (c) is subject to attorney-client or similar privilege, employee privacy or constitutes attorney work product.

7. Performance Requirement

Elm Tree and Amazon shall not be entitled to any Eligible Property Value tax abatement under this Agreement for any tax year during which Elm Tree or Amazon is in Full Default (as defined below) of this Agreement or for any year during which or following Amazon exercises its right of termination of this Agreement

8. Breach and Default

In the event that Elm Tree or Amazon:

- 1) fails to make the improvements or repairs;
- 2) allows *ad valorem* taxes on the Premises, Qualified Facilities, or Qualified Personal Property subject to abatement to become delinquent and fails to timely and properly follow the legal procedures for the protest and/or appeal of such *ad valorem* taxes,
- 3) fails or refuses to timely file required documents with the State Comptroller or local tax appraisal district in connection with the tax abatement set forth in this Agreement; or
- 4) breaches any of the terms or conditions of this Agreement;

then Elm Tree and Amazon shall be in default of this Agreement.

If Elm Tree or Amazon defaults in its performance of 1, 2, 3, or 4 above, the City shall give Elm Tree and Amazon written notice of default. If Elm Tree or Amazon, as appropriate, has not cured such default within ninety (90) days of receipt of written notice, or, if such default cannot be cured by the payment of money or posting of a bond or other collateral, Elm Tree and Amazon shall be in "Full Default" for that tax year. However, if such default is not reasonably susceptible of cure within such ninety (90) day period, whether or not due to causes within the control of Elm Tree or Amazon, and Elm Tree and Amazon, as appropriate, has begun efforts to cure the default, then after first advising the City of its efforts, Elm Tree or Amazon may utilize an additional one hundred eighty (180) days to cure the default. Time in addition to the foregoing two hundred seventy (270) day cure period may be authorized by the City, in its sole and absolute discretion.

Failure to timely cure any default will result in the cancellation of this Agreement and the retroactive loss of the tax abatement. Additionally after the expiration of the applicable notice and cure periods, all taxes which would have otherwise been paid to the City during the tax year in which the Full Default occurs without the benefit of abatement plus ten percent (10%) interest beginning on the date of expiration of the cure period will be owed by Elm Tree or Amazon, as appropriate, to the City as liquidated damages. This amount shall be due and owing to the City within sixty (60) days of the expiration of the above referenced cure period, subject to all lawful offsets, settlements, deductions, or credits to which Elm Tree or Amazon may be entitled. The parties acknowledge that actual damages in the event of Full Default would be speculative and difficult to determine. Notwithstanding anything to the contrary in this Agreement, neither Amazon nor any of its affiliates shall be subject to the remedy of specific performance nor liable for: (a) any indirect, reliance, exemplary, incidental, speculative, punitive, special, consequential or similar damages that may arise in connection with this Agreement, (b) any lost or foregone tax revenues, or (c) any damages, liabilities, fees, costs, expenses, penalties, diminishments in value, losses or payments (including any lost or foregone tax revenues that exceed, in the aggregate, the amount received by Amazon under this Agreement.

If the default is cured after the expiration of the two hundred seventy (270) day cure period provided but no later than three hundred sixty-five (365) days after default, then the terms and conditions of this Agreement may be reinstated for the remaining number of years available under Section 3 in which an abatement has not yet been enjoyed.

9. Sale, Assignment, or Lease of Property; Termination

- 1) This Agreement may be assigned by Elm Tree or Amazon to an entity controlling, controlled by, or under common control with Elm Tree or Amazon without further consent of the City.
- 2) This Agreement may be assigned by Elm Tree or Amazon to any other entity only with the consent of the City, which consent shall not be unreasonably withheld.

10. Indemnity

It is understood and agreed among the parties that Elm Tree and Amazon, in performing their obligations hereunder, are acting independently of City and Happy Horizons. City and Happy Horizons assume no responsibilities or liabilities in connection therewith to Elm Tree, Amazon, or third parties, and City agrees that Happy Horizons has no responsibility or liability under this Agreement with respect to the obligations of Elm Tree or Amazon. Elm Tree and Amazon agree to indemnify and hold City and their agents, employees, and officers harmless from penalties, fines, damages of every kind, attorney fees, costs, and interest that arise out of or relate to Elm Tree’s or Amazon’s acts or omissions relating to the Premises, Qualified Facilities, Qualified Personal Property, or the performance or benefits of this Agreement, provided, that the amount of Amazon’s liability under this Section 10 shall not exceed the amount of the total cumulative benefit of the incentive to be received by Amazon under this Agreement.

11. Notice

Any notice called for or required by this Agreement shall be considered delivered when actually received by a party at the following address, or at such other address as may be designated in writing.

For Amazon:

Amazon.com Services LLC	with a copy to (which shall not
Attn: Director, Economic Development (AMA1)	<u>constitute notice</u>):
410 Terry Ave. North	Amazon.com Services LLC
Seattle, Washington 98121	Attn: Economic Development
	Compliance (AMA1)
	2121 7 th Avenue
	Seattle, Washington 98121
	Email:contracts-legal@amazon.com

For Elm Tree:

ET Amarillo, LLC	with a copy to (which shall not
Attn: _____	<u>constitute notice</u>):
_____	_____
_____	Attn: _____
Telephone: _____	_____
Email: _____	_____
	Telephone: _____
	Email: _____

For Happy Horizons

Happy Horizons Properties L.P.
c/o Happy Horizons, Inc., General Partner
3905 Bell Street
Amarillo, Texas 79109
Telephone: 806-353-6671

Email: matt@rockroseamarillo.com

Email: wdavies@attebury.com

For City of Amarillo, Texas:

City Manager

City of Amarillo

P.O. Box 1971

Amarillo, Texas 79186-1971

Fax (806) 378-8394

12. City Authorization

This Agreement was authorized by Resolution of the Amarillo City Council approved by a majority of the City Council at a regularly scheduled meeting in accordance with applicable provisions of the Tax Code. The resolution authorized the City Manager, or designee, to execute this Agreement on behalf of the City.

13. Elm Tree, Amazon, and Happy Horizons Authorization

This Agreement was entered into by Elm Tree, Amazon, and Happy Horizons pursuant to proper authority whereby an authorized executive officer of Elm Tree, Amazon, and Happy Horizons, each signing below, were authorized to execute this Agreement on behalf of each entity as shown.

14. Severability

If any section, subsection, paragraph, sentence, phrase, or word of this Agreement is held invalid, illegal, or unconstitutional, the balance of this Agreement shall be enforceable and read as if the parties intended at all times to delete the invalid section, subsection, paragraph, sentence, phrase, or word.

15. Estoppel Certificate

Any party hereto may request an estoppel certificate from another party if the certificate is requested in connection with a bona fide business purpose. The estoppel certificate will be addressed as requested by the party, and shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists, the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels of primary Abatement in effect, and such other matters reasonably requested by the party.

16. Elm Tree and Amazon Standing

Elm Tree and Amazon shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same and Elm Tree and Amazon shall be entitled to intervene in said litigation.

17. Applicable Law

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State District Court of Potter County, Texas. This Agreement is performable in Potter County, Texas. Each party waives its right to trial by jury.

18. Recordation of Agreement

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Potter County, Texas.

19. Entire Agreement

This Agreement contains the entire agreement of the parties on the subject matter herein. This Agreement supersedes any prior written or oral tax abatement agreements or representations between the parties. It may only be modified by written instrument signed by the parties.

Notwithstanding the foregoing provisions, this Agreement does not modify, alter, or amend any other agreement or instrument between the City, Elm Tree, and/or Amazon relating to matters other than the abatement of ad valorem taxes on the Eligible Property Value. This Agreement is being executed in multiple originals which are being distributed for execution to Elm Tree, Amazon, Happy Horizons, and the City. Each party agrees that its sole execution of an original shall constitute its consent to, and acceptance of the Agreement, without the necessity of a single copy being executed by all parties.

{Signature Pages Follow}

Executed to be effective as of the Effective Date.

CITY OF AMARILLO, TEXAS

By: _____
Jared Miller, City Manager

Attest:

Frances Hibbs, City Secretary

Approved as to form:

Bryan S. McWilliams, City Attorney

City's Acknowledgment

STATE OF TEXAS §
 §
COUNTY OF POTTER §

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared Jared Miller, City Manager of the City of Amarillo, Texas, a municipal corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the City of Amarillo, Texas, a municipal corporation, that he was duly authorized to perform the same by appropriate resolution of the City Council of the City of Amarillo, and that he executed the same as the act of the said City for purpose and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2021.

Notary Public, State of Texas

ET AMARILLO, LLC

By: _____
Printed Name: _____
Title: _____

Elm Tree Acknowledgment

ET AMARILLO, LLC

STATE OF _____ §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared _____, as _____ of ET Amarillo, LLC, a _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said ET Amarillo, LLC, that he/she was duly authorized to perform the same by appropriate resolution of such corporation, and that he/she executed the same as the act of the said corporation for purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2021.

Notary Public, State of _____

AMAZON.COM SERVICES LLC

By: _____
Printed Name: _____
Title: _____

Amazon Acknowledgment

AMAZON.COM SERVICES LLC

STATE OF _____ §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared _____, as _____ of Amazon.com Services LLC, a Delaware limited liability company, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Amazon.com Services LLC, that he/she was duly authorized to perform the same by appropriate resolution of such corporation, and that he/she executed the same as the act of the said corporation for purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2021.

Notary Public, State of _____

By: Happy Horizons, Inc., a Texas corporation, its
general partner

Happy Horizons Acknowledgment

[illegible]

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared Suzanne Boyce, as President of Happy Horizons, Inc., as General Partner of Happy Horizons Properties L.P., a Texas limited partnership, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Happy Horizons Properties L.P., that she was duly authorized to perform the same by appropriate resolution of such corporation, and that she executed the same as the act of the said corporation for purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2021.

Notary Public, State of Texas

EXHIBIT A
POLICY STATEMENT

RESOLUTION NO. 08-20-19- 22

A RESOLUTION OF THE CITY OF AMARILLO, TEXAS
CITY COUNCIL, ADOPTING GUIDELINES AND
CRITERIA FOR TAX ABATEMENT WITHIN
REINVESTMENT ZONES FOR THE CITY OF
AMARILLO; PROVIDE A SEVERANCE CLAUSE;
PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Amarillo desires to participate in tax abatements from time to time as the City Council may find appropriate, in accordance with the criteria and guidelines herein adopted;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS, THAT:

SECTION 1. That for tax abatements in reinvestment zones adopted by the City of Amarillo, the fundamental purpose is to stimulate growth and create jobs, and the following guidelines and general criteria will apply:

- A. Tax abatements may be provided for both new facilities and structures and for the expansion or modernization of existing facilities and structures. Each project proposed for tax abatement shall be considered individually on its own merits, benefit to the public, and in context of any other economic incentives for the project or existing in the reinvestment zone.
- B. The developer, property owner, project owner, or other recipient of a tax abatement must annually certify in writing to the governing body of each participating taxing unit that the developer, owner or recipient is in compliance with each applicable term of the agreement.
- C. Only the taxable value of improvements to real property or tangible personal property that is brought to the real property after the execution of a tax abatement agreement will qualify for tax abatement.
- D. A tax abatement agreement must ensure that the periods of abatement are directly proportional to the capital expenditures for improvements and the number of permanent full-time jobs created.
- E. Expansion or modernization of existing facilities qualifies for tax abatement if the expansion meets the qualifications for capital expenditures and retention of or creation of new jobs nets new jobs. The number of jobs created must be new jobs and not replacement of jobs which were in the payroll within the year immediately prior to application for tax abatement. A tax abatement shall not be granted if the facility has been the subject of or included in a prior tax abatement agreement.
- F. If a new facility is constructed to replace an existing facility, and the existing facility is abandoned by the developer, property owner, project owner, or other recipient of a tax abatement, only the difference in taxable value of the new facility over the existing facility will qualify for tax abatement.
- G. An agreement will be executed by the developer, property owner, project owner, or other recipient of a tax abatement which incorporates the terms of this resolution and includes any other site and development specific terms which might be found applicable at the time.
- H. The tax abatement agreement will require, among other things, that the City of Amarillo will have the right of access to the site and books and records of the applicant for tax abatement to determine compliance with statutory requirements and the agreement. Failure to fulfill any of the requirements of the agreement will result in cancellation of the agreement and retroactive loss of tax abatement.

SECTION 2. If any provision, section, subsection, sentence, clause or the application of same to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this resolution or the application thereby shall remain in effect, it being the intent of the City Council of the City of Amarillo, Texas in adopting this resolution, that no portion thereof or provision contained herein shall become inoperative or fail by any reasons of unconstitutionality of any other portion or provision.

SECTION 3. This Resolution is immediately effective upon passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on this the 21st day of August, 2019.

CITY OF AMARILLO


Ginger Nelson, Mayor, City of Amarillo

ATTEST:


Frances Hibbs, City Secretary

APPROVED AS TO FORM:


Bryan S. McWilliams, City Attorney

EXHIBIT B

Property Description

BEING a 110.3886 acre (4,808,529 square foot) tract of land situated in Section 93, Block 2, AB&M Survey, Abstract No. 31, City of Amarillo, Potter County, Texas; said tract being part of that tract of land described in Warranty Deed to Happy Horizons Properties, L.P. recorded in Volume 3026, Page 467 of the Deed Records of Potter County, Texas; said tract being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod with cap stamped "KHA" set at the west end of a right-of-way corner clip at the intersection of NE 24th Avenue (a variable width right-of-way) and the west right-of-way line of Loop Highway No. 335 (a variable width right-of-way);

THENCE South 43°56'33" East, along the southwest line of said corner clip, a distance of 69.32 feet to a 5/8-inch iron rod with cap stamped "KHA" set at the east of said right-of-way corner clip;

THENCE along the said west line of Loop Highway No. 335 the following three (3) calls:

South 0°05'53" West, a distance of 654.71 feet to an aluminum disk found for corner;
South 7°28'23" East, a distance of 631.28 feet to an aluminum disk found for corner;
South 0°13'05" West, a distance of 539.60 feet to a 5/8-inch iron rod with cap stamped "KHA" set for corner;

THENCE South 89°54'37" West, departing the said west line of Loop Highway No. 335, a distance of 2584.82 feet to a 5/8-inch iron rod with cap stamped "KHA" set for corner;

THENCE North 0°12'00" East, a distance of 1900.80 feet to a 5/8-inch iron rod with cap stamped "KHA" set for corner in the said south line of NE 24th Avenue;

THENCE along the said south line of NE 24th Avenue, the following three (3) calls:

North 89°54'37" East, a distance of 1956.32 feet to a 5/8-inch iron rod with cap stamped "KHA" set for corner;
South 73°25'43" East, a distance of 104.33 feet to a 5/8-inch iron rod with cap stamped "KHA" set for corner;
North 89°59'12" East, a distance of 394.84 feet to the **POINT OF BEGINNING** and containing 110.3886 acres or 4,808,529 square feet of land, more or less.

P



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	January 26, 2021	Council Pillar	Economic Development
Department	AEDC		
Contact	Kevin Carter, President and CEO		

Agenda Caption

CONSIDER APPROVAL – LOCATION INCENTIVE AGREEMENT – BETWEEN AMARILLO ECONOMIC DEVELOPMENT CORPORATION AND AMAZON.COM SERVICES, LLC

Agenda Item Summary

Amazon.Com Services, LLC, a wholly owned subsidiary of Amazon, is looking to build a 1,000,000 sq. ft. Non-Sortable Fulfilment Center at the corner of NE 24th and Loop 335

Highlights of the project include:

- \$70 MM estimated improvements
- \$30 MM in new equipment
- 500 new employees projected
- \$13,500,000 new payroll projected
- Incentive of \$2,500,000

AEDC will provide Amazon.com Services, LLC \$2,500,000 for the creation of up at least 500 FTE’s and an annual payroll of \$13,500,000.00. These funds will be paid out up front and will be based on a 5-year performance term.

Based on the level of capital investment, full-time jobs created, and projected payroll, the AEDC Board of Directors approved the LIA on January 19, 2021 with a 5-0 vote.

Requested Action

Approval of the Location Incentive Agreement as presented.

Funding Summary

\$2,500,000 for Incentive

Staff Recommendation

AEDC staff is recommending approval of the Location Incentive Agreement.

LOCATION INCENTIVES AGREEMENT
by and between
AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and
AMAZON.COM SERVICES LLC

This Agreement, entered into effective as of _____, 2021 ("**Effective Date**"), is by and between the AMARILLO ECONOMIC DEVELOPMENT CORPORATION ("**Amarillo EDC**"), a Texas nonprofit corporation organized and chartered under Chapters 501 and 504 of the Texas Local Government Code, having its principal place of business in Amarillo, Potter County, Texas, and Amazon.com Services LLC, a Delaware limited liability company with its principal office in Seattle, Washington ("**Amazon**").

Amarillo EDC is a tax-supported non-profit corporation whose primary income is a one-half of one percent sales tax collected within the City of Amarillo dedicated exclusively to economic development. **Amarillo EDC** exists for the primary purpose of stabilizing, diversifying and expanding the Amarillo economy through retention, expansion and recruitment of employment opportunities in order to benefit citizens of Amarillo and the surrounding area.

Amarillo EDC seeks to induce **Amazon** to establish and maintain Amarillo Operations (defined below). The creation of new jobs in **Amazon's** Amarillo Operations is expected to have a substantial stimulative effect on the Amarillo economy and create many new jobs for Amarillo citizens both directly in **Amazon's** operations and as a result of **Amazon's** expenditures for employee wages and goods and services in the Amarillo economy.

Amazon will distribute its goods and services from the Facility (defined below), being a warehousing and storage facility serving customers and clients throughout the United States. **Amazon** desires to establish and maintain Amarillo Operations in order to take advantage of the desirable business operating environment in Amarillo, an environment that provides lower operating costs than many other metropolitan areas and a highly motivated, well-educated, productive work force of a size **Amazon** believes is capable of supporting its establishment and expansion of Amarillo Operations.

Amarillo EDC, by its execution of this Agreement, extends to **Amazon** an offer of financial incentives as inducement to establish and maintain Amarillo Operations. **Amazon**, by its execution of this Agreement, accepts **Amarillo EDC's** offer of financial incentives and pledges to use its best efforts to establish and maintain Amarillo Operations to the full extent provided in this Agreement.

LOCATION INCENTIVES AGREEMENT: _____, 2021
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and AMAZON.COM SERVICES LLC

Amarillo EDC ____ Amazon ____

The following defined terms will be used in this Agreement:

Defined Term	Definition
Affiliate	Any entity in which Amazon owns (or which owns in Amazon) at least a 50% equity interest (including indirect equitable ownership) and that executes and delivers to Amarillo EDC , in form and substance reasonably satisfactory to Amarillo EDC , an agreement to be bound by the reporting requirements of Section 4 of this Agreement.
Amarillo Operations	Amazon's and its Affiliates' business activities provided primarily at or from the Facility with jobs categorized primarily in NAICS Sector Number 49
Commencement Deadline	March 31, 2023
Date One	December 31, 2023
Date Two	December 31, 2024
Date Three	December 31, 2025
Date Four	December 31, 2026
Date Five	December 31, 2027
Employee	Employees of Amazon and its Affiliates engaged on behalf of Amazon or its Affiliates in Amarillo Operations: (i) first employed by Amazon or its Affiliates on or after the Effective Date; and (ii) who receive or are offered employment benefits customarily offered to similarly-situated Amazon employees, including without limitation health insurance
Facility	A distribution center to be located in Amarillo, Texas on property owned or leased by Amazon with a capital investment (including costs for construction, fixtures, and equipment) of no less than \$50,000,000.00
FTE	An Employee, to be counted as one (1) FTE, shall be any Employee who has worked one thousand five hundred sixty (1,560) hours or more during a calendar year. Employees working more than 1,560 hours in a year will be counted as one (1) FTE. Part-time Employees for a year shall be treated as partial FTEs for the year and shall be calculated by dividing the number of hours actually worked for each Employee working less than 1,560 hours by 1,560 and rounded to the nearest one-hundredth place. Full-time but less than full year Employees shall be treated as partial FTEs and calculated as above. In no event may any one person count as more than one (1) FTE for any year. The total of full-time FTEs and partial FTEs shall constitute the total FTEs for the year. Only hours worked in Amarillo Operations may be counted in the FTE determination.

Defined Term	Definition
FTE Target	500 FTEs in Amarillo Operations
Payroll	Total Gross Wages (as defined by and reportable to the Texas Workforce Commission) paid to Employees
Payroll Target	\$13,500,000 in Payroll in Amarillo Operations
Performance Year	Each 12-month period ending on Date One through Date Five

NOW THEREFORE, in consideration of these presents, which are made a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, the parties agree as follows:

1. **Purpose, Amount, and Terms of Incentives.**

a. **Amazon** requests, and **Amarillo EDC** agrees to provide to **Amazon** the amount of TWO MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$2,500,000) in cash as more specifically described in this Agreement (“**Incentive**”). **Amazon** acknowledges that there are performance criteria and one or more potential repayment obligations to **Amarillo EDC** under the terms of this Agreement.

b. The funds are being conveyed or made available to **Amazon** for establishing and expanding Amarillo Operations and will be disbursed to or on behalf of **Amazon** within thirty (30) days of the full execution and delivery of this Agreement.

2. **Performance by Amazon.**

a. **Amazon** agrees to cause the commencement of construction and/or renovation of the Facility and to cause the diligent pursuit of same in a commercially reasonable manner such that Amarillo Operations commence at the Facility on or before the Commencement Deadline. Amarillo Operations shall be deemed to have commenced only once: (i) **Amazon** or the Facility’s landlord, as applicable, has unconditionally received all approvals and certifications of occupancy and operation from any governmental or other entity with jurisdiction over the Facility for the operations contemplated thereon; and (ii) **Amazon** has delivered written notice certifying such facts (to the knowledge of **Amazon**) to **Amarillo EDC** and providing such back-up documentation as **Amarillo EDC** may reasonably request.

b. Unless terminated earlier pursuant to its terms, this Agreement shall be effective as of the Effective Date and remain in effect until **Amazon’s** satisfaction of all obligations arising or relating to the period prior to Date Five (including any and all reporting and repayment obligations under this Agreement that relate to such period), after which this Agreement and the obligations of all parties hereto shall terminate. **Amazon** has the right to terminate this Agreement for any reason or no reason by delivering notice to **Amarillo EDC** at least 5 business days prior to the desired termination date.

c. In the event of termination by Amazon pursuant to Section 2(b) after having received the Incentive, **Amazon** shall be conclusively deemed to have failed to meet the FTE Target and Payroll Target in the Performance Year in which such notice is given and all future Performance Years, if any, and shall repay to **Amarillo EDC** the amount of one-fifth of the Incentive (so, \$500,000) for the then-current Performance Year and all future Performance Years, if any.

3. **Potential Repayment of Incentive.**

a. **Amazon** shall repay the full Incentive amount to **Amarillo EDC** in the event (subject to force majeure, as described in Section 26 below) Amarillo Operations have not commenced on or before the Commencement Deadline and in such event, the parties will go their separate ways without further obligation to the other except with respect to obligations that specifically survive the termination of this Agreement.

b. In the event the Payroll Target or FTE Target are not satisfied in any Performance Year as determined by the Payroll and FTE Report (defined below) for such Performance Year, **Amazon** shall repay to **Amarillo EDC** one-fifth (1/5) of the total Incentive for the Performance Year in which such failure occurs (so, \$500,000 for each applicable Performance Year).

c. Notwithstanding anything else herein to the contrary, in the event either less than two hundred fifty (250) FTEs or \$6,750,000 in Payroll is reported for any Performance Year, then Section 3(b) above shall not apply, and **Amazon** shall instead immediately repay one-fifth of the Incentive plus one-fifth of the Incentive for each Performance Year thereafter, if any, and upon such payment, the parties will go their separate ways without further obligation to the other except with respect to obligations that specifically survive the termination of this Agreement.

d. Except as otherwise specifically provided herein, any repayment obligation of **Amazon** shall be fully due and payable to **Amarillo EDC** within thirty (30) days of **Amarillo EDC's** written notice and demand therefore. Notwithstanding anything else herein to the contrary, in no event shall the calculations in this Section 3 ever give rise to a payment obligation of **Amarillo EDC** beyond the Incentive amount.

4. **Incentive Reporting.** On or before January 31 immediately following each Performance Year, **Amazon** will and will cause each Affiliate with Employees engaged in Amarillo Operations to, without demand or other request therefore, complete and provide to **Amarillo EDC** a written certificate signed by an authorized corporate officer of **Amazon** or the applicable Affiliate on the form attached hereto as Exhibit A, for the immediately preceding Performance Year, together with a list of Employees, the number of hours worked in Amarillo

Operations by each Employee in such Performance Year, FTEs that each Employee represents for such year (in no event may any one person count as more than one (1) FTE for any year), Payroll received by each Employee during such year, and a total aggregate number of FTEs maintained and Payroll paid in Amarillo Operations during such year (each a “**Payroll and FTE Report**”). In no event shall a Payroll and FTE Report include any Employees, FTEs, or Payroll that are unrelated to Amarillo Operations.

5. **Additional Reporting Provisions and Right to Audit**

a. Each report required under this must be certified to **Amarillo EDC** as true and correct by an authorized corporate officer of **Amazon** or the applicable Affiliate. All reporting under this Agreement must be sent by email to reporting@amarilloedc.com and to such other addresses as **Amarillo EDC** may from time-to-time designate in writing.

b. **Amarillo EDC** is privileged, but not obligated, to develop, modify, and provide to **Amazon** templates for any report required under this Agreement, provided such template shall only request information as expressly required to be provided by Amazon under this Agreement, and, in such event, **Amazon** shall (and shall cause each Affiliate to) utilize such templates for reporting purposes. **Amarillo EDC** is privileged to disregard any amounts reported to it for which it has not received backup documentation and information as may be reasonably necessary for it to confirm the amounts reported.

c. To the extent that **Amarillo EDC** has questions about the data supplied by **Amazon** in any report, application, filing or other document provided under this Agreement, the parties will engage in good faith efforts to resolve such questions and, upon **Amarillo EDC's** reasonable request, **Amazon** will furnish back-up documentation reasonably sufficient to verify the accuracy and completeness of report, application, filing or other document, and to demonstrate the manner in which such items or their contents were calculated or prepared. If, notwithstanding the good faith efforts of the parties to resolve any questions concerning such items, the parties are unable to resolve such issues, during the term of this Agreement and for six (6) months thereafter, **Amarillo EDC's** independent third-party certified public accountant (and their agents and colleagues) who is reasonably acceptable to **Amazon** (any such independent third-party accountant to be retained on a non-contingency fee basis), may examine and audit such books and records of **Amazon** as are reasonably sufficient to verify the accuracy of such items. Any such audit must: (i) not be disruptive to **Amazon's** business and must take place at a mutually agreed time during **Amazon's** normal business hours; (ii) not occur more than once during any 12-consecutive-month period; (iii) only cover statements rendered since the last audit conducted by **Amarillo EDC** (if any) and during the 24 months prior to the date the audit is commenced; (iv) take place on at least thirty (30) days' prior written notice; (v) be completed within thirty (30) days from commencement; and (vi) be conducted by **Amarillo EDC** or its accountant (as described above) alone and not in conjunction or cooperation with any other party. **Amarillo EDC** may not schedule an audit to take place in the fourth calendar quarter of

any year. **Amarillo EDC** agrees that any information learned or disclosed in connection with any such audit is confidential information of **Amazon** and subject to the security, nondisclosure and nonuse obligations set forth herein. In the event **Amarillo EDC's** examination reveals a payment deficiency or discrepancy, the parties will cooperate in good faith to address and resolve such deficiency or discrepancy. **Amarillo EDC** will be solely responsible for all costs of any audit it conducts. Information, documents and materials that do not constitute public records under the Texas Public Information Act or similar (TPIA) or are exempt from disclosure under the TPIA learned by **Amarillo EDC's** auditor in connection with any such audit shall be treated as confidential information of **Amazon** and **Amarillo EDC** agrees to maintain the confidentiality of such information to the maximum extent permitted by applicable law. Information, documents and materials provided by **Amazon** that constitute public records under TPIA shall be treated as described in this Agreement. Notwithstanding the foregoing or any other provision of this Agreement, **Amazon** shall not be required to disclose, permit the inspection of or examination of, or discuss, any document, information or other matter that (a) constitutes trade secrets or proprietary information, (b) in respect of which disclosure is prohibited by law or any binding agreement or (c) is subject to attorney-client or similar privilege, employee privacy or constitutes attorney work product. Notwithstanding anything else herein to the contrary: (x) in no event shall this Section 5(c) be interpreted to deprive **Amarillo EDC** of the documents and information reasonably necessary for it to confirm the FTE and Payroll levels reported by **Amazon**; (y) provided Employees on any reports provided hereunder are identified by a unique employee identification number, **Amazon** may redact information that may tend to personally identify any individual Employee; and (z) **Amazon** has no duty to disclose any Employee's social security number and shall make reasonable efforts to insure such social security numbers are not revealed to **Amarillo EDC**.

d. **Amazon** will (and will cause each Affiliate to) provide: (i) all reporting under this Agreement on a timely basis to **Amarillo EDC** and (ii) such other backup documents and information as **Amarillo EDC** may reasonably request. In the event any amount reported to **Amarillo EDC** under this Agreement is discovered by **Amazon** or revealed by any audit to be inaccurate in any way, **Amazon** shall immediately notify **Amarillo EDC** of such inaccuracy and immediately provide a substitute report, highlighting each item of information which was inaccurate and the correction thereto. If such replacement report establishes that **Amazon** received a benefit under this Agreement that it was not entitled to receive (including an amount that should have been repaid but was not), in addition to any other rights or remedies of **Amarillo EDC** hereunder, **Amazon** shall immediately repay such amount to the **Amarillo EDC** with interest at the contract rate since the date of such improper benefit. Any material breach of this Section 5(d) constitutes a condition of default under this Agreement; provided, however, over-reporting of FTEs or Payroll will only be considered "material" for purposes of this Section 5(d) if any report overstates FTEs or Payroll by more than five percent (5%).

6. **Amazon's Representations and Warranties.** **Amazon** warrants and represents as of the Effective Date and continuously thereafter through Date Five:

LOCATION INCENTIVES AGREEMENT: _____, 2021
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and AMAZON.COM SERVICES LLC

Amarillo EDC ____ **Amazon** ____

a. It is a duly organized and existing limited liability company in good standing under the laws of Delaware and is qualified to do business in the State of Texas.

b. The execution, delivery, and performance by **Amazon** of this Agreement have been duly authorized by its board of directors (or similar governing body) evidenced by written corporate resolutions, and are not in contravention of any law, rule, or regulation or of the provisions of **Amazon's** articles of incorporation or bylaws (or similar governing documents), or of any agreement or instrument to which **Amazon** is a party or by which it may be bound.

c. Each financial statement of **Amazon** delivered to **Amarillo EDC** truly and accurately discloses **Amazon's** financial condition as of the date thereof and the results of its operations for the period covered thereby, and there has been no material adverse change in **Amazon's** financial condition and operations subsequent to the date of the most recent financial statement of **Amazon** delivered to **Amarillo EDC**.

d. No litigation, arbitration or administrative, or regulatory proceeding is commenced by or against **Amazon** which after final judgment and the exhaustion of all potential appeals could be reasonably expected to be adversely determined or if adversely determined, could be reasonably expected to have a material adverse effect on Amazon's ability to carry out its obligations under this Agreement.

e. Reserved.

f. No certificate or statement herewith or heretofore delivered by **Amazon** to **Amarillo EDC** in connection herewith, or in connection with any transaction contemplated hereby, contains any untrue statement of a material fact or fails to state any material fact necessary to keep the statements contained therein from being misleading in any material respect by reason of any omission.

g. The Texas Public Information Act, the Texas Open Meetings Act, and certain document retention statutes and regulations (together, the "**Public Information Laws**") apply to **Amarillo EDC** and, as such, this Agreement and some or all of the information, communications, or documents created, obtained, or maintained by **Amarillo EDC** under this Agreement may be subject to required retention and public disclosure.

7. **Amarillo EDC's Representations and Warranties.** **Amarillo EDC** represents and warrants to **Amazon** that, as of the Effective Date:

a. Assuming this Agreement and all other agreements, instruments, and documents required to be executed or delivered by **Amarillo EDC** pursuant hereto have been

executed and delivered by **Amarillo EDC** and the other parties thereto, this Agreement and such other documents are legal, valid and binding obligations of **Amarillo EDC**.

b. There are no actions, suits or proceedings pending or, to the actual knowledge of **Amarillo EDC**, threatened against **Amarillo EDC** preventing or prohibiting the transaction contemplated by this Agreement. The term "actual knowledge" as same applies to the **Amarillo EDC** shall mean the actual knowledge of Kevin Carter, without duty of investigation.

c. The execution and delivery of this Agreement, the consummation of the transactions herein contemplated, and the compliance with the terms of this Agreement will not conflict with, or with or without notice or the passage of time, or both, result in a breach of, any of the terms or provisions of, or constitute a default under any applicable law, or any judgment, order, or decree of any court having jurisdiction over **Amarillo EDC**.

d. To the best of its knowledge and belief, the Public Information Laws require this Agreement to be subject to public disclosure. All or parts of the reports required to be provided hereunder, in addition to other documents in **Amarillo EDC's** file or otherwise subject to its control relating to **Amazon**, may also be subject to required public disclosure. The **Amarillo EDC** will, for so long as it has documents or information that may be confidential or proprietary to **Amazon**, use commercially reasonable means available to it under the Public Information Laws to allow **Amazon** to seek to protect its confidential or proprietary information from public disclosure. For reference, the Texas Public Information Act allows **Amarillo EDC** to do so under Texas Government Code Section 552.305, and as required by that section, **Amarillo EDC** will make a good faith effort to notify **Amazon** of any request involving its information.

e. The sales and use tax revenue utilized by **Amarillo EDC** for the Incentive was properly approved and authorized for use for the intended purposes of this Agreement in accordance with Subchapter F, Chapter 504, Subtitle C1, Title 12 of the Local Government Code.

8. **Affirmative Covenants of Amazon.** Beginning on the Effective Date and on a continuing basis for so long as either party owes a duty or obligations to the other under this Agreement, **Amazon** agrees that it will, at **Amazon's** expense:

a. Promptly inform **Amarillo EDC** of any litigation, or of any claim or controversy which might become the subject of litigation, against **Amazon** or affecting Amarillo Operations if such litigation or potential litigation after final judgment and the exhaustion of all potential appeals, if adversely determined (and there is a reasonable likelihood of this) is likely to

have a material adverse effect on the ability of **Amazon** to carry out its obligations under this Agreement.

b. Promptly pay when due any and all taxes, assessments, and governmental charges upon **Amazon** or against any of **Amazon's** property, unless the same is being contested in good faith by appropriate proceedings.

c. Promptly pay all lawful claims, whether for labor, materials or otherwise, unless and only to the extent that the same are being contested in good faith by appropriate proceedings.

d. Maintain its existence in its State of incorporation and its qualification to do business in Texas and promptly and properly comply with all laws, statutes, ordinances, and governmental regulations applicable to it or to any of its property, business operations, and transactions to the extent that failure to do so would be reasonably likely to have a material adverse effect on Amarillo Operations.

e. Occupy and operate (and cause all Affiliates to occupy and operate) the Facility in strict accordance with all applicable law.

f. Reserved.

g. Promptly cure any defects in the execution and delivery of this Agreement and all other instruments executed in connection with this transaction.

h. Do and perform all acts required of **Amazon** under this Agreement.

9. **Affirmative Covenants of Amarillo EDC.** **Amarillo EDC** will perform all acts required of it under this Agreement.

10. **Negative Covenants of Amazon.** **Amazon** agrees that for so long as any actual or potential obligations of **Amazon** are owed under this Agreement, **Amazon** will not, without prior written consent of **Amarillo EDC**, which will not be unreasonably withheld, conditioned or delayed, discontinue or suspend Amarillo Operations for a period of more than ninety (90) consecutive days or liquidate or discontinue normal Amarillo Operations with the intent to liquidate, or sell, lease, transfer or otherwise dispose of all or substantially all of its assets, or of its accounts receivable. Without limiting the generality of Section 26, the parties agree that such section applies to the time period in this Section 10 and may allow for an extension of same.

11. **Default.** The term "default", as used in this Agreement, means any one or more of the following:

a. Failure of **Amazon** and any Affiliate made party hereto (together, "**Recipient**") to comply with the non-monetary terms and conditions of this Agreement, and cure or initiate the cure of such matter on or before fifteen (15) days after notice from **Amarillo EDC**. If the cure is not reasonably possible within such fifteen (15) day period, achieve completion of the cure within sixty (60) days of the date of notice from **Recipient** to **Amarillo EDC** of the inability to cure within such fifteen (15) day period.

b. The failure of **Recipient** to timely perform any covenant or agreement of **Recipient** contained herein regarding payment of any amounts that may become due to **Amarillo EDC** hereunder.

c. Any statement or representation of **Recipient** contained herein or in any other writing heretofore or hereafter furnished by **Recipient** to **Amarillo EDC** is false or misleading in any material respect.

d. The insolvency of **Recipient**. "Insolvent" is defined to mean one either has declared to cease to pay its debts in the ordinary course of business or cannot pay its debts as they become due, or is insolvent within the meaning of the United States or any other applicable jurisdiction's bankruptcy or similar laws.

e. The appointment of a receiver of **Recipient**, or of all or any substantial part of its property, and the failure of such receiver to be discharged within sixty (60) days thereafter.

f. The execution by **Recipient** of an assignment for the benefit of all its creditors.

g. The filing by **Recipient** of a petition to be adjudged a bankrupt, or a petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any bankruptcy, reorganization, or similar proceeding, or the act of **Recipient** in institution or voluntarily becoming a party to any other judicial proceeding intended to effect a discharge of the debts of **Recipient**, in whole or in part, or a postponement of the maturity or the collection thereof, or a suspension of any of the rights or powers of a trustee or of any of the rights or powers granted to **Amarillo EDC** herein or in any other documents executed in connection herewith.

h. The failure of **Recipient** to pay any money judgment against it before the expiration of sixty (60) days after such judgment becomes final and no longer appealable.

i. The cessation of Amarillo Operations. In addition to any other indication that Amarillo Operations have ceased, Amarillo Operations shall be conclusively deemed to have ceased if: (i) **Recipient** fails to timely provide the reports required under this Agreement for

more than one (1) Performance Year; or (ii) less than two hundred fifty (250) FTEs or \$6,750,000 in Payroll is reported for any Performance Year.

12. **Remedies.**

a. **Of Amarillo EDC.** Except as otherwise specifically provided herein, the occurrence of an uncured default by **Recipient** under the terms and conditions of this Agreement shall be cause for **Amarillo EDC** to, at its option, (i) terminate **Amarillo EDC's** obligations under this Agreement, (ii) require repayment of all amounts received by **Recipient** under this Agreement (less any amounts previously repaid), and/or (iii) both.

b. **Of Amazon.** If, in the event **Amarillo EDC** shall default in its performance of any terms or conditions hereof **Amazon** shall, at its option have the right to seek specific performance of **Amarillo EDC's** obligations hereunder (including, without limitation, compelling **Amarillo EDC** to pay the Incentive as provided in this Agreement).

c. **Litigation Expense; Interest.** Notwithstanding anything else in this Agreement to the contrary, in the event either party must pursue legal action to enforce the other party's obligations hereunder, the prevailing party in such action shall be afforded, in addition to the relief requested, all reasonable and necessary attorneys' fees, costs of the court, and other reasonable and necessary expenses incurred in connection therewith. Interest shall accrue on amounts past-due hereunder at the lower of six percent (6%) per year or the maximum amount allowed by applicable law.

d. **Waiver of Extraordinary Remedies.** Notwithstanding anything to the contrary in this Agreement, neither **Amazon** nor any of its Affiliates shall be subject to the remedy of specific performance nor liable for: (a) any indirect, reliance, exemplary, incidental, speculative, punitive, special, consequential or similar damages that may arise in connection with this Agreement, (b) any lost or foregone tax revenues, (c) any damages, liabilities, fees, costs, expenses, penalties, diminishments in value, losses or payments (including any lost or foregone tax revenues); or (d) (together, "**Extraordinary Remedies**") that exceed, in the aggregate, the amount received by **Recipient** under this Agreement. Notwithstanding anything to the contrary in this Agreement, in no event shall **Amarillo EDC** be liable for any Extraordinary Remedies, except as specifically provided in Section 12(b).

13. **Assignability.** **THIS AGREEMENT SHALL BE BINDING UPON THE PARTIES HERETO AND THEIR SUCCESSORS AND ASSIGNS; HOWEVER, EXCEPT AS PROVIDED BELOW, IT MAY NOT BE ASSIGNED BY EITHER PARTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE OTHER, WHICH MAY NOT BE UNREASONABLY WITHHELD, CONDITIONED, OR DELAYED; PROVIDED, HOWEVER, THAT NO CONSENT SHALL BE REQUIRED IN CONNECTION WITH AN ASSIGNMENT BY AMAZON TO ANY ENTITY THAT IS CONTROLLED BY OR**

UNDER COMMON CONTROL WITH AMAZON; PROVIDED FURTHER, HOWEVER, THAT ANY SUCH ASSIGNMENT SHALL NOT RELIEVE AMAZON OF ITS OBLIGATIONS HEREUNDER WITHOUT AMARILLO EDC'S ADVANCE WRITTEN CONSENT, WHICH MAY NOT BE UNREASONABLY WITHHELD, CONDITIONED, OR DELAYED.

14. Certification Regarding Undocumented Workers.

a. **Amazon** certifies that it and its Affiliates do not and will not knowingly employ an Undocumented Worker, defined below, between the Effective Date and the date upon which **Amazon** no longer owes any duties or potential duties under this Agreement. "Undocumented Worker" shall mean an individual who, at any time during employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) otherwise authorized under applicable law to be employed, on any basis or under any program, in the United States. **Amazon** shall immediately notify **Amarillo EDC** if: (i) **Amazon** becomes aware it or its Affiliate employs or has employed an Undocumented Worker; (ii) **Amazon** becomes aware or receives notice that it or its Affiliate is alleged to have employed an Undocumented Worker; or (iii) **Amazon** or its Affiliate is convicted of a violation under the following paragraph.

b. If between the Effective Date and the date on which **Amazon** no longer owes any duties or potential duties under this Agreement, **Amazon** or its Affiliate knowingly employs any Undocumented Workers and is convicted of a violation under 8 U.S.C. Section 1324a(f), **Amazon** shall repay to **Amarillo EDC** all amounts of cash disbursed to **Amazon** hereunder (less any amounts previously repaid by **Amazon** to **Amarillo EDC**, if any), without offset or deduction for any reason. Such amount shall be due and payable in full on the 120th day after the date **Amarillo EDC** notifies **Amazon** of the violation and interest shall accrue on such amount at the contract rate thereafter.

15. Reserved.

16. Cooperation on Publicity. **Amazon** agrees to reasonably cooperate with **Amarillo EDC** on press releases and other publicity related to the subject matter of this Agreement and on-going efforts related to the recruitment and retention efforts of **Amarillo EDC** directed toward **Amazon**. **Amarillo EDC** agrees to provide **Amazon** with a reasonable advance opportunity to review and comment on such press releases and publicity. **Amarillo EDC** must receive written approval from **Amazon** before distributing any press releases related to the subject matter of this Agreement. **Amazon** agrees to make commercially reasonable efforts to promptly respond to any request for such approval from **Amarillo EDC** and to not unreasonably withhold, condition, or delay such approval.

17. Governing Law. All obligations of the parties are performable in Amarillo, Potter County, Texas, and this Agreement is governed by the laws of the State of Texas. Venue

for any action arising from or related to this Agreement shall be exclusively in the state district courts of Potter County, Texas. **Amazon** waives any claim that such forum is inconvenient.

18. **Notices.** All notices required or allowed by this Agreement shall be delivered (a) in person, by hand by overnight courier service for prepaid delivery on the next business day, (b) by certified mail, return receipt requested, postage prepaid, or (c) via e-mail or fax, provided that concurrent notice is delivered by any other approved method of delivery set forth in subsections a-c above, addressed to the party or person to whom notice is to be given at the following addresses:

If to Amarillo EDC: **Amarillo EDC**
Attn: Kevin Carter, President and CEO
801 South Fillmore, Suite 205
Amarillo, Texas. 79101
Phone: (806) 379-6411
Fax: (806) 371-0112
kevin@amarilloedc.com

With a copy to: John B. Atkins
Underwood Law Firm, P.C.
500 S. Taylor, Suite 1200
Amarillo, TX 79101
Phone: (806) 379-0376
Fax: (806) 242-0521
john.atkins@uwlaw.com

If to Amazon:
Amazon.com Services LLC
410 Terry Avenue North
Seattle, Washington 98121
Attn: Director, Economic Development (AMA1)
Email: _____

with copies concurrently delivered to:

Amazon.com Services LLC
2121 7th Avenue
Seattle, Washington 98121
Attn: Economic Development Compliance (AMA1)
Email: _____

and:

Amazon.com, Inc.
P.O. Box 81226
Seattle, Washington 98108-1226
Attn: General Counsel
RE: AMA1
Email: contracts-legal@amazon.com

Notice shall be deemed to have been given upon (a) the date of deposit, if hand delivered by overnight courier, (b) the date which is three (3) business days after being deposited into the US Mail as certified mail, return receipt requested and postage prepaid, or (c) the date transmitted by email or facsimile if concurrent notice is also sent by way of overnight courier on the same day. The contact information for notice under this paragraph may be changed by giving notice as provided herein; provided, however, that unless and until such written notice is actually received, the last designated address shall be deemed to continue in effect for all purposes hereunder.

19. **Binding Effect.** The terms and provisions of this Agreement shall inure to the benefit of and apply to and bind the parties hereto and their respective permitted successors and assigns.

20. **Further Assurances.** Each party agrees that it will, from time to time after the Effective Date and without further consideration of any kind, execute and deliver such other documents and take such other action as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement.

21. **Counterparts.** This Agreement may be executed in counterparts, and all such executed counterparts shall constitute the same agreement. It shall be necessary to account for only one such counterpart in proving this Agreement. Facsimile signatures or other digitally imaged signature (e.g., DocuSign or portable document format) shall be deemed original signatures for all purposes.

22. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

23. **Captions.** The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any section or any subsection hereof.

24. **Construction.** The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that

any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

25. **Survival.** Any obligations arising under Sections 2(c), 3(a), or 3(c) shall survive termination of this Agreement.

26. **Force Majeure.** A party will not be deemed to be in breach, default or otherwise in violation of any term of this Agreement to the extent such party's action, inaction or omission is the result of Force Majeure Event. **Amazon** and **Amarillo EDC** agree to use commercially reasonable efforts to promptly resolve any Force Majeure Event that adversely and materially impacts their performance under this Agreement. A force majeure event pauses a party's performance obligation for the duration of the event but does not excuse it. "***Force Majeure Event***" means any event or occurrence that is not within the control of such party or its Affiliates and prevents a party from performing its obligations under this Agreement, including without limitation, any act of God; act of a public enemy; war; riot; sabotage; blockage; embargo; failure or inability to secure materials, supplies or labor through ordinary sources by reason of shortages or priority; labor strike, lockout or other labor or industrial disturbance (whether or not on the part of agents or employees of either party); civil disturbance; pandemic; epidemic; government lockdown or quarantine; terrorist act; power outage; fire, flood, windstorm, hurricane, earthquake or other casualty; any law, order, regulation or other action of any governing authority; any action, inaction, order, ruling moratorium, regulation, statute, condition or other decision of any governmental agency having jurisdiction over the party hereto, over the Facility or over a party's operations.

27. **Broker Commissions.** **Amazon** represents and warrants to **Amarillo EDC** that it is solely responsible for any commissions or similar fees (each a "***Commission***") of brokers, finders, realtors, or similar agents claiming a right to a Commission by, through, or under **Amazon**.

28. **Tax Abatement.** **Amarillo EDC** will support and participate in **Amazon's** application for property tax abatement under Chapter 312 of the Texas Tax Code to any taxing authority with jurisdiction over the Property. The taxing districts have historically been receptive to requests for tax abatement when significant investment in real property and job creation are shown. However, **Amarillo EDC** has no authority over such taxing districts and does not warrant or represent that **Amazon** will be granted a tax abatement by any or all of the tax districts.

THIS WRITTEN LOCATION INCENTIVES AGREEMENT, TOGETHER WITH THE INSTRUMENTS DESCRIBED HEREIN AND CONTEMPLATED HEREBY, REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND THE PROVISIONS HEREOF AND THEREOF MAY NOT BE WAIVED, TERMINATED OR AMENDED EXCEPT BY SUBSEQUENT WRITTEN AGREEMENT OF THE PARTIES.

LOCATION INCENTIVES AGREEMENT: _____, 2021
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and AMAZON.COM SERVICES LLC

Amarillo EDC ____ Amazon ____

THIS AGREEMENT SUPERCEDES ANY PRIOR WRITTEN OR ORAL UNDERSTANDINGS BETWEEN THEM WITH RESPECT TO THE SUBJECT MATTER HERETO. SUBJECT TO SECTION 26, TIME IS OF THE ESSENCE WITH REGARDS TO ALL DEADLINES IN THIS AGREEMENT.

[Remainder of page intentionally left blank.]

EXECUTED by the parties hereto effective as of the Effective Date.

Amazon.com Services LLC

By: _____

Printed Name: _____

Title: _____

Amarillo Economic Development Corporation

By: _____

Kevin Carter, President and CEO

**EXHIBIT A
FORM OF CERTIFICATE**

[AMAZON LETTERHEAD]

I, _____[PRINTED NAME]_____, as _____[TITLE]_____ of Amazon.com Services LLC, a _____, (“*Amazon*”), provide this Certificate in connection with that certain Location Incentives Agreement (“*Agreement*”) between Amazon and the Amarillo Economic Development Corporation (“*Amarillo EDC*”) dated effective as of _____. Capitalized terms used but not defined herein shall have the meaning as set forth in the Agreement.

I hereby certify and confirm to the Amarillo EDC on behalf of Amazon that the following are true and correct for the Performance Year (as defined in the Agreement) indicated below:

- 1. To the best of my knowledge, all funds received by Amazon from Amarillo EDC under the Agreement have been used solely for the land, buildings, equipment, facilities, expenditures, targeted infrastructure, or improvements to construct, equip, and improve the Facility and Amazon’s operations thereon.
- 2. The aggregate number of FTEs maintained for the indicated Performance Year totaled: _____.
- 3. Payroll in Amarillo Operations for the indicated Performance Year totaled: \$ _____.
- 4. The Payroll and FTE Report attached hereto satisfies the conditions of the Agreement and is true and correct in all respects.

PERFORMANCE YEAR: January 1, 20____ through December 31, 20____

Printed Name: _____
Title: _____