



***City Council Meeting
November 4, 2010
Agenda Item Transmittal***

Agenda Item #: 1
Agenda Title: Minutes for October 14, and October 21, 2010.
Council Action: Motion to approve or approve with corrections
Initiating Department: City Management/City Clerk
Staff Contact: Susan Brock, City Clerk

1. INTRODUCTION/PURPOSE

Pursuant to the Open Meetings Law, Chapter 551, Local Government Code and in accordance with the authority contained in Section 551.021 and the City Charter, the "Minutes" of each City Council must be recorded, compiled and approved by the City Council in subsequent meetings. The purpose of this item is to conform to these legal requirements.

2. DESCRIPTION/ JUSTIFICATION

N/A

3. FINANCIAL/BUDGET

N/A

4. RECOMMENDATION

Approve as submitted or amend with changes noted.

5. REFERENCE FILES

- 1a. Minutes, October 14, 2010
- 1b. Minutes, October 21, 2010

The City Council of the City of Taylor met on October 14, 2010, at City Hall, 400 Porter St., Taylor, Texas. In the absence of Mayor Hortenstine and Council Member Hill, Mayor Pro Tem McDonald declared a quorum and called the meeting to order at 6:00 p.m. with the following present:

Council Member Chris Gonzales
Council Member Chris Osborn

Jim Dunaway, City Manager
Jeff Straub, Assistant City Manager
Ted Hejl, City Attorney
Susan Brock, City Clerk

INVOCATION

Jeff Straub led the group in prayer.

PLEDGE OF ALLEGIANCE

CITIZENS COMMUNICATION

No citizens came forward during this time. However, Mayor Pro Tem McDonald took this opportunity to welcome the students from Temple College and invited them to stay after the meeting to approach council with any questions. Council Member Osborn invited everyone to participate in the City Wide Fall Clean up on Saturday.

CONSENT AGENDA

1. MINUTES FOR SEPTEMBER 28, 2010.
2. APPROVE ORDINANCE 2010-36, SETTING THE RATE FOR THE MUNICIPAL DRAINAGE UTILITY SYSTEM.

ORDINANCE 2010-36

AN ORDINANCE OF THE CITY OF TAYLOR ESTABLISHING MONTHLY DRAINAGE UTILITY FEES, RATES AND CHARGES; MAKING THIS ORDINANCE CUMULATIVE OF PRIOR ORDINANCES; REPEALING ALL ORDINANCES AND PROVISIONS OF THE TAYLOR CITY CODE IN CONFLICT HERewith; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

3. APPROVE ORDINANCE 2010-37 AMENDING THE ZONING ORDINANCE REGARDING THE ALLOWABLE USES WITHIN THE B2 CATEGORY

ORDINANCE NO. 2010-37

AN ORDINANCE OF THE CITY OF TAYLOR, TEXAS, AMENDING ORDINANCE 2001-17 THE TAYLOR ZONING ORDINANCE, MODIFYING SECTION 3, TABLE 3, PERMITTED USES, AND SECTION 11, DEFINITIONS; AND PROVIDING A SAVINGS CLAUSE.

4. APPROVE ORDINANCE 2010-39 REGARDING A REQUEST FROM MR. FEDERICO BUENTELLO FOR A SPECIFIC USE PERMIT FOR PROPERTY LOCATED AT 301 CR 400.

ORDINANCE NO. 2010-39

AN ORDINANCE ALLOWING A SPECIFIC USE PERMIT FOR A RECYCLING FACILITY ON PROPERTY DESCRIBED AS 301 CR 400; AND PROVIDING A SAVINGS CLAUSE

5. APPROVE ADDENDUM TO PROPERTY TAX ABATEMENT AGREEMENT WITH BURROWS CABINETS, INC.

Council Member Gonzales moved to approve the consent agenda as presented and Council Member Osborn seconded the motion. VOTE: Three voted AYE. Motion passed.

REGULAR AGENDA – REVIEW/DISCUSS & CONSIDER/ACTION:

6. CONSIDER ACCEPTING DONATION OF BOOKS FOR THE TAYLOR PUBLIC LIBRARY FROM THE WILLIAMSON COUNTY REPUBLICAN WOMEN.

Mr. Dunaway introduced Ms. Barbara Goergen, President of the Williamson County Republican Women, who presented a collection of books to be donated to the Taylor Public Library. Other members present included Loretta Patschke, Ella Jez, Jan Konarik, and Karen Adair-Murphy.

7. PROCLAMATION: OCTOBER IS FIRE PREVENTION MONTH.

Mayor Pro Tem McDonald presented a proclamation to Chief Ekiss and his crew recognizing October as Fire Prevention Month.

8. CONSIDER APPROVING INTERLOCAL AGREEMENT WITH WILLIAMSON COUNTY FOR EMERGENCY COMMUNICATIONS SERVICES.

Chief Ekiss presented a request to consider entering into an agreement with Williamson County Emergency Communications (WCEC) for all non-police related dispatch services. Mr. Patrick Cobb, Director for the WCEC, provided an overview of the program and Commissioner Ron Morrison offered his support of this type of partnership. Chief Ekiss pointed out the benefits of this type of agreement reduce response time, provide access to more advanced technology, and improve the overall Insurance Services Organization (ISO) rating for the community.

Council Member Osborn moved to approve the interlocal agreement as presented and Council Member Gonzales seconded the motion. VOTE: Three voted AYE. Motion passed.

9. CONSIDER APPROVING RESOLUTION R10-18 ADOPTING A COUNCIL RELATIONS POLICY.

Mr. Dunaway presented a document providing general guidelines for council on how to relate to each other, the media, staff, and the public. Council Member Osborn expressed his concern that the policy presented was not enforceable and requested to continue the discussion when Council Member Hill was present.

Council Member Osborn moved to table this item until the October 21, 2010 Council Meeting and Council Member Gonzales seconded the motion. VOTE: Three voted AYE. Motion to table passed.

10. CONSIDER APPOINTMENTS TO AIRPORT ADVISORY BOARD.

Bob vanTil, Director of Community Development, presented a request for Council to consider appointing two new members to the Airport Advisory Board.

Council Member Gonzales moved to appoint Darrell Reiley and Tracy Qualls to the Airport Advisory Board to fill the two vacant positions. Council Member Osborn seconded the motion. VOTE: Three voted AYE. Motion passed.

11. EXECUTIVE SESSION. The Taylor City Council will conduct a closed executive meeting pursuant to the provisions of the Open Meetings Law, Chapter 551, Government Code, and the authority contained in Section 551.087 to discuss or deliberate regarding commercial and/or financial information on a business prospect that the City of Taylor, Texas, seeks to have locate, stay, or expand in or near the City of Taylor, Texas, and with which the City of Taylor, Texas, is conducting economic development negotiations and/or deliberate the offer of financial or other incentives to the business prospect.

- Electric Reliability Council of Texas (ERCOT)

12. CONSIDER ACTION ON EITHER EXECUTIVE SESSION.

Due to the absence of a quorum, the executive session was not held.

ADJOURN

With no further business; Mayor Pro Tem McDonald adjourned the meeting at 7:02 p.m.

John McDonald, Mayor Pro Tem

ATTEST:

Susan Brock, City Clerk

The City Council of the City of Taylor met on October 21, 2010, at City Hall, 400 Porter St., Taylor, Texas. In the absence of Mayor Hortenstine, Mayor Pro Tem McDonald declared a quorum and called the meeting to order at 6:00 p.m. with the following present:

Council Member Chris Gonzales
Council Member Don Hill
Council Member Chris Osborn

Jim Dunaway, City Manager
Jeff Straub, Assistant City Manager
Ted Hejl, City Attorney
Susan Brock, City Clerk

INVOCATION

Jeff Straub led the group in prayer.

PLEDGE OF ALLEGIANCE

CITIZENS COMMUNICATION

Deby Lannen, Main Street Manager, invited everyone to attend the initial event known as Third Thursdays in the downtown area. This event encourages downtown merchants to stay open until 8 pm and includes live music at Heritage Square.

CONSENT AGENDA

1. MINUTES FOR OCTOBER 12, 2010.

Council Member Gonzales moved to approve the consent agenda as presented and Council Member Osborn seconded the motion. VOTE: Four voted AYE. Motion passed.

REGULAR AGENDA – REVIEW/DISCUSS & CONSIDER/ACTION:

2. PROCLAMATION: RECOGNIZE MUNICIPAL COURTS WEEK NOVEMBER 1-5, 2010.

Mayor Pro Tem McDonald presented a proclamation to Judge Randall Pick and Associate Judge Dolores Chavana recognizing November 1-5 as Municipal Courts Week.

3. CONDUCT PUBLIC HEARING FOR ANNEXATION OF PROPERTIES LOCATED ON THE NORTHWEST SIDE OF TAYLOR ON THE EAST AND WEST SIDE OF CR 101 IN THE VICINITY OF THE FUTURE CHANDLER ROAD RIGHT OF WAY.

John Elsdon, City Planner, presented a request to conduct a public hearing on proposed annexation. Mayor Pro Tem McDonald declared the Public Hearing open and the following individuals spoke in opposition to the annexation: Frank Hammack of 111 Cotton Rows Lane, Mary Slagle of 357 CR 368, Donald Bouchard of 123 Cotton Rows Lane, Larry Gordon of 139 Cotton Rows Lane, and Erin King of 301 CR 368. Hearing no additional comments, the hearing was closed.

Mr. Dunaway responded to specific comments made regarding police, fire, water, wastewater, and garbage services, animal control, hunting regulations, and fireworks. No action was taken at this meeting. A second public hearing is scheduled for November 4 when the ordinance regarding this annexation will be introduced.

4. CONDUCT PUBLIC HEARING AND CONSIDER INTRODUCING ORDINANCE 2010-44 TO MODIFY THE ZONING ORDINANCE TO ALLOW SMALL WIND ENERGY SYSTEMS (SWES-WIND TURBINES FOR ELECTRICAL GENERATION) WITHIN

CERTAIN ZONING DISTRICTS.

Mr. Elsdon presented a request to conduct a public hearing on amending the zoning ordinance to allow small wind energy turbines in specific areas. Using other city regulations as a guideline, Mr. Elsdon presented a draft ordinance that specifies height restrictions, safety regulations, noise and zoning restrictions for this type of apparatus.

Mayor Pro Tem McDonald declared the Public Hearing open; Mr. Bill Ward expressed his appreciation for the efforts made by city staff regarding his request to install a wind turbine at his church property on North Main Street. He assured Council that this will be only for their use, he has no plans to sell energy, and he anticipates it will take 7-8 years to recover the cost of installation. Hearing no additional comments, the hearing was closed and Mr. Hejl introduced the ordinance as presented.

ORDINANCE NO. 2010-44

AN ORDINANCE AMENDING ZONING ORDINANCE NO. 2001-17 ADOPTED BY THE CITY OF TAYLOR, TEXAS ON APRIL 24, 2001 AS HERETOFORE AMENDED, BY AMENDING SECTIONS 3.5.2 AND 3.5.3, ADDING SMALL WIND ENERGY SYSTEMS (WIND TURBINES) AS AN ACCESSORY USE; ADDING SMALL WIND ENERGY SYSTEM AND WIND TURBINE TO SECTION 11, DEFINITIONS; AND ADDING TO TABLE 3.3 PERMITTED USES.

5. CONSIDER APPROVING AN INTERLOCAL AGREEMENT WITH THE WILLIAMSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3 FOR AUTOMATIC AID ASSISTANCE FOR FIRE PROTECTION SERVICES.

Chief Pat Ekiss presented a request for Council to consider approving an agreement for automatic aid with the Williamson County Emergency Services (ESD) Number 3. Chief Scott Kerwood with the ESD No. 3 was present to provide additional information regarding the agreement. Chief Ekiss pointed out the benefits of such an arrangement and the value to having a faster response time and more firefighter personnel available in the event of a fire.

Council Member Osborn moved to approve the agreement as presented and Council Member Hill seconded the motion. VOTE: Four voted AYE. Motion passed.

6. CONSIDER APPROVING RESOLUTION R10-18 ADOPTING A COUNCIL RELATIONS POLICY.

Mr. Dunaway presented a request for council to continue their discussion and reconsider approving a council relations policy presented at the previous council meeting. Citing the fact that the proposed policy affects all council members, Council Member Gonzales asked to delay this item until Mayor Hortenstine returns and can provide his input. Council Member Hill offered his support for the policy but requested a delay in approval until after the election next May. Mayor Pro Tem McDonald stressed the importance of establishing these guidelines and reminded council that if approved this item can always be reviewed again at any time if necessary.

Without further discussion, Council Member Osborn moved to approve Resolution R10-18 adopting a council relations policy as presented and Council Member Gonzales seconded the motion. VOTE: Three voted AYE; One voted NO (Council Member Hill). Motion passed.

With the approval of this policy, Mr. Dunaway stated that he would proceed with amending

the existing Ethics Ordinance 99-17 to be consistent with any conflict in policies.

7. DISCUSS AND RECEIVE A REPORT REGARDING POSSIBLE REFUNDING
OPTIONS FOR PREVIOUSLY ISSUED DEBT INCLUDING THE 1997 REVENUE
BONDS AND THE 2002 GENERAL OBLIGATION BONDS.

Rosemarie Dennis, Finance Director, presented information regarding possible options to refund previously issued debt in an effort to save on the long term interest. She pointed out that with lower interest rates the total savings could be as much as \$278,000 over the life of the bond obligation. Staff is currently seeking a new bond rating agency and bond attorney to handle this issuance and Ms. Jennifer Douglas with Specialized Public Financing will present additional details at the November 4th Council meeting when she will be requesting authorization be granted to the City manager and Mayor or Mayor Pro Tem to proceed with the sale of the bonds.

ADJOURN

With no further business; Mayor Pro Tem McDonald adjourned the meeting at 7:30 p.m.

John McDonald, Mayor Pro Tem

ATTEST:

Susan Brock, City Clerk



City Council Meeting
November 4, 2010
Agenda Item Transmittal

Agenda Item #: 2

Agenda Title: Approve Ordinance 2010-44 to modify the Taylor Zoning Ordinance to allow Small Wind Energy Systems (SWES - Wind Turbines for electrical generation) within certain zoning districts

Council Action to be taken: Approve by consent

Initiating Department: Community Development

Staff Contact: John Elsdon, AICP, City Planner

1. INTRODUCTION/PURPOSE

Approve an amendment to the Zoning Ordinance that would allow wind turbines to be installed. The proposed ordinance is modeled after an example published by the American Wind Energy Association as well as other ordinances, such as Grand Prairie.

2. DESCRIPTION/ JUSTIFICATION

The project came to the City's attention when Mr. Ward, Pastor of the Northview Christian Church located at the northeast corner of Highland and North Main, applied to place a wind powered generator at the church to supply electricity to his church.

Since there is no mention in the Zoning Ordinance of this type of use, staff has modified the Zoning Ordinance to allow this use with certain conditions. These include but are not limited to height limitations, setbacks for fall zones, and compliance with FAA regulations, warning signs, climb prevention, visual appearance, and other requirements. A Specific Use Permit will be required for an SWES in Residential zones, and the use will be permitted in Commercial Zones by right.

Other changes to the Zoning Ordinance include a definition for an SWES and a change to the Matrix Table 3.

3. FINANCIAL/BUDGET

4. TIMELINE CONSIDERATIONS

A public hearing was held and this item was introduced at the October 21, 2010 council meeting.

5. RECOMMENDATION

Following several workshops, the Planning and Zoning Commission conducted a public hearing on September 14, 2010. Following the public hearing, the Planning and Zoning Commission recommended approval of Ordinance 2010-44.

6. REFERENCE FILES

2a. Ordinance 2010-44

ORDINANCE NO. 2010-44

AN ORDINANCE AMENDING ZONING ORDINANCE NO. 2001-17 ADOPTED BY THE CITY OF TAYLOR, TEXAS ON APRIL 24, 2001 AS HERETOFORE AMENDED, BY AMENDING SECTIONS 3.5.2 AND 3.5.3, ADDING SMALL WIND ENERGY SYSTEMS (WIND TURBINES) AS AN ACCESSORY USE; ADDING SMALL WIND ENERGY SYSTEM AND WIND TURBINE TO SECTION 11, DEFINITIONS; AND ADDING TO TABLE 3.3 PERMITTED USES.

WHEREAS, the City of Taylor, Texas desires to amend the Zoning Ordinance to allow Small Wind Energy Systems (Wind Turbines) as an accessory use; and

WHEREAS, the City of Taylor, Texas conducted a public hearing regarding the zoning change and no opposition was expressed regarding the zoning change; and

WHEREAS, the City deems it is in the best interest that the amendment in the zoning ordinance be allowed.

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

SECTION 1. All of the facts recited in the preamble to this Ordinance are hereby found by the City Council to be true and correct and are incorporated by reference herein and expressly made a part hereof, as if copied herein verbatim.

SECTION 2. Section 3.5.2, Residential Accessory Uses, is amended to read as follows:

3.5.2 Residential Accessory Uses

Permitted residential accessory uses shall include, but not be limited to, the following uses, activities and structures:

11. Small Wind Energy Systems (SWES or Wind Turbines), with height limitations as established by the zoning district. The following shall apply to SWES:

- a. An application for a Specific Use Permit shall be submitted.
- b. Building Permit: A Building Permit Application shall be submitted with standard drawings of the Wind Turbine structure, a site plan, a line drawing of electrical components, an operational and maintenance plan for the system, and the required fee.

The site plan shall show the planned location of the Wind Turbine and location of and distance to setback lines, the fall zone, property lines, roads, driveways, ROW and any overhead utility lines on the subject property and adjacent properties.

- c. Tower, Base and Footings: Standard drawing of the system's tower, base and footings shall be included with an analysis certified by a licensed professional engineer registered in the State of Texas.
- d. Utility Notification: No permit for a SWES shall be issued until documentation has been provided to the City that the appropriate electric utility company has been informed of the customer's intent to install an interconnected customer-owned generator. Off-grid systems (systems not tied to an electric grid) shall be exempt from this requirement.
- e. Residential Design Standards. The assembled diameter of an SWES shall not exceed 20 feet.
- f. Non-Residential Design Standards. (See Commercial Accessory Uses)
- g. The minimum distance between the ground and any Wind Turbine blades of an SWES shall be 15 feet as measured at the lowest arc of the blades.
- h. Noise: The Wind Turbine shall not exceed 60 dBA as measured at the property line except during short-term weather events such as severe wind storms.
- i. Setbacks: The minimum setback shall be 1.25 times the fall zone from all property lines, public rights-of-way, occupied buildings, and overhead utility lines. No part of the wind system structure such as guy wire anchors may be closer than fifteen (15) feet to the property lines.
- j. Compliance with the International Building Codes: An engineering analysis of the tower showing compliance with the International Building Codes in effect at the time of construction of the tower and certified by a licensed professional engineer registered in

the State of Texas shall be submitted.

- k. Compliance with FAA Regulations: An SWES must comply with applicable FAA and local airport regulations.
- l. All SWES shall be equipped with a redundant braking system, including both aerodynamic over-speed controls (including variable pitch, tip and other similar systems) and mechanical brakes. Mechanical brakes shall be operated in a fail-safe mode. Stall regulation shall not be considered a sufficient braking system for over-speed protection.
- m. Warnings. A clearly visible warning sign that states "Caution High Voltage" must be placed at the base of all pad-mounted transformers and substations. All ground mounted electrical and control equipment shall be labeled and secured to prevent unauthorized access.
- n. Guy wire notice: Visible, reflective colored objects, such as flags, reflectors or tape shall be placed on the anchor points of guy wires and along the guy wires up to a height of ten (10) feet from the ground.
- o. Climb prevention: The tower shall be designed and installed so as not to provide step bolts or a ladder readily accessible to the public for a minimum height of twelve (12) feet from the ground.
- p. Electrical wire location: All electrical wires associated with an SWES shall be located underground.
- q. Visual appearance: A wind tower and generator shall not be artificially lighted unless required by the FAA, and shall remain painted or finished the color that was originally applied by the manufacturer, unless otherwise approved in the building permit.
- r. All post-manufacturer signs shall be prohibited.
- s. An SWES shall be sited to prevent the impact of shadow flicker or blade glint upon any

inhabited structures (except for the owner's) or City roadways.

- t. Abandonment: An SWES that is out of service for a continuous 12-month period will be deemed to be abandoned. A Notice of Abandonment (NOA) may be issued by the City Manager, and the owner has the right to respond within thirty (30) days from the Notice receipt date. The City Manager shall withdraw the NOA if the owner provides information that demonstrates the system has not been abandoned. If the system is abandoned, the owner shall remove the system within three (3) months of receipt of the NOA. If the owner fails to remove the system, the City Manager may pursue legal action to remove the system at the owner's expense; and

SECTION 3. Section 3.5.3, Commercial Accessory Uses, is amended to read as follows (new language in bold):

3.5.3 Commercial Accessory Uses

Retail, commercial and office accessory uses shall include, but not be limited to, the following accessory uses, activities and structures:

- 8. Small Wind Energy Systems (SWES or Wind Turbines), with height limitations as established by the zoning district. The following shall apply to SWES:

- a. Building Permit: A Building Permit Application shall be submitted with standard drawings of the Wind Turbine structure, a site plan, a line drawing of electrical components, an operational and maintenance plan for the system, and the required fee. The site plan shall show the planned location of the Wind Turbine and location of and distance to setback lines, the fall zone, property lines, roads, driveways, ROW and any overhead utility lines on the subject property and adjacent properties.

- b. Tower, Base and Footings: Standard drawing of the system's tower, base and footings shall be included with an

analysis certified by a licensed professional engineer registered in the State of Texas.

c. Utility Notification: No permit for a SWES shall be issued until documentation has been provided to the City that the appropriate electric utility company has been informed of the customer's intent to install an interconnected customer-owned generator. Off-grid systems (systems not tied to an electric grid) shall be exempt from this requirement.

d. Residential Design Standards. (See Residential Accessory Uses)

e. Non-Residential Design Standards. The assembled diameter of an SWES shall not exceed 30 feet. For mixed-use properties the use with the most dedicated square footage shall determine the allowable diameter.

f. The minimum distance between the ground and any Wind Turbine blades of an SWES shall be 15 feet as measured at the lowest arc of the blades.

g. Noise: The Wind Turbine shall not exceed 60 dBA as measured at the property line except during short-term weather events such as severe wind storms.

h. Setbacks: The minimum setback shall be 1.25 times the fall zone from all property lines, public rights-of-way, occupied buildings, and overhead utility lines. No part of the wind system structure such as guy wire anchors may be closer than fifteen (15) feet to the property lines.

i. Compliance with the International Building Codes: An engineering analysis of the tower showing compliance with the International Building Codes in effect at the time of construction of the tower and certified by a licensed professional

engineer registered in the State of Texas shall be submitted.

j. Compliance with FAA Regulations: An SWES must comply with applicable FAA and local airport regulations.

k. All SWES shall be equipped with a redundant braking system, including both aerodynamic over-speed controls (including variable pitch, tip and other similar systems) and mechanical brakes. Mechanical brakes shall be operated in a fail-safe mode. Stall regulation shall not be considered a sufficient braking system for over-speed protection.

l. Warnings. A clearly visible warning sign that states "Caution High Voltage" must be placed at the base of all pad-mounted transformers and substations. All ground mounted electrical and control equipment shall be labeled and secured to prevent unauthorized access.

m. Guy wire notice: Visible, reflective colored objects, such as flags, reflectors or tape shall be placed on the anchor points of guy wires and along the guy wires up to a height of ten (10) feet from the ground.

n. Climb prevention: The tower shall be designed and installed so as not to provide step bolts or a ladder readily accessible to the public for a minimum height of twelve (12) feet from the ground.

o. Electrical wire location: All electrical wires associated with an SWES shall be located underground.

p. Visual appearance: A wind tower and generator shall not be artificially lighted unless required by the FAA, and shall remain painted or finished the color that was originally applied by the manufacturer, unless otherwise approved in the building permit.

q. All post-manufacturer signs shall

be prohibited.

r. An SWES shall be sited to prevent the impact of shadow flicker or blade glint upon any inhabited structures (except for the owner's) or City roadways.

s. Abandonment: An SWES that is out of service for a continuous 12-month period will be deemed to be abandoned. A Notice of Abandonment (NOA) may be issued by the City Manager, and the owner has the right to respond within thirty (30) days from the Notice receipt date. The City Manager shall withdraw the NOA if the owner provides information that demonstrates the system has not been abandoned. If the system is abandoned, the owner shall remove the system within three (3) months of receipt of the NOA. If the owner fails to remove the system, the City Manager may pursue legal action to remove the system at the owner's expense.

SECTION 4.

Table 3, Table of Permitted Uses, is added to show the following:

Table 3 - Permitted Uses

R-A	R-1	R-2	R-3	MH	D	MF-1	MF-2	DN	I	P	B-1	B-2	B-3	BP-1	BP-2	M-1	M-2
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Small Wind Energy System (Wind Turbine)

P	S	S	S	S	S	S	S	S	P		P	P	P	P	P	P	P
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SECTION 5.

Section 11, Definitions, is amended as follows:

Small Wind Energy System (SWES) - A wind energy conversion system consisting of a Wind Turbine, a tower, and associated control or conversion electronics, which has a rated capacity of not more than 100kW.

Wind Turbine - The blades, rotor, and associated mechanical and electrical conversion components mounted on top of the supporting tower of a Small Wind Energy System.

SECTION 6. Should any section, paragraph, clause, phrase, or provision of this Ordinance be adjudged invalid or held unconstitutional, the same shall not affect the validity of this Ordinance as a whole or any part of the provisions thereof, other than the part so decided to be invalid or unconstitutional

In accordance with Article VIII, Section 1, of the City Charter, Ordinance No. 2010-44 was introduced and a public hearing was held before the Taylor City Council on the 21st day of October, 2010.

PASSED, APPROVED, and ADOPTED on the 4th day of November, 2010.

John McDonald, Mayor Pro-Tem

ATTEST:

Susan Brock, City Clerk

CERTIFICATE

THE STATE OF TEXAS

COUNTY OF WILLIAMSON

I, Susan Brock, being the City Clerk of the City of Taylor, Texas, do hereby certify that the attached is a true and correct copy of Ordinance No. 2010-44 passed and approved by the City Council of the City of Taylor, Texas, on the 4th day of November, 2010, and such Ordinance was duly introduced, passed, approved and adopted at meetings open to the public and notices of the meetings, giving the dates, places, and subject matter thereof, were posted as prescribed by Government Code Section 551.043.

Witness my hand and seal of office this the 4th day of November, 2010.

Susan Brock

City Clerk



***City Council Meeting
November 4, 2010
Agenda Item Transmittal***

Agenda Item #: 3

Agenda Title: Consider the adoption of an Ordinance 2010-46 authorizing the issuance of City of Taylor, Texas, General Obligation Refunding Bonds, Series 2010; authorizing a pricing officer to approve the amount, the interest rates, price, redemption provisions and terms thereof and certain other procedures and provisions related thereto; and containing other matters related thereto.

Council Action to be taken: Adopt Ordinance 2010-46 authorizing the issuance of the Bonds and directing the City Manager and/or Mayor Pro Tem to act as pricing agent.

Initiating Department: Finance Department

Staff Contact: Rosemarie Dennis, Director

1. INTRODUCTION/PURPOSE

In order for staff to precede with the Refunding of Series 1997 and Series 2002 bonds, City Council must adopt Ordinance 2010-46 and direct the City Manager and/or Mayor Pro Tem to act as pricing agent.

2. DESCRIPTION/ JUSTIFICATION

At the October 26th City Council meeting, Council received a report in reference to the proposed Refunding opportunity that the City is able to accomplish and the potential savings that this will bring. Included in your packet is a revised timetable on the process and events that will take place in order to close in December. Jennifer Douglas of Specialized Public Finance Inc., who is our financial advisor, will be present to address any questions or concerns that Council may have. Also, Jerry Kyle who will serve as our bond counsel for this refunding will be available.

3. FINANCIAL/BUDGET

The City will incur a potential savings of \$278,052 over the life of the bonds.

4. TIMELINE CONSIDERATIONS

Immediate consideration.

5. RECOMMENDATION

Staff recommends adoption of Ordinance 2010-46 authorizing the issuance of the Bonds and directing the City Manager and/or Mayor Pro Tem to act as pricing agent.

6. REFERENCE FILES

3a Ordinance 2010-46

3b Taylor 2010 Timetable

3c Taylor 2010 Refunding Bonds

ORDINANCE NO. _____

ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF TAYLOR, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010; AUTHORIZING A PRICING OFFICER TO APPROVE THE AMOUNT, THE INTEREST RATES, PRICE, REDEMPTION PROVISIONS AND TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO; AND CONTAINING OTHER MATTERS RELATED THERETO

WHEREAS, the City of Taylor, Texas (the “City”) has heretofore issued and now desires to refund in advance of their maturities all or a portion of the obligations described in Exhibit A to this Ordinance (collectively, the “Refunding Candidates”), subject to certain parameters set forth herein; and

WHEREAS, the City is authorized by Chapter 1207, Texas Government Code, as amended (“Chapter 1207”), to issue refunding bonds for the purpose of refunding the Refunded Obligations (hereinafter defined) and to accomplish such refunding by depositing directly with any place of payment for the Refunded Obligations or a trust company or commercial bank the proceeds from the sale of such refunding bonds, together with any other available funds, in an amount sufficient to provide for the payment or redemption of the Refunded Obligations, and pursuant to Chapter 1207 such deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Obligations; and

WHEREAS, it is hereby found and determined that the refunding must result in a gross savings and a present value savings to the City, as herein provided, and that such savings are sufficient consideration and constitute the public purpose for the issuance of the refunding bonds herein authorized and the refunding of the Refunded Obligations, and such refunding is in the best interest of the City; and

WHEREAS, pursuant to Section 1207.007, Texas Government Code, as amended, the City desires to delegate the authority to effect the sale of the refunding bonds to the Pricing Officer (hereinafter defined); and

WHEREAS, all of the Refunded Obligations mature or are subject to redemption prior to maturity within twenty (20) years of the date of the refunding bonds herein authorized; and

WHEREAS, upon the issuance of the refunding bonds, the deposit of the proceeds thereof and the creation of a special escrow fund pursuant to the terms of an Escrow Agreement (as defined herein), the Refunded Obligations shall no longer be regarded as being outstanding, except for the purpose of being paid pursuant to such Escrow Agreement;

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

Section 1: Definitions; Findings; Titles and Headings.

(a) Unless otherwise expressly provided or unless the context clearly requires otherwise, capitalized terms used in this Ordinance shall have meanings specified in Exhibit B attached hereto.

(b) The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

(c) The titles and heading of the Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 2: Authorization; Principal Amount; Purpose; Designation and Date. The Bonds shall be and are hereby authorized to be issued in the principal amount set forth in the Pricing Officer's Certificate, subject to the limitations set forth in Section 4 of this Ordinance, for the purpose of (i) refunding the Refunded Obligations and (ii) paying the costs of issuance of the Bonds and of refunding the Refunded Obligations. The Bonds shall be issued under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapter 1207. The Bonds shall be designated and shall be dated as provided in the Pricing Officer's Certificate.

Section 3: Fully Registered Obligations; Authorized Denominations; Stated Maturities. The Bonds are issuable in fully registered form only in denominations of \$5,000 or any integral multiple thereof within a stated maturity (unless otherwise provided in the Pricing Officer's Certificate), and the Bonds shall be numbered and mature on the dates, in the years and in the amounts set forth in the Pricing Officer's Certificate. Bonds delivered on transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Paying Agent/Registrar. The Bonds shall bear interest from the date or dates and at the rates (which shall be calculated on the basis) set forth in the Pricing Officer's Certificate. Interest on the Bonds shall be payable on each Interest Payment Date, as provided in the Pricing Officer's Certificate.

Section 4: Delegation to Pricing Officer.

(a) As authorized by Section 1207.007, Texas Government Code, the Pricing Officer is hereby authorized to act on behalf of the City Council in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance, including, without limitation, determining the date on and price at which the Bonds will be sold, the issuance date and dated date therefor, the designation or title by which the Bonds shall be known, the years in which the Bonds will mature, the aggregate principal amount of the Bonds, the principal amount to mature in each year of maturity, the rate or rates of interest to be borne by each such maturity, the Interest Payment Dates and Record Dates therefor, any redemption provisions applicable thereto (including optional and mandatory sinking fund redemption provisions), the Refunding Candidates that are to be refunded,

and all other matters relating to the issuance, sale and delivery of the Bonds (including whether to apply for and procure bond insurance with one or more bond insurers) and the refunding of the Refunded Obligations, including establishing the date or dates of redemption for and effecting the redemption of the Refunded Obligations, all of which shall be specified in the Pricing Officer's Certificate, in the form attached hereto as Exhibit C, with such changes in such form as the Pricing Officer shall determine; provided that:

(i) the aggregate principal amount of the Bonds shall not exceed \$5,000,000;

(ii) the refunding must produce (A) positive gross debt service savings and (B) net present value debt service savings of not less than four percent (4.00%), as shown by a table of calculations prepared by the City's financial advisor and attached to the Pricing Officer's Certificate; and

(iii) the true interest rate of the Bonds (expressed as an interest rate and being the rate used to determine the federal income tax arbitrage yield) shall not exceed five percent (5.00%).

Any finding by a Pricing Officer relating to the sale and delivery of the Bonds and the designation of particular Refunding Candidates to be refunded shall have the same force and effect as a finding or determination made by the City Council.

(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 to provide for the purposes for which the Bonds are authorized and to pay the costs of issuing the Bonds and refunding the Refunded Obligations. The Bonds shall be sold at such price, with and subject to such terms, as set forth in the Pricing Officer's Certificate.

(c) The authority conferred by this Section shall expire at 10:00 p.m. on May 4, 2011.

Section 5: Terms of Payment; Paving Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption, or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of Regions Bank, Houston, Texas, to serve as Paying Agent/Registrar for the Bonds is hereby approved and confirmed. Books and records relating to the registration, payment, transfer and exchange of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, as provided herein and in accordance with the terms and provisions of a Paying Agent/Registrar Agreement, substantially in the form presented at the meeting at which this Ordinance was

adopted, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Mayor is authorized and directed to execute and deliver, and the City Secretary is authorized and directed to attest, such agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the successor Paying Agent/Registrar.

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

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

Section 6: Redemption.

(a) The Bonds shall be subject to redemption as provided in the Pricing Officer's Certificate.

(b) Unless otherwise provided in the Pricing Officer's Certificate, Bonds may be redeemed only in integral multiples of \$5,000 of principal amount. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, the Paying Agent/Registrar shall treat each Bond as representing that number

of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 8 hereof, shall authenticate and deliver in exchange therefor a Bond or Bonds of like type, maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

(c) Not less than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption will be sent by U.S. mail, first class postage prepaid, in the name of the City to each Holder of a Bond to be redeemed in whole or in part at the address of such Holder appearing on the Security Register at the close of business on the Business Day next preceding the date of mailing. Such notice shall state the redemption date, the redemption price, the place at which Bonds are to be surrendered for payment and, if less than all Bonds outstanding are to be redeemed, the numbers of Bonds or portions thereof to be redeemed. Any notice of redemption so mailed as provided in this Section will be conclusively presumed to have been duly given, whether or not the Holder receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed. When Bonds have been called for redemption in whole or in part and notice of redemption has been given as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded to be outstanding, except for the purpose of receiving payment solely from the funds so provided for redemption, and interest which would otherwise accrue or compound after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

(d) With respect to any optional redemption of the Bonds, unless all prerequisites to such redemption required by this Ordinance and the Pricing Officer's Certificate have been met, including moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed having been received by the Paying Agent/Registrar prior to the giving of notice of such redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of all prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, and if such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

Section 7: Ownership; Unclaimed Principal and Interest. The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal of or interest on such Bond and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Amounts held by the Paying Agent/Registrar which represent principal of and interest on the Bonds remaining unclaimed by the Holder after the expiration of three (3) years from the date such amounts have become due and payable shall be reported and disposed of by the Paying Agent/Registrar in accordance with the applicable provisions of Texas law, including, to the extent applicable, Title 6 of the Texas Property Code, as amended. To the extent such provisions of the Property Code do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the City upon receipt by the Paying Agent/Registrar of a written request therefor from the City. The Paying Agent/Registrar shall have no liability to the Holder of any Bond by virtue of actions taken in compliance with this Section.

Section 8: Registration; Transfer and Exchange of Bonds; Predecessor Bonds. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every owner of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Bond (other than the Initial Bond(s) authorized in Section 13 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds of authorized denominations and having the same stated maturity and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bond(s) (other than the Initial Bond(s) authorized in Section 13 hereof) may be exchanged for other Bond(s) of authorized denominations and having the same stated maturity, bearing the same rate of interest and of like aggregate principal amount as the Bond(s) surrendered for exchange, upon surrender of the Bond(s) to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bond is surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bond(s) to the Holder requesting the exchange.

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

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the Holder or assignee of the Holder in not more than three (3) business days after the receipt of the Bonds to be canceled, and the written instrument of transfer or request for

exchange duly executed by the Holder or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Bonds cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be “Predecessor Bonds,” evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term “Predecessor Bonds” shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 18 hereof and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

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

Section 9: Book-Entry Only System. The definitive Bonds 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 DTC, and except as provided in Section 11 hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. 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 Holder at the close of business on the Record Date, the word “Cede & Co.” in this Ordinance shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant 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 City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (b) the delivery to any DTC Participant or any other person, other than a Holder, as shown on the Security Register, of any notice with respect to the Bonds, or (c) the payment to any DTC Participant or any other person, other than a Holder, as shown in the Security Register of any amount with respect to principal of, premium, if any, or interest on the Bonds.

Except as provided in Section 11 of this Ordinance, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Security Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective owners, as shown in the Security Register 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 City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Holder shall receive a Bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance.

Section 10: Payments and Notices to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, as long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on the Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

Section 11: Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certified Bonds, the City or the Paying Agent/Registrar shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (b) notify DTC 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 Security Register 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 Holders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 12: Execution; Registration. The Bonds shall be executed on behalf of the City by the Mayor under its seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the Bond Date shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of the individuals executing the same shall cease to be such officer at the time of delivery of the Bonds to the Underwriter and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Chapter 1201, Texas Government Code, as amended.

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

Section 13: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered certificate in the total principal amount stated in the Pricing Officer's Certificate with principal installments to become due and payable as provided therein and numbered T-1, or (ii) as multiple fully registered certificates, being one certificate for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, stated maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

Section 14: Forms. The form of the Bonds, including the form of the 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 (which shall be attached or affixed to the Bonds initially issued) shall be, respectively, substantially as shown in the Pricing Officer's Certificate attached hereto as Exhibit C, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters, numbers, or other marks of identification, including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association ("CUSIP Numbers"), and such legends and endorsements (including insurance legends in the event the Bonds, or any maturities thereof, are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the Pricing Officer or determined by the officers executing such Bonds, as evidenced by their execution; provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Bonds as to legality shall be responsible for CUSIP numbers incorrectly printed or typed on the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the certificate.

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

Section 15: Bond Fund. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption and retirement of the Bonds, there shall be and is hereby created a special account or fund on the books and records of the City known as the "Special Series 2010 General Obligation Refunding Bond Fund" (the "Bond Fund"), and all moneys deposited to the credit of the Bond Fund shall be kept and maintained in a special banking account at the City's depository bank. Authorized officials of the City are

hereby authorized and directed to make withdrawals from the Bond Fund sufficient to pay the principal of, premium, if any, and interest on the Bonds, as the same become due and payable, and to cause to be transferred to the Paying Agent/Registrar from moneys on deposit in the Bond Fund an amount sufficient to pay the amount of principal and/or interest falling due on the Bonds, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Bonds.

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

Section 16: Tax Levy.

(a) To provide for the payment of principal of and interest on the Bonds, there is hereby levied, within the limits prescribed by law, for the current year and each succeeding year thereafter, while the Bonds or any part of the principal thereof and the interest thereon remain outstanding and unpaid, an ad valorem tax upon all taxable property within the City sufficient to pay the interest on the Bonds and to create and provide a sinking fund of not less than 2% of the principal amount of the Bonds or not less than the principal payable out of such tax, whichever is greater, with full allowance being made for tax delinquencies and the costs of tax collection, and such taxes, when collected, shall be applied to the payment of principal of and interest on the Bonds by deposit to the Bond Fund and to no other purpose.

(b) The City hereby declares its purpose and intent to provide and levy a tax legally sufficient to pay the principal of and interest on the Bonds, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax.

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

Section 17: Security of Funds. All moneys on deposit in the funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

Section 18: Mutilated, Destroyed, Lost or Stolen Bonds. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Holder of a damaged or mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith, including the fees and expenses of the Paying Agent/Registrar.

If any Bond is lost, apparently destroyed or wrongfully taken, the City, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute and the Paying Agent/Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Holder of a lost, apparently destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

- (a) furnish to the City and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (b) furnish such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;
- (c) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that may be imposed; and
- (d) meet any other reasonable requirements of the City and the Paying Agent/Registrar.

If, after the delivery of a replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a replacement Bond, authorize the Paying Agent/Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 19: Satisfaction of Obligation of City.

(a) If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the limited pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

(b) The City may defease the provisions of this Ordinance and discharge its obligations to pay the principal of and interest on any or all of the Bonds (a "Defeased Bond") in any manner now or hereafter permitted by law, including by depositing with the Paying Agent/Registrar, a trust company or commercial bank other than the Paying Agent/Registrar, or with the Comptroller of Public Accounts of the State of Texas either:

(i) cash in an amount equal to the principal amount of such Bonds and premium, if any, and interest thereon to the date of maturity or redemption; or

(ii) pursuant to an escrow or trust agreement, cash and/or Government Securities, which (in the case of Government Securities) may be in book-entry form and the principal of and interest on which will, when due or redeemable at the option of the holder, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, provide money in an amount which, together with other moneys, if any, held in such escrow at the same time and available for such purpose, shall be sufficient to provide for the timely payment of the principal of, premium, if any, and interest on such Defeased Bond(s) to their respective date(s) of maturity or earlier redemption;

provided, however, that if any of the Bonds are to be redeemed prior to their respective dates of maturity, provision shall have been made for giving notice of redemption as provided in this Ordinance. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Upon such deposit, such Bonds shall no longer be regarded to be Outstanding or unpaid. Any surplus amounts not required to accomplish such defeasance shall be returned to the City.

(c) Any agreement pursuant to which the money and/or Government Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Government Securities or the substitution of other Government Securities that mature in amounts and at times that will satisfy the requirements specified in subsection (b) above. Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the

Defeased Bonds, or any principal amount(s) thereof or premium or interest thereon with respect to which such moneys have been so deposited, shall be remitted to the City or deposited as directed by the City.

(d) Any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

Section 20: Ordinance a Contract; Amendments. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 33 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Holders owning a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

Section 21: Covenants to Maintain Tax-Exempt Status.

(a) The City intends that the interest on the Bonds shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended, (the "Code") and all applicable temporary, proposed and final regulations (the "Regulations") and procedures promulgated thereunder and applicable to the Bonds. For this purpose, the City covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Bonds (including all property, the acquisition, construction or improvement of which is to be financed directly or indirectly with the proceeds of the Bonds or the Refunded Obligations) and take or omit to take such other and further actions as may be required by Sections 103 and 141 through 150 of the Code and the Regulations to cause the interest on the Bonds to be and remain excludable from the gross income, as defined in Section 61 of the Code, of the owners of the Bonds for federal income tax purposes. Without limiting the generality of the foregoing, the City shall comply with each of the following covenants:

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

(ii) Except as permitted by Section 141 of the Code and the regulations and rulings thereunder, the City shall, at all times prior to the last stated maturity of the Bonds,

(A) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed directly or indirectly with Gross Proceeds of such series of the Bonds (including property financed with Gross Proceeds of the Refunded Obligations or notes or bonds refunded by the Refunded Obligations and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state or local government, unless such use is solely as a member of the general public, or

(B) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of such series of the Bonds or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Obligations or notes or bonds refunded by the Refunded Obligations other than taxes of general application and interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(iii) Except to the extent permitted by Section 141 of the Code and the regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be "loaned" to a person or entity if (i) property acquired, constructed or improved with Gross Proceeds (including property financed with Gross Proceeds of the Refunded Obligations or notes or bonds refunded by the Refunded Obligations is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (ii) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (iii) indirect benefits, or burdens and

benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

(iv) Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the final stated maturity or final payment of the Refunded Obligations, directly or indirectly invest Gross Proceeds of such Bonds in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the Yield on the Refunded Obligations.

(v) Based on all of the facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered, the City reasonably expects that the proceeds of the Bonds and the Refunded Obligations (to the extent any of such proceeds remain unexpended) will not be used in a manner that would cause the Bonds or the Refunded Obligations or any portion thereof to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(vi) At all times while the Bonds are outstanding, the City will identify and properly account for all amounts constituting gross proceeds of the Bonds in accordance with the Regulations. The City will monitor the yield on the investments of the proceeds of the Bonds and, to the extent required by the Code and the Regulations, will restrict the yield on such investments to a yield which is not materially higher than the yield on the Bonds. To the extent necessary to prevent the Bonds from constituting “arbitrage bonds,” the City will make such payments as are necessary to cause the yield on all yield restricted nonpurpose investments allocable to the Bonds to be less than the yield that is materially higher than the yield on the Bonds.

(vii) The City will not take any action or knowingly omit to take any action, if taken or omitted, would cause the Bonds to be treated as “federally guaranteed” obligations for purposes of Section 149(b) of the Code.

(viii) The City represents that not more than fifty percent (50%) of the proceeds of any new money portion of the Bonds or any new money issue refunded by, the Refunded Obligations was invested in non-purpose investments (as defined in Section 148(f)(b)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code, and the City reasonably expected at the time each issue of the Refunded Obligations was issued that at least eighty-five percent (85%) of the spendable proceeds of the Bonds or the Refunded Obligations would be used to carry out the governmental purpose of such Bonds within the corresponding three-year period beginning on the respective dates of the Bonds or the Refunded Obligations.

(ix) The City will take all necessary steps to comply with the requirement that certain amounts earned by the City on the investment of the

gross proceeds of the Bonds, if any, be rebated to the federal government. Specifically, the City will

(A) maintain records regarding the receipt, investment and expenditure of the gross proceeds of the Bonds as may be required to calculate such excess arbitrage profits separately from records of amounts on deposit in the funds and accounts of the City allocable to other obligations of the City or moneys which do not represent gross proceeds of any obligations of the City and retain such records for at least six years after the day on which the last outstanding Bond is discharged,

(B) account for all gross proceeds under a reasonable, consistently applied method of accounting, not employed as an artifice or device to avoid, in whole or in part, the requirements of Section 148 of the Code, including any specified method of accounting required by applicable Regulations to be used for all or a portion of the gross proceeds,

(C) calculate, at such times as are required by applicable Regulations, the amount of excess arbitrage profits, if any, earned from the investment of the gross proceeds of the Bonds, and

(D) timely pay, as required by applicable Regulations, all amounts required to be rebated to the federal government. In addition, the City will exercise reasonable diligence to assure that no errors are made in the calculations required by the preceding sentence and, if such an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter, including payment to the federal government of any delinquent amounts owed to it, including interest thereon and penalty.

(x) The City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in smaller profit or a larger loss than would have resulted if such arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

(xi) The City will timely file or cause to be filed with the Secretary of the Treasury of the United States the information required by Section 149(e) of the Code with respect to the Bonds on such form and in such place as the Secretary may prescribe.

(xii) The City will not issue or use the Bonds as part of an "abusive arbitrage device" (as defined in Section 1.148-10(a) of the Regulations). Without limiting the foregoing, the Bonds are not and will not be a part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of

the Code and the Regulations, by (i) enabling the City to exploit the difference between tax exempt and taxable interest rates to gain a material financial advantage, or (ii) increasing the burden on the market for tax-exempt obligations.

(xiii) Proper officers of the City charged with the responsibility for issuing the Bonds are hereby directed to make, execute and deliver certifications as to facts, estimates or circumstances in existence as of the date of issuance of the Bonds and stating whether there are facts, estimates or circumstances that would materially change the City's expectations. On or after the date of issuance of the Bonds, the City will take such actions as are necessary and appropriate to assure the continuous accuracy of the representations contained in such certificates.

(b) The covenants and representations made or required by this Section are for the benefit of the Holders and any subsequent Holder, and may be relied upon by the Holder and any subsequent Holder and bond counsel to the City.

In complying with the foregoing covenants, the City may rely upon an unqualified opinion issued to the City by nationally recognized bond counsel that any action by the City or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Bonds to be includable in gross income for federal income tax purposes under existing law.

Notwithstanding any other provision of this Ordinance, the City's representations and obligations under the covenants and provisions of this Section 17 shall survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the exclusion of interest on the Bonds from the gross income of the owners for federal income tax purposes.

Section 22: Qualified Tax-Exempt Obligations. In the event that the Bonds are eligible to be issued as "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code, the Pricing Officer is authorized to designate the Bonds as "qualified tax-exempt obligations" and, with respect to such designation, the Pricing Officer (acting on behalf of the Board) is authorized to make the following representations, which the Board hereby approves: (a) that during the calendar year in which the Bonds are issued, the City (including all entities which issue obligations on behalf of the City) shall not have designated and will not designate obligations, which when aggregated with the Bonds, will result in more than \$30 million (or such lesser amount as shall be prescribed by the Code) of "qualified tax-exempt obligations" being issued and (b) that the City has examined its financing needs for the calendar year in which the Bonds are issued and reasonably anticipates that the amount of bonds, leases, loans or other obligations, together with the Bonds and any other tax-exempt obligations heretofore issued by the City (plus those of all entities which issue obligations on behalf of the City) during the calendar year in which the Bonds are issued, when the higher of the face amount or the issue price of each such tax-exempt obligations issued for the calendar year in which the Bonds are issued by the City is taken into account, will not exceed \$30 million (or such lesser amount as shall be prescribed by the Code).

Section 23: Sale of Bonds.

(a) The Bonds shall be sold and delivered to the Underwriters, who shall be designated in the Bond Purchase Agreement, at the price set forth in the Pricing Officer's Certificate and in accordance with the terms of the Bond Purchase Agreement, which the Pricing Officer is hereby authorized and directed to execute on behalf of the City. The Pricing Officer and all other officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds.

(b) The Pricing Officer and the City's financial advisor and consultants are authorized hereby to take such actions as any such officer, official, advisor or consultant shall approve in seeking ratings on the Bonds from Moody's Investors Service, Fitch Ratings or Standard & Poor's Ratings Services, or any confirmation of such firms, and such actions are hereby ratified and confirmed.

Section 24: Official Statement. The Pricing Officer is hereby authorized to approve, in the name and on behalf of the City, in connection with the sale of the Bonds, the preparation and distribution of a Preliminary Official Statement and a final Official Statement relating to the Bonds to be used by the Underwriter in marketing the Bonds. The appropriate officials of the City are hereby authorized to sign such Official Statement and/or to deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

Section 25: Application of Bond Proceeds. Proceeds from the sale of the Bonds shall, promptly upon receipt by the City, be applied in accordance with the provisions set forth in the Pricing Officer's Certificate.

Section 26: Escrow Agreement. The discharge and defeasance of the Refunded Obligations shall be effectuated pursuant to the terms and provisions of the Escrow Agreement, substantially in the form presented at the meeting at which this Ordinance was adopted, to be entered into by and between the City and the Escrow Agent, the terms and provisions of which are hereby approved, subject to such insertions, additions, deletions, and modifications as shall be approved by the Pricing Officer, including any insertions, additions, deletions, and modifications as may be necessary (a) to carry out the program designed for the City by the Underwriters, (b) to maximize the City's present value savings and/or to minimize the City's costs of refunding, (c) to comply with all applicable laws and regulations relating to the refunding of the Refunded Obligations and (d) to carry out the other intents and purposes of this Ordinance; and, the appropriate officials of the City are hereby authorized to execute and deliver such Escrow Agreement on behalf of the City in multiple counterparts and to attest thereto and affix the City's seal.

Section 27: Redemption of Refunded Obligations. To maximize the City's present value savings and to minimize the City's costs of refunding, the City hereby authorizes and directs that certain of the Refunded Obligations shall be called for redemption prior to maturity in the amounts, at the dates and at the redemption prices set forth in the Pricing Officer's Certificate, and the appropriate officials of the City are hereby authorized and directed to take all

necessary and appropriate action to give or cause to be given a notice of redemption to the holders or paying agent/registrars, as appropriate, of such Refunded Obligations, in the manner required by the documents authorizing the issuance of such Refunded Obligations.

Section 28: Purchase of Escrowed Securities. The Pricing Officer and the Escrow Agent are hereby authorized (a) to subscribe for, agree to purchase, and purchase securities that are permitted investments for a defeasance escrow established to defease the Refunded Obligations, and to execute any and all subscriptions, purchase agreements, commitments, letters of authorization and other documents necessary to effectuate the foregoing, and any actions heretofore taken for such purpose are hereby ratified and approved, and (b) to direct and provide for such contributions to the escrow fund as are provided in the Escrow Agreement.

Section 29: Control and Custody of Bonds; Further Procedures. The Mayor shall be and is hereby authorized to take and have charge of all necessary orders and records pending the sale and delivery of the Bonds and the investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and the Mayor shall take and have charge and control of the Initial Bond(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Underwriter.

Furthermore, the Mayor, Mayor Pro Tem, City Manager, Finance Director, and City Secretary, individually or collectively, are hereby authorized and directed to furnish and execute such documents and certifications relating to the City and the issuance of the Bonds, including a certification as to facts, estimates, circumstances and reasonable expectations pertaining to the use and expenditure and investment of the proceeds of the Bonds as may be necessary for the approval of the Attorney General and their registration by the Comptroller of Public Accounts. In addition, such officials, together with the City's financial advisor, bond counsel and the Paying Agent/Registrar, are authorized and directed to (a) take all other actions that are reasonably necessary to provide for the issuance and delivery of the Bonds and the defeasance, redemption and discharge of the Refunded Obligations, including, without limitation, executing and delivering on behalf of the City all certificates, consents, receipts, requests, notices, and other documents as may be reasonably necessary to satisfy the City's obligations under this Ordinance and the ordinances authorizing the issuance of the Refunded Obligations and to direct the transfer and application of funds of the City consistent with the provisions of this Ordinance and (b) make the necessary arrangements for the delivery of the Initial Bond(s) to the Underwriter and the initial exchange thereof for definitive Bonds.

Section 30: Notices to Holders; Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive

such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 31: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the City.

Section 32: Engagement of Bond Counsel; Bond Counsel's Opinion. The engagement of Andrews Kurth LLP, Austin, Texas, as bond counsel for the City in connection with the issuance, sale and delivery of the Bonds is hereby approved, ratified and confirmed; and, the Mayor or Mayor Pro Tem is hereby authorized to approve, execute and deliver an engagement letter in substantially the form presented to the City Council with this Ordinance, subject to such insertions, additions, deletions, and modifications as shall be approved by such official.

The Underwriter' obligation to accept delivery of the Bonds is subject to being furnished a final opinion of Andrews Kurth LLP, Austin, Texas, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. An executed counterpart of said opinion shall accompany the global certificates deposited with DTC or a reproduction thereof shall be printed on the definitive Bonds in the event the book-entry-only system shall be discontinued.

Section 33: Continuing Disclosure Undertaking.

(a) Annual Reports. The City shall provide annually to the MSRB, within six (6) months after the end of each fiscal year and in an electronic format prescribed by the MSRB, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the quantitative financial information and operating data with respect to the City, as determined by the Pricing Officer and identified in the Pricing Officer's Certificate. Financial statements to be provided shall be (1) prepared in accordance with such accounting principles as the City may be required to employ from time to time pursuant to State law or regulation and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available at the time the financial information and operating data must be provided, then the City shall provide unaudited financial statements for the applicable fiscal year to the MSRB with the financial information and operating data and will file the annual audit report when and if the same becomes available.

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

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

(b) Material Event Notices. The City shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner (not in excess of ten (10) days after the occurrence of the event), of any of the following events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) 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;
- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the City;

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

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

(c) Identifying Information. All documents provided to the MSRB shall be accompanied by identifying information, as prescribed by the MSRB.

(d) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (b) hereof of any Bond calls and defeasance that cause the City to be no longer such an “obligated person.”

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

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

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

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

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the City from time to time. to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted underwriters to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (i) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (ii) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (a) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Section 34: Benefits of Ordinance. Nothing in this Ordinance; expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, and this Ordinance and all its provisions is intended to be and shall be for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

Section 35: No Recourse Against City Officials. No recourse shall be had for the payment of principal of or interest on any Bonds or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Bonds.

Section 36: Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

Section 37: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 38: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural

number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

Section 39: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

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

Section 41: Effective Date. This Ordinance shall take effect and be in full force immediately from and after its adoption on the date hereof.

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PASSED AND ADOPTED, this _____, 2010.

CITY OF TAYLOR, TEXAS

Mayor

ATTEST:

City Secretary

(City Seal)

EXHIBIT A

REFUNDING CANDIDATES

Waterworks and Sewer System Revenue Bonds, Series 1997

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Principal Amount</u>
August 15, 2011	4.210%	\$255,000
August 15, 2012	4.260%	265,000
August 15, 2013	4.310%	275,000
August 15, 2014	4.360%	290,000
August 15, 2015	4.360%	305,000
August 15, 2016	4.410%	615,000
August 15, 2017	4.410%	645,000

General Obligation Refunding and Improvement Bonds, Series 2002

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Principal Amount</u>
August 15, 2011	4.25%	\$105,000
August 15, 2012	4.35%	105,000
August 15, 2013	4.45%	110,000
August 15, 2014	4.50%	120,000
August 15, 2015	4.60%	120,000
* * *	* * *	* * *
August 15, 2017	4.750%	255,000
* * *	* * *	* * *
August 15, 2019	4.850%	285,000
* * *	* * *	* * *
August 15, 2022	5.000%	345,000

EXHIBIT B

DEFINITIONS

Capitalized words or terms, whenever the same appear in the Ordinance without qualifying language, shall have the following meaning:

“Attorney General” shall mean the Attorney General of the State of Texas.

“Bond” or “Bonds” shall mean any or all of the bonds authorized by the Ordinance.

“Bond Fund” shall mean the special fund created and established under the provisions of Section 11 of the Ordinance.

“Bond Purchase Agreement” shall mean the agreement between the City and the Underwriters referred to in Section 23 of this Ordinance.

“Business Day” shall mean any day which is not a Saturday, Sunday, or a day on which the Paying Agent/Registrar is authorized by law or executive order to close.

“Chapter 1207” shall mean Chapter 1207, Texas Government Code, as amended.

“City” shall mean the City of Taylor, Texas and, where appropriate, its City Council.

“City Council” shall mean the governing body of the City.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Comptroller” shall mean the Comptroller of Public Accounts of the State of Texas.

“DTC” shall mean The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, or any successor securities depository.

“DTC Participant” shall mean brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Escrow Agent” shall mean Regions Bank, Houston, Texas and its successors in that capacity.

“Escrow Agent” shall mean the place of payment for the Refunded Obligations or trust company or commercial bank identified in the Escrow Agreement, and its successors in such capacity.

“Escrow Agreement” shall mean the escrow agreement between the City and the Escrow Agent, referred to in Section 26 of the Ordinance, relating to the escrow of funds to pay the Refunded Obligations.

“Fiscal Year” shall mean the City’s then designated fiscal year, which currently is the twelve-month period beginning on the first day of October of a calendar year and ending on the last day of September of the next succeeding calendar year and each such period may be designated with the number of the calendar year in which such period ends.

“Government Securities” shall mean (1) direct non-callable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (2) non-callable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and on the date of their acquisition or purchase by the City are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent and (3) non-callable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and on the date of their acquisition or purchase by the City are rated, as to investment quality, by a nationally recognized investment rating firm not less than “AAA” or its equivalent.

“Gross Proceeds” shall mean any proceeds as defined in Section 1.148 1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148 1(c) of the Regulations, of the Bonds.

“Holder” shall mean the person or entity in whose name any Bond is registered in the Security Register.

“Initial Bond” shall mean the initial bond(s) authorized by Section 13 herein.

“Interest Payment Date” shall mean the date or dates specified in the Pricing Officer’s Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Ordinance” shall mean Ordinance No. _____ adopted by the City Council on November 4, 2010, authorizing the issuance of the Bonds, and all amendments thereof and supplements thereto.

“Outstanding”, when used with respect to Bonds, shall mean, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except: (1) those Bonds cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation; (2) those Bonds for which payment has been duly provided by the City in accordance with the provisions of Section 19 of this Ordinance; and (3) those Bonds that have been mutilated, destroyed, lost, or stolen and replacement

Bonds have been registered and delivered in lieu thereof as provided in Section 18 of the Ordinance.

“Paying Agent/Registrar” shall mean Regions Bank, Houston, Texas, and its successors in that capacity.

“Paying Agent/Registrar Agreement” shall mean the agreement between the City and the Paying Agent/Registrar setting forth the duties and obligations of the Paying Agent/Registrar with respect to the Bonds.

“Pricing Officer” shall mean any one of the following officers of the City: the Mayor, the Mayor Pro Tem, the City Manager, or the Finance Director.

“Pricing Officer’s Certificate” shall mean a certificate signed by the Pricing Officer establishing the terms and features of the Bonds in accordance with Sections 2, 3, 4 and 23 of this Ordinance.

“Record Date” shall mean the day specified in the Pricing Officer’s Certificate.

“Refunded Obligations” shall mean the Refunding Candidates that are further identified as Refunded Obligations in the Pricing Officer’s Certificate.

“Refunding Candidates” shall mean those certain obligations set forth in Exhibit A hereto.

“Report” shall mean the verification report verifying the accuracy of certain mathematical computations relating to the Bonds and the refunding of the Refunded Obligations.

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

“SEC” shall mean the United States Securities and Exchange Commission.

“Security Register” shall mean the registration books for the Bonds kept by the Paying Agent/Registrar in which is maintained the name and address of, and the principal amounts registered to, each Holder of a Bond.

“Underwriter” shall mean the purchaser or purchasers of the Bonds identified in the Bond Purchase Agreement.

EXHIBIT C

PRICING OFFICER'S CERTIFICATE

CITY OF TAYLOR, TEXAS
GENERAL OBLIGATION REFUNDING BONDS, SERIES _____

THIS PRICING OFFICER'S CERTIFICATE is executed as of _____, 20____ by the [_____] of the City of Taylor, Texas (the "City"), pursuant to the authorization contained in an ordinance of the City Council, acting as the governing body of the City, adopted on November 4, 2010 (the "Ordinance"), authorizing the issuance of the captioned series of bonds and delegating to the undersigned the authority to agree to and stipulate certain terms and provisions thereof, all of which are set forth herein.

Capitalized terms used in this Pricing Officer's Certificate shall have the meanings assigned to them in the Ordinance.

1. Principal Amount, Maturity Amount, Numbers, Interest Rates, Interest Payment Dates and Maturities. The Bonds shall be designated as the "City of Taylor, Texas General Obligation Refunding Bonds, Series 20____," dated _____, 20____ and issued in the total authorized principal amount of \$_____. The Bonds shall be dated _____, 20____, and bear interest from their [dated date/date of their initial delivery]. The Interest Payment Date for the Bonds shall be each _____ and _____, commencing _____, _____, until maturity or prior redemption; and, the Record Date shall be the last business day of the month next preceding each Interest Payment Date.

The Bonds shall mature on _____ in each of the years and in the amounts set out in the following schedule:

<u>Bond</u> <u>Number</u>	<u>Year of Maturity</u> <u>(_____)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
R-1			
R-2			
R-3			
R-4			
R-5			
R-6			
R-7			
R-8			
R-9			
R-10			

2. Redemption.

- (a) Optional. The Bonds maturing on and after _____, ____ are subject to optional redemption, in whole or, from time to time, in part on _____, _____, or any date on or after, at a redemption price of par plus accrued interest thereon.
- (b) Mandatory. The Bonds maturing in the years _____ and _____ will be issued as term bonds and shall be subject to the following mandatory redemption requirements:

TERM BONDS MATURING _____, _____

Mandatory Redemption Date (_____)	Principal Amount	Redemption Price
		100%
		100
		100
		100

TERM BONDS MATURING _____ 15, _____

Mandatory Redemption Date (_____)	Principal Amount	Redemption Price
		100%
		100
		100
		100

To the extent that such Term Bonds have been previously called for redemption or purchased and retired in part and otherwise than from scheduled mandatory redemption payments, future mandatory redemption payments may be reduced by the principal amount of such Term Bonds so redeemed or purchased.

In lieu of mandatorily redeeming the Term Bonds, the City reserves the right to purchase for cancellation Term Bonds of the same maturity at a price no greater than the applicable redemption price of such Term Bonds.

The Paying Agent/Registrar will select by lot the specific Term Bonds (or with respect to Term Bonds having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Term Bonds required to be redeemed on any redemption date pursuant to the foregoing mandatory redemption provisions shall be reduced, at the option of the City, by the principal

amount of any Bonds having the same maturity which have been purchased or redeemed by the City as follows, at least forty-five (45) days prior to the mandatory redemption date:

- (i) if the City directs the Paying Agent to purchase Bonds with money in the debt service fund for the Bonds (at a price not greater than par plus accrued interest to the date of purchase), then a credit of 100% of the principal amount of such Bonds purchased will be made against the next mandatory redemption installment due, or
- (ii) if the City purchases or redeems Bonds with other available moneys, then the principal amount of such Bonds will be credited against future mandatory redemption installments in any order, and in any annual amount, that the City may direct.

3. Purchase Price. The sale of the Bonds is authorized pursuant to the Bond Purchase Agreement at the following price:

PRINCIPAL AMOUNT \$_____

Plus Original Issue Premium _____

Less Underwriter's Discount _____

PURCHASE PRICE \$_____

It is hereby found and declared that the sale of the Bonds pursuant to the Bond Purchase Agreement at such price is on the best terms and at the best prices reasonably obtainable by the City.

Proceeds from the sale of the Bonds shall be applied as follows:

- (a) An amount equal to accrued interest on the Bonds, if any, shall be deposited into the Debt Service Fund;
- (b) The remaining proceeds from the sale of the Bonds shall be applied to establish an escrow fund under the Escrow Agreement to refund the Refunded Obligations, and to the extent not otherwise provided for, to pay all expenses arising in connection with the issuance of the Bonds and the refunding of the Refunded Obligations, as approved by the City; and
- (c) Any proceeds of the Bonds remaining after making all such deposits and payments shall be deposited into the Debt Service Fund and used to pay debt service on the Bonds.

4. Escrow Agreement and Deposit. The Escrow Agreement attached as Exhibit A hereto is hereby approved. Pursuant to Sections 25 and 28 of the Ordinance, \$_____ from the proceeds of the Bonds shall be deposited into the Escrow Fund created pursuant to the Escrow Agreement and applied to refund the Refunded Obligations.

5. Form of Bond. Pursuant to Section 14 of the Ordinance, the Form of Bond as set forth in Exhibit B hereto is hereby approved and supersedes the Form of Bond set forth in the Ordinance.
6. The Refunded Obligations shall be those bonds identified in Exhibit C hereto.
7. Pursuant to Section 4 of the Ordinance, we hereby further find and determine that:
 - a. The aggregate principal amount of the Bonds is \$_____, which is not more than \$5,000,000;
 - b. The gross savings to the City is \$_____ and the net present value debt service savings to the City is _____% (which is not less than 4.00%), as shown on Exhibit D hereto; and
 - c. The true interest rate of the Bonds (i.e., the rate used to determine the federal income tax arbitrage yield) is _____% (which is not more than 5.00%).
8. Pursuant to Section 33 of the Ordinance, the City shall provide updated financial information and operating data to the MSRB each year to the extent, by the times, subject to the exceptions noted, and as provided in the Official Statement under the caption "CONTINUING DISCLOSURE OF INFORMATION – Annual Reports."
9. [The Bonds are eligible to be issued as "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code and, pursuant to Section 22 of the Ordinance, the undersigned hereby designates the Bonds as "qualified tax-exempt obligations." In accordance with the designation of the Bonds as "qualified tax-exempt obligations," the undersigned (acting on behalf of the Board) makes the following representations: (a) that during the calendar year 2010, which is the calendar year in which the Bonds are issued, the City (including all entities which issue obligations on behalf of the City) has not and will not designate obligations, which when aggregated with the Bonds, will result in more than \$____ million of "qualified tax-exempt obligations" being issued and (b) that the City has examined its financing needs for 20____ and reasonably anticipates that the amount of bonds, leases, loans or other obligations, together with the Bonds and any other tax-exempt obligations heretofore issued by the City (plus those of all entities which issue obligations on behalf of the City) during 20____, when the higher of the face amount or the issue price of each such tax-exempt obligations issued for 20____ is taken into account, will not exceed \$____ million.]
10. The undersigned hereby finds, determines and declares, that in accordance with the requirements of the Ordinance, this Pricing Officer's Certificate complies with and satisfies the terms and provisions of the Ordinance in accordance with the delegation contained therein.

<EXECUTION PAGE FOLLOWS>

WITNESS MY HAND this _____, 200__.

Pricing Officer

EXHIBIT A TO PRICING OFFICER'S CERTIFICATE
ESCROW AGREEMENT

EXHIBIT B TO PRICING OFFICER'S CERTIFICATE

FORM OF BOND

(a) Form of Definitive Bond.

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF TAYLOR, TEXAS
GENERAL OBLIGATION REFUNDING BOND, SERIES 2010

Bond Date:	Interest Rate:	Stated Maturity:	CUSIP NO:
_____, 20__	_____	_____	_____

Registered Owner: _____

Principal Amount: _____ DOLLARS

The City of Taylor (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Williamson, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the Bond Date at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____ and _____ in each year, commencing _____, 20__.

Principal of this Bond is payable at its Stated Maturity or redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for

such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

THIS BOND IS ONE OF THE SERIES specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Bonds") for the purpose of refunding certain outstanding obligations of the City, paying costs of such refunding and paying costs of issuance related thereto, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapter 1207, Texas Government Code, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

THE CITY RESERVES THE RIGHT, at its option, to redeem prior to maturity the Bonds maturing on or after _____, ___, in whole or in part, on _____, ___ or on any date thereafter, at a price equal to par plus accrued interest to the date of redemption.

THE BONDS MATURING IN THE YEARS 20__ and 20__ (the "Term Bonds") are subject to mandatory redemption prior to maturity in the following amounts (subject to reduction as hereinafter provided), on the following dates, in whole or in part, at a price equal to the principal amount thereof plus accrued interest thereon to the redemption date, without premium:

Term Bonds		Term Bonds	
Due _____, 20__		Due _____, 20__	
<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
	\$		\$

(maturity)

(maturity)

TO THE EXTENT THAT SUCH TERM BONDS have been previously called for redemption or purchased and retired in part and otherwise than from scheduled mandatory redemption payments, future mandatory redemption payments may be reduced by the principal amount of such Term Bonds so redeemed or purchased.

IN LIEU OF MANDATORILY REDEEMING the Term Bonds, the City reserves the right to purchase for cancellation Term Bonds of the same maturity at a price no greater than the applicable redemption price of such Term Bonds.

THE PAYING AGENT/REGISTRAR will select by lot the specific Term Bonds (or with respect to Term Bonds having a denomination in excess of \$5,000, each \$5,000 portion thereof)

to be redeemed by mandatory redemption. The principal amount of Term Bonds required to be redeemed on any redemption date pursuant to the foregoing mandatory redemption provisions shall be reduced, at the option of the City, by the principal amount of any Bonds having the same maturity which have been purchased or redeemed by the City as follows, at least 45 days prior to the mandatory redemption date:

(i) if the City directs the Paying Agent/Registrar to purchase Bonds with money in the debt service fund for the Bonds (at a price not greater than par plus accrued interest to the date of purchase), then a credit of 100% of the principal amount of such Bonds purchased will be made against the next mandatory redemption installment due, or

(ii) if the City purchases or redeems Bonds with other available moneys, then the principal amount of such Bonds will be credited against future mandatory redemption installments in any order, and in any annual amount, that the City may direct.

NOT LESS THAN THIRTY (30) DAYS prior to a redemption date, a notice of redemption will be sent by U.S. mail, first class postage prepaid, in the name of the City to each registered owner of a Bond to be redeemed in whole or in part at the address of the registered owner appearing on the registration books of the Registrar at the close of business on the business day next preceding the date of mailing. When Bonds or portions thereof have been called for redemption and due provision has been made to redeem the same, the amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the Bonds or portions thereof called for redemption shall terminate on the date fixed for redemption.

WITH RESPECT TO ANY OPTIONAL REDEMPTION OF THE BONDS, unless all prerequisites to such redemption required by the Ordinance have been met, including moneys sufficient to pay the principal of and premium, if any, and interest on this Bonds having been received by the Paying Agent/Registrar prior to the giving of notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of all prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, and if such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem this Bond and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that this Bond has not been redeemed.

THE BONDS ARE PAYABLE from the proceeds of an annual ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City.

REFERENCE IS HEREBY MADE TO THE ORDINANCE, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all the provisions of which the Holder by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the

rights, duties, and obligations of the City and the Paying Agent/Registrar, the terms and provisions upon which the tax levy and covenants made in the Ordinance may be discharged at or prior to the maturity of this Bond, and this Bond deemed to be no longer Outstanding thereunder; and for the other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Ordinance.

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

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

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

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

CITY OF TAYLOR, TEXAS

Mayor

COUNTERSIGNED:

City Secretary

(SEAL)

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

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

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

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

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

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

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

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

REGIONS BANK,
as Paying Agent/Registrar

By _____
Authorized Signature

ASSIGNMENT

_____(Social Security or other identifying number) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

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

HOU:3064966.1

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

REGISTERED
NO. T-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF TAYLOR, TEXAS
GENERAL OBLIGATION REFUNDING BOND, SERIES 2010

Bond Date: _____, 20__

Registered Owner: _____

Principal Amount: _____

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

<u>Year</u>	<u>Principal Installments</u>	<u>Interest Rate</u>
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(Information to be inserted from schedule in Section 2 hereof).

(or so much thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal amounts hereof from the Bond Date at the per annum rate(s) of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 of each year, commencing August 15, 2010. Principal installments of this Bond are payable at its Stated Maturity or on a redemption date to the registered owner hereof by Regions Bank (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in Houston, Texas (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date hereof and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall

have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

EXHIBIT C TO PRICING OFFICER'S CERTIFICATE

DESCRIPTION OF REFUNDED OBLIGATIONS

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Call Date</u>	Price <u>(% of Principal Amount)</u>
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EXHIBIT D TO PRICING OFFICER'S CERTIFICATE
PRESENT VALUE SAVINGS CALCULATION



SPECIALIZED PUBLIC FINANCE INC.
FINANCIAL ADVISORY SERVICES

City of Taylor, Texas Summary Timetable for Issuance of General Obligation Refunding Bonds, Series 2010

- | | |
|------------------------------|--|
| *Thursday, November 4, 2010* | • City Council adopts an ordinance authorizing the issuance of the Bonds and directing the City Manager and/or Mayor to act as pricing agent if City Council parameters are met. |
| Tuesday, November 9, 2010 | • Rating agency call with City Staff. |
| Thursday, November 11, 2010 | • Preliminary Official Statement is electronically distributed by financial advisor. |
| Tuesday, November 16, 2010 | • Ratings are received. |
| Thursday, November 18, 2010 | • Bonds are priced with underwriters by financial advisor (tentative date, based on market conditions.) |
| | • Bonds are awarded to underwriter by signature of City Manager or Mayor, assuming parameters established by City Council are met. |
| *Tuesday, November 23, 2010* | • SPFI briefs Council on sale results. |
| Tuesday, December 14, 2010 | • Closing. Bonds are delivered and existing bonds redeemed. |

* Requires Official Council Meeting.



City of Taylor, Texas
General Obligation Refunding Bonds, Series 2010 (“Bonds”)
Scenario 1

Refunding Analysis

Original Issue Outstanding:

Water Works & Sewer System Revenue Bonds, Ser 97	\$2,650,000
General Obligation Refunding & Improvement Bonds, Ser 02	\$1,445,000

Interest Rates on Refunded Bonds:	4.210 - 5.00%
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Call Date:

Series 1997	Current
Series 2002	8/15/2012

Projected Refunding Issue:	\$4,060,000
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Estimated Interest Rate on Refunding Bonds (same term):	2.210%
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Annual Estimated Savings:	\$278,052
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Estimated Present Value Savings	6.449%
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Negative Arbitrage:	\$46,056
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Refunding Summary as of September 30, 2010 *

				FYE 9/30	Prior Net D/S	New Net D/S	Savings
Refunded Debt:				2011	\$ 543,415	\$ 537,553	\$ 5,862
	<u>Maturities</u>	<u>Amount</u>	<u>Callable</u>	2012	538,217	499,568	38,650
WW&SS Rev, Series 1997	2012-2020	\$ 4,600,000	current	2013	537,361	504,000	33,361
GO Ref & Imp Bds, Series 2002	2013-2021	\$ 1,120,000	8/15/2012	2014	545,613	505,600	40,013
				2015	542,569	502,000	40,569
				2016	838,751	798,300	40,451
				2017	840,692	798,500	42,192
				2018	171,073	160,850	10,223
				2019	169,283	161,650	7,633
				2020	127,250	122,300	4,950
				2021	126,750	119,000	7,750
				2022	126,000	119,600	6,400
					<u>\$ 5,106,973</u>	<u>\$ 4,828,921</u>	<u>\$ 278,052</u>
Avg Coupon Range on Refunded Bonds:							
4.21%-5.00%							
Preliminary Summary of Results							
Delivery Date	12/1/2010						
Est. True Interest Cost	2.210%						
Par Amount of Refunding Bonds	\$ 4,060,000						
Maturing	2011 - 2022						
Total Debt Service Savings	\$ 278,052						
Net Present Value Savings (\$)	\$ 247,323						
Net Present Value Savings (%)	6.449%						

* All financing assumptions are as of September 30, 2010 for purposes of illustration only. Preliminary, subject to change.
Preliminary savings are net of all estimated financing costs.

City of Taylor, Texas

\$4,060,000.00 General Obligation Refunding Bonds, Series 2010
preliminary as of September 30, 2010

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
09/30/2011	436,680.01	114,030.02	537,553.32	543,415.02	5,861.70
09/30/2012	390,000.00	109,567.50	499,567.50	538,217.00	38,649.50
09/30/2013	504,000.00	-	504,000.00	537,360.50	33,360.50
09/30/2014	505,600.00	-	505,600.00	545,613.00	40,013.00
09/30/2015	502,000.00	-	502,000.00	542,569.00	40,569.00
09/30/2016	798,300.00	-	798,300.00	838,751.00	40,451.00
09/30/2017	798,500.00	-	798,500.00	840,692.00	42,192.00
09/30/2018	160,850.00	-	160,850.00	171,072.50	10,222.50
09/30/2019	161,650.00	-	161,650.00	169,282.50	7,632.50
09/30/2020	122,300.00	-	122,300.00	127,250.02	4,950.02
09/30/2021	119,000.00	-	119,000.00	126,750.02	7,750.02
09/30/2022	119,600.00	-	119,600.00	126,000.00	6,400.00
Total	\$4,618,480.01	\$223,597.52	\$4,828,920.82	\$5,106,972.56	\$278,051.74

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	234,166.42
Net PV Cashflow Savings @ 2.709%(AIC)	234,166.42
Accrued Interest Credit to Debt Service Fund	8,100.00
Contingency or Rounding Amount	5,056.71
Net Present Value Benefit	\$247,323.13
Net PV Benefit / \$3,835,000 Refunded Principal	6.449%

Refunding Bond Information

Refunding Dated Date	11/01/2010
Refunding Delivery Date	12/01/2010

City of Taylor, Texas

\$4,060,000.00 General Obligation Refunding Bonds, Series 2010
preliminary as of September 30, 2010

Debt Service To Maturity And To Call

Date	Refunded Bonds	Interest to Call	D/S To Call	Principal	Interest	Refunded D/S
09/30/2011	2,650,000.00	103,871.94	2,753,871.94	255,000.00	174,385.00	429,385.00
09/30/2012	1,235,000.00	59,000.00	1,294,000.00	265,000.00	163,649.50	428,649.50
09/30/2013	-	-	-	385,000.00	152,360.50	537,360.50
09/30/2014	-	-	-	410,000.00	135,613.00	545,613.00
09/30/2015	-	-	-	425,000.00	117,569.00	542,569.00
09/30/2016	-	-	-	740,000.00	98,751.00	838,751.00
09/30/2017	-	-	-	775,000.00	65,692.00	840,692.00
09/30/2018	-	-	-	140,000.00	31,072.50	171,072.50
09/30/2019	-	-	-	145,000.00	24,282.50	169,282.50
09/30/2020	-	-	-	110,000.00	17,250.02	127,250.02
09/30/2021	-	-	-	115,000.00	11,750.02	126,750.02
09/30/2022	-	-	-	120,000.00	6,000.00	126,000.00
Total	\$3,885,000.00	\$162,871.94	\$4,047,871.94	\$3,885,000.00	\$998,375.04	\$4,883,375.04

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	11/01/2010
Average Life	5.400 Years
Average Coupon	4.7587368%
Weighted Average Maturity (Par Basis)	5.317 Years

Refunding Bond Information

Refunding Dated Date	11/01/2010
Refunding Delivery Date	12/01/2010

City of Taylor, Texas

\$4,060,000.00 General Obligation Refunding Bonds, Series 2010
preliminary as of September 30, 2010

Sources & Uses

Dated 11/01/2010 | Delivered 12/01/2010

Sources Of Funds

Par Amount of Bonds	\$4,060,000.00
Reoffering Premium	113,183.10
Accrued Interest from 11/01/2010 to 12/01/2010	8,100.00

Total Sources	\$4,181,283.10
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Uses Of Funds

Total Underwriter's Discount (0.750%)	30,450.00
Costs of Issuance	65,000.00
Gross Bond Insurance Premium	32,329.35
Deposit to Debt Service Fund	8,100.00
Deposit to Net Cash Escrow Fund	4,040,347.04
Rounding Amount	5,056.71

Total Uses	\$4,181,283.10
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City of Taylor, Texas

\$4,060,000.00 General Obligation Refunding Bonds, Series 2010

preliminary as of September 30, 2010

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/01/2010	-	-	-	-	-
02/15/2011	-	-	28,080.01	28,080.01	-
08/15/2011	360,000.00	2.000%	48,600.00	408,600.00	-
09/30/2011	-	-	-	-	436,680.01
02/15/2012	-	-	45,000.00	45,000.00	-
08/15/2012	300,000.00	2.000%	45,000.00	345,000.00	-
09/30/2012	-	-	-	-	390,000.00
02/15/2013	-	-	42,000.00	42,000.00	-
08/15/2013	420,000.00	2.000%	42,000.00	462,000.00	-
09/30/2013	-	-	-	-	504,000.00
02/15/2014	-	-	37,800.00	37,800.00	-
08/15/2014	430,000.00	2.000%	37,800.00	467,800.00	-
09/30/2014	-	-	-	-	505,600.00
02/15/2015	-	-	33,500.00	33,500.00	-
08/15/2015	435,000.00	2.000%	33,500.00	468,500.00	-
09/30/2015	-	-	-	-	502,000.00
02/15/2016	-	-	29,150.00	29,150.00	-
08/15/2016	740,000.00	2.000%	29,150.00	769,150.00	-
09/30/2016	-	-	-	-	798,300.00
02/15/2017	-	-	21,750.00	21,750.00	-
08/15/2017	755,000.00	3.000%	21,750.00	776,750.00	-
09/30/2017	-	-	-	-	798,500.00
02/15/2018	-	-	10,425.00	10,425.00	-
08/15/2018	140,000.00	3.000%	10,425.00	150,425.00	-
09/30/2018	-	-	-	-	160,850.00
02/15/2019	-	-	8,325.00	8,325.00	-
08/15/2019	145,000.00	3.000%	8,325.00	153,325.00	-
09/30/2019	-	-	-	-	161,650.00
02/15/2020	-	-	6,150.00	6,150.00	-
08/15/2020	110,000.00	3.000%	6,150.00	116,150.00	-
09/30/2020	-	-	-	-	122,300.00
02/15/2021	-	-	4,500.00	4,500.00	-
08/15/2021	110,000.00	4.000%	4,500.00	114,500.00	-
09/30/2021	-	-	-	-	119,000.00
02/15/2022	-	-	2,300.00	2,300.00	-
08/15/2022	115,000.00	4.000%	2,300.00	117,300.00	-
09/30/2022	-	-	-	-	119,600.00
Total	\$4,060,000.00	-	\$558,480.01	\$4,618,480.01	-

City of Taylor, Texas

\$4,060,000.00 General Obligation Refunding Bonds, Series 2010
preliminary as of September 30, 2010

Debt Service Schedule

Part 2 of 2

Yield Statistics

Accrued Interest from 11/01/2010 to 12/01/2010	8,100.00
Bond Year Dollars	\$20,759.56
Average Life	5.113 Years
Average Coupon	2.6902311%
Net Interest Cost (NIC)	2.2917008%
True Interest Cost (TIC)	2.2077294%
Bond Yield for Arbitrage Purposes	2.2146826%
All Inclusive Cost (AIC)	2.7086676%

IRS Form 8038

Net Interest Cost	2.0365007%
Weighted Average Maturity	5.144 Years



City Council Meeting November 4, 2010 Agenda Item Transmittal

Agenda Item #: 4

Agenda Title: Conduct Second Public Hearing for annexation of properties located on the northwest side of Taylor on the east and west side of CR 101 in the vicinity of the future Chandler Road Right of Way

Council Action to be taken: Conduct Public Hearing

Initiating Department(s): Community Development.

Staff Contact: John Elsdén, AICP, City Planner

1. INTRODUCTION/PURPOSE

The purpose of this item is to conduct the second of two Public Hearings required for the annexation area described as being northwest of Taylor on the east and west side of CR 101 in the vicinity of the future Chandler Road right-of-way.

2. DESCRIPTION/ JUSTIFICATION

Annexation is a critical right of municipalities in order to expand their tax base and provide the services expected of them by its citizens. Physical growth of the City is also a crucial economic development tool. As communities grow in population, cities must also grow in size to maintain a reasonable standard of living. The most obvious is the expansion of the tax base in order to keep pace with the financial demand to provide services.

The area proposed for annexation consists of 51 parcels totaling 854 acres. 752 acres contain an agricultural exemption. The area contains 21 homes and staff estimates that fewer than 60 residents live in the area.

All property owners that have an exemption (agricultural, timber, conservation) were mailed a Development Agreement allowing them to opt-out of the annexation for up to 15 years by agreeing not to develop their property. An exception to the development requirement relates to agricultural development, such as a shed or barn, etc.

Development Agreements were mailed on September 20, 2010 and were due October 20, 2010.

Annexation law limits the City to annex no more than ten percent per year or 30 percent of its land area if the City has not annexed in the past three years. The City's current size is 11,410 acres. This annexation along with the other completed this year are under the 10% per year maximum that a City is allowed to annex annually per state requirements.

The annexation process will include two public hearings. In preparation of the public hearings, notices were sent to property owners being annexed, along with newspaper legals, web announcements, service providers, emergency medical providers, and the school districts.

In order to annex the area, the City has prepared a Service Plan, which outlines how the City will provide services to the newly annexed area. These services include police and fire protection, solid waste pick-up, water, wastewater, fire protection, etc. The Service Plan is attached.

The annexation ordinance will be introduced on November 23 and will be presented for approval on December 9 along with the Development Agreements.

3. FINANCIAL/BUDGET

Not applicable at this time.

4. TIMELINE CONSIDERATIONS

Please refer to the attached annexation schedule.

5. RECOMMENDATION

Staff recommends that the Council conduct the public hearing at this meeting.

6. REFERENCE FILES

- 4a. [Annexation Service Plan](#)
- 4b. [Annexation Steps and Schedule](#)
- 4c. [Annexation property data](#)
- 4d. [Annexation area map](#)
- 4e. [Larger view of annex area](#)
- 4f. [Area City ETJ boundaries map](#)

City of Taylor

Annexation Service Plan

October 1, 2010

The following is a plan of how City services will be provided to proposed annexation areas, located adjacent to the present City limits. The services will be provided to the area according to the following plan upon annexation.

FIRE

Fire suppression will be available to the area upon annexation. Adequate fire suppression activities can be provided to the annexed area within current budget appropriation. Fire prevention activities will be provided by the Taylor Fire Department as needed.

POLICE

Upon annexation, the City of Taylor Police Department will extend regular and routine patrols to the annexed area. Implementation of police patrol activities can be accommodated within the current budget and staff appropriation.

EMERGENCY MEDICAL SERVICES

Emergency Medical Services will be provided by Williamson County EMS and the City of Taylor Fire Department as needed in accordance with City policies and state laws.

BUILDING INSPECTION

Building inspection, permit issuance, and code enforcement according to applicable codes and law will be conducted by the City upon annexation.

PLANNING AND ZONING

City development ordinances will apply upon annexation and the City will provide the administrative services pertaining to planning, zoning, development and routine City Code enforcement service by present personnel, equipment and facilities.

PARKS AND RECREATION

Upon annexation, current City parks and recreation facilities will be available to residents of the annexed area.

LIBRARY

Upon annexation, City library use will be available to residents of the annexed area according to rules promulgated by the City for library use.

HEALTH DEPARTMENT- HEALTH CODE ENFORCEMENT SERVICE

The Williamson County and Cities Health District and the City provide enforcement of the City health ordinances and regulations and the enforcement will apply upon annexation.

STREETS AND RIGHTS-OF-WAY

Maintenance of annexed streets and rights of way, as appropriate, will include emergency maintenance, repairs of hazardous potholes, and measures necessary for traffic flow; routine maintenance presently performed within the City; reconstruction and resurfacing of streets, installation of drainage facilities, construction of curbs, gutters and other improvements as needed and determined by the City under City policies; installation and maintenance of traffic signals, traffic signs, street markings and other traffic control devices as the need is established by appropriate study and traffic standards and City policy; installation and maintenance of street lighting in accordance with established City policies.

WATER SERVICE AND MAINTENANCE OF WATER FACILITIES

Water service will be provided in accordance with the applicable codes and departmental policies. Inspection of water distribution lines will be provided under the statutes of the State of Texas. Water service is provided by the Jonah Water Special Utility District on the same terms, conditions and requirements as are applied to all similarly situated areas and customers of the City. Water services will be provided to the annexed area at the expense of the developer in accordance with the then current development standards and subdivision regulations of the City.

SANITARY SEWER SERVICE AND MAINTENANCE

Sanitary sewer service will be provided in accordance with applicable codes and departmental policy as development occurs within the annexation area. Sewer service will be provided by the City utility department on the same terms, conditions, and requirements applied to all similarly situated areas and customers of the City, subject to all the ordinances, regulations, and policies of the City in effect from time to time. The system will be accepted and maintained by the City in accordance with its policies. Sanitary sewer services will be provided to the annexed area at the expense of the developer thereof in accordance with the then current development standards and subdivision regulation of the City.

SOLID WASTE SERVICES

Solid waste collection and services now provided to the citizens of the City will be provided in accordance with applicable ordinances, policies and laws.

CAPITAL IMPROVEMENTS

No capital improvements are planned for the annexed area but if any are undertaken they will be initiated and substantially completed according to City policies and State law.

OTHER SERVICES

The annexed area will be provided a level of services, infrastructure, and infrastructure maintenance that is comparable to the level of service, infrastructure, and infrastructure maintenance in other parts of the City, with topography, land use, and population density similar to those reasonably contemplated or projected in the annexed area and as required by law.

If you have any questions or concerns, please call John Elsdon, City Planner, at 512-365-3863, or email at john.elsden@taylortx.gov

Initiate September 9

LGC SECTION	STEP	ACTION	NOTE	SCHEDULE
	1	Council authorizes annexation to proceed	Council Meeting	September 9, 2010
	2	Survey of Land (BTS)	After annexation initiation	September 10, 2010
43.035	3	Mail Development Agreements	After annexation initiation	September 20, 2010
	4	Mail annexation letters to property owners who are not agriculturally exempt	After annexation initiation	September 20, 2010
43.0561	5	Last day to send all notices	Property owners, utilities, Rail Road, etc	September 20, 2010
43.0561	6	Last day to send notice to newspaper for notice #1	Minimum of one day prior to publication	October 5, 2010
43.056	7	Service Plan is available	Plan must be available at first public hearing	October 21, 2010
43.0561	8	#1 Notice is posted on the City's website	Must be posted no more than 20 days and no less than 10 days prior to first public hearing	October 6, 2010
43.0561	9	Send first notice to TISD	Must be sent no more than 20 but no less than 11 days before the PH#1	October 6, 2010
43.0561	10	#1 Notice appears in the newspaper	Must be published no more than 20 days and no less than 10 days prior to public hearing	October 6, 2010
43.0561	11	Last day to send notice to newspaper for notice #2	Minimum of one day prior to publication	October 27, 2010
	12	Deadline to receive Development Agreements	Must be mailed 30 days prior to due date	October 20, 2010
43.0561	13	#2 Notice is posted on the City's website	Must be posted no more than 20 days and no less than 10 days prior to public hearing #2	October 20, 2010
43.0561	14	Send second notice to TISD	Must be sent no more than 20 but no less than 11 days before the PH#2	October 20, 2010
43.0561	15	#2 Notice appears in the newspaper	Must be published no more than 20 days and no less than 10 days prior to public hearing #2	October 20, 2010
	16	Prep TL for public hearing #1		October 13, 2010
43.0561	17	Conduct public hearing #1	Must be a minimum of 30 days from when the notices were sent out. Service plan must be available at this meeting	October 21, 2010
	18	Prep TL for public hearing #2		October 27, 2010
43.0561	19	Conduct public hearing #2 - CC Approves Development Agreements	Must be a minimum of 30 days from when the notices were sent out. Service plan must be available at this meeting	November 4, 2010
43.056	20	Begin Land use Planning	Leads up to rezoning after annexation	December 30, 2010
	21	Write annexation ordinance		November 17, 2010

Initiate September 9

	22	Write TL for introduction of ordinance		November 17, 2010
	23	Introduce ordinance	Must be no more than 40 days or less than 20 days from the first public hearing.	November 23, 2010
	24	Write TL for adoption of ordinance		December 1, 2010
	25	Adopt ordinance	Must a maximum of 90 days from the date the ordinance was introduced.	December 9, 2010
		Approve Development Agreements		December 9, 1900
	26	Complete Future Land Use Planning		March 1, 2011

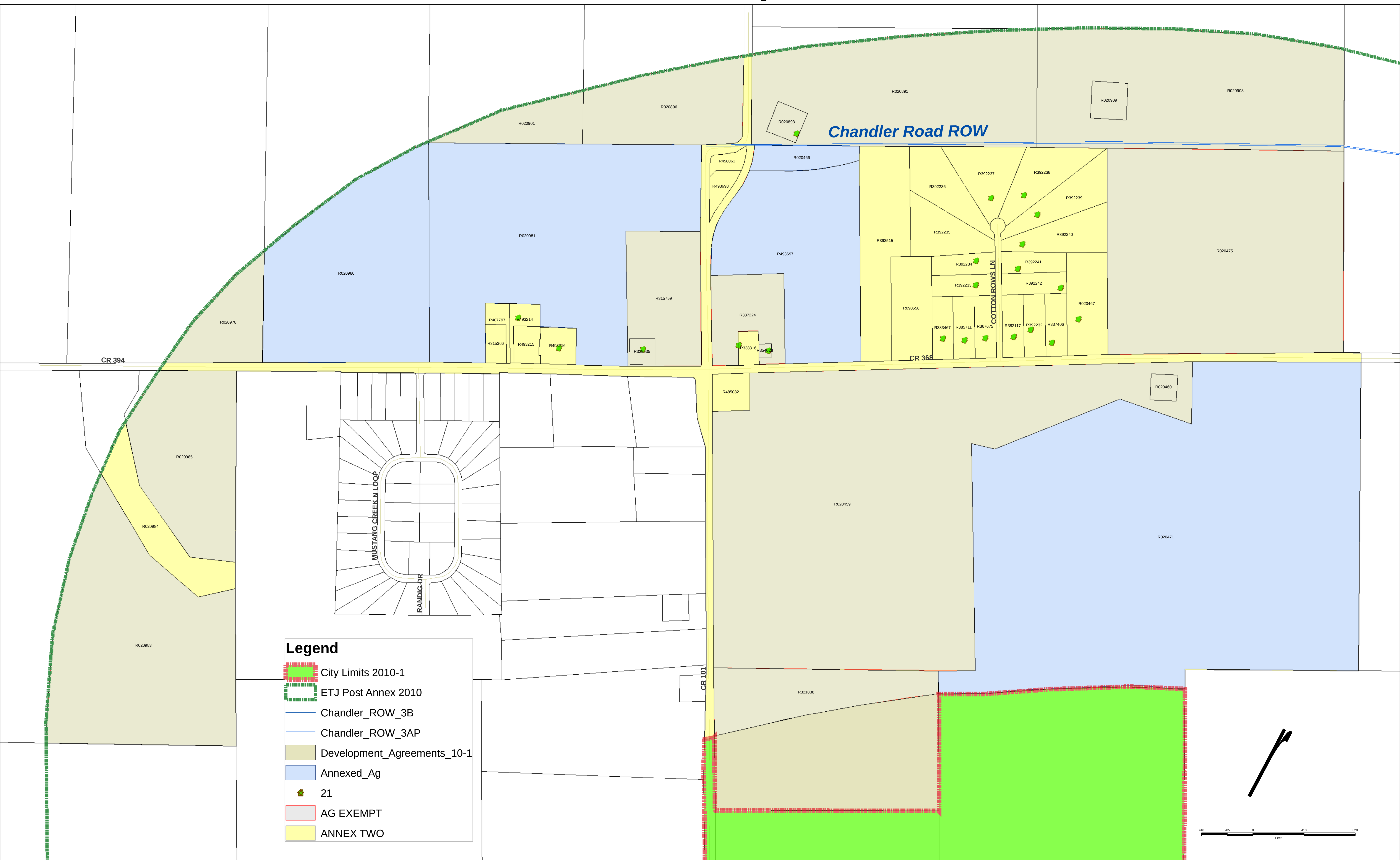
PIN	ACREAGE	SITUS ADDRESS	NAME	ADDRESS	CITY	STATE	ZIP	LEGAL	AG	YEAR	MARKET	ASSESSED
R020896	17.13	CR 101 HUTTO	ROZNOVAK, JERRY W	3051 CR 101	HUTTO	TX	78634	S PALMER SU	AG	2010	\$676,350	\$38,200
R020459	131.8	700 CR 368 TAYLOR, TX	DORIS FUCHS et al	904 RED BUD LN	ROUND RO	TX	78664	J C EAVES SUR	AG	2010	\$559,419	\$52,578
R020460	1	700 CR 368 TAYLOR, TX	DORIS FUCHS et al	904 RED BUD LN	ROUND RO	TX	78664	J C EAVES SURVEY		2010	\$59,646	\$59,646
R020466	3.329	3275 CR 368 HUTTO, TX	DONHAM P FRAZIER	201 BLUFFVIEW I	WIMBERLY	TX	78676	J C EAVES SUR	AG	2010	\$58,697	\$1,488
R020467	6.23	455 CR 368 HUTTO, TX	JEFFERY D KYLE	455 CR 368	TAYLOR	TX	76574	J C EAVES SURVEY		2010	\$251,429	\$251,429
R020471	162.86	CR 368 HUTTO, TX	TERRELL TIMMERMAN	P O BOX 4784	AUSTIN	TX	78765	J C EAVES SUR	AG	2010	\$912,611	\$177,350
R020475	71.02	703 CR 368 TAYLOR, TX	J A WOLBRUECK	703 CR 368	TAYLOR	TX	76574	J C EAVES SUR	AG	2010	\$532,500	\$37,946
R020891	43.73	3201 CR 101 HUTTO, TX	CHARLOTTE LYN DAVIS	11020 LAKE WHI'	TEMPLE	TX	76502	S PALMER SUI	AG	2010	\$291,000	\$21,680
R020893	1.5	3201 CR 101 HUTTO, TX	CHARLOTTE LYN DAVIS	11020 LAKE WHI'	TEMPLE	TX	76502	S PALMER SURVEY		2010	\$68,276	\$68,276
R020901	7.18	3051 CR 101 HUTTO	ROZNOVAK, JERRY WAYNE	3051 CR 101	HUTTO	TX	78634	S PALMER SI	AG	2010	\$926,250	\$53,517
R020908	52.26	703 CR 368 TAYLOR, TX	J A WOLBRUECK	703 CR 368	TAYLOR	TX	76574	S PALMER SUI	AG	2010	\$1,425,000	\$84,930
R020909	2	703 CR 368 TAYLOR, TX	J A WOLBRUECK	703 CR 368	TAYLOR	TX	76574	S PALMER SURVEY		2010	\$130,377	\$130,377
R020978	9.00	1151 CR 394 HUTTO	GUADALUPE SANCHEZ	1161 CR 394	HUTTO	TX	78634	J THOMAS SI	AG	2010	\$1,896,394	\$354,721
R020980	42.07	CR 394 HUTTO	BOHAC, DIANE TRUSTEE et al	1151 CR 337	GRANGER	TX	76530	J THOMAS SU	AG	2010	\$1,388,775	\$81,083
R020981	67.78	CR 394 HUTTO	SHUMORE, JOINT VENTURE	8 OAK VW	ROUND RO	TX	78664	J THOMAS SI	AG	2010	\$397,055	\$30,298
R020983	51.85	CR 394 HUTTO, TX	EDGAR & LARRY A OLSON	300 E 9TH ST	GEORGETO	TX	78626	J THOMAS SU	AG	2010	\$722,660	\$61,954
R020984	8.91	1000 CR 294, HUTTO, TX	LAWRENCE G BALDWIN	1000 CR 394	HUTTO	TX	78634	J THOMAS SUR		2010	\$301,828	\$301,828
R020985	24.43	CR 394 HUTTO, TX	LARRY A OLSON	1111 W 12TH ST,	AUSTIN	TX	78703	J THOMAS SU	AG	2010	\$156,419	\$11,187
R090558	6.25	301 CR 368 TAYLOR, TX	ROSA E SANTIS	2311 ENFIELD RD	AUSTIN	TX	78703	J C EAVES SURVEY		2010	\$140,464	\$140,464
R315366	1.22	1601 CR 394 HUTTO	WHEELER, AARON M & TON	1601 CR 394	HUTTO	TX	78634	J THOMAS SUR		2010	\$23,111	\$23,111
R315759	14.00	1801 CR 394 HUTTO	BERAN, GARY G & BERTHA	1801 CR 394	HUTTO	TX	78634	J THOMAS SI	AG	2010	\$190,778	\$17,626
R321838	14.349	CR 368 HUTTO, TX	DAVID CARSON	1085 CR 101	HUTTO	TX	78634	J C EAVES SUR	AG	2010	\$265,400	\$21,005
R329635	1.00	1801 CR 394 HUTTO	BERAN, GARY G & BERTHA	1801 CR 394	HUTTO	TX	78634	J THOMAS SUR		2010	\$166,830	\$166,830
R337224	8.51	59 CR 368 TAYLOR, TX	MICHAEL MARX	51 CR 368	TAYLOR	TX	76574	J C EAVES SUR	AG	2010	\$123,730	\$3,805
R338316	1	51 CR 368 TAYLOR, TX	MICHAEL MARX	51 CR 368	TAYLOR	TX	76574	J C EAVES SURVEY		2010	\$162,369	\$162,369
R354023	0.25	59 CR 368 TAYLOR, TX	MICHAEL MARX	51 CR 368	TAYLOR	TX	76574	J C EAVES SURVEY		2010	\$129,122	\$129,122
R337406	2	401 CR 368 TAYLOR, TX	ROSALEE MIKULENCAK	401 CR 368	TAYLOR	TX	76574	J C EAVES SURVEY		2010	\$201,824	\$201,824
R367675	2	357 CR 368 TAYLOR, TX	KENNETH P SLAGLE III	357 CR 368	TAYLOR	TX	76574	J C EAVES SURVEY		2010	\$246,687	\$246,687
R382117	2	375 CR 368 TAYLOR, TX	BOBBY W BLAGG, JR	375 CR 368	TAYLOR	TX	76574	J C EAVES SURVEY		2010	\$285,627	\$285,627
R383467	2	321 CR 368 TAYLOR, TX	EDWARD BLOOMER	321 CR 368	TAYLOR	TX	76574	J C EAVES SURVEY		2010	\$388,736	\$388,736
R385711	2	339 CR 368 TAYLOR, TX	MICHAEL WADE & TERESA AC	339 CR 368	TAYLOR	TX	76574	J C EAVES SURVEY		2010	\$253,926	\$253,926
R392232	2	393 CR 368 TAYLOR, TX	JOE D OFFIELD, JR	393 CR 368	TAYLOR	TX	76574	J C EAVES SURVEY		2010	\$189,880	\$189,880

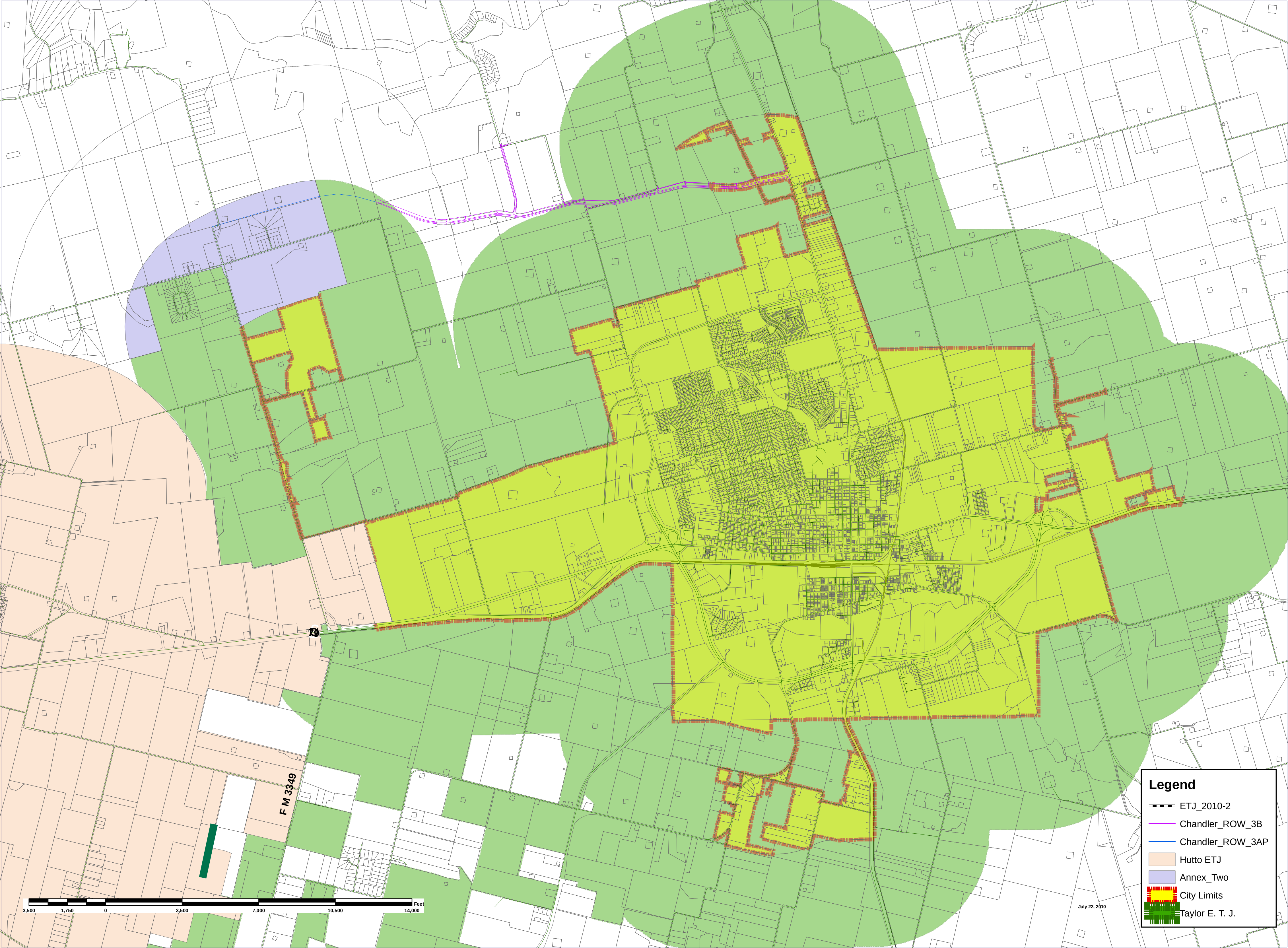
R392233	2	111 COTON ROWS LN TA JOE F HAMMACK	111 COTTON RO\ TAYLOR	TX	76574 PLANTATION ACRES, LOT	2010	\$237,473	\$237,473	
R392234	2	117 COTTON ROWS LN T DANIELLE TOWNSEND	117 COTTON RO\ TAYLOR	TX	76574 PLANTATION ACRES, LOT	2010	\$275,107	\$275,107	
R392235	4.87	123 COTTON ROWS LN T DONALD R BOUCHARD	123 COTTON RO\ TAYLOR	TX	76574 PLANTATION ACRES, LOT	2010	\$145,621	\$145,621	
R392236	5.02	131 COTTON ROWS LN T LARRY M GORDON, SR et al	1051 RED BUD LN ROUND RO	TX	78664 PLANTATION ACRES, LOT	2010	\$81,916	\$81,916	
R392237	4.97	139 COTTON ROWS LN T LARRY M GORDON, SR	139 COTTON RO\ TAYLOR	TX	76574 PLANTATION ACRES, LOT	2010	\$339,906	\$339,906	
R392238	5.1	138 COTTON ROWS LN T JOEL GALLAGHER	138 COTTON RO\ TAYLOR	TX	76574 PLANTATION ACRES, LOT	2010	\$343,701	\$343,701	
R392239	4.88	130 COTTON ROWS LN T STEPHEN D SHEFFIELD	P O BOX 102 HUTTO	TX	78634 PLANTATION ACRES, LOT	2010	\$257,587	\$257,587	
R392240	4.74	122 COTTON ROWS LN T RAYMOND TREJO & ANNE WE	122 COTTON RO\ TAYLOR	TX	76574 PLANTATION ACRES, LOT	2010	\$260,602	\$260,602	
R392241	2	116 COTTON ROWS LN T ODESSA MACKEY	P O BOX 338 HUTTO	TX	78634 PLANTATION ACRES, LOT	2010	\$230,000	\$230,000	
R392242	2	110 COTTON ROWS LN T KENNETH FOSTER	110 COTTON RO\ TAYLOR	TX	76574 PLANTATION ACRES, LOT	2010	\$38,526	\$38,526	
R393515	12.794	CR 368 HUTTO, TX	TERRY GIBICH	1914 ROWE LOOI PFLUGERVITX	78660 J C EAVES SURVEY	2010	\$170,467	\$170,467	
R407797	1.00	1601 CR 394 HUTTO	WHEELER, AARON M & TON	1601 CR 394 HUTTO	TX	78634 J THOMAS SUR	2010	\$53,871	\$53,871
R458061	0.911	CR 368 HUTTO, TX	DONHAM P FRAZIER	201 BLUFFVIEW I WIMBERLY TX	78676 J C EAVES SURVEY	2010	\$23,754	\$23,754	
R485082	2.065	CR 368 TAYLOR, TX	JONAH WATER SPECIAL UTILI	P O BOX 455 HUTTO	TX	78634 J C EAVES SURVEY	2010	\$39,567	\$39,567 EX
R493214	1.24	CR 394 HUTTO	WHEELER DONALD R & ELA	1651 CR 394 HUTTO	TX	78634 WHEELER, BLK 1 LOT 1	2010	\$34,783	\$34,783
R493215	1.48	CR 394 HUTTO	JONAH WATER SPECIAL UT	P O BOX 455 HUTTO	TX	78634 WHEELER, BLK 1, LOT 2	2010	\$29,934	\$29,934 EX
R493216	2.00	1651 CR 394	MORRISON, RONALD E	8 OAK VW ROUND R	TX	78664 WHEELER, BLK 1 LOT 3	2010	\$164,862	\$164,862
R493697	30.84	CR 368 HUTTO, TX	FRAZIER FAMILY INVESTMENT	201 BLUFFVIEW I WIMBERLY TX	78676 J C EAVES SUR	AG	2010	\$190,974	\$36,470
R493698	1.158	CR 368 HUTTO, TX	FRAZIER FAMILY INVESTMENT	201 BLUFFVIEW I WIMBERLY TX	78676 J C EAVES SURVEY	2010	\$24,332	\$24,332	
853.73							\$16,466,153	\$6,837,979	

853.73
752.14 Ag Acres
21 HOMES
51 properties
17 ag properties

NEW OR CHANGED ADDRESS

***Exhibit: Annex Two 2010
Chandler Road Alignment***





Legend

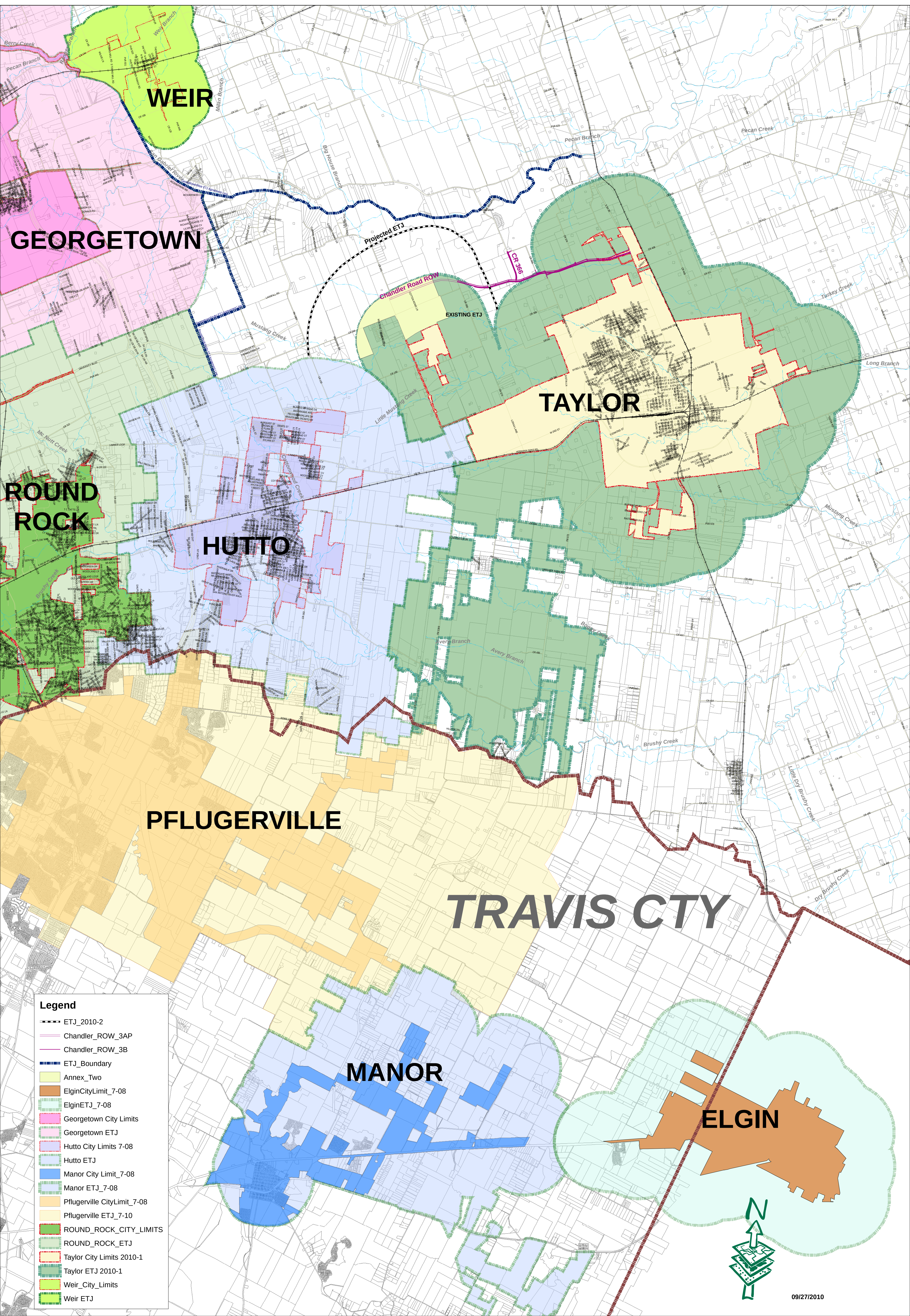
- ETJ_2010-2
- Chandler_ROW_3B
- Chandler_ROW_3AP
- Hutto ETJ
- Annex_Two
- City Limits
- Taylor E. T. J.

July 22, 2010

3,500 1,750 0 3,500 7,000 10,500 14,000 Feet

F M 3349

Area City ETJs 2010





City Council Meeting November 4, 2010 Agenda Item Transmittal

Agenda Item #: 5

Agenda Title: Conduct Public Hearing and consider introducing ordinance 2010-42 for a request to rezone property located at 200 Carlos Parker Boulevard NW from Rural/Agriculture (R/A) to Local Business (B-1)

Council Action to be taken: Conduct Public Hearing and consider introducing Ordinance

Initiating Department(s): Community Development.

Staff Contact: John Elsdon, AICP, City Planner

1. INTRODUCTION/PURPOSE

The purpose of this item is to conduct a Public Hearing for a request to rezone property located at 200 Carlos Parker Boulevard NW from Rural/Agriculture (R/A) to Local Business (B-1)

2. DESCRIPTION/ JUSTIFICATION

Location and Acres of the Property

200 Carlos G. Parker Blvd NW, 20.6 acres

Property Owner and Applicant

Charles Schroeder Trustee

Applicant's intentions for the property (development objective)

None at this time – Straight Rezone

Existing Zoning

R/A, Rural Agriculture

Proposed Zoning

B-1, Local Business

Zoning History

Unknown

Future Land Use Map

Agriculture/Open Space

Current Use of Property

Agriculture/Residential

Surrounding Property: Existing Conditions or Use of Property and Zoning

North: P, I – Park and Water Pump

South: RPD – Residential Planned Development

East: B-1, R-1 – Commercial and Residential

West: R-1, School

Existing Thoroughfares (type and size)

North: N/A

South: Minor Arterial, 120'

East: N/A

West: N/A

The City's Thoroughfare Plan

North: N/A

South: Minor Arterial, to be widened

East: N/A

West: N/A

Platting Information

The property is not platted

Other Information

Aerial Photo:

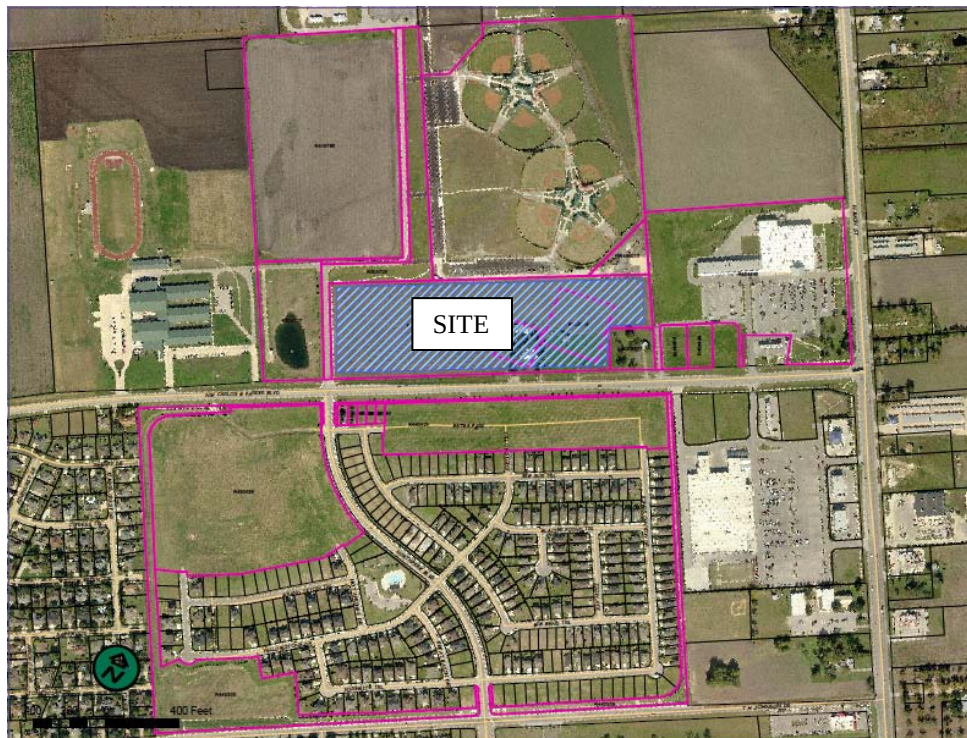
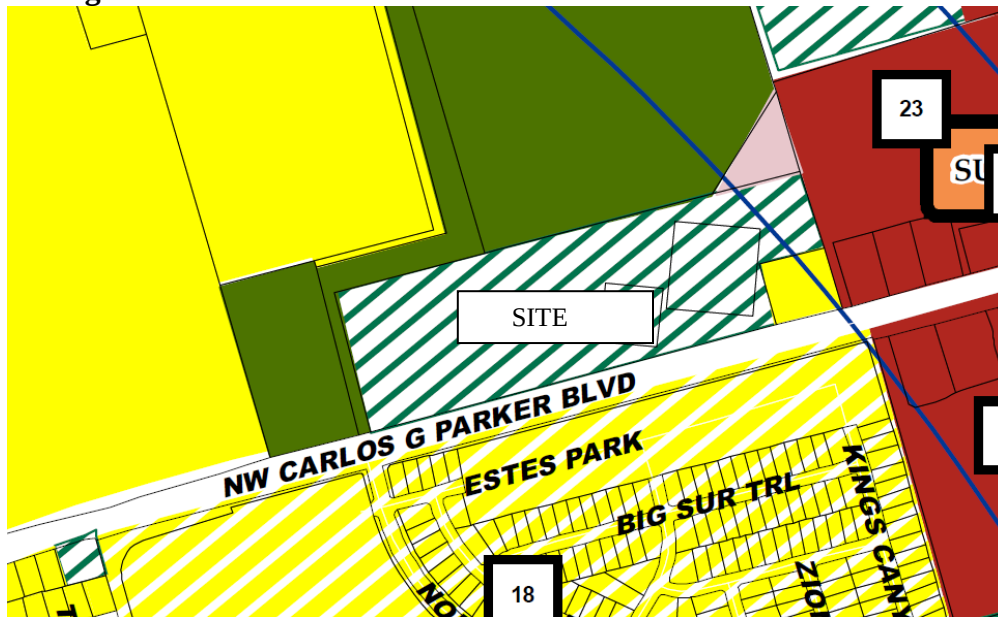


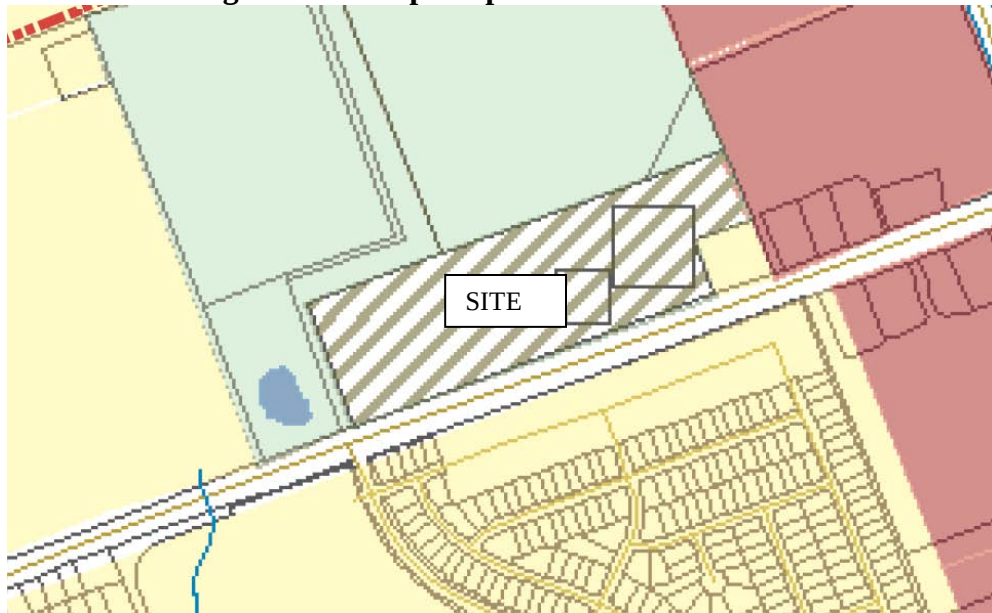
Photo of Site looking east:



Current Zoning – R/A



Future Land Use Plan: Agriculture / Open Space



Discussion

Although the Future Land Use Plan designates this tract of land as Agriculture/Open Space, during the past few years Carlos G. Parker Boulevard has been transitioning to more of a business zoning designation. The roadway is adequate for this type of use, as can be seen with the location of both Wal-Mart and HEB.

3. FINANCIAL/BUDGET

Not applicable at this time.

4. TIMELINE CONSIDERATIONS

Not applicable at this time.

5. RECOMMENDATION

The Taylor Planning and Zoning Commission recommended approval of this rezone at the October 12, 2010 meeting.

Staff recommends that the Council conduct the public hearing and introduce Ordinance 2010-42.

6. REFERENCE FILES

5a. [Ordinance 2010-42](#)

ORDINANCE 2010-42

AN ORDINANCE CHANGING THE ZONING OF PROPERTY GENERALLY LOCATED AT 200 CARLOS G. PARKER BOULEVARD NW, WILLIAMSON COUNTY TEXAS, FROM RURAL AGRICULTURE R/A TO LOCAL BUSINESS B-1, AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF TAYLOR, TEXAS, TO SHOW THE ZONING CHANGES ADOPTED HEREIN; PROVIDING A SAVINGS CLAUSE.

Whereas, the Taylor City Council conducted a public hearing on November 4, 2010, to consider the request made by Charles Schroeder, Trustee, the owner of property generally located at 200 Carlos G. Parker Boulevard NW, as shown on Exhibit "A" incorporated by reference herein for all purposes ("Property"), to change the zoning for the Property from Rural Agriculture (R/A) to Local Business (B-1); and

Whereas, the Planning and Zoning Commission, after conducting a public hearing on, October 12, 2010, to consider the zoning request, recommended the zoning change to the City Council; and

Whereas, the City Council, after a public hearing, approves the request for the Property zoning change.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TAYLOR, TEXAS, that:

SECTION 1. The facts and recitations contained in the preamble of this Ordinance are hereby declared to be true and correct, and are incorporated by reference herein and made a part hereof, as if copied verbatim.

SECTION 2. The Property is changed from Rural Agriculture (R/A) to Local Business (B-1).

SECTION 3. The Official Zoning map of the City of Taylor, Texas, is changed to show the Property zoning changed from Rural Agriculture (R/A) to Local Business (B-1).

SECTION 4. All other terms and conditions contained in the official zoning map, except as amended herein, shall continue and remain in full force and effect.

SECTION 5. Should any section, paragraph, clause, phrase, or provision of this Ordinance be adjudged invalid or held unconstitutional, the same shall not affect the validity of this Ordinance as a whole or any part of the provisions thereof, other than the part so decided to be invalid or unconstitutional

SECTION 6. In accordance with Article 8 of the City Charter, Ordinance 2010-42 was introduced before the Taylor City Council on the 12th day of August, 2010.

PASSED, APPROVED, and ADOPTED on the _____ day of _____, 2010.

John McDonald, Mayor Pro-Tem

ATTEST:

Susan Brock, City Clerk

APPROVED AS TO FORM:

Ted W. Hejl,
City Attorney

CERTIFICATE

THE STATE OF TEXAS

COUNTY OF WILLIAMSON

I, Susan Brock, being the current City Clerk of the City of Taylor, Texas, do hereby certify that the attached is a true and correct copy of Ordinance No. 2010-42, passed and approved by the City Council of the City of Taylor, Texas, on the _____ day of _____, 2010, and such Ordinance was duly introduced, passed, approved and adopted at meetings open to the public and notices of the meetings, giving the dates, places, and subject matter thereof, were posted as prescribed by Government Code Section 551.043.

Witness my hand and seal of office this _____ day of _____, 2010.

Susan Brock
City Clerk



City Council Meeting November 4, 2010 Agenda Item Transmittal

Agenda Item #: 6

Agenda Title: Conduct Public Hearing and consider introducing ordinance 2010-43 for a request for a Specific Use Permit in order to operate an Outdoor Flea Market at 1202 Welch Street

Council Action to be taken: Conduct Public Hearing and consider introducing Ordinance

Initiating Department(s): Community Development.

Staff Contact: John Elsdén, AICP, City Planner

1. INTRODUCTION/PURPOSE

The purpose of this item is to conduct a Public Hearing and consider introducing ordinance 2010-43 for a request for a Specific Use Permit to operate an Outdoor Flea Market at 1202 Welch Street.

2. DESCRIPTION/ JUSTIFICATION

Location and Acres of the Property

1202 Welch Street, 7.7905 Acres entire parcel, the SUP will apply only to that which is zoned M-1

Property Owner and Applicant

Manoj Naik

Applicant's intentions for the property (development objective)

Outdoor Flea Market

Existing Zoning

M-1 / R-1

Proposed Zoning

Unchanged

Future Land Use Map

Public

Zoning of Surrounding Property

North: M-1; East: M-1; South: R-1; West: M-1 and R-1

Land Use of Surrounding Property

Rail to north, Residential Holding facility east, Creek south, and City staging area/creek west

Right of Way Issues

None

Platting Information

Not Platted

Other Information

View of Existing Use:



Aerial Photo:



Current Zoning, M-1 and R-1:



Discussion and Recommendation

The property owner has requested to operate an outdoor Flea Market at this location. Approximately 2/3 of the site from Welch Street is zoned M-1, with the remainder to the south R-1, thus the SUP will not be allowed in the R-1 portion of the lot.

Approval of a Specific Use Permit (SUP) allows the City Council to recommend conditions for the SUP.

The following conditions were recommended by the Planning and Zoning Commission on October 12, 2010:

- A. Only the portion of the lot that is zoned properly (M-1) can be approved for the Specific Use Permit.
- B. Parking requirement: 1 space per vendor plus 1 space per 300 feet of flea market space, for a minimum of 51 spaces.
- C. Selling or keeping of prohibited weapons, ammunition, animals including but not limited to fowl and livestock, and sexually explicit materials is prohibited.
- D. Operating hours shall be from 8 a.m. to 6 p.m. Saturday and Sunday only.
- E. Generators may only be operated outside of the pavilion.

3. FINANCIAL/BUDGET

Not applicable at this time.

4. TIMELINE CONSIDERATIONS

Not applicable at this time.

5. RECOMMENDATION

The Taylor Planning and Zoning Commission recommended approval of this Specific Use Permit at the October 12, 2010 meeting after conducting a public hearing.

Staff recommends that the Council conduct the public hearing and introduce Ordinance 2010-43.

6. REFERENCE FILES

6a. [Ordinance 2010-43](#)

ORDINANCE NO. 2010-43

**AN ORDINANCE ALLOWING A SPECIFIC USE PERMIT FOR AN
OUTDOOR FLEA MARKET ON PROPERTY LOCATED AT 1202 WELCH
STREET; AND PROVIDING A SAVINGS CLAUSE**

WHEREAS, notices for the proposed Specific Use Permit were published in accordance with the Zoning Ordinance and the request referred to the Planning and Zoning Commission.

WHEREAS, Manoj Naik, Property Owner, has requested a Specific Use Permit to allow an outdoor Flea Market at 1202 Welch Street. That after a public hearing held by the Planning and Zoning Commission on October 12, 2010, the Planning and Zoning Commission voted to recommend a Specific Use Permit to allow a Recycling Facility on said property with certain conditions stated below.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TAYLOR:

- 1.0** That after public hearing held on November 4, 2010, before the City Council of the City of Taylor for the purpose of considering an application submitted by Manoj Naik to allow an outdoor Flea market on property located at 1202 Welch Street, a Specific Use Permit is hereby granted to Manoj Naik to the property described, with conditions as stated below.
- 2.0** The Specific Use Permit is approved with the following conditions:
 - A. Only the portion of the lot that is zoned properly (M-1) can be approved for the Specific Use Permit.
 - B. Parking requirement: 1 space per vendor plus 1 space per 300 feet of flea market space, for a total required of 51 spaces.
 - C. Selling or keeping of prohibited weapons, ammunition, animals including but not limited to fowl and livestock, and sexually explicit materials is prohibited.
 - D. Operating hours shall be from 8 a.m. to 6 p.m. Saturday and Sunday only.
 - E. Generators may only be operated outside of the pavilion.
- 3.0** All of the facts recited in the preamble to this Ordinance are hereby found by the City Council to be true and correct and are

incorporated by reference herein and expressly made a part here of, as if copied herein verbatim.

4.0 Should any section, paragraph, clause, phrase, or provision of this Ordinance be adjudged invalid or held unconstitutional, the same shall not affect the validity of this Ordinance as a whole or any part of the provisions thereof, other than the part so decided to be invalid or unconstitutional

5.0 In accordance with Article 8, of the City Charter, Ordinance No. 2010-43 was introduced before the City Council on the 4th day of November, 2010.

PASSED, APPROVED, and ADOPTED on the _____ day of _____, 2010.

John McDonald, Mayor Pro-Tem

ATTEST:

Susan Brock, City Clerk

CERTIFICATE

THE STATE OF TEXAS
COUNTY OF WILLIAMSON

I, Susan Brock, being the current City Clerk of the City of Taylor, Texas, do hereby certify that the attached is a true and correct copy of Ordinance No. 2010-43, passed and approved by the City Council of the City of Taylor, Texas, on the _____ day of _____, 2010, and such Ordinance was duly introduced, passed, approved and adopted at meetings open to the public and notices of the meetings, giving the dates, places, and subject matter thereof, were posted as prescribed by Government Code Section 551.043.

Witness my hand and seal of office this _____ day of _____, 2010.

Susan Brock
City Clerk