

The Regular Meeting of the Town of Westlake Town Council will begin immediately following the conclusion of the Town Council Work Session but not prior to the posted start time.



TOWN OF WESTLAKE, TEXAS

Vision Statement

An oasis of natural beauty that maintains our open spaces in balance with distinctive development, trails, and quality of life amenities amidst an ever expanding urban landscape.

TOWN COUNCIL MEETING

AGENDA

October 24, 2016

**1301 Solana Blvd.
Building 4, Suite 4202
2ND FLOOR, COUNCIL CHAMBER
WESTLAKE, TX 76262**

Workshop Session: 5:00 p.m.

Regular Session: 6:30 p.m.

Mission Statement

Westlake is a unique community blending preservation of our natural environment and viewsapes, while serving our residents and businesses with superior municipal and academic services that are accessible, efficient, cost-effective, and transparent.

Westlake, Texas – "One-of-a-kind community; natural oasis – providing an exceptional level of service."

Work Session

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. REVIEW OF CONSENT AGENDA ITEMS FOR THE TOWN COUNCIL REGULAR MEETING AGENDA.

4. DISCUSSION ITEMS

- a. Presentation and Discussion of 2017 DirectionFinders Citizen Survey Instrument for Municipal Services.
- b. Review and discussion of the proposed 2017 Meeting Schedule of the Town Council and Board of Trustees.
- c. Presentation and discussion of certificates of obligation for the Westlake Fire-EMS Station and the refunding of existing 2007 bonds.
- d. ***Standing Item:*** Update and discussion regarding the Granada Development, including items posted on the regular session agenda and the Covenants Conditions Restrictions (CCR's) and Design Standards.
- e. ***Standing Item:*** Update and discussion regarding the Entrada Development, including items posted on the regular session agenda and public art.

5. EXECUTIVE SESSION

The Council will conduct a closed session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

- a. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: (A) pending or contemplated litigation; or (B) a settlement offer; (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter: Ordinance 767
- b. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: Contract dispute regarding sanitary sewer connections.
- c. Section 551.087 Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1) for the following:
 - Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
 - Project Lynx
 - Quail Hollow

- CS Kinross Lake Parkway, a Delaware limited liability company, its affiliate Charles Schwab & Co., Inc.
- d. Section 551.072 to deliberate the purchase, exchange, lease or value of real property regarding Town Hall offices, Fire Station site and Town owned property
- e. Section 551.074(a)(1): Deliberation Regarding Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, of a public officer or employee: Town Manager

6. RECONVENE MEETING

7. COUNCIL RECAP / STAFF DIRECTION

8. ADJOURNMENT

Regular Session

1. CALL TO ORDER

2. ITEMS OF COMMUNITY INTEREST: Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415 the Town Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming Town Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.

3. CITIZEN COMMENTS: This is an opportunity for citizens to address the Council on any matter whether or not it is posted on the agenda. The Council cannot by law take action nor have any discussion or deliberations on any presentation made to the Council at this time concerning an item not listed on the agenda. The Council will receive the information, ask staff to review the matter, or an item may be noticed on a future agenda for deliberation or action.

4. CONSENT AGENDA: All items listed below are considered routine by the Town Council and will be enacted with one motion. There will be no separate discussion of items unless a Council Member or citizen so requests, in which event the item will be removed from the general order of business and considered in its normal sequence.

- a. Consider approval of the minutes from the September 19, 2016, meeting.
- b. Consider approval of **Resolution 16-33**, Appointing a new member to the Historical Preservation Society.

5. DISCUSSION AND CONSIDERATION OF RESOLUTION 16-34, DIRECTING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION.

6. DISCUSSION AND CONSIDERATION OF ORDINANCE 800, REGARDING MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "TOWN OF WESTLAKE, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017", INCLUDING THE ADOPTION OF AN ORDINANCE AUTHORIZING THE ISSUANCE OF SUCH BONDS AND ESTABLISHING PROCEDURES AND DELEGATING AUTHORITY FOR THE SALE AND DELIVERY OF SUCH BONDS.

7. EXECUTIVE SESSION

The Council will conduct a closed session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

- a. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: (A) pending or contemplated litigation; or (B) a settlement offer; (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter: Ordinance 767
- b. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: Contract dispute regarding sanitary sewer connections.
- c. Section 551.087 Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1) for the following:
 - Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
 - Project Lynx
 - Quail Hollow
 - CS Kinross Lake Parkway, a Delaware limited liability company, its affiliate Charles Schwab & Co., Inc.
- d. Section 551.072 to deliberate the purchase, exchange, lease or value of real property regarding Town Hall offices, Fire Station site and Town owned property
- e. Section 551.074(a)(1): Deliberation Regarding Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, of a public officer or employee: Town Manager

8. RECONVENE MEETING

9. TAKE ANY ACTION, IF NEEDED, FROM EXECUTIVE SESSION ITEMS.

10. FUTURE AGENDA ITEMS: Any Council member may request at a workshop and / or Council meeting, under "Future Agenda Item Requests", an agenda item for a future Council meeting. The Council Member making the request will contact the Town Manager with the requested item and the Town Manager will list it on the agenda. At the meeting, the requesting Council Member will explain the item, the need for Council discussion of the item, the item's relationship to the Council's strategic priorities, and the amount of estimated staff time necessary to prepare for Council discussion. If the requesting Council Member receives a second, the Town Manager will place the item on the Council agenda calendar allowing for adequate time for staff preparation on the agenda item.

11. ADJOURNMENT

ANY ITEM ON THIS POSTED AGENDA COULD BE DISCUSSED IN EXECUTIVE SESSION AS LONG AS IT IS WITHIN ONE OF THE PERMITTED CATEGORIES UNDER SECTIONS 551.071 THROUGH 551.076 AND SECTION 551.087 OF THE TEXAS GOVERNMENT CODE.

CERTIFICATION

I certify that the above notice was posted at the Town Hall of the Town of Westlake, 1301 Solana Blvd., Building 4, Suite 4202, Westlake, TX 76262, October 20, 2016, by 5:00 p.m. under the Open Meetings Act, Chapter 551 of the Texas Government Code.

Kelly Edwards, TRMC, Town Secretary

If you plan to attend this public meeting and have a disability that requires special needs, please advise the Town Secretary 48 hours in advance at 817-490-5710 and reasonable accommodations will be made to assist you.

Town Council

Item # 2 – Pledge of
Allegiance

Texas Pledge:

*"Honor the Texas flag;
I pledge allegiance to
thee, Texas, one state
under God, one and
indivisible."*

Town Council

Item # 3 – Review of
Consent Items

REVIEW OF CONSENT AGENDA ITEMS FOR THE TOWN COUNCIL REGULAR MEETING AGENDA.

- a. Consider approval of the minutes from the September 19, 2016, meeting.
- b. Consider approval of **Resolution 16-33**, Appointing a new member to the Historical Preservation Society.

Town Council

Item #4 – Discussion Items

DISCUSSION ITEMS

- a. Presentation and Discussion of 2017 DirectionFinders Citizen Survey Instrument for Municipal Services.
- b. Review and discussion of the proposed 2017 Meeting Schedule of the Town Council and Board of Trustees.
- c. Presentation and discussion of certificates of obligation for the Westlake Fire-EMS Station and the refunding of existing 2007 bonds.
- d. ***Standing Item:*** Update and discussion regarding the Granada Development, including items posted on the regular session agenda and the Covenants Conditions Restrictions (CCR's) and Design Standards.
- e. ***Standing Item:*** Update and discussion regarding the Entrada Development, including items posted on the regular session agenda and public art.



TYPE OF ACTION

Workshop - Discussion Item

**Westlake Town Council Meeting
Monday, October 24, 2016**

TOPIC: Presentation and Discussion of 2017 DirectionFinders Citizen Survey Instrument for Municipal Services

STAFF CONTACT: Amanda DeGan, Assistant Town Manager

Strategic Alignment

<u>Vision, Value, Mission</u>	<u>Perspective</u>	<u>Strategic Theme & Results</u>	<u>Outcome Objective</u>
Informed & Engaged Citizens / Sense of Community	Citizen, Student & Stakeholder	Exemplary Service & Governance - We set the standard by delivering unparalleled municipal and educational services at the lowest cost.	Increase CSS Satisfaction
<u>Strategic Initiative</u>			
Bi-annual Survey Administration			

Time Line - Start Date: October 24, 2016 **Completion Date:** June 30, 2016

Funding Amount: \$10,000 **Status -** **Funded** **Source - General Fund**

EXECUTIVE SUMMARY (INCLUDING APPLICABLE ORGANIZATIONAL HISTORY)

The Town administers a bi-annual survey to our residents to gauge their level of satisfaction with our service delivery, capital improvements and general feedback relative to the direction of our community. The survey document is administered by ETC Institute and the report is titled *DirectionFinders* as the data is designed to help us plan for the future. We have conducted surveys in 2009, 2010, 2011, 2013, 2015 and for the coming calendar year, 2017. You may note from the dates that we have adhered to staggered administration of the questions in order to reduce survey fatigue for our residents.

RECOMMENDATION

Survey presented for Council review and discussion.

ATTACHMENTS

Draft - 2017 Westlake *DirectionFinders* Citizen Survey

TOWN OF WESTLAKE

2017 RESIDENT SURVEY

1. **Satisfaction with Major Categories of Town Services:** Using a scale of 1 to 5, where 5 means “Very Satisfied” and 1 means “Very Dissatisfied,” please circle your level of satisfaction with the following services provided by the Town of Westlake.

	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied	Don't Know
<i>How satisfied are you with the:</i>						
A. Overall quality of public safety services (police, fire, and emergency medical)	5	4	3	2	1	9
B. Overall efforts by the Town to ensure the community is prepared for emergencies	5	4	3	2	1	9
C. Overall quality of maintenance of Town streets	5	4	3	2	1	9
D. Overall effectiveness of communication by the Town	5	4	3	2	1	9
E. Overall quality of utility services	5	4	3	2	1	9
F. Overall quality of parks, trails, open spaces, streetscaping, and facilities	5	4	3	2	1	9
G. Overall quality of customer service	5	4	3	2	1	9
H. Overall quality of enforcement of codes and ordinances	5	4	3	2	1	9
I. Overall quality of government services provided by the Town of Westlake	5	4	3	2	1	9
J. Overall value you receive from your tax dollars and fees	5	4	3	2	1	9
K. Overall value of Westlake Academy to the Town	5	4	3	2	1	9

2. **Which THREE of the services listed above are the most important to you?**

(Write in the spaces below, using the letters from the list in Question #1, above)

1st _____

2nd _____

3rd _____

3. **Satisfaction with Specific Types of Services Provided by the Town:** Using a scale of 1 to 5, where 5 means “Very Satisfied” and 1 means “Very Dissatisfied,” please circle your level of satisfaction with each of the following.

	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied	Don't Know
<i>How satisfied are you with the:</i>						
<u>Police Services</u>						
A. Quality of local police protection	5	4	3	2	1	9
B. Visibility of police in neighborhoods	5	4	3	2	1	9
C. How quickly police respond to emergencies	5	4	3	2	1	9
D. Efforts of the Town to prevent crime	5	4	3	2	1	9
E. Level of traffic enforcement	5	4	3	2	1	9
<u>Fire & Medical Services</u>						
F. Quality of fire services	5	4	3	2	1	9
G. Quality of emergency medical services	5	4	3	2	1	9
H. Response time of fire and emergency medical services personnel	5	4	3	2	1	9
<u>Emergency Preparedness</u>						
I. Response efforts by the Town Staff during extreme weather conditions	5	4	3	2	1	9
J. Efforts by the Town Staff to inform residents of hazardous road conditions, potential inclement weather & closures	5	4	3	2	1	9

(Question #3 continued) Using a scale of 1 to 5, where 5 means "Very Satisfied" and 1 means "Very Dissatisfied," please circle your level of satisfaction with each of the following.)

Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied	Don't Know
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Transportation Services

K. Condition of major streets in Westlake	5	4	3	2	1	9
L. Condition of streets in your neighborhood	5	4	3	2	1	9
M. Cleanliness of streets and other public areas	5	4	3	2	1	9
N. Traffic flow and congestion management in Westlake	5	4	3	2	1	9

Communications & Citizen Engagement

O. Efforts by the Town to keep you informed about Council meetings, Town projects, issues, and events	5	4	3	2	1	9
P. Timeliness of information provided by the Town	5	4	3	2	1	9
Q. Completeness of the information provided by the Town	5	4	3	2	1	9
R. Usefulness of the <i>Westlake Wire</i> communications	5	4	3	2	1	9
S. Usefulness of social media efforts	5	4	3	2	1	9
T. Ease of use of the Town's website	5	4	3	2	1	9
U. Availability/Accessibility of Town records	5	4	3	2	1	9
V. Opportunities provided for public input	5	4	3	2	1	9

Parks & Recreation Services

W. Maintenance of Town-owned Glenwyck Park	5	4	3	2	1	9
X. Number of publicly-accessible parks and trails	5	4	3	2	1	9
Y. Maintenance of streetscaping and open spaces	5	4	3	2	1	9

Utility Services

Z. Residential trash/recycling collection services	5	4	3	2	1	9
AA. Yard waste & bulky item removal services	5	4	3	2	1	9
BB. Town efforts to promote water conservation and protect water resources	5	4	3	2	1	9
CC. Household hazardous waste disposal service	5	4	3	2	1	9
DD. Efforts by the Town to manage storm water run-off	5	4	3	2	1	9
EE. Quality of (drinking) water utility services	5	4	3	2	1	9

Customer Service

FF. Level of participation by Town Staff in community events/neighborhood meetings	5	4	3	2	1	9
GG. Timeliness of Town Staff to concerns/issues (<24 hours)	5	4	3	2	1	9
HH. Friendliness of Town Staff	5	4	3	2	1	9
II. Municipal court services	5	4	3	2	1	9
JJ. Jury service experience	5	4	3	2	1	9

Code Enforcement

KK. Enforcing the exterior appearance and maintenance regulations for property	5	4	3	2	1	9
LL. Enforcing sign regulations	5	4	3	2	1	9

4. **Reasons for Moving to Westlake:** Using a scale of 1 to 5, where 5 means “Extremely Important” and 1 means “Not Important,” please circle how important the following issues were in your decision to move to the Town of Westlake.

	Extremely Important	Very Important	Important	Less Important	Not Important	Don't Know
A. Sense of community	5	4	3	2	1	9
B. Quality of life	5	4	3	2	1	9
C. Small town feel	5	4	3	2	1	9
D. Aesthetic appeal & high development standards	5	4	3	2	1	9
E. Westlake Academy	5	4	3	2	1	9
F. Access to other public schools (Keller, Northwest or Carroll ISD)	5	4	3	2	1	9
G. Proximity to private schools	5	4	3	2	1	9
H. Low crime rates/quality of public safety	5	4	3	2	1	9
I. Employment opportunities in the Westlake area	5	4	3	2	1	9
J. Access to DFW airport	5	4	3	2	1	9
K. Access to major highways	5	4	3	2	1	9
L. Type of housing available	5	4	3	2	1	9
M. Quality of your subdivision	5	4	3	2	1	9
N. Westlake as a retirement destination	5	4	3	2	1	9
O. Number of publicly accessible parks & trails	5	4	3	2	1	9
P. Subdivision amenities (airpark, golf club, parks, etc.)	5	4	3	2	1	9

How important was:

- A. Sense of community
- B. Quality of life
- C. Small town feel
- D. Aesthetic appeal & high development standards
- E. Westlake Academy
- F. Access to other public schools (Keller, Northwest or Carroll ISD)
- G. Proximity to private schools
- H. Low crime rates/quality of public safety
- I. Employment opportunities in the Westlake area
- J. Access to DFW airport
- K. Access to major highways
- L. Type of housing available
- M. Quality of your subdivision
- N. Westlake as a retirement destination
- O. Number of publicly accessible parks & trails
- P. Subdivision amenities (airpark, golf club, parks, etc.)

5. **Which THREE of the reasons listed above are the most important reasons why you will stay in Westlake for the next 5 years?** (Write in the spaces below, using the letters from the list in Question #4, above)

1st _____

2nd _____

3rd _____

6. **Issue(s) of Interest**

A.

7. **Overall, how familiar are you with the following information:**

- A. The Town’s Comprehensive Plan
 _____(3) Very Familiar _____(2) Somewhat Familiar _____(1) Not Familiar
- B. The Town’s Strategic Plan
 _____(3) Very Familiar _____(2) Somewhat Familiar _____(1) Not Familiar
- C. **The Town’s Vision, Values, and Mission Statements**
 _____(3) Very Familiar _____(2) Somewhat Familiar _____(1) Not Familiar
- D. The Town’s lighting standards
 _____(3) Very Familiar _____(2) Somewhat Familiar _____(1) Not Familiar
- E. The Town’s open space requirements for development
 _____(3) Very Familiar _____(2) Somewhat Familiar _____(1) Not Familiar
- F. Zoning standards within the Town
 _____(3) Very Familiar _____(2) Somewhat Familiar _____(1) Not Familiar
- G. Allowed uses (**entitlements**) for existing planned development districts within the Town
 _____(3) Very Familiar _____(2) Somewhat Familiar _____(1) Not Familiar



TYPE OF ACTION

Workshop - Discussion Item

**Westlake Town Council Meeting
Monday, October 24, 2016**

TOPIC: Review and discussion of the proposed 2017 Meeting Schedule of the Town Council and Board of Trustees.

STAFF CONTACT: Kelly Edwards, Town Secretary

Strategic Alignment

<u>Vision, Value, Mission</u>	<u>Perspective</u>	<u>Strategic Theme & Results</u>	<u>Outcome Objective</u>
Informed & Engaged Citizens / Sense of Community	Citizen, Student & Stakeholder	Exemplary Service & Governance - We set the standard by delivering unparalleled municipal and educational services at the lowest cost.	Increase Transparency, Accessibility & Communications
<u>Strategic Initiative</u>			
Outside the Scope of Identified Strategic Initiatives			

Time Line - Start Date: September 1, 2016 **Completion Date:** November 14, 2016

Funding Amount: 00.00 **Status -** **Not Funded** **Source -** N/A

EXECUTIVE SUMMARY (INCLUDING APPLICABLE ORGANIZATIONAL HISTORY)

From time to time, the Council/BOT regular meeting schedule requires modification due to holidays and other events that may create a conflict for Council/Board Members and staff to attend Council/Board meetings.

Several factors have been taken into consideration as staff prepared the 2017 meeting calendar, including national holidays, school holidays, early voting, Planning & Zoning meetings and annual training conferences. Due to the increase in development we have found it is necessary to schedule a Planning & Zoning meeting each month prior to the Town Council meeting.

01/09/2017 Special Council meeting to call the election due to filing beginning on 01/18/2017
04/24/2017 Council meeting to be conducted at the Fieldhouse WA Campus due to Early Voting

05/11/2017 Special Council meeting to canvass the election due to May 22nd being passed the deadline to canvass

06/09/2017 Retreat moved to June due to professional conferences and to avoid preparations for graduation

06/19/2017 Council moved later in the month due to the necessity of conducting a Planning & Zoning meeting prior to the Council/Trustee July break

08/09/2017 Council budget work session moved to review prior to budget deadline

09/11/2017 Special Council meeting to adopt the budget and property tax due to the Tarrant County Appraisal District deadline

RECOMMENDATION

Review the proposed calendar and make any necessary revisions.

ATTACHMENTS

Draft 2017 meeting calendar.

Town of Westlake Meeting Schedule

January 2017

S	M	T	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2017

S	M	T	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March 2017

S	M	T	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April 2017

S	M	T	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

May 2017

S	M	T	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June 2017

S	M	T	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

July 2017

S	M	T	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August 2017

S	M	T	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September 2017

S	M	T	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October 2017

S	M	T	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November 2017

S	M	T	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December 2017

S	M	T	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

	School Board
	Town Council
	New Council/BOT Orientation
	Planning & Zoning Meetings

	School & Town Holiday
	School Holiday
	Election Day / Special Meeting to Canvass Returns

	Budget / Meeting Retreats
	Town Holiday
	First/Last Day School

01/09/16 Special Council Meeting to call the Election

01/03/16 Student Holiday

02/20/17 Student Holiday

03/13-03/17 Spring Break

05/06 Election Day

05/11 Canvass if Election **5/22 too late**

05/08 BOT Budget Wkshp

05/18 TC/BOT orientation (if necessary)

06/09 TC/BOT Planning Retreat - **All Day**

06/02 Last Day of School

06/03 Senior Commencement

08/09 TC Budget Wkshp 12-5:00

08/17 First Day of School (**TBD**)

08/23 & 08/30 TC if necessary (tax) 6:00 p.m.

09/11 Special TC to approve the **BUDGET**

10/22-10/25 ICMA

10/3-10/6 TML



TYPE OF ACTION

Workshop - Discussion Item

**Westlake Town Council Meeting
Monday, October 24, 2016**

TOPIC: Presentation and discussion of certificates of obligation for the Westlake Fire-EMS Station and the refunding of existing 2007 bonds.

STAFF CONTACT: Tom Brymer, Town Manager, Debbie Piper, Finance Director, Troy Meyer, Facilities Director

Strategic Alignment

<u>Vision, Value, Mission</u>	<u>Perspective</u>	<u>Strategic Theme & Results</u>	<u>Outcome Objective</u>
Fiscal Responsibility	People, Facilities, & Technology	Exemplary Service & Governance - We set the standard by delivering unparalleled municipal and educational services at the lowest cost.	Improve Technology, Facilities & Equipment
<u>Strategic Initiative</u>			
Outside the Scope of Identified Strategic Initiatives			

Time Line - Start Date: October 24, 2016 **Completion Date:** October 24, 2016

Funding Amount: \$9.2M **Status -** **Bond Funded** **Source -** Bond Issuance

EXECUTIVE SUMMARY (INCLUDING APPLICABLE ORGANIZATIONAL HISTORY)

This item involves a Resolution authorizing Town consultants and staff to begin preparing for the issuance of a publication of the Notice of Intent to issue certificates of obligation in the amount of \$9.2M for the financing of the new Westlake Fire-EMS Station.

The total project was originally budgeted at \$8,859,645 which included a bond issuance of \$8.5M with the remaining \$359,645 costs coming from the fund balance of the General Fund. The project's proposed costs have now come in at approximately \$9.2M primarily due to the rise in construction costs and the additional enhancements to the exterior of the station. Staff proposes that we issue a total of \$9.2M in certificates of obligation to fund the project and retain the cash portion in fund balance.

As stated at previous meetings with the Council and at an informational meeting for our residents, the Town of Westlake has inadequate facilities today for our current needs. The existing Fire Station (located on Dove Road to the West of the proposed site) is not ideally located to serve the municipality which is developed primarily on the Eastern side, nor for a future 2-station build-out of the community as proposed in our Comprehensive Plan. The new site will better serve the Eastern side of the Town, without sacrificing response time to the West. Our response personnel will be able to access the Western side of the town via Highway 114. As development occurs on the Western side of Westlake, a future fire station #2 would be recommended in order to respond to an increased call volume and to enhance our response times in this area.

As you may remember, the Feasibility Study completed in May 2015 assessed the proposed sites and determined the corner of Davis Boulevard and Dove Road as one of the top locations due to the fact it will be highly visible and is ideally situated to minimize response time.

The 5-acre site was generously donated for the construction of the estimated 15,800 sq. ft. Fire-EMS Station. The facility would include a minimum of three (3) double-deep drive-through bays, (4 preferred, budget allowing), which need an approximate 75-80 feet deep clearance to allow adequate stacking of our apparatus for our current and future needs. The administrative offices/living quarters/EOC (Emergency Operating Center) are anticipated to be designed to the minimum current needs, and it is recommended that it allow for future expansion.

Pricing has been estimated by Brown, Reynolds and Waterford (BRW) to be between \$8.8M and \$9.2M for the construction of the Station. This potentially includes enhancements to the exterior of the building, the additional 4th bay and landscaping. It does not include the future expansion of the Station living quarters and office space. We anticipate hiring an architect at the December 12th Council meeting and the Construction Manager-at-Risk in January, 2017 with construction beginning the summer of 2017.

Staff has begun the process of drafting our Request for Qualifications (RFQ) for Construction Manager-at-Risk services to construct the Fire-EMS Station. These services include pre-construction, construction documents, and administration. This process will take 4-6 weeks to rank and select the contractor.

The proposed \$9.2 million portion of the certificates of obligation issuance can be serviced by the Town without impacting our current ad valorem tax rate. The debt service payment for this issuance is contained in the Adopted FY 16-17 budget with the first interest payment being payable in the current fiscal year.

Attached, is the schedule relative to the issuance of \$9.2M in bonds. Annual payments are anticipated to be approximately \$488K annually. This additional \$700K in bond proceeds is \$65K more per year than the original estimated issuance amount of \$8.5M. These payments will be offset with the corresponding refunding of the bonds from 2007, which will be approximately \$75K savings annually. Based on Page 4 of this schedule, we plan to close on 12/22/16.

We anticipate receiving "Bank Qualified" status on the pricing of this issuance because the total amount of tax-exempt debt incurred by the Town in calendar year 2016, including the proposed certificates of obligation for the fire station, is expected to be below the \$10M per year threshold established under federal tax law. Bank-qualified debt offers special tax benefits to banks and qualified financial institutions, resulting in greater demand and lower interest rates in the range of 15-25 basis points.

RECOMMENDATION

Staff recommends Council adopt a resolution directing publication of notice of intention to issue certificates of obligation for the Westlake Fire-EMS Station and the refunding of the 2007 bonds.

ATTACHMENTS

- 1) Schedules from Tom Lawrence, Financial Advisor

Town Council

Item # 4d – Granada
Development

Standing Item: Update and discussion regarding the Granada Development, including items posted on the regular session agenda and the Covenants Conditions Restrictions (CCR's) and Design Standards.

Town Council

Item # 4e – Entrada
Development

Standing Item: Update and discussion regarding the Entrada Development, including items posted on the regular session agenda and public art.

Town Council

Item # 5 – Executive Session

EXECUTIVE SESSION

- a. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: (A) pending or contemplated litigation; or (B) a settlement offer; (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter: Ordinance 767
- b. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: Contract dispute regarding sanitary sewer connections.
- c. Section 551.087 Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1) for the following:
 - Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
 - Project Lynx
 - Quail Hollow
 - CS Kinross Lake Parkway, a Delaware limited liability company, its affiliate Charles Schwab & Co., Inc.
- d. Section 551.072 to deliberate the purchase, exchange, lease or value of real property regarding Town Hall offices, Fire Station site and Town owned property
- e. Section 551.074(a)(1): Deliberation Regarding Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, of a public officer or employee: Town Manager

Town Council

Item # 6 – Reconvene
Council Meeting

Town Council

Item # 7 – Council Recap /
Staff Direction

COUNCIL RECAP / STAFF DIRECTION

Town Council

Item # 8 – Adjournment
Work Session

Town Council

ITEMS OF COMMUNITY INTEREST: Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415 the Town Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming Town Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.

Item # 2 – Items of Community Interest

- ✓ Westlake Public Art Program – [Town Forum](#) (for Residents & All Stakeholders)
Thursday, October 20, 2016; 6:30 pm
WA Campus – Multi-Purpose Hall (MPH); For more information, contact Assistant Town Manager [Amanda DeGan](#) at 817-490-5715
- ✓ Town Council Workshop/Meeting
Monday, October 24, 2016
Westlake Town Hall, Solana – Council Chamber/Courtroom

Looking ahead to November...

- ✓ Annual Northwest Metroport Chamber's Luncheon Program- formerly "State of the Communities Update"; now "[Road Trip: Seven Communities, Seven Minutes](#)"
Tuesday, November 1, 2016; 11:30-1:00 pm
Texas Motor Speedway – Speedway Club
*Please let [Ginger](#) know if you plan to attend so your ticket may be purchased
- ✓ Northeast Leadership Forum's Annual [Heart of North Texas Business Conference](#)
Friday, November 4, 2016; 8:00 am – 1:30 pm
Hurst Conference Center
*Please let [Ginger](#) know if you plan to attend so your ticket may be purchased
- ✓ [Coffee & Conversation](#) with the Mayor
Monday, November 7, 2016; 8:00 – 9:30 am
Marriott Solana Hotel – Great Room
- ✓ WA Board of Trustees Workshop/Meeting
Monday, November 7, 2016
Westlake Town Hall, Solana – Council Chamber/Courtroom
- ✓ Town Council Workshop/Meeting
Monday, November 14, 2016
Westlake Town Hall, Solana – Council Chamber/Courtroom
- ✓ Westlake **Town Hall offices closed** for the Thanksgiving holidays
Thursday, November 24 and Friday, November 25, 2016

*For meeting agendas and details on calendar events, please visit the Town's [website](#).

Town Council

Item # 3 – Citizen Comments

CITIZEN COMMENTS: This is an opportunity for citizens to address the Council on any matter whether or not it is posted on the agenda. The Council cannot by law take action nor have any discussion or deliberations on any presentation made to the Council at this time concerning an item not listed on the agenda. The Council will receive the information, ask staff to review the matter, or an item may be noticed on a future agenda for deliberation or action.

Town Council

Item # 4 – Consent Agenda

CONSENT AGENDA: All items listed below are considered routine by the Town Council and will be enacted with one motion. There will be no separate discussion of items unless a Council Member or citizen so requests, in which event the item will be removed from the general order of business and considered in its normal sequence.

- a. Consider approval of the minutes from the September 19, 2016, meeting.
- b. Consider approval of **Resolution 16-33**, Appointing a new member to the Historical Preservation Society.



**MINUTES OF THE
TOWN OF WESTLAKE, TEXAS
TOWN COUNCIL MEETING**

September 19, 2016

PRESENT: Mayor Laura Wheat, Council Members: Michael Barrett, Alesa Belvedere, Carol Langdon, and Rick Rennhack. Wayne Stoltenberg arrived at 5:10 p.m.

ABSENT:

OTHERS PRESENT: Town Manager Thomas Brymer, Town Secretary Kelly Edwards, Town Attorneys Stan Lowry and Cathy Cunningham, Assistant Town Manager Amanda DeGan, Director of Public Works Jarrod Greenwood, Finance Director Debbie Piper, Director of Human Resources & Administrative Services Todd Wood, Fire Chief Richard Whitten, Director of Communications Ginger Awtry, Director of Information Technology Jason Power, Development Coordinator/Management Analyst Joel Enders, Chief Building Official Eddie Edwards, Director of Parks & Recreation Troy Meyer, Keller Police Chief Mike Wilson, and Finance Supervisor Jaymi Ford.

Work Session

1. CALL TO ORDER

Mayor Wheat called the work session to order at 5:07 p.m.

2. PLEDGE OF ALLEGIANCE

Mayor Wheat led the pledge of allegiance to the United States and Texas flags.

3. REVIEW OF CONSENT AGENDA ITEMS FOR THE TOWN COUNCIL REGULAR MEETING AGENDA.

Director Greenwood provided Council a copy of the licensing agreement.

Mayor Wheat inquired if Staff had received feedback regarding Ordinance 792, amending Chapter 50 of the Code.

4. DISCUSSION ITEMS

- a. Presentation and discussion regarding an Economic Development Agreement with the Marriott Solana Hotel.

Mr. Todd Winch, Marriott Solana, provided a presentation and overview of the item and last year's numbers.

Discussion ensued regarding the hotel renovations, surrounding competition, an overview of the incentive program, centralized sales office, and the food and beverage incentive.

- b. **Standing Item:** Update and discussion regarding the Granada Development, including items posted on the regular session agenda and the Covenants Conditions Restrictions (CCR's) and Design Standards.

Director Greenwood provided an overview regarding the roundabout construction and seeking home owner input for public art opportunities.

- c. **Standing Item:** Update and discussion regarding the Entrada Development, including items posted on the regular session agenda and public art.

Town Manager Brymer provided an overview of the Solana Boulevard improvements, construction of Arta Street, an update regarding CVS, signalization along FM 1938 (Davis Boulevard) and the preliminary discussions for a signal at Highway 114 and Solana Boulevard.

5. EXECUTIVE SESSION

The Council convened into executive session at 5:36 p.m.

The Council will conduct a closed session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

- a. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: (A) pending or contemplated litigation; or (B) a

settlement offer; (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter: Ordinance 767

- b. Section 551.087 Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1) for the following:
 - Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
 - Project Lynx
 - Quail Hollow
 - CS Kinross Lake Parkway, a Delaware limited liability company, its affiliate Charles Schwab & Co., Inc.
- c. Section 551.072 to deliberate the purchase, exchange, lease of value of real property regarding Town Hall offices and possible Fire Stations sites

6. RECONVENE MEETING

Mayor Wheat reconvened the meeting at 6:43 p.m.

7. COUNCIL RECAP / STAFF DIRECTION

No additional direction provided.

8. ADJOURNMENT

Mayor Wheat adjourned the work session at 6:43 p.m.

Regular Session

1. CALL TO ORDER

Mayor Wheat called the regular session to order at 6:43 p.m.

2. ITEMS OF COMMUNITY INTEREST

Mayor Wheat provided an overview of the upcoming events.

3. CITIZEN COMMENTS

No one addressed the Council.

4. CONSENT AGENDA

- a. Consider approval of the minutes from the August 22, 2016, meeting.
- b. Consider approval of **Resolution 16-32**, Approving an Economic Development Agreement with the Marriott Solana Hotel.
- c. Consider approval of **Ordinance 792**, Amending Chapter 50, Section 50-3, subsections (c) and (d) by deleting subsection (c) allowing for a temporary trailer.
- d. Consider approval of **Ordinance 799**, Approving a Right-of-way License Agreement with BRE Solana, LLC, a Delaware limited liability company ("BRE"), The Boy Scouts of America, a non-profit corporation chartered by an Act of the United States Congress on June 15, 1916 (the "BSA") HMC Solana, LLC, a Delaware limited liability company ("HMC") to install, maintain and operate the existing fire line within the Town of Westlake right of way on Sam School Road.

MOTION: Council Member Belvedere made a motion to approve the consent agenda. Council Member Stoltenberg seconded the motion. The motion carried by a vote of 5-0.

5. CONDUCT A PUBLIC HEARING AND CONSIDERATION OF ORDINANCE 793, APPROVING A TEMPORARY CONCRETE BATCHING PLANT TO BE LOCATED AT THE PLANNED ESTATES OF QUAIL HOLLOW SUBDIVISION, AN 80-ACRE SITE LOCATED NEAR THE SOUTHEAST CORNER OF DOVE ROAD AND DAVIS BOULEVARD.

Coordinator Enders provided a presentation and overview of the item.

Mayor Wheat opened the public hearing.

No one addressed the Council.

Mayor Wheat closed the public hearing.

MOTION: Council Member Langdon made a motion to approve **Ordinance 793**. Council Member Barrett seconded the motion. The motion carried by a vote of 5-0.

6. **CONDUCT A PUBLIC HEARING AND CONSIDERATION OF ORDINANCE 794, APPROVING A REPLAT FOR ENTRADA BLOCK I (VESTA HOMES) TO REPLAT APPROXIMATELY 1.023-ACRE PORTION OF PLANNED DEVELOPMENT DISTRICT 1, PLANNING AREA 2 (PD 1-2), ESTABLISHED BY ORDINANCE 703 FOR THE PROPERTY GENERALLY LOCATED SOUTH OF STATE HIGHWAY 114, EAST OF DAVIS BOULEVARD, AND NORTH OF SOLANA BOULEVARD, COMMONLY KNOWN AS WESTLAKE ENTRADA. THE REPLAT SHOWS BLOCK I, LOTS 1XR, 2XR, 3-14, 15X AND 16X. THE PROPOSED LOTS ARE LOCATED NEAR THE INTERSECTION OF SOLANA BOULEVARD, GRANADA TRAIL, AND THE PLANNED CORTES DRIVE.**

Coordinator Enders provided a presentation and overview of the item.

Discussion ensued regarding the earlier renderings submitted of the residential homes.

Mayor Wheat opened the public hearing.

No one addressed the Council.

Mayor Wheat closed the public hearing.

MOTION: Council Member Barrett made a motion to approve **Ordinance 794**. Council Member Langdon seconded the motion. The motion carried by a vote of 5-0.

7. **CONDUCT A PUBLIC HEARING AND CONSIDERATION OF ORDINANCE 795, APPROVING A SITE PLAN FOR (VESTA HOMES) APPROXIMATELY 1.023-ACRE PORTION OF PLANNED DEVELOPMENT DISTRICT 1, PLANNING AREA 2 (PD 1-2), ESTABLISHED BY ORDINANCE 703 FOR THE PROPERTY GENERALLY LOCATED SOUTH OF STATE HIGHWAY 114, EAST OF DAVIS BOULEVARD, AND NORTH OF SOLANA BOULEVARD, COMMONLY KNOWN AS WESTLAKE ENTRADA. THE AREA SHOWN ON THIS PD SITE PLAN IS LOCATED NEAR THE INTERSECTION OF SOLANA BOULEVARD, GRANADA TRAIL, AND THE PLANNED CORTES DRIVE.**

Coordinator Enders provided a presentation and overview of the item.

Discussion ensued regarding phasing concept, completion of the infrastructure, using complementary materials.

Mayor Wheat thanked everyone for maintaining high design standards stating she had received positive comments from residents.

Mayor Wheat opened the public hearing.

No one addressed the Council.

Mayor Wheat closed the public hearing.

MOTION: Council Member Stoltenberg made a motion to approve **Ordinance 795**. Council Member Langdon seconded the motion. The motion carried by a vote of 5-0.

8. DISCUSSION AND CONSIDERATION OF ORDINANCE 796, UPDATING THE SOLANA PUBLIC IMPROVEMENT DISTRICT OF THE TOWN OF WESTLAKE SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL.

Director Greenwood provided a presentation and overview of the item.

Discussion ensued regarding how the parcels are being assessed and should there be a phasing of construction it would need to be consistent with the SAP document.

MOTION: Council Member Langdon made a motion to approve **Ordinance 796**. Council Member Barrett seconded the motion. The motion carried by a vote of 5-0.

9. CONDUCT A PUBLIC HEARING AND CONSIDERATION OF ORDINANCE 797, ADOPTING THE TOWN OF WESTLAKE ESTIMATED BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2016, ADOPTING THE PROPOSED BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2017 INCLUDING AN INVESTMENT POLICY, PAY PLAN POLICY, FISCAL AND BUDGETARY POLICIES, RESTRICTED, COMMITTED AND ASSIGNED FUND BALANCES, AND PROVIDING AUTHORIZATION TO THE TOWN MANGER TO APPROVE APPROPRIATED FUNDS UP TO \$50,000.

Assistant Town Manager DeGan and Director Piper provided a presentation and overview of the item.

Discussion ensued regarding cost of the signalization and the construction cost for the Fire Station Complex.

Mayor Wheat opened the public hearing.

No one addressed the Council.

Mayor Wheat closed the public hearing.

MOTION: Council Member Rennhack made a motion to approve **Ordinance 797**. Council Member Belvedere seconded the motion. The motion carried by a vote of 5-0.

10. DISCUSSION AND CONSIDERATION OF ORDINANCE 798, LEVYING MUNICIPAL AD VALOREM (PROPERTY) TAXES FOR THE 2016 YEAR IN ACCORDANCE WITH THE FISCAL YEAR 2016-17 PROPOSED BUDGET.

Discussion ensued regarding several other municipalities in the area keeping the effective tax rate.

MOTION: Council Member Rennhack made a motion to approve **Ordinance 798**. Council Member Langdon seconded the motion. The motion carried by a vote of 5-0.

11. EXECUTIVE SESSION

The Council did not convene into executive session.

The Council will conduct a closed session pursuant to Texas Government Code, annotated, Chapter 551, Subchapter D for the following:

- a. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: (A) pending or contemplated litigation; or (B) a settlement offer; (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter: Ordinance 767
- b. Section 551.087 Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1) for the following:
 - Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
 - Project Lynx
 - Quail Hollow
 - CS Kinross Lake Parkway, a Delaware limited liability company, its affiliate Charles Schwab & Co., Inc.
- c. Section 551.072 to deliberate the purchase, exchange, lease of value of real property regarding Town Hall offices and possible Fire Stations sites

12. RECONVENE MEETING

13. TAKE ANY ACTION, IF NEEDED, FROM EXECUTIVE SESSION ITEMS.

No action necessary.

14. FUTURE AGENDA ITEMS

No future agenda items.

15. ADJOURNMENT

There being no further business before the Council, Mayor Wheat asked for a motion to adjourn the meeting.

MOTION: Council Member Belvedere made a motion to adjourn the meeting. Council Member Rennhack seconded the motion. The motion carried by a vote of 5-0.

Mayor Wheat adjourned the meeting at 7:35 p.m.

APPROVED BY THE TOWN COUNCIL ON OCTOBER 24, 2016.

ATTEST:

Laura Wheat, Mayor

Kelly Edwards, Town Secretary



TYPE OF ACTION

Regular Meeting - Consent

**Westlake Town Council Meeting
Monday, October 24, 2016**

TOPIC: Consider approval of a Resolution appointing a new member to the Historical Preservation Society.

STAFF CONTACT: Kelly Edwards, Town Secretary

Strategic Alignment

<u>Vision, Value, Mission</u>	<u>Perspective</u>	<u>Strategic Theme & Results</u>	<u>Outcome Objective</u>
Informed & Engaged Citizens / Sense of Community	Municipal & Academic Operations	Natural Oasis - Preserve & Maintain a Perfect Blend of the Community's Natural Beauty	Encourage Westlake's Unique Sense of Place
<u>Strategic Initiative</u>			
Comprehensive Plan Project Review			

Time Line - Start Date: September 1, 2016

Completion Date: December 12, 2016

Funding Amount: \$0.00 **Status -** **Not Funded** **Source - General Fund**

EXECUTIVE SUMMARY (INCLUDING APPLICABLE ORGANIZATIONAL HISTORY)

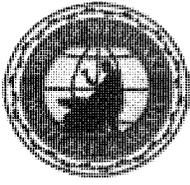
Currently the WHPS has eight (8) members of a nine (9) member board with three (3) year terms. The board provided Ms. Rapp's application and recommends appointment to the board.

RECOMMENDATION

Appoint Ms. Rapp to the board based on the board recommendation.

ATTACHMENTS

Application and Resolution



APPLICATION FOR APPOINTMENT

This application and its contents is a Public Record

Town of Westlake * 3 Village Circle, Suite 202 * Westlake Tx 76262

Tel: (817) 430-0941 * Fax (817) 430-1812

www.westlake-tx.org

Email: townhall@westlake-tx.org

Position Sought (please indicate 1st, 2nd and 3rd choice):

- | | | | |
|--------------------------|-----------------------------------|-------------------------------------|---------------------------------|
| <input type="checkbox"/> | Economic Development Corporation | <input checked="" type="checkbox"/> | Historical Preservation Society |
| <input type="checkbox"/> | Planning and Zoning Commission | <input type="checkbox"/> | Texas Student Housing Authority |
| <input type="checkbox"/> | Tree City USA Advisory Committee | <input type="checkbox"/> | Public Art Society of Westlake |
| <input type="checkbox"/> | Westlake Academy Foundation Board | <input type="checkbox"/> | Other: _____ |

Applicant Information

Applicant's Name: Patricia Rapp

Address: _____

City, State, Zip: Keller, Texas 76262

How Long Have You Lived At This Address? 1 year

Email Address: _____

Home Phone #: _____ Fax #: _____

Work Phone #: _____ Cell #: _____

Occupation, Experience/Degrees held: Educator, Middle grades math and science

Why do you want to serve on this committee? I would enjoy serving on this committee to promote knowledge and information about the Westlake community. Being new to the area and intending on raising my family here, I would like to be more involved.

Do you have any political conflicts of interest? I do not have conflicts of interest.

Do you have any related experience? The experience I would bring includes public speaking, presentation skills and outgoing personality. I love designing and working with a team.

What do you feel you have to offer this committee? My broad general knowledge base and ability to quickly learn new things will be an asset to this committee. My high level of interest in the area and energy level will also be a positive for the committee.

Signature of Applicant:

Dated: 8 July 2016

Office Use Only

Received By: _____ Date: _____

RECEIVED SEP 07 2016

TOWN OF WESTLAKE

RESOLUTION NO. 16-33

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS, APPOINTING A MEMBER TO THE WESTLAKE HISTORICAL PRESERVATION SOCIETY BOARD.

WHEREAS, Currently, a vacancy exists on the Westlake Historical Preservation Society board; and

WHEREAS, the Town Council has received an application for consideration of appointment; and

WHEREAS, the meeting at which this Resolution was considered was open to the public as required by law, and public notice of the time, place, and subject of the meeting has been given in accordance with Chapter 551, Government Code; and

WHEREAS, the Town Council finds that the proposed additional analysis benefits the public and is in the best interest of the public.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1: That, all matters stated in the Recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Town Council of the Town of Westlake does hereby appoint the following individual to serve as a member of the Westlake Historical Preservation Society board for the term noted below:

Patricia Rapp - term expiring June 2019.

SECTION 3: If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 4: That this resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 24th DAY OF OCTOBER 2016.

ATTEST:

Laura Wheat, Mayor

Kelly Edwards, Town Secretary

Thomas E. Brymer, Town Manager

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney



TYPE OF ACTION

Regular Meeting - Action Item

**Westlake Town Council Meeting
Monday, October 24, 2016**

TOPIC: Consider adoption of a resolution directing publication of notice of intention to issue certificates of obligation for the Westlake Fire-EMS Station.

STAFF CONTACT: Tom Brymer, Town Manager, Debbie Piper, Finance Director, Troy Meyer, Facilities Director

Strategic Alignment

<u>Vision, Value, Mission</u>	<u>Perspective</u>	<u>Strategic Theme & Results</u>	<u>Outcome Objective</u>
Fiscal Responsibility	People, Facilities, & Technology	Exemplary Service & Governance - We set the standard by delivering unparalleled municipal and educational services at the lowest cost.	Improve Technology, Facilities & Equipment
<u>Strategic Initiative</u>			
Outside the Scope of Identified Strategic Initiatives			

Time Line - Start Date: October 24, 2016 **Completion Date:** October 24, 2016

Funding Amount: \$9.2M **Status -** **Bond Funded** **Source -** Bond Issuance

EXECUTIVE SUMMARY (INCLUDING APPLICABLE ORGANIZATIONAL HISTORY)

This item involves a Resolution authorizing Town consultants and staff to begin preparing for the issuance of a publication of the Notice of Intent to issue certificates of obligation in the amount of \$9.2M for the financing of the new Westlake Fire-EMS Station.

The total project was originally budgeted at \$8,859,645 which included a bond issuance of \$8.5M with the remaining \$359,645 costs coming from the fund balance of the General Fund. The project’s proposed costs have now come in at approximately \$9.2M primarily due to the rise in construction costs and the additional enhancements to the exterior of the station. Staff proposes that we issue a total of \$9.2M in certificates of obligation to fund the project and retain the cash portion in fund balance.

As stated at previous meetings with the Council and at an informational meeting for our residents, the Town of Westlake has inadequate facilities today for our current needs. The existing Fire Station (located on Dove Road to the West of the proposed site) is not ideally located to serve the municipality which is developed primarily on the Eastern side, nor for a future 2-station build-out of the community as proposed in our Comprehensive Plan. The new site will better serve the Eastern side of the Town, without sacrificing response time to the West. Our response personnel will be able to access the Western side of the town via Highway 114. As development occurs on the Western side of Westlake, a future fire station #2 would be recommended in order to respond to an increased call volume and to enhance our response times in this area.

As you may remember, the Feasibility Study completed in May 2015 assessed the proposed sites and determined the corner of Davis Boulevard and Dove Road as one of the top locations due to the fact it will be highly visible and is ideally situated to minimize response time.

The 5-acre site was generously donated for the construction of the estimated 15,800 sq. ft. Fire-EMS Station. The facility would include a minimum of three (3) double-deep drive-through bays, (4 preferred, budget allowing), which need an approximate 75-80 feet deep clearance to allow adequate stacking of our apparatus for our current and future needs. The administrative offices/living quarters/EOC (Emergency Operating Center) are anticipated to be designed to the minimum current needs, and it is recommended that it allow for future expansion.

Pricing has been estimated by Brown, Reynolds and Waterford (BRW) to be between \$8.8M and \$9.2M for the construction of the Station. This potentially includes enhancements to the exterior of the building, the additional 4th bay and landscaping. It does not include the future expansion of the Station living quarters and office space. We anticipate hiring an architect at the December 12th Council meeting and the Construction Manager-at-Risk in January, 2017 with construction beginning the summer of 2017.

Staff has begun the process of drafting our Request for Qualifications (RFQ) for Construction Manager-at-Risk services to construct the Fire-EMS Station. These services include pre-construction, construction documents, and administration. This process will take 4-6 weeks to rank and select the contractor.

The proposed \$9.2 million portion of the certificates of obligation issuance can be serviced by the Town without impacting our current ad valorem tax rate. The debt service payment for this issuance is contained in the Adopted FY 16-17 budget with the first interest payment being payable in the current fiscal year.

Attached, is the schedule relative to the issuance of \$9.2M in bonds. Annual payments are anticipated to be approximately \$488K annually. This additional \$700K in bond proceeds is \$65K more per year than the original estimated issuance amount of \$8.5M. These payments will be offset with the corresponding refunding of the bonds from 2007, which will be approximately \$75K savings annually. Based on Page 4 of this schedule, we plan to close on 12/22/16.

We anticipate receiving "Bank Qualified" status on the pricing of this issuance because the total amount of tax-exempt debt incurred by the Town in calendar year 2016, including the proposed certificates of obligation for the fire station, is expected to be below the \$10M per year threshold established under federal tax law. Bank-qualified debt offers special tax benefits to banks and qualified financial institutions, resulting in greater demand and lower interest rates in the range of 15-25 basis points.

RECOMMENDATION

Staff recommends Council adopt a resolution directing publication of notice of intention to issue certificates of obligation for the Westlake Fire-EMS Station.

ATTACHMENTS

- 1) Resolution
- 2) Schedules from Tom Lawrence, Financial Advisor

TOWN OF WESTLAKE

RESOLUTION NO. 16-34

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS, DIRECTING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; AND RESOLVING OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, the Town Council of the Town of Westlake, Texas (the "Town"), deems it advisable to give notice of intention to issue certificates of obligation of the Town (the "Certificates of Obligation"), as hereinafter provided; and

WHEREAS, the Issuer expects to pay, or have paid on its behalf, expenditures in connection with the design, planning, acquisition and construction of the projects described on Exhibit A hereto (the "Projects") prior to the issuance of tax-exempt obligations, tax-credit obligations and/or obligations for which a prior expression of intent to finance or refinance is required by Federal or state law (collectively and individually, the "Obligations") to finance the Projects;

WHEREAS, the Issuer finds, considers, and declares that the reimbursement for the payment of such expenditures will be appropriate and consistent with the lawful objectives of the Issuer and, as such, chooses to declare its intention to reimburse itself for such payments at such time as it issues Obligations to finance the Projects;

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was considered was open to the public and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE:

SECTION 1: Attached hereto and marked **Exhibit A** is the form of Notice of Intention to Issue Certificates of Obligation of the Town (the "Notice"), the form and substance of which are hereby passed and approved.

SECTION 2: The Town Secretary shall cause the Notice to be published in substantially the form attached hereto, in a newspaper of general circulation in the Town, and published in the Town, once a week for two consecutive weeks, the date of the first publication thereof to be no later than the 31st day prior to the date set for the adoption of the ordinance authorizing the issuance of such Certificates of Obligation as shown in the Notice.

SECTION 3: The facilities and improvements to be financed with proceeds from the proposed Certificates of Obligation are described in the attached Notice.

SECTION 4: This Resolution is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

SECTION 5: This Resolution shall be effective immediately upon adoption.

PASSED AND APPROVED ON THIS 24th DAY OF OCTOBER, 2016.

ATTEST:

Laura L. Wheat, Mayor

Kelly Edwards, Town Secretary

Thomas E. Brymer, Town Manager

APPROVED AS TO FORM:

L. Stanton Lowry, Town Attorney

**TOWN OF WESTLAKE
NOTICE OF INTENTION TO ISSUE
COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION**

NOTICE IS HEREBY GIVEN that it is the intention of the Town Council (the "Council") of the Town of Westlake, Texas (the "Town"), to issue one or more series of interest bearing certificates of obligation of the Town for the purpose of paying all or a portion of the Town's contractual obligations to be incurred in connection with (i) acquiring, constructing, installing and equipping fire-fighting facilities and (ii) paying legal, fiscal, engineering and architectural fees in connection with such projects and to pay costs of issuance of the certificates of obligation. The Council tentatively proposes to adopt an ordinance authorizing the issuance of said certificates of obligation at the Council Chambers, 1301 Solana Blvd., Building 4, Suite 4202, 2nd Floor, Westlake, Texas, at a meeting to commence at 5:00 p.m. on December 5, 2016. The maximum amount of certificates of obligation indebtedness that may be authorized to be sold on said date for such purposes described above is \$9,200,000. The Town proposes to provide for the payment of such certificates of obligation from the levy and collection of ad valorem taxes in the Town as provided by law, and by a limited pledge of the surplus net revenues of the Town's combined waterworks and sewer system remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve and other requirements in connection with all of the Town's revenue bonds or other obligations (now or hereafter outstanding) that are payable from all or part of said revenues. The certificates of obligation are to be issued, and this notice is given, under and pursuant to the provisions of Texas Local Government Code, Chapter 271, Subchapter C.

TOWN OF WESTLAKE, TEXAS



Town of Westlake Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2016

October 24, 2016

- **Sample CO Numbers for \$9.2M (pages 1-3)**
- **Schedule for COs (page 4)**



Registered Municipal Advisor and Texas Securities Dealer

(512) 375-3424 (Phone) (512) 582-8259 (Fax)

tlawrence@lftexas.com (email)

www.lftexas.com (website)

Town of Westlake, Texas

Combination Tax and Revenue Certificates of Obligation, Series 2016 (Fire Station)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
02/15/2018	Serial Coupon	2.000%	1.000%	190,000.00	101.137%	-	-	-	192,160.30
02/15/2019	Serial Coupon	2.000%	1.100%	195,000.00	101.904%	-	-	-	198,712.80
02/15/2020	Serial Coupon	2.000%	1.200%	200,000.00	102.462%	-	-	-	204,924.00
02/15/2021	Serial Coupon	2.000%	1.300%	205,000.00	102.816%	-	-	-	210,772.80
02/15/2022	Serial Coupon	2.000%	1.450%	205,000.00	102.717%	-	-	-	210,569.85
02/15/2023	Serial Coupon	3.000%	1.550%	215,000.00	108.469%	-	-	-	233,208.35
02/15/2024	Serial Coupon	3.000%	1.700%	220,000.00	108.713%	-	-	-	239,168.60
02/15/2025	Serial Coupon	3.000%	1.800%	225,000.00	109.054%	-	-	-	245,371.50
02/15/2026	Serial Coupon	3.000%	1.950%	230,000.00	108.756%	-	-	-	250,138.80
02/15/2027	Serial Coupon	3.000%	2.050%	240,000.00	107.885%	c 2.132%	02/15/2026	100.000%	258,924.00
02/15/2028	Serial Coupon	3.000%	2.150%	245,000.00	107.022%	c 2.283%	02/15/2026	100.000%	262,203.90
02/15/2029	Serial Coupon	3.000%	2.250%	255,000.00	106.167%	c 2.411%	02/15/2026	100.000%	270,725.85
02/15/2030	Serial Coupon	3.000%	2.350%	260,000.00	105.320%	c 2.522%	02/15/2026	100.000%	273,832.00
02/15/2031	Serial Coupon	3.000%	2.450%	270,000.00	104.480%	c 2.619%	02/15/2026	100.000%	282,096.00
02/15/2032	Serial Coupon	3.500%	2.500%	280,000.00	108.129%	c 2.836%	02/15/2026	100.000%	302,761.20
02/15/2033	Serial Coupon	3.500%	2.550%	290,000.00	107.704%	c 2.899%	02/15/2026	100.000%	312,341.60
02/15/2034	Serial Coupon	3.500%	2.600%	300,000.00	107.282%	c 2.955%	02/15/2026	100.000%	321,846.00
02/15/2035	Serial Coupon	3.500%	2.650%	310,000.00	106.862%	c 3.006%	02/15/2026	100.000%	331,272.20
02/15/2036	Serial Coupon	3.500%	2.700%	320,000.00	106.443%	c 3.053%	02/15/2026	100.000%	340,617.60
02/15/2037	Serial Coupon	4.000%	2.720%	335,000.00	110.301%	c 3.296%	02/15/2026	100.000%	369,508.35
02/15/2038	Serial Coupon	4.000%	2.750%	345,000.00	110.045%	c 3.334%	02/15/2026	100.000%	379,655.25
02/15/2042	Term 1 Coupon	4.000%	2.760%	1,530,000.00	109.960%	c 3.407%	02/15/2026	100.000%	1,682,388.00
02/15/2046	Term 2 Coupon	4.000%	2.850%	1,805,000.00	109.199%	c 3.494%	02/15/2026	100.000%	1,971,041.95
Total	-	-	-	\$8,670,000.00	-	-	-	-	\$9,344,240.90

Bid Information

Par Amount of Bonds	\$8,670,000.00
Reoffering Premium or (Discount)	674,240.90
Gross Production	\$9,344,240.90
Total Underwriter's Discount (0.700%)	\$(60,690.00)
Bid (107.077%)	9,283,550.90
Total Purchase Price	\$9,283,550.90
Bond Year Dollars	\$151,621.42
Average Life	17.488 Years
Average Coupon	3.7257222%
Net Interest Cost (NIC)	3.3210624%
True Interest Cost (TIC)	3.1313625%

Town of Westlake, Texas

Combination Tax and Revenue Certificates of Obligation, Series 2016 (Fire Station)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
09/30/2017	-	-	192,742.78	192,742.78
09/30/2018	190,000.00	2.000%	295,900.00	485,900.00
09/30/2019	195,000.00	2.000%	292,050.00	487,050.00
09/30/2020	200,000.00	2.000%	288,100.00	488,100.00
09/30/2021	205,000.00	2.000%	284,050.00	489,050.00
09/30/2022	205,000.00	2.000%	279,950.00	484,950.00
09/30/2023	215,000.00	3.000%	274,675.00	489,675.00
09/30/2024	220,000.00	3.000%	268,150.00	488,150.00
09/30/2025	225,000.00	3.000%	261,475.00	486,475.00
09/30/2026	230,000.00	3.000%	254,650.00	484,650.00
09/30/2027	240,000.00	3.000%	247,600.00	487,600.00
09/30/2028	245,000.00	3.000%	240,325.00	485,325.00
09/30/2029	255,000.00	3.000%	232,825.00	487,825.00
09/30/2030	260,000.00	3.000%	225,100.00	485,100.00
09/30/2031	270,000.00	3.000%	217,150.00	487,150.00
09/30/2032	280,000.00	3.500%	208,200.00	488,200.00
09/30/2033	290,000.00	3.500%	198,225.00	488,225.00
09/30/2034	300,000.00	3.500%	187,900.00	487,900.00
09/30/2035	310,000.00	3.500%	177,225.00	487,225.00
09/30/2036	320,000.00	3.500%	166,200.00	486,200.00
09/30/2037	335,000.00	4.000%	153,900.00	488,900.00
09/30/2038	345,000.00	4.000%	140,300.00	485,300.00
09/30/2039	360,000.00	4.000%	126,200.00	486,200.00
09/30/2040	375,000.00	4.000%	111,500.00	486,500.00
09/30/2041	390,000.00	4.000%	96,200.00	486,200.00
09/30/2042	405,000.00	4.000%	80,300.00	485,300.00
09/30/2043	425,000.00	4.000%	63,700.00	488,700.00
09/30/2044	440,000.00	4.000%	46,400.00	486,400.00
09/30/2045	460,000.00	4.000%	28,400.00	488,400.00
09/30/2046	480,000.00	4.000%	9,600.00	489,600.00
Total	\$8,670,000.00	-	\$5,648,992.78	\$14,318,992.78

Yield Statistics

Bond Year Dollars	\$151,621.42
Average Life	17.488 Years
Average Coupon	3.7257222%
Net Interest Cost (NIC)	3.3210624%
True Interest Cost (TIC)	3.1313625%
Bond Yield for Arbitrage Purposes	2.5067437%
All Inclusive Cost (AIC)	3.2012344%

IRS Form 8038

Net Interest Cost	3.0200151%
Weighted Average Maturity	17.629 Years

2016 CO | SINGLE PURPOSE | 10/19/2016 | 1:56 PM

Town of Westlake, Texas

Combination Tax and Revenue Certificates of Obligation, Series 2016
(Fire Station)

Sources & Uses

Dated 12/22/2016 | Delivered 12/22/2016

Sources Of Funds

Par Amount of Bonds	\$8,670,000.00
Reoffering Premium	674,240.90
Total Sources	\$9,344,240.90

Uses Of Funds

Deposit to Project Construction Fund	9,200,000.00
Costs of Issuance	81,620.00
Total Underwriter's Discount (0.700%)	60,690.00
Rounding Amount	1,930.90
Total Uses	\$9,344,240.90

**TOWN OF WESTLAKE, TEXAS
CERTIFICATES OF OBLIGATION, SERIES 2016**

**SAMPLE SCHEDULE OF EVENTS
*Council Meeting Dates Highlighted***

<u>Action</u>	<u>Date</u>
<i>Council Approves (1) Publication of Notice of Intent to Issue COs, (2) Reimbursement Resolution, (3) Delegated Pricing Ordinance ⁽¹⁾</i>	<i>10/24/16</i>
Apply for Credit Rating; initial draft of POS distributed	10/26/16
First Publication of Notice of Intent to Issue COs ⁽²⁾	10/27/16
Second Publication of Notice of Intent to Issue COs	11/03/16
Credit Rating Received	11/21/16
Distribute Preliminary Official Statement & Notice of Sale	11/22/16
CO Pricing/Interest Rates Established	12/05/16
<i>Council Adopts Ordinance Approving Sale of COs</i>	<i>12/05/16</i>
Bond Counsel Submits Transcript to AG for Review	12/07/16
Closing Memorandum Distributed to Working Group	12/12/16
Final Official Statement Distributed	12/12/16
Attorney General Approval of COs	12/19/16
Closing	12/22/16

(1) For the current refunding of the 2007 Bonds (May 1, 2017 redemption date).

(2) At least 31 days before sale.



TYPE OF ACTION

Regular Meeting - Action Item

**Westlake Town Council Meeting
Monday, October 24, 2016**

TOPIC: Discussion and consideration adopting an ordinance authorizing the issuance of general obligation refunding bonds; establishing procedures for the sale and delivery of the bonds; providing for the security for and payment of said bonds; providing an effective date; and enacting other provisions related to the subject to include “Delegated Pricing”.

STAFF CONTACT: Debbie Piper, Finance Director

Strategic Alignment

<u>Vision, Value, Mission</u>	<u>Perspective</u>	<u>Strategic Theme & Results</u>	<u>Outcome Objective</u>
Fiscal Responsibility	Fiscal Stewardship	Exemplary Service & Governance - We set the standard by delivering unparalleled municipal and educational services at the lowest cost.	Increase Financial Capacity / Reserves
<u>Strategic Initiative</u>			
Outside the Scope of Identified Strategic Initiatives			

Time Line - Start Date: October 24, 2016 **Completion Date:** October 24, 2016

Funding Amount: N/A **Status -** **Not Funded** **Source -** N/A

EXECUTIVE SUMMARY (INCLUDING APPLICABLE ORGANIZATIONAL HISTORY)

Tom Lawrence, our financial advisor, closely monitors the bond rates and evaluates the numbers in order to notify the Town at the earliest time whether or not it would be beneficial to refund a portion of our bonds. He has identified significant estimated cost savings that can be obtained by moving forward on the refunding of certain 2007 Certificates of Obligation previously issued by the Town. He has forwarded the attached report to make us aware of potential savings should the Council authorize staff to proceed.

As stated in our Financial Policies, the present value savings of a particular refunding should exceed 3.5% at the refunded maturities before considering a refunding. The attached report, based on current interest rates (as of October 17, 2016), reflects present values savings of well over 10%, with an actual savings of more than \$1,000,000; approximately \$75K annually. These figures are preliminary, based on current interest rates, and therefore subject to change.

The 2007 Refunding Bonds are subject to optional redemption on or after May 1, 2017. In accordance with federal tax law, a refunding of this issue may not close until February 1, 2017 or later, with a pricing of the bonds approximately four weeks earlier.

Staff is recommending the Council consider adopting a “Delegated Pricing” ordinance that gives us more timing flexibility. This is a more flexible approach than the traditional method of locking in an interest rate on the day that the Town Council meets to approve the sale of the bonds. This involves the Council approving a set of parameters that must be met before the refunding bonds could be issued. Such parameters include, among others, maximum amount of refunding bonds (e.g. \$6.5 million), minimum amount of present value savings (e.g. 10.0%) and a time limit for completing the transaction, (e.g. six months). In addition to establishing parameters, a Delegated Pricing Ordinance delegates the final approval of the refunding bonds to its staff, e.g. Town Manager or Finance Director, who would have to sign off on the transaction before a bond sale and closing may occur. No further Council action would be required. Since we are already within the six-month period, staff is recommending that Council consider approving such an Ordinance at the October 24, 2016 meeting.

A schedule is attached of the events that will need to take place if we move forward with the bond refunding and “Delegated Pricing” ordinance in October.

ORGANIZATIONAL HISTORY/RECOMMENDATION

Staff recommends approval of an ordinance authorizing the issuance of general obligation refunding bonds, including “Delegated Pricing” at the October Council meeting in order for Town Staff to take advantage of rates when they are at a point that best benefits the Town regarding the refunding.

Attachments

1. Resolution
2. Refunding report prepared by Lawrence Financial Consulting LLC
3. Schedule of Events

ORDINANCE OF THE TOWN COUNCIL

of

TOWN OF WESTLAKE, TEXAS

AUTHORIZING THE ISSUANCE OF

**TOWN OF WESTLAKE, TEXAS,
GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2017**

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TOWN OF WESTLAKE

ORDINANCE 800

ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017, ESTABLISHING SALE PARAMETERS, PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID BONDS; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

THE STATE OF TEXAS §
COUNTIES OF TARRANT AND DENTON §
TOWN OF WESTLAKE, TEXAS §

WHEREAS, the Town of Westlake, Texas (the "Issuer"), has previously issued, and there are presently outstanding, obligations of the Issuer payable from ad valorem taxes levied and to be levied, assessed and collected within the Issuer, within the limits prescribed by law, and from waterworks and sewer system revenues; and

WHEREAS, the Issuer now desires to refund all or part of the bonds described in Schedule I attached hereto, collectively, the "Eligible Refunded Obligations", and those Eligible Refunded Obligations designated by the Pricing Officer in the Pricing Certificate, each as defined below, to be refunded are herein referred to as the "Refunded Obligations"; and

WHEREAS, Chapter 1207, Texas Government Code ("Chapter 1207"), authorizes the Issuer to issue refunding bonds and to deposit the proceeds from the sale thereof, and any other available funds or resources, directly with a place of payment (paying agent) for the Refunded Obligations, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

WHEREAS, the Town Council (the "Council") of the Issuer hereby finds and determines that it is a public purpose and in the best interests of the Issuer to refund the Refunded Obligations in order to achieve a present value debt service savings, with such savings, among other information and terms to be included in a pricing certificate (the "Pricing Certificate") to be executed by the Pricing Officer (hereinafter designated), all in accordance with the provisions of Section 1207.007, Texas Government Code; and

WHEREAS, all the Refunded Obligations mature or are subject to redemption prior to maturity within 20 years of the date of the bonds hereinafter authorized; and

WHEREAS, the bonds hereafter authorized are being issued and delivered pursuant to said Chapter 1207; and

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

NOW, THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WESTLAKE, TEXAS:

SECTION 1. RECITALS, AMOUNT, PURPOSE AND DESIGNATION OF THE BONDS. (a) The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

(b) The bonds of the Issuer are hereby authorized to be issued and delivered in the maximum aggregate principal amount hereinafter set forth for the public purpose of providing funds to refund a portion of the Issuer's outstanding indebtedness, and to pay the costs incurred in connection with the issuance of the Bonds.

(c) Each bond issued pursuant to this Ordinance shall be designated (unless otherwise provided in the Pricing Certificate): "TOWN OF WESTLAKE, TEXAS, GENERAL OBLIGATION REFUNDING BOND, SERIES 2017," and initially there shall be issued, sold, and delivered hereunder fully registered Bonds, without interest coupons, payable to the respective registered owners thereof (with the initial bonds being made payable to the initial purchaser as described in Section 11 hereof), or to the registered assignee or assignees of said bonds or any portion or portions thereof (in each case, the "Registered Owner"). The Bonds shall be in the respective denominations and principal amounts, shall be numbered, shall mature and be payable on the date or dates in each of the years and in the principal amounts or amounts due at maturity, as applicable, and shall bear interest to their respective dates of maturity or redemption, if applicable, prior to maturity at the rates per annum, as set forth in the Pricing Certificate.

SECTION 2. DEFINITIONS. Unless otherwise expressly provided or unless the context clearly requires otherwise in this Ordinance, the following terms shall have the meanings specified below:

"Bonds" means and includes the Bonds initially issued and delivered pursuant to this Ordinance and all substitute Bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

"Issuance Date" shall mean the date of delivery of the Bonds to the initial purchaser or purchasers thereof against payment therefor.

"State" shall mean the State of Texas.

SECTION 3. DELEGATION TO PRICING OFFICER. (a) As authorized by Section 1207.007, Texas Government Code, the Town Manager and Finance Director of the Issuer are each individually authorized to act on behalf of the Issuer in selling and delivering the Bonds (of which officers, the officer executing the Pricing Certificate shall be hereinafter referred to as, and shall for all purposes be, the "Pricing Officer"), determining which of the Eligible Refunded Obligations shall be refunded and carrying out the other procedures specified in this Ordinance, including, determining the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, 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 interest payment and record dates, the price and terms, if any, upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Issuer, as well as any mandatory sinking fund redemption provisions, approving modifications or additions to the Rule 15c2-12 continuing disclosure undertaking, and all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Obligations, including without limitation establishing the redemption date for and effecting the redemption of the Refunded Obligations, determining any amounts to be contributed to the refunding by the Issuer and procuring municipal bond insurance and approving modifications to this Ordinance and executing such instruments, documents and agreements as may be necessary with respect thereto, if it is determined that such insurance would be financially desirable and advantageous, all of which shall be specified in the Pricing Certificate, provided that:

(i) the aggregate original principal amount of the Bonds shall not exceed \$6,500,000;

(ii) no Bond shall mature after February 15, 2032;

(iii) the net interest cost for the Bonds shall not exceed 3.50%; and

(iv) the refunding achieved by the Bonds of must produce debt service savings of at least 10% measured on a present value basis as a percentage of the principal amount of the Refunded Obligations, with such savings to be net of any Issuer contribution to the refunding.

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

(c) The Bonds may be sold by public offering (either through a negotiated or competitive offering) or by private placement. If the Bonds are sold by private placement, the Pricing

Certificate shall so state, and the Pricing Certificate may make changes to this Ordinance to effect such private placement, including the provisions hereof that pertain to the book-entry-only procedures (including eliminating the book-entry-only system of registrations, payment and transfers) and to the provisions of Section 13 hereof relating to the Rule 15c2-12 undertaking (including eliminating or replacing such undertaking with an agreement to provide alternative disclosure information).

(d) It is hereby found and determined that the refunding of the Refunded Obligations is advisable and necessary in order to restructure the debt service requirements of the Issuer, and that the debt service requirements on the Bonds will be less than those on the Refunded Obligations, resulting in a reduction in the amount of principal and interest which otherwise would be payable. The Refunded Obligations are subject to redemption, at the option of the Issuer, and the Pricing Officer is hereby authorized to cause all of the Refunded Obligations to be called for redemption on the respective date or dates consistent with the savings analysis set forth in Section 3(a)(iv) hereof, and the proper notices of such redemption to be given, and in each case at a redemption price of par, plus accrued interest to the date fixed for redemption. In furtherance of authority granted by Section 1207.007(b), Texas Government Code, the Pricing Officer is further authorized to enter into and execute on behalf of the Issuer with the escrow agent named therein, an escrow agreement or deposit agreement, in substantially the form presented to the Council at the meeting at which this Ordinance was adopted and as shall be approved by the Pricing Officer, which escrow agreement or deposit agreement will provide for the payment in full of the Refunded Obligations (the "Escrow Agreement"). In addition, the Pricing Officer is authorized to purchase such securities with proceeds of the Bonds, to execute such subscriptions for the purchase of the United States Treasury Securities, State and Local Government Series and to transfer and deposit such cash from available funds, as may be necessary or appropriate for the escrow or deposit fund described in the Escrow Agreement.

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

SECTION 4. CHARACTERISTICS OF THE BONDS. (a) Registration, Transfer, Conversion and Exchange. The Issuer shall keep or cause to be kept at the designated office of the bank named in the Pricing Certificate as the paying agent/registrar for the Bonds (the "Paying Agent/Registrar"), books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of

presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth as **Exhibit A** of this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

(b) Authentication. Except as provided in Section 4(e) hereof, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

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

Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(d) Substitute Paying Agent/Registrar. The Issuer covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 50 days written notice to the Paying Agent/Registrar, to be effective not later than 45 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) General Characteristics of the Bonds. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Registered Owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the Issuer at least 35 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth as **Exhibit A** of this Ordinance. The Bonds initially issued and delivered pursuant to this Ordinance are not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Ordinance the Paying Agent/Registrar shall execute the Paying Agent/Registrar's Authentication Certificate, in the FORM OF BOND set forth as **Exhibit A** of this Ordinance.

(f) Book-Entry-Only System. Unless the Bonds are sold by private placement, the Bonds issued in exchange for the Bonds initially issued to the purchaser specified herein shall be

initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC"), and except as provided in subsection (g) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the Issuer to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(g) Successor Securities Depository; Transfers Outside Book-Entry-Only System. If the Bonds are subject to the DTC book-entry system, and in the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Issuer to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of

1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

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

(i) Cancellation of Initial Bonds. On the Issuance Date, one initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the order of the initial purchaser of the Bonds or its designee, executed by manual or facsimile signature of the Mayor and the Town Secretary, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State, will be delivered to such purchaser or its designee. If the Bonds are sold subject to the book-entry system of DTC, then upon payment for the initial Bonds, the Paying Agent/Registrar shall insert the Issuance Date on Bond No. TCAB-1, cancel each of the initial Bonds and deliver to DTC on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

(j) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the 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 may, at the option of the Issuer, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Issuer shall not redeem such 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.

SECTION 5. FORM OF BONDS. The form of the Bond, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State to be attached only to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially in the form provided in **Exhibit A**, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance. The Form of Bond as it appears in **Exhibit A** shall be completed, amended and modified by Bond Counsel to incorporate the information set forth in the Pricing Certificate, but it is not required for the Form of Bond to be reproduced as an exhibit to the Pricing Certificate.

SECTION 6. TAX LEVY. (a) A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the Issuer as a separate fund or account and the funds therein shall be deposited into and held at an official depository bank of said Issuer. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said Issuer, and shall be used only for paying the interest on and principal of said Bonds. All amounts received from the sale of the Bonds as accrued interest shall be deposited upon receipt to the Interest and Sinking Fund, and all ad valorem taxes levied and collected for and on account of said Bonds shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Bonds are outstanding and unpaid, the governing body of said Issuer shall compute and ascertain a rate and amount of ad valorem tax that will be sufficient to raise and produce the money required to pay the interest on said Bonds as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Bonds as such principal matures (but never less than 2% of the original amount of said Bonds as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said Issuer, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said Issuer, for each year while any of said Bonds are outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Bonds, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law. If lawfully available moneys of the Issuer are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been required to be levied pursuant to this Section may be reduced to the extent and by the amount of the lawfully available funds then on deposit in the Interest and Sinking Fund.

(b) Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the Issuer under this Section, and is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Bonds are outstanding and unpaid, the result of such amendment being that the pledge of the taxes granted by the Issuer under this Section is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, in order to preserve to the registered owners of the Bonds a security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under

Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing of a security interest in said pledge to occur.

SECTION 7. DEFEASANCE OF BONDS. (a) Any Bond and the interest thereon shall be deemed to be paid, retired, and no longer outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities, and thereafter the Issuer will have no further responsibility with respect to amounts available to the Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Bonds, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by applicable law) to receive payment when due on the Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in subsection 8(a)(i) or (ii) shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Issuer expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer also be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection 8(a)(i) or (ii). All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased

Bonds, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

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

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

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

SECTION 8. 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, 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 by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the registered owner applying for a replacement bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond. In every case of damage or mutilation of a Bond, the registered owner 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 Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a 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 Issuer 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 Subchapter B, Chapter 1206, Texas Government Code, this Section shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such 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 Section 4(b) of this Ordinance for Bonds issued in conversion and exchange for other Bonds.

SECTION 9. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED . The Mayor of the Issuer (or, in the absence of the Mayor, the Mayor Pro Tem) is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Bond. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Bonds issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. In addition, if bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

SECTION 10. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS. (a) Covenants. The Issuer covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

- (1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

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

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

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

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

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

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

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

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

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the Refunded Obligations expended prior to the date of issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Mayor, the Town Manager, the Finance Director and the Town Secretary, individually or jointly, to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

(d) Disposition of Project. The Issuer covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Designation as Qualified Tax-Exempt Obligations. Subject to any statement to the contrary in the Pricing Certificate, the Issuer hereby designates the Bonds as "qualified tax-exempt obligations" as defined in section 265(b)(3) of the Code, conditioned upon the Purchaser certifying that the aggregate initial offering price of the Bonds to the public (excluding any accrued interest) is no greater than \$10 million (or such other amount permitted by such section 265 of the Code). Assuming such condition is met, in furtherance of such designation, the Issuer represents, covenants and warrants the following: (a) that during the calendar year in which the Bonds are issued, the Issuer (including any subordinate entities) has not designated nor will designate obligations, which when aggregated with the Bonds, will result in more than \$10,000,000 (or such other amount permitted by such section 265 of the Code) of "qualified tax-exempt obligations" being issued; (b) that the Issuer reasonably anticipates that the amount of tax-exempt obligations issued during the calendar year in which the Bonds are issued, by the Issuer (or any subordinate entities) will not exceed \$10,000,000 (or such other amount permitted by such section 265 of the Code); and (c) that the Issuer will take such action or refrain from such action as necessary, and as more particularly set forth in this Section, in order that the Bonds will not be considered "private activity bonds" within the meaning of section 141 of the Code.

SECTION 11. SALE OF BONDS; OFFICIAL STATEMENT. (a) The Bonds shall be sold and delivered subject to the provisions of Section 1 and Section 3 and pursuant to the terms and provisions of a bond purchase agreement, notice of sale and bidding instructions or private placement agreement (collectively and individually, the "Purchase Agreement"), each of which the Pricing Officer is hereby authorized to execute and deliver and in which the purchaser or purchasers (collectively, the "Purchaser") of the Bonds shall be designated. The Bonds shall initially be registered in the name of the purchaser thereof as set forth in the Pricing Certificate.

(b) The Pricing Officer is hereby authorized, in the name and on behalf of the Issuer, to approve the distribution and delivery of a preliminary official statement and a final official statement relating to the Bonds to be used by the Purchaser in the marketing of the Bonds, if applicable.

SECTION 12. FURTHER PROCEDURES; ENGAGEMENT OF BOND COUNSEL; ATTORNEY GENERAL FILING FEE; APPROPRIATION. (a) The Mayor and Town Secretary of the Issuer, the Pricing Officer and all other officers, employees and agents of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Issuer the Paying Agent/Registrar Agreement with the Paying Agent/Registrar in substantially the form presented to the Council at the meeting at which this Ordinance was adopted and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Letter of Representations, the Bonds, the sale of the Bonds and the Official Statement. Notwithstanding anything to the contrary contained herein, while the Bonds are subject to DTC's Book-Entry-Only System and to the

extent permitted by law, the Letter of Representations is hereby incorporated herein and its provisions shall prevail over any other provisions of this Ordinance in the event of conflict. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(b) The obligation of the Purchaser to accept delivery of the Bonds is subject to the Purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the Issuer, which opinion shall be dated as of and delivered on the Issuance Date. The engagement of such firm as bond counsel to the Issuer in connection with issuance, sale and delivery of the Bonds is hereby approved and confirmed. The execution and delivery of an engagement letter between the Issuer and such firm, with respect to such services as bond counsel, is hereby authorized in such form as may be approved by the Mayor or the Town Manager, and the Mayor and the Town Manager are each hereby authorized to execute such engagement letter.

(c) To pay the debt service coming due on the Bonds, if any (as determined by the Pricing Certificate) prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

(d) In accordance with the provisions of Section 1202.004, Tex. Gov't Code Ann., in connection with the submission of the Bond by the Attorney General of Texas for review and approval, a statutory fee (an amount equal to 0.1% principal amount of the Bond, subject to a minimum of \$750 and a maximum of \$9,500) is required to be paid to the Attorney General upon the submission of the transcript of proceedings for the Bonds. The Issuer hereby authorizes and directs that a check in the amount of the Attorney General filing fee for the Bond, made payable to the "Texas Attorney General," be promptly furnished to the Issuer's Bond Counsel, for payment to the Attorney General in connection with his review of the Bonds.

SECTION 13. COMPLIANCE WITH RULE 15c2-12. (a) If the Bonds are sold by public offering, and are subject to the Rule (as defined below), the following provisions shall apply, unless modified by the Pricing Officer in the Pricing Certificate:

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

(ii) Annual Reports. (A) The Issuer shall provide annually to the MSRB, within the timeframe set forth in the Pricing Certificate, in the electronic format prescribed by the MSRB,

certain updated financial information and operating data pertaining to the Issuer, being the information described in the Pricing Certificate.

(B) Any financial information described in the Pricing Certificate to be provided shall be (i) prepared in accordance with the accounting principles described in the financial statements of the Issuer appended to the Official Statement, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the Issuer 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 completed within the period set forth in the Pricing Certificate, then the Issuer shall provide unaudited financial information of the type described in the Pricing Certificate within such period, and audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such statements becomes available.

(C) If the Issuer changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section.

(D) All financial information, operating data, financial statements and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB. 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 (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the SEC.

(iii) Event Notices. The Issuer shall notify the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

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 Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the

ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. Appointment of a successor Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material.

The Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with subsection (a)(iii) of this Section by the time required by subsection (a)(iii). As used in clause (a)(iii)12 above, the phrase "bankruptcy, insolvency, receivership or similar event" means the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court of governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if jurisdiction has been assumed by leaving the Council and officials or officers of the Issuer in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

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

(B) The provisions of this Section are for the sole benefit of the registered owners 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 Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

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

(D) No default by the Issuer in observing or performing its obligations under this Section shall comprise a breach of or default under the Ordinance for purposes of any other provision of

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

(E) The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the registered owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the registered owners and beneficial owners of the Bonds. If the Issuer so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

(b) If the Bonds are sold by private placement, the Pricing Officer may agree to provide for an undertaking in accordance with the Rule or may agree to provide other public information to the purchaser as may be necessary for the sale of the Bonds on the most favorable terms to the Issuer.

SECTION 14. METHOD OF AMENDMENT. The Issuer hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The Issuer may from time to time, without the consent of any Registered Owner, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the Registered Owners, (ii) grant additional rights or security for the benefit of the Registered Owners, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the Registered Owners, (v) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (iv) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be materially inconsistent with the provisions of this Ordinance and that shall not, in the opinion of nationally-recognized bond counsel, materially adversely affect the interests of the Registered Owners.

(b) Except as provided in paragraph (a) above, a majority of the Registered Owners of Bonds then outstanding that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the

Issuer; provided, however, that without the consent of 100% of the Registered Owners in aggregate principal amount of the then outstanding Bonds, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bonds so as to:

- (1) Make any change in the maturity of any of the outstanding Bonds;
- (2) Reduce the rate of interest borne by any of the outstanding Bonds;
- (3) Reduce the amount of the principal of, or redemption premium, if any, payable on any outstanding Bonds;
- (4) Modify the terms of payment of principal or of interest or redemption premium on outstanding Bonds or any of them or impose any condition with respect to such payment; or
- (5) Change the minimum percentage of the principal amount of the Bonds necessary for consent to such amendment.

(c) If at any time the Issuer shall desire to amend this Ordinance under this Section, the Issuer shall send by U.S. mail to each registered owner of the affected Bonds a copy of the proposed amendment.

(d) Whenever at any time within one year from the date of mailing of such notice the Issuer shall receive an instrument or instruments executed by the Registered Owners of at least a majority in aggregate principal amount of all of the Bonds then outstanding that are required for the amendment (or 100% if such amendment is made in accordance with paragraph (b)), which instrument or instruments shall refer to the proposed amendment and which shall specifically consent to and approve such amendment, the Issuer may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the Issuer and all Registered Owners of such affected Bonds shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the Registered Owner of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of such consent and shall be conclusive and binding upon all future Registered Owners of the same Bond during such period. Such consent may be revoked at any time after six months from the date of said consent by the Registered Owner who gave such consent, or by a successor in title, by filing notice with the Issuer, but such revocation shall not be effective if the Registered Owners the required amount of the affected Bonds then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

(g) For the purposes of establishing ownership of the Bonds, the Issuer shall rely solely upon the registration of the ownership of such Bonds on the Registration Books kept by the Paying Agent/Registrar.

SECTION 15. REDEMPTION OF REFUNDED OBLIGATIONS. (a) Subject to execution and delivery of the Purchase Agreement with the Purchaser, the Issuer hereby directs that the Refunded Obligations be called for redemption on the dates and at the prices set forth in the Pricing Certificate. The Pricing Officer is hereby authorized and directed to issue or cause to be issued the Notice of Redemption of the Refunded Obligations in substantially the form set forth in **Exhibit B** attached hereto to the paying agent for the Refunded Obligations. The Notice of Redemption of the Refunded Obligations as it appears in **Exhibit B** shall be completed, amended and modified by Bond Counsel to incorporate the information set forth in the Pricing Certificate, but it is not required for the Notice of Redemption of the Refunded Obligations to be reproduced as an exhibit to the Pricing Certificate.

(b) The paying agent/registrars for the Refunded Obligations is hereby directed to provide the appropriate notice of redemption as required by the Refunded Obligations and is hereby directed to make appropriate arrangements so that the Refunded Obligations may be redeemed on the redemption date.

(c) If the redemption of the Refunded Obligations results in the partial refunding of any maturity of the Refunded Obligations, the Pricing Officer shall direct the paying agent/registrars for the Refunded Obligations to designate at random and by lot which of the Refunded Obligations will be payable from and secured solely from ad valorem taxes of the Issuer pursuant to the ordinance of the Issuer authorizing the issuance of such Refunded Obligations (the "Refunded Obligation Ordinance"). For purposes of such determination and designation, all Refunded Obligations registered in denominations greater than \$5,000 shall be considered to be registered in separate \$5,000 denominations. The paying agent/registrars shall notify by first-class mail all registered owners of all affected bonds of such maturities that: (i) a portion of such bonds have been refunded and are secured until final maturity solely with cash and/or investments maintained by the Escrow Agent in the Escrow Fund, (ii) the principal amount of all affected bonds of such maturities registered in the name of such registered owner that have been refunded and are payable solely from cash and/or investments in the Escrow Fund and the remaining principal amount of all affected bonds of such maturities registered in the name of such registered owner, if any, have not been refunded and are payable from and secured by ad valorem taxes of the Issuer as described in the Refunded Obligation Ordinance, (iii) the registered owner is required to submit his or her Refunded Obligations to the paying agent/registrars, for the purposes of re-registering such registered owner's bonds and assigning new CUSIP numbers in order to distinguish the source of payment for the principal and interest on such bonds, and (iv) payment of principal of and interest on such bonds may, in some circumstances, be delayed until such bonds have been re-registered and new CUSIP numbers have been assigned as required by (iii) above.

(d) The source of funds for payment of the principal of and interest on the Refunded Obligations on their respective maturity or redemption dates shall be from the funds deposited with the Escrow Agent, pursuant to the Escrow Agreement, or pursuant to such other arrangement determined by the Pricing Officer in the Pricing Certificate.

SECTION 16. GOVERNING LAW. This Ordinance shall be construed and enforced in accordance with the laws of the State and the United States of America.

SECTION 17. 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 18. EVENTS OF DEFAULT. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an event of default (an "Event of Default"):

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the Issuer, the failure to perform which materially, adversely affects the rights of the Registered Owners, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the Issuer.

SECTION 19. REMEDIES FOR DEFAULT. (a) Upon the happening of any Event of Default, then and in every case, any Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the Issuer for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Bonds then outstanding.

SECTION 20. REMEDIES NOT EXCLUSIVE. (a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(c) By accepting the delivery of a Bond authorized under this Ordinance, such Owner agrees that the certifications required to effectuate any covenants or representations contained in

this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or officials of the Issuer or the Council.

SECTION 21. EFFECTIVE DATE. In accordance with the provisions of Texas Government Code, Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the Council.

SCHEDULE I

SCHEDULE OF ELIGIBLE REFUNDED OBLIGATIONS

Town of Westlake, Texas, General Obligation Refunding Bonds, Series 2007

EXHIBIT A

FORM OF BOND

(a) The form of the Bond, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached only to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance and with the Bonds to be completed with information set forth in the Pricing Certificate. The Form of Bond as it appears in this **Exhibit A** shall be completed, amended and modified by Bond Counsel to incorporate the information set forth in the Pricing Certificate, but it is not required for the Form of Bond to be reproduced as an exhibit to the Pricing Certificate.

NO. R-__	UNITED STATES OF AMERICA STATE OF TEXAS TOWN OF WESTLAKE, TEXAS GENERAL OBLIGATION REFUNDING BOND SERIES 2017	PRINCIPAL AMOUNT \$ _____
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<u>INTEREST</u> <u>RATE</u> _____%	<u>ISSUANCE</u> <u>DATE</u> _____, 2017	<u>MATURITY</u> <u>DATE</u> _____, 20__	<u>CUSIP NO.</u>
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REGISTERED OWNER:

PRINCIPAL AMOUNT:

ON THE MATURITY DATE specified above, TOWN OF WESTLAKE, TEXAS, in Tarrant and Denton Counties, Texas (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "registered owner") the principal amount set forth above, and to pay interest thereon from the _____, on _____ and semiannually thereafter on each _____ and _____ to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the designated corporate trust office of _____, _____, Texas, which is the "Paying Agent/Registrar" for this

Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the ordinance authorizing the issuance of the Bonds (the "Bond Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the ____ day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for any payment due on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day 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.

THIS BOND is one of a Series of Bonds dated as of ____, 2017, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$____ FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND A PORTION OF THE ISSUER'S OUTSTANDING OBLIGATIONS.

ON ____, 20__, or on any date thereafter, the Bonds may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the Issuer (provided that a portion of a Bond

may be redeemed only in an integral multiple of \$5,000), at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

THE BONDS scheduled to mature on _____ in the years 20__, 20__, 20__ and 20__ (the "Term Bonds") are subject to scheduled mandatory redemption by the Paying Agent/Registrar by lot, or by any other customary method that results in a random selection, at a price equal to the principal amount thereof, plus accrued interest to the redemption date, out of moneys available for such purpose in the interest and sinking fund for the Bonds, on the dates and in the respective principal amounts, set forth in the following schedule:

Term Bond Maturity: _____, 20__		Term Bond Maturity: _____, 20__	
Mandatory Redemption Date _____, 20__ _____, 20__*	Principal Amount	Mandatory Redemption Date _____, 20__ _____, 20__*	Principal Amount
Term Bond Maturity: _____, 20__		Term Bond Maturity: _____, 20__	
Mandatory Redemption Date _____, 20__ _____, 20__*	Principal Amount	Mandatory Redemption Date _____, 20__ _____, 20__*	Principal Amount

* Stated Maturity.

The principal amount of Term Bonds of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the Issuer, by the principal amount of any Term Bonds of the same maturity which, at least 45 days prior to a mandatory redemption date (1) shall have been acquired by the Issuer 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, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the Issuer at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the registered owner of each Bond to be redeemed at its address as it appeared at the close of business on the day of mailing such notice; provided, however, that the failure of the registered owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the

required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Bond Ordinance.

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

ALL BONDS OF THIS SERIES are issuable solely as fully registered Bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Bond Ordinance, this Bond may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having any authorized denomination or denominations as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any authorized denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with

respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer or exchange of any Bonds during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date or, with respect to any Bond or any portion thereof called for redemption prior to maturity, within 30 days prior to its redemption date.

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

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed and been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said Issuer, and have been pledged for such payment, within the limits prescribed by law.

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

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

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the Mayor of the Issuer and countersigned with the manual or facsimile signature of the Town Secretary of the Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

Kelly Edwards, Town Secretary
Town of Westlake, Texas

Laura L. Wheat, Mayor
Town of Westlake, Texas

(SEAL)

(b) Form of Paying Agent/Registrar's Authentication Certificate.

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an
executed Registration Certificate of the Comptroller
of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a bond, bonds, or a portion of a bond or bonds of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated:

_____,
_____, Texas,
Paying Agent/Registrar

By: _____
Authorized Representative

(c) Form of Assignment.

ASSIGNMENT

(Please print or type clearly)

For value received, the undersigned hereby sells, assigns and transfers unto: _____

Transferee's Social Security or Taxpayer Identification Number: _____

Transferee's name and address, including zip code: _____

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

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

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

(d) Form of Registration Certificate of the Comptroller of Public Accounts

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

(e) Insertions for the Initial Bond.

(i) The initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

(A) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO. ____" shall be deleted.

(B) the first paragraph shall be deleted and the following will be inserted:

"TOWN OF WESTLAKE, TEXAS (the "Issuer"), being a political subdivision located in Tarrant and Denton Counties, Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on _____ in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Maturity</u> <u>Date</u>	<u>Principal</u> <u>Installments</u>	<u>Interest</u> <u>Rates</u>
20__		
20__		
20__		
20__		
20__		

20__
20__
20__
20__
20__
20__
20__
20__
20__
20__

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from _____ at the respective Interest Rate per annum specified above. Interest is payable on _____, and on each _____ and _____ thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

(C) The initial Bond shall be numbered "T-1."

EXHIBIT B

NOTICE OF DEFEASANCE AND REDEMPTION

TOWN OF WESTLAKE, TEXAS
(TARRANT AND DENTON COUNTIES, TEXAS)

NOTICE IS HEREBY GIVEN that the Town of Westlake, Texas (the "Town") has called for early redemption the outstanding obligations of the Town described as follows:

Town of Westlake, Texas, General Obligation Refunding Bonds, Series 2007, dated March 15, 2007 (the "Series 2007 Obligations"), maturing on May 1 in the years and in the amounts shown below. Such Series 2007 Obligations have been called for redemption on May 1, 2017 (the "Redemption Date") at the redemption price of par and accrued interest to the Redemption Date:

Maturity Date	Principal Amount	CUSIP Number	Maturity Date	Principal Amount	CUSIP Number
2020	\$ 125,000	96048PCJ3	2028	\$ 730,000	96048PCS3
***	***	***	2029	760,000	96048PCT1
2024	230,000	96048PCN4	2030	790,000	96048PCU8
2025	645,000	96048PCP9	2031	825,000	96048PCV6
2026	670,000	96048PCQ7	2032	855,000	96048PCW4
2027	700,000	96048PCR5			

aggregating \$6,330,000 in principal amount. On _____, 2017, funds were deposited with [U.S. Bank National Association], which is the Escrow Agent for the Series 2007 Obligations, in an amount, together with investment earnings thereon, to redeem the Series 2007 Obligations on the Redemption Date, and such Series 2007 Obligations shall be paid from amounts held in an escrow account administered by Escrow Agent, until the Redemption Date, when the redemption price shall be paid upon presentation of the Series 2007 Obligations to the paying agent/registrars thereof, as follows:

<u>First Class/Registered/ Certified Mail</u>	<u>Express Delivery Hand Delivery</u>
U.S. Bank National Association Corporate Trust Services P. O. Box 64111 St. Paul, MN 55164-0111	U.S. Bank National Association Corporate Trust Services 60 Livingston Avenue 1st Floor - Bond Drop Window St. Paul, MN 55107

Upon presentation of the Series 2007 Obligations at the paying agent/registrars on the Redemption Date, the holder thereof shall be entitled to receive the redemption price equal to par plus accrued interest to the Redemption Date and thereafter the Series 2007 Obligations shall no longer bear interest.

TOWN OF WESTLAKE, TEXAS



Town of Westlake

General Obligation Refunding Bonds, Series 2017

October 24, 2016

- **Sample Refunding Numbers (pages 1-4)**
- **Schedule for Refunding (page 5)**



Registered Municipal Advisor and Texas Securities Dealer

(512) 375-3424 (Phone) (512) 582-8259 (Fax)

tlawrence@lfc texas.com (email)

www.lfc texas.com (website)

Town of Westlake, Texas

General Obligation Refunding Bonds, Series 2007

(Advance Refunded 2002; refundable beginning 2-1-17)

Total Refunded Debt Service

Date	Principal	Coupon	Interest	Total P+I
05/01/2017	-	4.000%	129,803.75	129,803.75
05/01/2018	40,000.00	4.000%	259,607.50	299,607.50
05/01/2019	40,000.00	4.000%	258,007.50	298,007.50
05/01/2020	45,000.00	4.000%	256,407.50	301,407.50
05/01/2021	50,000.00	4.000%	254,607.50	304,607.50
05/01/2022	55,000.00	4.000%	252,607.50	307,607.50
05/01/2023	60,000.00	4.000%	250,407.50	310,407.50
05/01/2024	65,000.00	4.000%	248,007.50	313,007.50
05/01/2025	645,000.00	4.000%	245,407.50	890,407.50
05/01/2026	670,000.00	4.000%	219,607.50	889,607.50
05/01/2027	700,000.00	4.000%	192,807.50	892,807.50
05/01/2028	730,000.00	4.125%	164,807.50	894,807.50
05/01/2029	760,000.00	4.125%	134,695.00	894,695.00
05/01/2030	790,000.00	4.150%	103,345.00	893,345.00
05/01/2031	825,000.00	4.200%	70,560.00	895,560.00
05/01/2032	855,000.00	4.200%	35,910.00	890,910.00
Total	\$6,330,000.00	-	\$3,076,596.25	\$9,406,596.25

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/07/2017
Average Life	11.533 Years
Average Coupon	4.1192866%
Weighted Average Maturity (Par Basis)	11.533 Years

Refunding Bond Information

Refunding Dated Date	2/07/2017
Refunding Delivery Date	2/07/2017

Town of Westlake, Texas

General Obligation Refunding Bonds, Series 2017

(Refund 2007)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
02/15/2018	Serial Coupon	2.000%	1.000%	40,000.00	101.014%	-	-	-	40,405.60
02/15/2019	Serial Coupon	3.000%	1.100%	40,000.00	103.789%	-	-	-	41,515.60
02/15/2020	Serial Coupon	3.000%	1.200%	45,000.00	105.326%	-	-	-	47,396.70
02/15/2021	Serial Coupon	3.000%	1.300%	50,000.00	106.640%	-	-	-	53,320.00
02/15/2022	Serial Coupon	3.000%	1.450%	55,000.00	107.481%	-	-	-	59,114.55
02/15/2023	Serial Coupon	3.000%	1.550%	60,000.00	108.306%	-	-	-	64,983.60
02/15/2024	Serial Coupon	3.000%	1.700%	60,000.00	108.570%	-	-	-	65,142.00
02/15/2025	Serial Coupon	3.000%	1.800%	650,000.00	108.926%	-	-	-	708,019.00
02/15/2026	Serial Coupon	3.000%	1.950%	670,000.00	108.647%	-	-	-	727,934.90
02/15/2027	Serial Coupon	3.000%	2.050%	695,000.00	108.566%	-	-	-	754,533.70
02/15/2028	Serial Coupon	3.000%	2.150%	715,000.00	107.626%	c 2.216%	02/15/2027	100.000%	769,525.90
02/15/2029	Serial Coupon	3.000%	2.250%	735,000.00	106.695%	c 2.357%	02/15/2027	100.000%	784,208.25
02/15/2030	Serial Coupon	3.000%	2.350%	760,000.00	105.773%	c 2.479%	02/15/2027	100.000%	803,874.80
02/15/2031	Serial Coupon	3.000%	2.450%	785,000.00	104.861%	c 2.584%	02/15/2027	100.000%	823,158.85
02/15/2032	Serial Coupon	3.000%	2.500%	805,000.00	104.408%	c 2.643%	02/15/2027	100.000%	840,484.40
Total	-	-	-	\$6,165,000.00	-	-	-	-	\$6,583,617.85

Bid Information

Par Amount of Bonds	\$6,165,000.00
Reoffering Premium or (Discount)	418,617.85
Gross Production	\$6,583,617.85
Total Underwriter's Discount (0.700%)	\$(43,155.00)
Bid (106.090%)	6,540,462.85
Total Purchase Price	\$6,540,462.85
Bond Year Dollars	\$69,457.00
Average Life	11.266 Years
Average Coupon	2.9994113%
Net Interest Cost (NIC)	2.4588425%
True Interest Cost (TIC)	2.3753042%

Town of Westlake, Texas

General Obligation Refunding Bonds, Series 2017 (Refund 2007)

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
09/30/2017	96,376.11	433,500.00	529,876.11	563,303.75	33,427.64
09/30/2018	224,150.00	-	224,150.00	299,607.50	75,457.50
09/30/2019	223,150.00	-	223,150.00	298,007.50	74,857.50
09/30/2020	226,875.00	-	226,875.00	301,407.50	74,532.50
09/30/2021	230,450.00	-	230,450.00	304,607.50	74,157.50
09/30/2022	233,875.00	-	233,875.00	307,607.50	73,732.50
09/30/2023	237,150.00	-	237,150.00	310,407.50	73,257.50
09/30/2024	235,350.00	-	235,350.00	313,007.50	77,657.50
09/30/2025	814,700.00	-	814,700.00	890,407.50	75,707.50
09/30/2026	814,900.00	-	814,900.00	889,607.50	74,707.50
09/30/2027	819,425.00	-	819,425.00	892,807.50	73,382.50
09/30/2028	818,275.00	-	818,275.00	894,807.50	76,532.50
09/30/2029	816,525.00	-	816,525.00	894,695.00	78,170.00
09/30/2030	819,100.00	-	819,100.00	893,345.00	74,245.00
09/30/2031	820,925.00	-	820,925.00	895,560.00	74,635.00
09/30/2032	817,075.00	-	817,075.00	890,910.00	73,835.00
Total	\$8,248,301.11	\$433,500.00	\$8,681,801.11	\$9,840,096.25	\$1,158,295.14

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	948,046.41
Net PV Cashflow Savings @ 2.502%(AIC)	948,046.41
Contingency or Rounding Amount	2,194.10
Net Present Value Benefit	\$950,240.51
Net PV Benefit / \$6,330,000 Refunded Principal	15.012%
Net PV Benefit / \$6,165,000 Refunding Principal	15.413%

Refunding Bond Information

Refunding Dated Date	2/07/2017
Refunding Delivery Date	2/07/2017

Town of Westlake, Texas

General Obligation Refunding Bonds, Series 2017
(Refund 2007)

Sources & Uses

Dated 02/07/2017 | Delivered 02/07/2017

Sources Of Funds

Par Amount of Bonds	\$6,165,000.00
Reoffering Premium	418,617.85
Total Sources	\$6,583,617.85

Uses Of Funds

Deposit to Current Refunding Fund	6,459,803.75
Costs of Issuance	78,465.00
Total Underwriter's Discount (0.700%)	43,155.00
Rounding Amount	2,194.10
Total Uses	\$6,583,617.85

**TOWN OF WESTLAKE
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017**

**SAMPLE SCHEDULE OF EVENTS
(Council Meeting Dates Highlighted)**

<u>Action</u>	<u>Date</u>
<i>Bond Sale/Delegated Pricing Approved by Town Council</i>	<i>10/24/16</i>
Application for Credit Rating; initial draft of POS distributed	11/18/16
Credit Rating Received	12/15/16
Preliminary Official Statement Distributed to Investors	01/03/17
Bond Pricing Completed	01/10/17
Bond Counsel Submits Transcript to AG for Review	01/13/17
Final Official Statement printed	01/17/17
Closing Memorandum Distributed	01/18/17
Attorney General Approval Received	02/02/17
Closing	02/07/17
Redemption of 2007 Bonds	05/01/17

Town Council

Item # 7 – Executive Session

EXECUTIVE SESSION

- a. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: (A) pending or contemplated litigation; or (B) a settlement offer; (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter: Ordinance 767
- b. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: Contract dispute regarding sanitary sewer connections.
- c. Section 551.087 Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1) for the following:
 - Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
 - Project Lynx
 - Quail Hollow
 - CS Kinross Lake Parkway, a Delaware limited liability company, its affiliate Charles Schwab & Co., Inc.
- d. Section 551.072 to deliberate the purchase, exchange, lease or value of real property regarding Town Hall offices, Fire Station site and Town owned property
- e. Section 551.074(a)(1): Deliberation Regarding Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, of a public officer or employee: Town Manager

Town Council

Item # 8 – Reconvene
Council Meeting

Town Council

Item # 9 – Necessary Action

NECESSARY ACTION

- a. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: (A) pending or contemplated litigation; or (B) a settlement offer; (2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter: Ordinance 767
- b. Sec. 551.071 Consultation with Attorney (1) when the governmental body seeks the advice of its attorney about: Land Sale
- c. Section 551.087 Deliberation Regarding Economic Development Negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1) for the following:
 - Maguire Partners-Solana Land, L.P., related to Centurion's development known as Entrada and Granada
 - Project Lynx
 - Quail Hollow
 - CS Kinross Lake Parkway, a Delaware limited liability company, its affiliate Charles Schwab & Co., Inc.
- d. Section 551.072 to deliberate the purchase, exchange, lease or value of real property regarding Town Hall offices, Fire Station site and Town owned property
- e. Section 551.074(a)(1): Deliberation Regarding Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, of a public officer or employee: Town Manager

Town Council

Item # 10 – Future Agenda Items

FUTURE AGENDA ITEMS: Any Council member may request at a workshop and / or Council meeting, under “Future Agenda Item Requests”, an agenda item for a future Council meeting. The Council Member making the request will contact the Town Manager with the requested item and the Town Manager will list it on the agenda. At the meeting, the requesting Council Member will explain the item, the need for Council discussion of the item, the item’s relationship to the Council’s strategic priorities, and the amount of estimated staff time necessary to prepare for Council discussion. If the requesting Council Member receives a second, the Town Manager will place the item on the Council agenda calendar allowing for adequate time for staff preparation on the agenda item.

None

Town Council

Item # 11 – Adjournment
Regular Session
