



College Station, TX

**Meeting Agenda
City Council Regular
1101 Texas Ave, College Station, TX 77840
Internet: <https://zoom.us/j/95156859189>
Phone 888 475 4499 and Meeting ID: 951 5685 9189**

June 10, 2021

4:00 PM

City Hall Council Chambers

This meeting will offer both in-person and remote participation following both the City's Guidelines for in-person, virtual attendance, and the speaker protocol in the agenda. Capacity in Council Chambers is limited and those signing up to speak will have reserved seating. In the event maximum capacity is reached citizens may attend the meeting virtually as provided on the meeting agenda. The city uses a third-party vendor to help host the meeting and if the call-in number is not functioning access will be through the internet link only.

- 1. Call to Order.**
- 2. Executive Session is Closed to the Public and Will Be Held in the Administrative Conference Room. The Open Meeting Will Resume No Earlier Than 5:00 PM.**

Consultation with Attorney {Gov't Code Section 551.071};

Possible action. The City Council may seek advice from its attorney regarding a pending or contemplated litigation subject or settlement offer or attorney-client privileged information. Litigation is an ongoing process and questions may arise as to a litigation tactic or settlement offer, which needs to be discussed with the City Council. Upon occasion the City Council may need information from its attorney as to the status of a pending or contemplated litigation subject or settlement offer or attorney-client privileged information. After executive session discussion, any final action or vote taken will be in public. The following subject(s) may be discussed.

Litigation

- Kathryn A. Stever-Harper as Executrix for the Estate of John Wesley Harper v. City of College Station and Judy Meeks; No. 15,977-PC in the County Court No. 1, Brazos County, Texas
- McCrory Investments II, LLC d/b/a Southwest Stor Mor v. City of College Station; Cause No. 17-000914-CV-361; In the 361st District Court, Brazos County, Texas
- City of College Station v. Gerry Saum, Individually, and as Independent Executrix of the Estate of Susan M. Wood, Deceased; Cause No. 17-002742-CV-361; In the 361st District Court, Brazos County, Texas
- City of College Station v. Brazos Re Investors Group, LLC. Cause No.612-CC; In the County Court at Law No. 1 of Brazos County, Texas.

Legal Advice

- Legal advice concerning conflicts of interest and other ethics requirements.

Personnel {Gov't Code Section 551.074};

Possible action. The City Council may deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer. After executive session discussion, any final action or vote taken will be in public. The following public officer(s) may be discussed:

- a. City Manager
- b. Council Self-Evaluation

Competitive Matters {Gov't Code Section 551.086};

Possible action. The City Council may deliberate, vote, or take final action on a competitive matter as that term is defined in Gov't Code Section 552.133 in closed session. The following is a general representation of the subject matter to be considered:

- a. Power Supply

3. Reconvene from Executive Session and Take Action, if Any.

4. Pledge of Allegiance, Invocation, and Consider Absence Request.

Speaker Protocol

An individual who wishes to address the City Council regarding any item on the agenda other than those items posted for Executive Session shall register with the City Secretary two (2) hours prior to the meeting being called to order. Individuals must register to speak or provide written comments at <https://forms.cstx.gov/Forms/CSCouncil> or provide a name and phone number by calling 979-764-3500. Upon being called to speak an individual must state their name and city of residence, including the state of residence if the city is located out of state. Speakers are encouraged to identify their College Station neighborhood or geographic location. Each speaker's remarks are limited to three (3) minutes. Any speaker addressing the Council through the use of a translator may speak for six (6) minutes. At the (3) minute mark the City Secretary will announce that the speaker must conclude their remarks.

5. Hear Visitors.

During Hear Visitors an individual may address the City Council on any item which does not appear on the posted agenda. The City Council will listen and receive the information presented by the speaker, ask staff to look into the matter, or place the issue on a future agenda. Topics of operational concern shall be directed to the City Manager.

6. Workshop Items.

- 6.1. Presentation, discussion, and possible action regarding the 2020 Incentive Compliance Report by the Brazos Valley Economic Development Corporation.

Sponsors: Natalie Ruiz

Attachments: None

- 6.2. Presentation, discussion, and possible action related to the feasibility survey findings of a College Station Community Recreation Center in collaboration with the YMCA of Greater Williamson County.

Sponsors: Steve Wright

Attachments: None

7. Consent Items.

Presentation, discussion, and possible action on consent items which consist of ministerial or "housekeeping" items as allowed by law. A Councilmember may request additional information at this time. Any Councilmember may remove an item from Consent for discussion or a separate vote.

7.1. Presentation, discussion, and possible action of minutes for:

- May 27, 2021 Council Meeting

Sponsors: Tanya Smith

Attachments: 1. CCM052721 DRAFT Minutes

7.2. Presentation, discussion, and possible action regarding approval of ITB 21-045 for the City's Annual Price Agreement for the Electric Warehouse Inventory purchase of Three-Phase Transformers with estimated annual expenditures in the amount not to exceed \$1,127,618 and awarded to KBS Electrical Distributors.

Sponsors: Mary Ellen Leonard

Attachments: 1. Bid# 21-045 Three Phase Transformers Award

7.3. Presentation, discussion, and possible action to amend Chapter 103, "Buildings and Building Regulations," Article V, "Single-Family and Duplex Unit Rental Registration".

Sponsors: Debbie Eller

Attachments: 1. Rental Registration Sec 103 Amend (5)

8. Regular Items.

8.1. Public Hearing, presentation, discussion, and possible action regarding an ordinance amending the Comprehensive Plan Future Land Use and Character Map from Wellborn Preserve-Open to Wellborn Commercial for approximately 2 acres, generally located at 3970 Gus Roy Road.

Sponsors: Jesse Dimeolo

Attachments:

1. Background Information
2. Vicinity Map, Aerial, and Small Area Map
3. Applicant Supporting Information
4. Comprehensive Plan Exhibit
5. Comprehensive Plan Amendment Map
6. Ordinance

8.2. Presentation, discussion, and possible action on an ordinance authorizing the issuance of up to \$62,443,000 in principal amount of "City of College Station, Texas Certificates of Obligation, Series 2021"; delegating the authority to certain city officials to execute certain documents relating to the sale of the certificates; approving and authorizing instruments and procedures relating to said certificates; and enacting other provisions relating to the subject.

Sponsors: Mary Ellen Leonard

Attachments: 1. Ordinance (CO) (ver 1)

8.3. Presentation, discussion, and possible action regarding an ordinance consenting to and extending the Mayor's renewal of a disaster declaration due to public health emergency.

Sponsors: Bryan Woods

Attachments: 1. June 10 Disaster Declaration Renewal Ordinance - Agenda

- 8.4. Presentation, discussion, and possible action regarding the appointments of representatives to serve as a member of the Impact Fee Advisory Committee.

Sponsors: Tanya Smith, Carol Cotter

Attachments: None

9. Council Calendar - Council May Discuss Upcoming Events.

10. Items of Community Interest.

The Council may receive reports from a Council Member or City Staff about items of community interest for which notice has not been given, including: expressions of thanks, congratulations or condolence; information regarding holiday schedules; honorary or salutary recognitions of a public official, public employee, or other citizen; reminders of upcoming events organized or sponsored by the City of College Station; information about a social, ceremonial or community event organized or sponsored by an entity other than the City of College Station that is scheduled to be attended by a Council Member, another city official or staff of the City of College Station; and announcements involving an imminent threat to the public health and safety of people in the City of College Station that has arisen after the posting of the agenda.

11. Council Reports on Committees, Boards, and Commissions.

A Council Member may make a report regarding meetings of City Council boards and commissions or meetings of boards and committees on which a Council Member serves as a representative that have met since the last council meeting. (Committees listed in Coversheet)

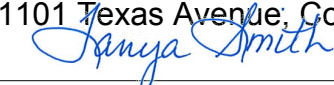
12. Future Agenda Items and Review of Standing List of Council Generated Future Agenda Items.

A Council Member may make a request to City Council to place an item for which no notice has been given on a future agenda or may inquire about the status of an item on the standing list of council generated future agenda items. A Council Member's or City Staff's response to the request or inquiry will be limited to a statement of specific factual information related to the request or inquiry or the recitation of existing policy in response to the request or inquiry. Any deliberation of or decision about the subject of a request will be limited to a proposal to place the subject on the agenda for a subsequent meeting.

13. Adjourn.

The City council may adjourn into Executive Session to consider any item listed on the agenda if a matter is raised that is appropriate for Executive Session discussion.

I certify that the above Notice of Meeting was posted on the website and at College Station City Hall, 1101 Texas Avenue, College Station, Texas, on June 4, 2021 at 5:00 p.m.



City Secretary

This building is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need accommodations, auxiliary aids, or services such as interpreters, readers, or large print are asked to contact the City Secretary's Office at (979) 764-3541, TDD at 1-800-735-2989, or email adaassistance@cstx.gov at least two business days prior to the meeting so that appropriate arrangements can be made. If the City does not receive notification at least two business days prior to the meeting, the City will make a reasonable attempt to provide the necessary accommodations.

Penal Code § 30.07. Trespass by License Holder with an Openly Carried Handgun.

"Pursuant to Section 30.07, Penal Code (Trespass by License Holder with an Openly Carried Handgun) A Person Licensed under Subchapter H, Chapter 411, Government Code (Handgun Licensing Law), may not enter this Property with a Handgun that is Carried Openly."

Codigo Penal § 30.07. Traspasar Portando Armas de Mano al Aire Libre con Licencia.

"Conforme a la Seccion 30.07 del codigo penal (traspasar portando armas de mano al aire libre con licencia), personas con licencia bajo del Sub-Capitulo H, Capitulo 411, Codigo de Gobierno (Ley de licencias de arma de mano), no deben entrar a esta propiedad portando arma de mano al aire libre."

June 10, 2021
Item No. 6.1.
BVEDC 2020 Incentive Compliance Report

Sponsor: Natalie Ruiz, Director of Economic Development

Reviewed By CBC: N/A

Agenda Caption: Presentation, discussion, and possible action regarding the 2020 Incentive Compliance Report by the Brazos Valley Economic Development Corporation.

Relationship to Strategic Goals:

- Good Governance

Recommendation(s): Staff recommends the Council receive the compliance report.

Summary: This item is the annual presentation on project compliance from the Brazos Valley Economic Development Corporation.

Budget & Financial Summary: N/A

Attachments:

None

**June 10, 2021
Item No. 7.1.
Council Minutes**

Sponsor: Tanya Smith, City Secretary

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action of minutes for:

- May 27, 2021 Council Meeting

Relationship to Strategic Goals:

- Good Governance

Recommendation(s): Approval

Summary: N/A

Budget & Financial Summary: None

Attachments:

1. CCM052721 DRAFT Minutes

MINUTES OF THE CITY COUNCIL MEETING
VIA TELECONFERENCE
CITY OF COLLEGE STATION
MAY 27, 2021

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

Karl Mooney, Mayor

Council:

Bob Brick
John Crompton
Linda Harvell
Elizabeth Cunha
John Nichols
Dennis Maloney

City Staff:

Bryan Woods, City Manager
Jeff Capps, Deputy City Manager
Carla Robinson, City Attorney
Tanya Smith, City Secretary
Ian Whittenton, Deputy City Secretary

1. Call to Order and Announce a Quorum is Present.

With a quorum present, the Meeting of the College Station City Council was called to order by Mayor Mooney via Teleconference at 4:01 p.m. on Thursday, May 27, 2021, in the Council Chambers of the City of College Station City Hall, 1101 Texas Avenue, College Station, Texas 77840.

2. Executive Session

In accordance with the Texas Government Code §551.071-Consultation with Attorney, §551.074-Personnel, and §551.086-Competitive Matters, the College Station City Council convened into Executive Session at 4:01 p.m. on May 27, 2021, to continue discussing matters pertaining to:

A. Consultation with Attorney to seek advice regarding pending or contemplated litigation, to wit:

- Kathryn A. Stever-Harper as Executrix for the Estate of John Wesley Harper v. City of College Station and Judy Meeks; No. 15,977-PC in the County Court No. 1, Brazos County, Texas; and
- McCrory Investments II, LLC d/b/a Southwest Stor Mor v. City of College Station; Cause No. 17-000914-CV-361; In the 361st District Court, Brazos County, Texas
- City of College Station v. Gerry Saum, Individually, and as Independent Executrix of the Estate of Susan M. Wood, Deceased; Cause No. 17-002742-CV-361; In the 361st District Court, Brazos County, Texas

- City of College Station v. Brazos Re Investors Group, LLC. Cause No.612CC; In the County Court at Law No. 1 of Brazos County, Texas.

B. Consultation with attorney to receive legal advice; to wit:

- Legal advice concerning conflicts of interest and other ethics requirements.

C. Deliberation on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer; to wit:

- City Manager
- Council Self-Evaluation

D. Deliberation on a competitive matter as that term is defined in Gov't Code Section 552.133; to wit:

- Power Supply

Executive Session recessed at 5:15 p.m.

3. Reconvene from Executive Session and take action, if any.

No vote or action was taken in Executive Session.

4. Pledge of Allegiance, Invocation, consider absence request.

5. Workshop Items

Items No. 6.1, 6.2, and 7.1 were presented out of order before the workshop items.

5.1. Presentation, discussion, and possible action regarding building, land use, and other options to preserve the integrity of neighborhoods.

Michael Ostrowski, Planning and Development Director, stated that at the March 11, 2021, City Council meeting, the City Council requested discussion on other options beyond the Neighborhood Conservation Ordinance that the City could consider to help preserve or promote neighborhood integrity. He presented several building, land use, parking, zoning, and other legislative options for the City Council to consider.

Existing Options:

Neighborhood Conservation Overlay (NCO) District

- ☞ Minimum Setbacks
- ☞ Minimum Lot Size
- ☞ Maximum Building Height
- ☞ Tree Preservation
- ☞ Landscape Maintenance
- ☞ Maximum Lot Coverage
- ☞ Garage Access / Connection / Location
- ☞ Off-Street Parking
- ☞ Fencing

Restricted Occupancy Overlay (ROO) District

Options for Consideration:

Parking

- Increase the Required Size of Parking Spaces
- Require One Parking Space per Bedroom
- Require a New Driveway Detail to Avoid Double Parking

Aesthetics

- Don't Allow Parking in Front of Dwelling
- Eliminate Private Access Parking in Residential Areas
- Require Garages to be Built with All New Construction
- Require Garages to be Built Behind Front Façade of Home

Occupancy

- Modify Impervious Cover Standards
- Regulate Interior Layout of Dwellings
- Regulate Maximum Size of Dwellings
- Increased Occupancy Ordinance (IOO)
- Regulate Building Types in Zoning Districts

Council directed staff to bring back information on requirements for redevelopment and options for higher density housing.

5.2. Presentation, discussion, and possible action related to the feasibility survey findings of a College Station Community Recreation Center in collaboration with the YMCA of Greater Williamson County.

Item pulled to future meeting.

6. Presentation - Proclamations, Awards, and Recognitions.

6.1. Gerald Burgner, Historic Preservation Committee Chairperson, provided a brief overview of the Historic Marker program. Mayor Mooney presented Historical Marker 106 to the Vincent family for their residence at 314 Pershing Avenue. Also present in person and by zoom were members of the Historical Preservation Committee.

6.2. Gerald Burgner, Historic Preservation Committee Chairperson, presented to the Mayor and Councilmembers certificates from the Texas Historical Commission for the three Historic Texas Cemeteries at College Station Cemetery.

7. Hear Visitors Comments

Jane Cohen, College Station, came before Council to inform the community that the Sojourners and La Villita of the Daughters of the American Revolution will be placing over 900 flags on Saturday, May 29, at the College Station Cemetery.

8. CONSENT ITEMS

Presentation, discussion, and possible action on consent items which consist of ministerial or "housekeeping" items as allowed by law: A Councilmember may request additional information at this time. Any Councilmember may remove an item from the Consent Agenda for a separate vote.

Items 8.5, 8.8, and 8.10 were pulled from Consent for clarification.

(8.3): *Troy Rother*, Traffic Engineer, stated that this prohibition is needed because Nueces Drive is not wide enough to accommodate U-turning traffic. The street is approximately 20 ft wide. Drivers coming off FM 2818 wanting to access the frontage road adjacent to the school must U-turn around a median. Due to the narrow width of the street, the U-turn is completed by making a 3-point turn. By doing a 3-point turn, during school drop off and pick-up times, traffic on Nueces Drive backs up onto FM 2818. Mr. Rother also explained the reasoning for the media at this location, it was part of 2018 media project. TxDOT required this median since the roadway ties into their roadway.

(8.8): *Emily Fisher*, Assistant Director Capital Projects, stated that The City is undertaking a project to widen Rock Prairie from FM 2154 to Holleman Drive from a 2-lane rural roadway to 3 lane concrete section with bike lanes and sidewalks. This includes widening the railroad crossing and improving the interconnect signal at the intersection Rock Prairie and FM 2154. This will significantly help with the mobility and safety of this intersection. Widening the crossing and improving the gates of the existing crossing requires design and approval by Union Pacific Railroad.

(8.10): *Chris Perkins*, College Station Police, stated that the proposed ordinance would prohibit pet stores from selling dogs and cats unless they were obtained from a city or county animal shelter or rescue organization.

8.1. Presentation, possible action, and discussion of minutes for:

- **May 13, 2021 Council Meeting**

8.2. Presentation, discussion, and possible action regarding the second and final renewal of a general service contract for city-wide mowing and landscape maintenance to Green Teams, Inc. with a not to exceed amount of \$1,108,394.

8.3. Presentation, discussion, and possible action regarding the award of the Annual Concrete Curb, Gutter and Flatwork installation to Larry Young Paving, Inc. in an amount not to exceed \$3,455,000 to maintain City infrastructure.

8.4. Presentation, discussion, and possible action on a five (5) year lease agreement with Texas Commercial Waste for refuse containers for an annual estimated expenditure of \$217,012.80 and a total contract value of \$1,085,064.

8.5. Presentation, discussion, and possible action on Ordinance No 2021-4264 amending Chapter 38 "Traffic and Vehicles," Article VI, "Traffic Schedules," Section 38-1011 "Traffic Schedule XI" to not allow U-turns on Nueces Drive near FM 2818.

8.6. Presentation, discussion, and possible action regarding a development agreement between the City of College Station and OGG Greens Prairie Investors, Inc. for the cost participation

by OGG Greens Prairie Investors, Inc. in the City's Greens Prairie Road Phase 2 Widening Project.

8.7. Presentation, discussion, and possible action regarding Ordinance No. 2021-4265 to rename Royder Road to Old Royder Road from the realigned roadway to Victoria.

8.8. Presentation, discussion, and possible action regarding an agreement between the City of College Station and Union Pacific Railroad Company to reconstruct and widen the existing permitted Rock Prairie railroad crossing.

8.9. Presentation, discussion, and possible action regarding the appointments of the Board of Directors for Rock Prairie Management District No. 2.

8.10. Presentation, discussion, and possible action on Ordinance No. 2021-4266 amending Chapter 6 Animals, Sections 1 and 12 regarding the sale of dogs and cats.

Consent Item 8.5 was pulled for a separate vote.

MOTION: Upon a motion made by Councilmember Nichols and a second by Councilmember Maloney, the City Council voted seven (7) for and none (0) opposed, to approve the Consent Items, with the exception of 8.5. The motion carried unanimously.

(8.5) MOTION: Upon a motion made by Councilmember Nichols and a second by Mayor Mooney, the City Council voted five (5) for and none (0) opposed, with Councilmembers Cunha and Brick abstaining, to approve Consent Item 8.5, Ordinance No. 2021-4266 amending Chapter 6 Animals, Sections 1 and 12 regarding the sale of dogs and cats. The motion carried unanimously.

9. REGULAR ITEMS

9.1 Public Hearing, presentation, discussion, and possible action regarding Ordinance No. 2021-4267 vacating and abandoning a 20-foot wide, 2,775 square foot Public Utility Easement lying within the Samuel Davidson League, Abstract No.13, being a portion of the remainder of a called 171.043-acre tract described as Tract One by a deed to Creek Meadows Partners, L.P. recorded in Volume 7068, Page 220, of the Official Records of Brazos County, Texas.

Erika Bridges, Planning and Development, stated that the abandonment of a 20-foot wide, 2,775 square foot Public Utility Easement lying within the Samuel Davidson League, Abstract No.13, being a portion of the remainder of a called 171.043-acre tract described as Tract One by a deed to Creek Meadows Partners. The removal of this easement will allow for the development of a new phase of the Creek Meadows development.

At approximately 7:16 p.m., Mayor Mooney opened the Public Hearing.

There being no comments, the Public Hearing was closed at 7:17 p.m.

MOTION: Upon a motion made by Councilmember Maloney and a second by Councilmember Nichols, the City Council voted seven (7) for and none (0) opposed, to adopt Ordinance No. 2021-4267, vacating and abandoning a 20-foot wide, 2,775 square foot Public Utility Easement lying within the Samuel Davidson League, Abstract No.13, being a portion of the remainder of a called 171.043-

acre tract described as Tract One by a deed to Creek Meadows Partners, L.P. recorded in Volume 7068, Page 220, of the Official Records of Brazos County, Texas. The motion carried unanimously.

9.2 Presentation, discussion, and possible action regarding a resolution to support and authorize the submission of a grant application to the Texas Department of Transportation to implement the George Bush Drive (FM 2347) Separated Bike Lanes Project.

Venessa Garza, Planning and Development, stated that in January 2021, the Texas Department of Transportation (TxDOT) issued a call for projects to local communities for funding assistance to help enhance bicycle and pedestrian safety, mobility, and connectivity through infrastructure projects. Staff submitted the first phase of the application earlier this year, which included a general project description and a high-level cost estimate. Recently, staff was notified by TxDOT that this project was selected to move on to the next phase in the application process. The next phase requires a more detailed application, along with more precise cost estimates. Approximately \$13 million will be available and, if chosen, projects will be placed on a prioritized Conditional Project List for anticipated fiscal year 2023 and 2024 appropriations.

Project identification and selection of projects is based on criteria set by TxDOT including safety, geographic equity, connectivity, and accessibility. The George Bush Drive (FM 2347) Separated Bike Lanes Project would extend from Texas Avenue to Wellborn Road and include a vertical barrier between the bike lane and automobile traffic as well as intersection modifications. This would improve the existing bike lanes by creating a safer and more comfortable corridor for biking to and from Texas A&M University. The project is approximately 1.3 miles in length and the grant covers up to 80% of construction costs. The City must provide a minimum local match of 20% for construction and 100% of design costs. Cost overruns will need to be paid for by the City. A resolution is needed from City Council to show support for the project, authorize city staff to submit the application, and a commitment to fund the project if selected which includes entering into an Advanced Funding Agreement with TxDOT.

At approximately 7:25 p.m., Mayor Mooney opened for Citizens Comments.

Robert Rose, College Station, came before Council to talk about the challenges of bike lanes, which he believes are heat and rain fall. Mr. Rose stated that covered bike lanes would help solve some of the challenges that we have.

There being no comments, the Citizens Comments was closed at 7:28 p.m.

MOTION: Upon a motion made by Councilmember Crompton and a second by Councilmember Brick, the City Council voted seven (7) for and none (0) opposed, to approve Resolution No. 05-27-21-9.2, to support and authorize the submission of a grant application to the Texas Department of Transportation to implement the George Bush Drive (FM 2347) Separated Bike Lanes Project. The motion carried unanimously.

9.3 Presentation, discussion, and possible action regarding a resolution to support and authorize the submission of a grant application to the Texas Department of Transportation to implement the Harvey Mitchell Parkway (FM 2818) Shared-use Path Project.

Venessa Garza, Planning and Development, stated that this resolution of support and authorize follows the same procedure as Regular Agenda Item 9.2 above. The Harvey Mitchell Parkway

(FM2818) Shared-use Path Project would extend on the south side of the road from the Jones Crossing commercial development to the College Station library. It would provide connections for students and residents to area parks, schools, and commercial areas. The project is approximately 0.4 miles in length. A resolution is needed from City Council to show support for the project, authorize city staff to submit the application and a commitment to fund the project if selected which includes entering into an Advanced Funding Agreement with TxDOT.

MOTION: Upon a motion made by Councilmember Nichols and a second by Councilmember Crompton, the City Council voted seven (7) for and none (0) opposed, to approve Resolution No. 05-27-21-9.3, to support and authorize the submission of a grant application to the Texas Department of Transportation to implement the Harvey Mitchell Parkway (FM 2818) Shared-use Path Project. The motion carried unanimously.

9.4 Presentation, discussion, and possible action regarding a Semi-Annual Report on System-Wide Impact Fees for Water, Wastewater, and Roadway.

Carol Cotter, Planning and Development, stated that the Impact Fee Semi-Annual Report provided is in accordance with the Texas Local Government Code Chapter 395.058. The City of College Station adopted “System-Wide” Impact Fees for water, wastewater, and roadways in the latter part of 2016. Fee implementation has occurred in phases, with full fee implementation having occurred in December of 2018. The service area for roadway impact fees is bounded by the City-limits; however, service areas for system-wide water and wastewater impact fees do not strictly follow City-limit lines and include some areas of the City’s Extra-Territorial Jurisdiction (ETJ). Land Use Assumptions and the related Capital Improvements Plans have remained applicable over the reporting period October 1, 2020, through March 31, 2021.

The statutory 5-year update is in progress and expected to be completed in the latter part of this year. Since there have been no major changes to any of the impact fee programs during the reporting period, this report primarily documents the fees collected in each of the service areas and identifies the impact fee capital improvement projects that the revenues have been budgeted to help fund. The Planning and Zoning Commission, with the inclusion of an ETJ representative for service areas extending into ETJ, serves as the Impact Fee Advisory Committee (IFAC) per the City of College Station Code of Ordinances Chapter 107, Impact Fees. On May 20, 2021, the Impact Fee Semi-Annual Report was presented to the IFAC. The Planning & Zoning Commission, acting in its capacity as the Impact Fee Advisory Committee heard this item at their May 7, 2021 meeting and voted 7-0 to recommend acceptance of the report.

MOTION: Upon a motion made by Councilmember Nichols and a second by Councilmember Maloney, the City Council voted seven (7) for and none (0) opposed, to approve the Semi-Annual Report on System-Wide Impact Fees for Water, Wastewater, and Roadway. The motion carried unanimously.

10. Council Calendar

Council reviewed the calendar.

11. Items of Community Interest: The Council may receive reports from a Council Member or City Staff about items of community interest for which notice has not been given, including: expressions of thanks, congratulations or condolence; information regarding holiday schedules;

honorary or salutary recognitions of a public official, public employee, or other citizen; reminders of upcoming events organized or sponsored by the City of College Station; information about a social, ceremonial or community event organized or sponsored by an entity other than the City of College Station that is scheduled to be attended by a Council Member, another city official or staff of the City of College Station; and announcements involving an imminent threat to the public health and safety of people in the City of College Station that has arisen after the posting of the agenda.

Councilmember Harvell reported on her opportunity to sit on the panel of the National Bus Association.

Mayor Mooney gave his and Council condolences for the passing of Parvis Vessali and reported on Walk with the Mayor.

Councilmember Cunha reported on the successful Cycle with Council Event.

12. Council Reports on Committees, Boards, and Commission: A Council Member may make a report regarding meetings of City Council boards and commissions or meetings of boards and committees on which a Council Member serves as a representative that have met since the last council meeting. (Committees listed in Coversheet)

Councilmember Nichols reported on the Brazos County Health Department.

13. Future Agenda Items and Review of Standing List of Council Generated Future Agenda Items: A Council Member may make a request to City Council to place an item for which no notice has been given on a future agenda or may inquire about the status of an item on the standing list of council generated future agenda items. A Council Member's or City Staff's response to the request or inquiry will be limited to a statement of specific factual information related to the request or inquiry or the recitation of existing policy in response to the request or inquiry. Any deliberation of or decision about the subject of a request will be limited to a proposal to place the subject on the agenda for a subsequent meeting.

Councilmember Nichols and Crompton requested a future agenda item on options to stimulate revitalization and owner occupancy in residential areas.

Councilmember Maloney requested a discussion on possibilities for cluster developments and ways to incentivize these developments.

The College Station City Council reconvened into Executive Session at 8:02 p.m. on May 27, 2021, to continue discussing matters listed above in the minutes.

Executive Session recessed at 9:21 p.m. no vote or action was taken in Executive Session.

14. Adjournment.

There being no further business, Mayor Mooney adjourned the Meeting of the City Council at 9:21 p.m. on Thursday, May 27, 2021.

Karl Mooney, Mayor

ATTEST:

Tanya Smith, City Secretary

June 10, 2021

Item No. 7.2.

Approval of ITB #21-045 for the City's Annual Price Agreement for the Electric Warehouse Inventory purchase of Three-Phase Transformers with estimated annual expenditures in the amount not to exceed \$1,127,618 and awarded to KBS Electrical Distributors.

Sponsor: Mary Ellen Leonard, Director of Fiscal Services

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding approval of ITB 21-045 for the City's Annual Price Agreement for the Electric Warehouse Inventory purchase of Three-Phase Transformers with estimated annual expenditures in the amount not to exceed \$1,127,618 and awarded to KBS Electrical Distributors.

Relationship to Strategic Goals:

- 1) Core Services and Infrastructure
- 2) Financial Sustainability

Recommendation(s): Staff recommends award of the annual price agreement with KBS Electrical Distributors for an amount not to exceed \$1,127,618. This is an estimated annual contract amount and aligns with historical years' activity for Electrical warehouse needs.

Summary: Staff issued Bid #21-045 on April 20, 2021, for Electric Three-Phase Transformers, and the Bid was opened on May 6, 2021. Six (6) sealed proposals were received and were reviewed by Electric Staff to ensure the compliance of needed specifications. The award for Electric Three-Phase Transformers will be for a one-year (1) price agreement with an option to renew two (2) additional one (1) year contracts.

Upon Council approval, staff will issue a blanket contract to the vendor, to be used by Electric Warehouse throughout the year.

Budget & Financial Summary: Funds are available and budgeted within the Electrical Fund. Various projects will be expensed as supplies are requisitioned by staff and issued from inventory.

Attachments:

1. Bid# 21-045 Three Phase Transformers Award

BID#21-045 SUMMARY TABULATION

				EHV Solutions, LLC.			KBS ELECTRICAL DIST.			KBS ALT		
		MFGR		WEG Transformers		14-16 Weeks	Ermco		16-18 Weeks	Cooper		18 Weeks
Item #	KVA	Secondary Voltage	QTY	Unit	TOC	Extended	Unit	TOC	Extended	Unit	TOC	Extended
285-086-00037	75	208/120	8	\$9,204	\$11,793.76	\$73,632	\$8,571	\$11,175.64	\$68,568	\$11,790	\$14,395.20	\$94,320
285-086-00038	112.5	208/120	8	\$10,175	\$13,668.24	\$81,400	\$9,068	\$12,884.92	\$72,544	\$12,944	\$16,353.84	\$103,552
285-086-00039	150	208/120	5	\$10,999	\$15,327.88	\$54,995	\$9,844	\$14,959.76	\$49,220	\$13,577	\$17,979.28	\$67,885
285-086-00040	225	208/120	5	\$12,076	\$18,182.64	\$60,380	\$10,979	\$17,205.72	\$54,895	\$14,956	\$21,126.00	\$74,780
285-086-00041	300	208/120	5	\$13,573	\$21,261.44	\$67,865	\$12,553	\$20,684.48	\$62,765	\$17,460	\$23,974.84	\$87,300
285-086-00042	500	208/120	5	\$18,262	\$30,681.32	\$91,310	\$17,626	\$29,675.44	\$88,130	\$19,838	\$31,931.84	\$99,190
285-086-00043	750	208/120	4	\$26,289	\$44,014.84	\$105,156	\$24,415	\$42,046.44	\$97,660	\$19,935	\$36,638.76	\$79,740
285-086-00044	1000	208/120	2	\$35,665	\$59,293.68	\$71,330	\$30,083	\$53,575.08	\$60,166	\$34,963	\$58,738.84	\$69,926
285-086-00045	112.5	480/277	3	\$9,998	\$13,209.92	\$29,994	\$9,012	\$12,788.48	\$27,036	\$12,836	\$16,436.24	\$38,508
285-086-00046	150	480/277	2	\$10,558	\$14,589.64	\$21,116	\$9,328	\$14,740.92	\$18,656	\$13,246	\$17,692.24	\$26,492
285-086-00047	225	480/277	4	\$11,420	\$17,420.96	\$45,680	\$10,806	\$17,158.76	\$43,224	\$15,199	\$20,407.76	\$60,796
285-086-00048	300	480/277	5	\$12,760	\$20,060.76	\$63,800	\$11,930	\$19,817.76	\$59,650	\$16,954	\$23,329.88	\$84,770
285-086-00049	500	480/277	5	\$16,086	\$27,284.60	\$80,430	\$15,072	\$26,907.28	\$75,360	\$19,112	\$29,526.32	\$95,560
285-086-00050	750	480/277	2	\$21,691	\$37,937.12	\$43,382	\$21,520	\$38,379.80	\$43,040	\$25,940	\$41,889.16	\$51,880
285-086-00051	1000	480/277	2	\$26,264	\$46,225.40	\$52,528	\$25,750	\$45,890.00	\$51,500	\$28,606	\$49,218.84	\$57,212
285-086-00052	1500	480/277	2	\$33,526	\$62,657.20	\$67,052	\$33,714	\$63,717.32	\$67,428	\$42,922	\$72,786.96	\$85,844
285-086-00053	2000	480/277	2	\$42,610	\$78,225.76	\$85,220	\$41,744	\$73,441.48	\$83,488	\$50,895	\$85,167.16	\$101,790
285-086-00054	2500	480/277	2	\$50,004	\$94,980.16	\$100,008	\$52,144	\$91,213.12	\$104,288	\$65,422	\$109,802.72	\$130,844
		Bid Totals			\$626,815.32	\$1,195,278		\$606,262.40	\$1,127,618		\$687,395.88	\$1,410,389
		Bid Exceptions		None			Quarterly Escalations			Price Firm thru 5/31/22		

Additional Vendors on Page 2

BID#21-045 SUMMARY TABULATION

BID TABULATION #21-045 (cont'd)

				Priester-Mell & Nicholson Inc.			Techline, Inc.			TEC		
		MFGR		WEG Transformers		14-16 Weeks	Howard		12-14 Weeks	Ermco		19-21 Weeks
Item #	KVA	Secondary Voltage	QTY	Unit	TOC	Extended	Unit	TOC	Extended	Unit	TOC	Extended
285-086-00037	75	208/120	8	\$9,489	\$12,078.76	\$75,912	\$8,750	\$11,088.68	\$70,000	\$10,424	\$13,028.64	\$83,392
285-086-00038	112.5	208/120	8	\$10,490	\$13,983.24	\$83,920	\$9,729	\$12,653.28	\$77,832	\$11,026	\$14,842.92	\$88,208
285-086-00039	150	208/120	5	\$11,339	\$15,667.88	\$56,695	\$10,843	\$14,748.52	\$54,215	\$11,970	\$17,085.76	\$59,850
285-086-00040	225	208/120	5	\$12,449	\$18,555.64	\$62,245	\$12,691	\$18,305.56	\$63,455	\$13,437	\$19,663.72	\$67,185
285-086-00041	300	208/120	5	\$13,993	\$21,681.44	\$69,965	\$14,511	\$21,479.64	\$72,555	\$15,364	\$23,495.48	\$76,820
285-086-00042	500	208/120	5	\$18,827	\$31,246.32	\$94,135	\$19,946	\$31,455.32	\$99,730	\$21,572	\$33,621.44	\$107,860
285-086-00043	750	208/120	4	\$27,102	\$44,827.84	\$108,408	\$30,979	\$47,575.12	\$123,916	\$29,876	\$47,507.44	\$119,504
285-086-00044	1000	208/120	2	\$36,768	\$60,396.68	\$73,536	\$38,824	\$59,056.84	\$77,648	\$36,817	\$60,309.08	\$73,634
285-086-00045	112.5	480/277	3	\$10,307	\$13,518.92	\$30,921	\$9,539	\$12,593.48	\$28,617	\$10,960	\$14,736.48	\$32,880
285-086-00046	150	480/277	2	\$10,885	\$14,916.64	\$21,770	\$11,250	\$15,151.68	\$22,500	\$11,394	\$16,169.72	\$22,788
285-086-00047	225	480/277	4	\$11,773	\$17,773.96	\$47,092	\$11,522	\$17,169.92	\$46,088	\$13,141	\$19,493.76	\$52,564
285-086-00048	300	480/277	5	\$13,155	\$20,455.76	\$65,775	\$13,261	\$20,295.64	\$66,305	\$14,596	\$22,483.76	\$72,980
285-086-00049	500	480/277	5	\$16,584	\$27,782.60	\$82,920	\$18,017	\$28,145.24	\$90,085	\$18,446	\$30,281.28	\$92,230
285-086-00050	750	480/277	2	\$22,362	\$38,608.12	\$44,724	\$25,544	\$40,125.20	\$51,088	\$26,333	\$43,192.80	\$52,666
285-086-00051	1000	480/277	2	\$27,076	\$47,037.40	\$54,152	\$29,920	\$48,245.56	\$59,840	\$31,515	\$51,655.00	\$63,030
285-086-00052	1500	480/277	2	\$34,563	\$63,694.20	\$69,126	\$44,321	\$70,762.88	\$88,642	\$41,261	\$71,264.32	\$82,522
285-086-00053	2000	480/277	2	\$43,928	\$79,543.76	\$87,856	\$54,457	\$87,722.68	\$108,914	\$51,088	\$82,785.48	\$102,176
285-086-00054	2500	480/277	2	\$51,551	\$96,527.16	\$103,102	\$71,292.39	\$110,920.11	\$142,584.78	\$63,814	\$102,883.12	\$127,628
		Bid Totals			\$638,296.32	\$1,232,254.00		\$667,495.35	\$1,344,014.78		\$684,500.20	\$1,377,917
		Bid Exceptions		Height and Weight Variants			None					

June 10, 2021
Item No. 7.3.
Rental Registration Ordinance Amendment

Sponsor: Debbie Eller, Director of Community Services

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action to amend Chapter 103, "Buildings and Building Regulations," Article V, "Single-Family and Duplex Unit Rental Registration".

Relationship to Strategic Goals:

Good Governance, Financial Sustainability, Neighborhood Integrity

Recommendation(s): Staff recommends approval.

Summary:

As requested by Council, staff presented an overview of the Rental Registration Program and a fee analysis at the January 14th meeting. Council directed staff to research additional information, develop a proposed fee structure, and establish a mechanism for stepped up penalties for continued non-compliance.

At the April 22nd Council meeting, staff presented a brief history of the program, discussed current program management, provided statistics, summarized a fee analysis completed, and proposed a fee structure for consideration. Staff proposed a mechanism to address property owners who do not register their rental in a timely manner.

The mechanism presented included developing a civil penalty for non-compliance with the ordinance. The property owner would have 30 days to complete registration after being contacted by City staff. The civil penalty would range from not less than \$25 to not more than \$100 if non-compliance continues. For egregious non-compliance, each day a violation continues will be a separate offense. This penalty structure is similar to the current penalty in place for false alarm responses.

Council also directed staff to leave the program as a one-time registration process and to increase the registration fee from the current rate of \$15.00 to \$60.00. This amount will move the fee towards full fee recovery, which would be consistent with the City's fee policy. Staff will conduct a fee analysis on an annual basis during the preparation of the budget. This fee amendment will be included with the Fee Resolution that will be considered by City Council in August.

Council's consideration is requested to adopt the revised Rental Registration ordinance as discussed on April 22nd.

Budget & Financial Summary: N/A

Attachments:

1. Rental Registration Sec 103 Amend (5)

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 103, “BUILDINGS AND BUILDING REGULATIONS,” ARTICLE V, “SINGLE-FAMILY AND DUPLEX UNIT RENTAL REGISTRATION”, SECTION 103 OF THE CODE OF ORDINANCES OF THE CITY OF COLLEGE STATION, TEXAS, BY AMENDING CERTAIN SECTIONS RELATING TO RENTAL REGISTRATION; PROVIDING A SEVERABILITY CLAUSE; DECLARING A PENALTY; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

- PART 1:** That Chapter 103, “Buildings and Building Regulations,” Article V, “Single-Family and Duplex Unit Rental Registration”, Section 103 of the Code of Ordinances of the City of College Station, Texas, be amended as set out in **Exhibit “A”** attached hereto and made a part of this Ordinance for all purposes.
- PART 2:** If any provision of this Ordinance or its application to any person or circumstances is held invalid or unconstitutional, the invalidity or unconstitutionality does not affect other provisions or application of this Ordinance or the Code of Ordinances of the City of College Station, Texas, that can be given effect without the invalid or unconstitutional provision or application, and to this end the provisions of this Ordinance are severable.
- PART 3:** That any person, corporation, organization, government, governmental subdivision or agency, business trust, estate, trust, partnership, association and any other legal entity violating any of the provisions of this Ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punishable by a fine of not less than twenty five dollars (\$25.00) and not more than five hundred dollars (\$500.00) or more than two thousand dollars (\$2,000) for a violation of fire safety, zoning, or public health and sanitation ordinances, other than the dumping of refuse. Each day such violation shall continue or be permitted to continue, shall be deemed a separate offense.
- PART 4:** This Ordinance is a penal ordinance and becomes effective ten (10) days after its date of passage by the City Council, as provided by City of College Station Charter Section 35.

PASSED, ADOPTED and APPROVED this _____ day of _____, 20__.

ATTEST:

APPROVED:

City Secretary

Mayor

APPROVED:

City Attorney

EXHIBIT A

That Chapter 103, "Buildings and Building Regulations," Article V, "Single-Family and Duplex Unit Rental Registration", Section 103 of the Code of Ordinances of the City of College Station, Texas, is hereby amended to read as follows:

Sec. 103-236. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Administrator means the City Manager or designee.

Duplex dwelling is as defined in Article 11, "Definitions," of the Unified Development Ordinance (see App. A).

Multi-family dwelling is as defined in Article 11. "Definitions," of the Unified Development Ordinance (see App. A).

Owner occupied is defined as the property's owner of record that utilizes the dwelling as the owner's primary residence.

Rental property means any single-family, townhome, duplex, tri-plex, four-plex, five-plex, or six-plex dwelling unit that is not owner occupied, whether or not rent is charged. The term "rental property" includes, but is not limited to, properties rented to students, families, or any other persons; properties in which a family member of the owner resides in the home but the owner does not (regardless of whether additional persons also reside in the home); properties used as vacation rentals or game-day rentals; and properties where a property caretaker lives in the home but the owner does not.

Single-family dwelling is as defined in Article 11, "Definitions," of the Unified Development Ordinance (see App. A).

Sec. 103-237. Purpose.

This article's purpose is establishing a registration requirement for rental property owners so the City may expeditiously identify and contact the owner, if local, or owner's local contact person to obtain tenant information in the event of an emergency, public safety need or when a disproportionate number of City, State or Federal law violations have occurred on or in the property. It is not the intent of this article to determine the rights and liabilities of persons under agreements to which the City is not a party. This article shall not be construed to alter the terms of any lease or other agreement between a landlord and a tenant or others relating to property that is the subject of this article, provided that no provision of any lease or other agreement shall be construed to excuse non-compliance with this article.

Sec. 103-238. Rental registration required.

- (a) Each owner or real estate manager of rental property is required to register the property with the City on a form provided by the Administrator. A new registration is required upon any change in property ownership. The information required to register the rental property is as follows:
- (1) Address of the rental property;
 - (2) Owner and contact information for the owner;
 - (3) Type of rental property, such as single-family or duplex;
 - (4) Local contact person with contact information, in the case of an absentee owner. The local contact person cannot be a person listed or named on the lease. The local contact must reside within thirty (30) miles of City Hall. Any change in local contact information must be reported to the Administrator in writing within thirty (30) days of any change.
- (b) Tenant names, the contact information for all tenants listed or named on the current lease and all current leases shall be presented to the Administrator for review upon request.
- (c) Other information shall likewise be provided, as deemed necessary by the Administrator.
- (d) A rental registration fee established in Section 2-117 shall be assessed per building at the time of any required registration.

Sec. 103-239. Violations.

- (a) It is a violation of this article to:
- (1) Fail to register a rental property;
 - (2) Fail to present or provide required information or documents;
 - (3) Fail to update information or documentation;
 - (4) Fail to pay the rental registration fee;
 - (5) Provide false information to the Administrator;
 - (6) Fail to pay an administrative penalty; or
 - (7) Continue non-compliance with this article, following either an administrative or judicial finding of non-compliance or plea of guilty.
- (b) A plea of no contest shall be treated as a plea of guilty.

Sec. 103-240. Penalties.

- (a) Administrative penalties for violations of this article may be imposed, in addition to the criminal prosecution authorized by Section 1-7.
- (b) The administrative penalty for a failing to register a rental property as required by this article shall be as follows:

<i>Administrative Penalty for failing to register</i>	<i>Administrative Penalty Amount</i>
---	--------------------------------------

<i>with 30 days of initial notification</i>	
31-45 days overdue	\$25.00 per day
46-60 days overdue	\$50.00 per day
61-75 days overdue	\$75.00 per day
76 or more days overdue	\$100.00 per day

- (c) Each day such violation shall continue or be permitted to continue shall be deemed a separate offense.

Sec. 103-241. Administrative Citations.

The Administrator, a Code Enforcement Officer, or a Peace Officer has the authority to issue administrative citations for violations. A person's signature on a copy of the citation acknowledges receipt and is a promise to contact, within ten days of the date of the citation, the Administrator to pay or arrange for a plea and a hearing. Failure or refusal to sign shall be noted and a copy filed with the Administrator, as due and payable within ten days, absent a timely appeal, the lack of signature notwithstanding.

Sec. 103-242. Administrative adjudication of violations.

- (a) A person receiving an administrative citation or summons under this article is entitled to an administrative hearing.
- (b) The Administrator shall implement and enforce this article with necessary and consistent procedures.
- (c) One or more Hearing Officers shall be appointed by the Administrator to administratively adjudicate all violations for which an administrative citation or summons is issued.
- (d) A Hearing Officer shall have the authority to:
- (1) Administer oaths;
 - (2) Accept admissions and hear and determine contests of violations under this article; and
 - (3) Issue orders enforceable by the Municipal Court compelling the attendance of witnesses and the production of documents.
- (e) The administrative adjudication process is initiated by the issuance of an administrative citation or summons. An administrative citation or summons serves as notice of administrative adjudication hearing.
- (f) An administrative citation or summons shall include the following information:
- (1) The nature, date, time and location of the alleged violation;
 - (2) A statement that a person charged with a civil offense under this Code is entitled to an administrative adjudication hearing to determine liability for the charged offense and that such right to a hearing shall be exercised by personally appearing before the

- Administrator, or at a location specified by the Administrator on the citation or summons, within ten days from the citation date; and
- (3)** Failure to answer the administrative citation or to appear at the administrative adjudication hearing is considered an admission of liability for the violation and will result in the assessment of civil fines, costs and fees.
- (g)** An administrative citation or summons may be served personally on the owner of the rental property or the owner's legal registered agent. The summons may be served by personal service, regular or certified mail.
- (h)** The original or a copy of the citation or summons, including an electronic copy, is a governmental record kept in the ordinary course of City business and is rebuttable proof of the facts it contains.
- (i)** The original and all copies of any administrative citation or summons are prima facie evidence that it was issued and that proper service was made.

June 10, 2021

Item No. 8.1.

Ordinance amending the Comprehensive Plan Future Land Use and Character Map from Wellborn Preserve-Open to Wellborn Commercial for approximately 2 acres, generally located at 3970 Gus Roy Road.

Sponsor: Jesse Dimeolo

Reviewed By CBC: Planning & Zoning Commission

Agenda Caption: Public Hearing, presentation, discussion, and possible action regarding an ordinance amending the Comprehensive Plan Future Land Use and Character Map from Wellborn Preserve-Open to Wellborn Commercial for approximately 2 acres, generally located at 3970 Gus Roy Road.

Relationship to Strategic Goals:

Diverse and Growing Economy

Recommendation(s): The Planning and Zoning Commission heard this item at their May 20, 2021 meeting where they voted 5-2 to recommend denial. Staff also recommends denial of the request.

Summary: Summary: The applicant is requesting an amendment to the Comprehensive Plan Future Land Use and Character Map from Wellborn Preserve-Open to Wellborn Commercial for approximately 2 acres, generally located at 3970 Gus Roy Road. The subject property and properties immediately adjacent to the west and south are primarily designated as Wellborn Preserve-Open on the Comprehensive Plan Future Land Use and Character Map, while the properties to the east are Restricted Suburban, and the properties to the north are Restricted Suburban and Wellborn Commercial. This Comprehensive Plan Amendment is in preparation for a PDD rezoning of the property to allow for additional commercial options in the area. It is the applicant's intent to develop warehouses and offices on the subject property.

REVIEW CRITERIA

1. Changed or changing conditions in the subject area of the City: The subject property and properties to the west and south have a future land use designation of Wellborn Preserve-Open. The Wellborn Preserve-Open land use designation is generally for areas that, due to public service limitations or a prevailing rural character, should have limited development activities. These areas tend to consist of low-density single-family residential lots of one acre or more but may be reduced to 20,000 square feet if clustered around undeveloped open space. The properties to the north and east are designated as Restricted Suburban. These properties are continuing to be built out as residential properties within the Creek Meadows Subdivision.

The subject property is located within the Wellborn Community Plan which was adopted by City Council on April 25, 2013. Generally, this area is located in the southwestern portion of the City and includes much of the Wellborn Community. According to the plan, the annexation process was contentious and throughout the process, residents, landowners, and business owners expressed their desire to preserve the area's rural and unique character. Through the Wellborn Community

Plan, citizens of the community have overwhelmingly identified the long-term character of Wellborn as being one of a rural nature with open space that is both privately and publicly held. The citizens see the area continuing as a place where local stores survive and low-density large acreage homesites remain.

Within the past five years, there has only been one approved Comprehensive Plan amendment for Wellborn Commercial in this part of College Station. In January of 2019, City Council heard and approved a request to amend the Comprehensive Plan Future Land Use and Character Map to allow Wellborn Commercial for approximately 7 acres located north along Wellborn Road. Wellborn Commercial is generally for concentrations of commercial activities that focus primarily on the nearby residents versus the larger community. Such uses should be limited in size and should not accommodate for drive-thru services. Specific design elements, as described in the Wellborn Community Plan, should be incorporated into such developments so as to limit the visual impact on the community and enhance the defined character. The effect of these amendments on the area are marginal as the area's Future Land Use and Character Map has remained largely unchanged with the prevailing use in the subject area remaining low density residential uses.

2. Compatibility with the existing uses, development patterns, and character of the immediate area concerned, the general area, and the City as a whole: The applicant is requesting an amendment to the Future Land Use and Character Map to Wellborn Commercial. The Wellborn Commercial designation is generally for concentrations of commercial activities that focus primarily on the nearby residents versus the larger community.

To the north, east, and south of the subject property is Creek Meadows Subdivision. Also to the north across Victoria are office and storage uses. Immediately west of the property is an existing single family residence and several undeveloped rural tracts. The Wellborn Community Plan states that "citizens of the wellborn community and surrounding areas have identified the desire to maintain the existing level of commercial activity," and that these commercial "development patterns should be closer to F.M. 2154." The proposed amendment to Wellborn Commercial would create a commercial land use designation that is entirely surrounded by residential uses, except for some small commercial uses across Victoria Avenue. This would also create an isolated commercial use on the south side of the street that is approximately 1,500 feet away from F.M. 2154. In addition, the proposed configuration may make it more challenging for the public to find the business. Visibility will be further restricted should the property eventually be zoned for WC Wellborn Commercial by the required WC Wellborn Commercial-to-residential buffer requirements of a 20-foot landscaped buffer yard with an approved buffer fence.

3. Impact on environmentally sensitive and natural areas: There is no FEMA designated floodplain on the property. The applicant has stated that the subject property "will follow city codes and ordinances and will not have adverse impacts on the surrounding areas."

4. Impacts on infrastructure including water, wastewater, drainage, and the transportation network: Water service and fire flow will be provided by Wellborn Special Utility District. A public sanitary sewer line extending service to this site is currently under construction. The subject property generally drains to the southeast within the Peach Creek Drainage Basin and is not encumbered by FEMA Special Flood Hazard Area (SFHA). Detention is required with future development and would

be addressed with the site plan. Drainage and all other infrastructure required with site development shall be designed and constructed in accordance with the B/CS Unified Design Guidelines.

The subject property is located along Victoria Avenue, which is designated as a future 2-Lane Major Collector on the Thoroughfare Plan and currently constructed as two-lane rural roadway. A City capital project to reconstruct this portion of Victoria Ave has started design and is anticipated to begin construction in FY22. The Wellborn Commercial designation likely increases the potential traffic generated in comparison to the existing Wellborn Preserve-Open designation though the amount would be limited due to the acreage involved and would vary depending upon the specific use developed.

5. Consistency with the goals and strategies set forth in the Comprehensive Plan: The intent of College Station's Future Land Use and Character Map is to create a community with strong, unique neighborhoods, protected rural areas, special districts, distinct corridors, and a protected and enhanced natural environment. The subject property and surrounding areas to the north, west, and south are identified in the Comprehensive Plan as part of Wellborn Community Plan. The Wellborn Community Plan states that "citizens of the Wellborn Community have overwhelmingly identified the long-term character of Wellborn as being one of a rural nature with open space that is both privately and publicly held. The Citizens see the area continuing as a place where local stores survive and low-density large acreage homesites remain."

The proposed amendment to Wellborn Commercial would create a commercial land use designation that has minimal roadway frontage and is surrounded by residential uses. This would also create an isolated commercial use away from F.M. 2154, which the Wellborn Community Plan states should be closer to F.M. 2154. The Wellborn Commercial land use designation is inappropriate for this property as it is surrounded by existing and future residential and as it is not located in an area that the Wellborn Community Plan describes as appropriate for commercial uses.

Budget & Financial Summary: N/A

Attachments:

1. Background Information
2. Vicinity Map, Aerial, and Small Area Map
3. Applicant Supporting Information
4. Comprehensive Plan Exhibit
5. Comprehensive Plan Amendment Map
6. Ordinance

BACKGROUND INFORMATION

NOTIFICATIONS

Advertised Commission Hearing Date: May 20, 2021
Advertised Council Hearing Date: June 10, 2021

The following neighborhood organizations that are registered with the City of College Station's Neighborhood Services have received a courtesy letter of notification of this public hearing:

Creek Meadows HOA

Contacts in support: None at the time of this report
Contacts in opposition: None at the time of this report
Inquiry contacts: None at the time of this report

ADJACENT LAND USES

Direction	Comprehensive Plan	Zoning	Land Use
North	Wellborn Commercial	Rural	Offices and Storage
South	Wellborn Preserve – Open and Rural	Rural	Undeveloped land and Creek Meadows Subdivision
East	Rural and Restricted Suburban	PDD Planned Development District	Future Phase of Creek Meadows Single-Family Residential Development
West	Wellborn Preserve - Open	Rural	Single – Family Residence and Undeveloped land

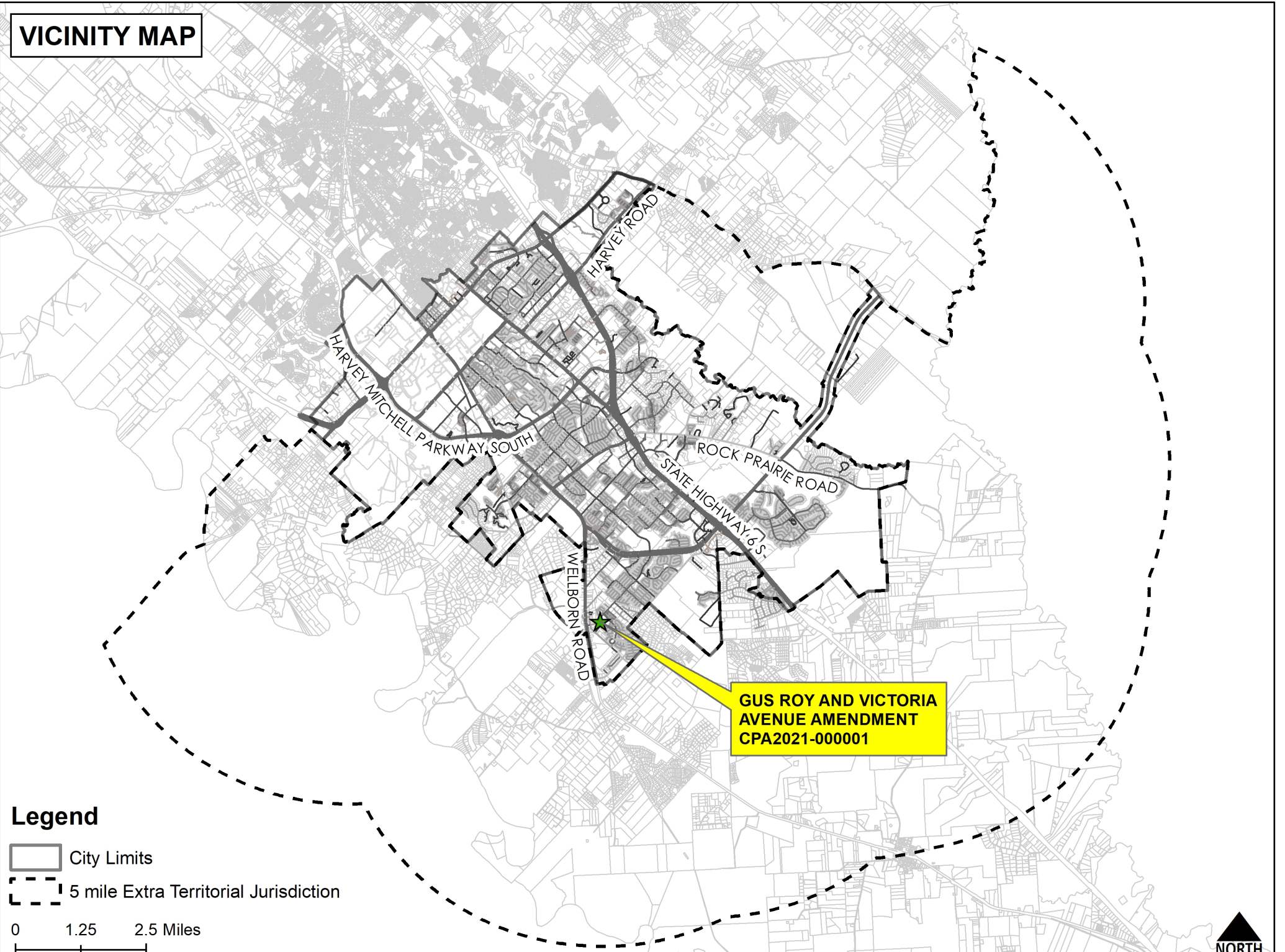
DEVELOPMENT HISTORY

Annexation: 2011
Zoning: A-O Agricultural Open upon annexation
Current Zoning is Rural

Final Plat: Unplatted

Site development: Undeveloped

VICINITY MAP

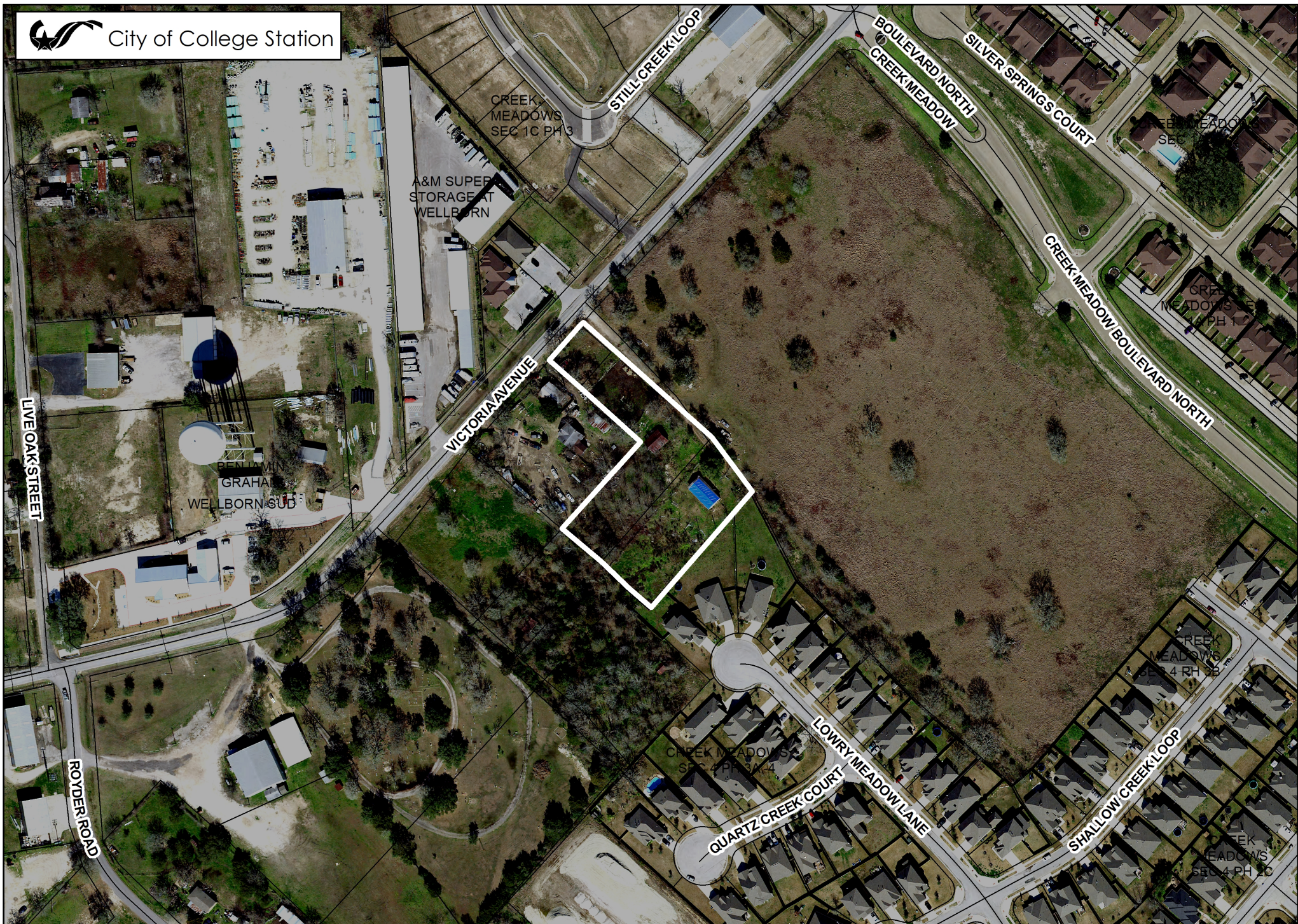


Legend

- City Limits
- 5 mile Extra Territorial Jurisdiction

0 1.25 2.5 Miles



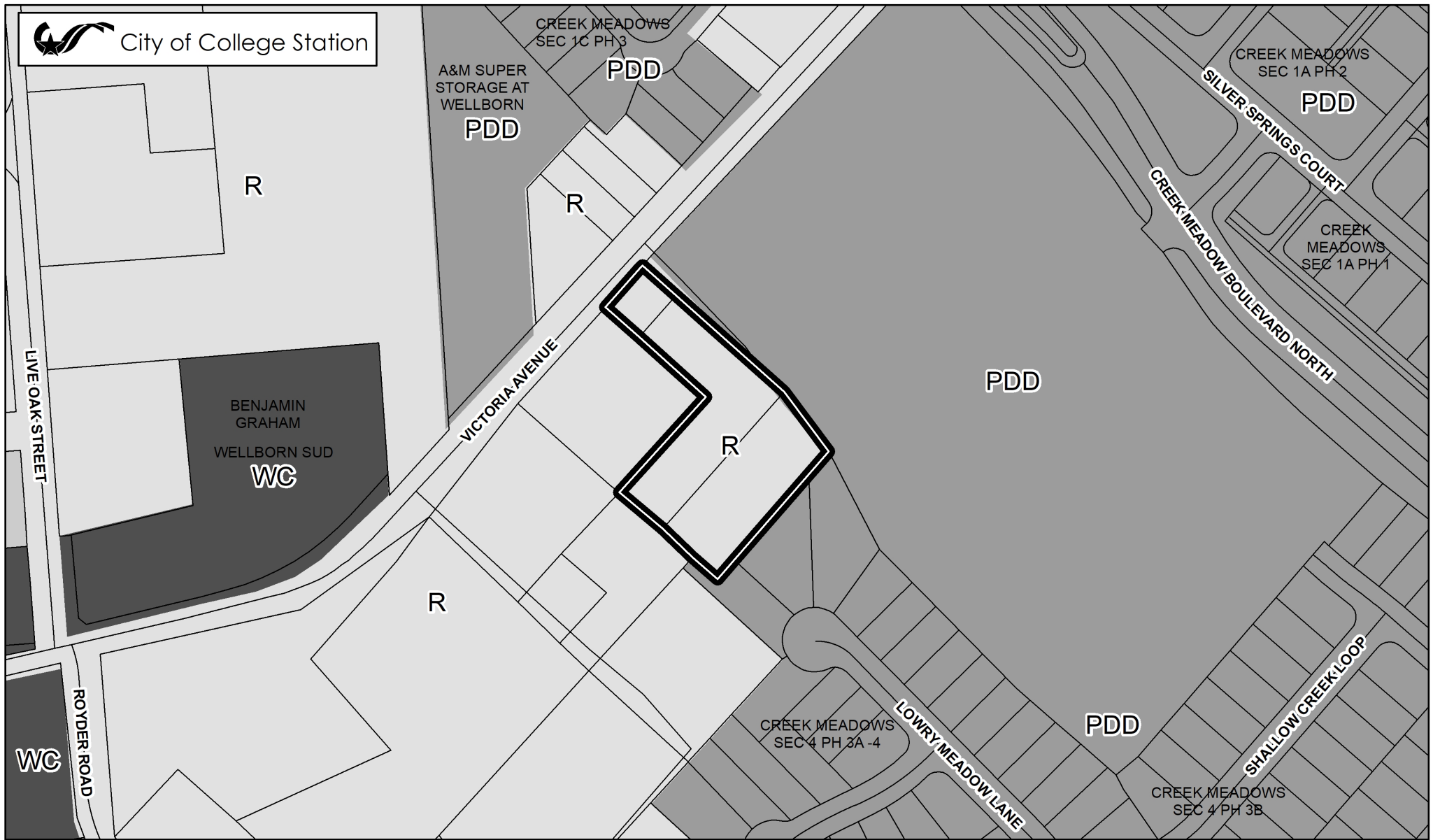


0 212.5 425 Feet

**GUS ROY AND VICTORIA AVENUE
AMENDMENT**

Case:
CPA2021-000001

**COMPREHENSIVE PLAN
AMENDMENT**



ZONING DISTRICTS (In Grayscale)

Residential		
R	Rural	MF Multi-Family
WE	Wellborn Estate	MU Mixed-Use
E	Estate	MHP Manufactured Home Pk.
WRS	Wellborn Restricted Suburban	
RS	Restricted Suburban	
GS	General Suburban	
D	Duplex	
T	Townhome	

Non-Residential

NAP	Natural Area Protected
O	Office
SC	Suburban Commercial
WC	Wellborn Commercial
GC	General Commercial
CI	Commercial Industrial
BP	Business Park
BPI	Business Park Industrial
C-U	College and University

Planned Districts

P-MUD	Planned Mixed-Use Dist.
PDD	Planned Develop. Dist.

Design Districts

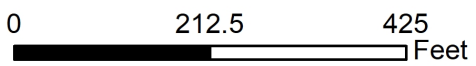
WPC	Wolf Pen Creek Dev. Cor.
NG-1	Core Northgate
NG-2	Transitional Northgate
NG-3	Residential Northgate

Overlay Districts

OV	Corridor Ovr.
RDD	Redevelopment District
KO	Krenek Tap Ovr.
NPO	Nbrhd. Prevailing Ovr.
NCO	Nbrhd. Conservation Ovr.
HP	Historic Preservation Ovr.

Retired Districts

R-1B	Single Family Residential
R-4	Multi-Family
R-6	High Density Multi-Family
C-3	Light Commercial
RD	Research and Dev.
M-1	Light Industrial
M-2	Heavy Industrial



**GUS ROY AND VICTORIA AVENUE
AMENDMENT**

Case:
CPA2021-000001

**COMPREHENSIVE PLAN
AMENDMENT**

**Gus Roy Rd/Victoria Avenue
Land Use Plan Amendment**

1. What specific element of the Comprehensive Plan (for example, Land Use & Character designation, Thoroughfare Plan Context Class, or thoroughfare alignment) and at what specific location (if applicable) is requested to be amended?

Land Use Plan Amendment at 3970 Gus Roy Road

2. Please list the amendment(s) requested.

We request to amend the Land Use Plan from Wellborn Preserve-Open to Wellborn Commercial

3. Please explain the reason for the amendment(s).

The development costs of developing 1-acre lots, in accordance with the WPO Wellborn Preserve-Open zoning district have made a low-density development on this property unfeasible. Concrete roadways, underground utilities and impact fees for a 2-lot subdivision results in extremely expensive lot costs. The character of this area is established by the offices and commercial areas across Victoria Avenue.

4. Please explain the changed or changing conditions in the subject area of the City.

When the City began requiring streets to be constructed using concrete rather than asphalt in November 2016, not only did it alter the feel of what was intended to be "rural character", but it added a significant cost to development - especially low-density residential development. Further, both the City and Wellborn Special Utility District have started requiring impact fees that only add more costs to be distributed among a small number of lots. These added costs make low-density residential development unaffordable.

5. Please show the compatibility with the existing uses, development patterns, and character of the immediate area concerned, the general area, and the city as a whole.

Wellborn Commercial is compatible with this area. Wellborn Commercial was designed for low intensity commercial uses and activities, such as office buildings. The property is located across the street from office buildings, Wellborn SUD offices, and an RV/Boat storage facility. Office and warehousing are compatible with these established as well as the nearby residences. They are quiet and low intensity uses that will have positive economic impacts as well as compatibility with the established commercial uses and adjacent residences.

6. Please list any impacts on environmentally sensitive and natural areas.

This property does not have any environmentally sensitive areas. All development will follow City codes and ordinances and will not have adverse impacts on surrounding areas.

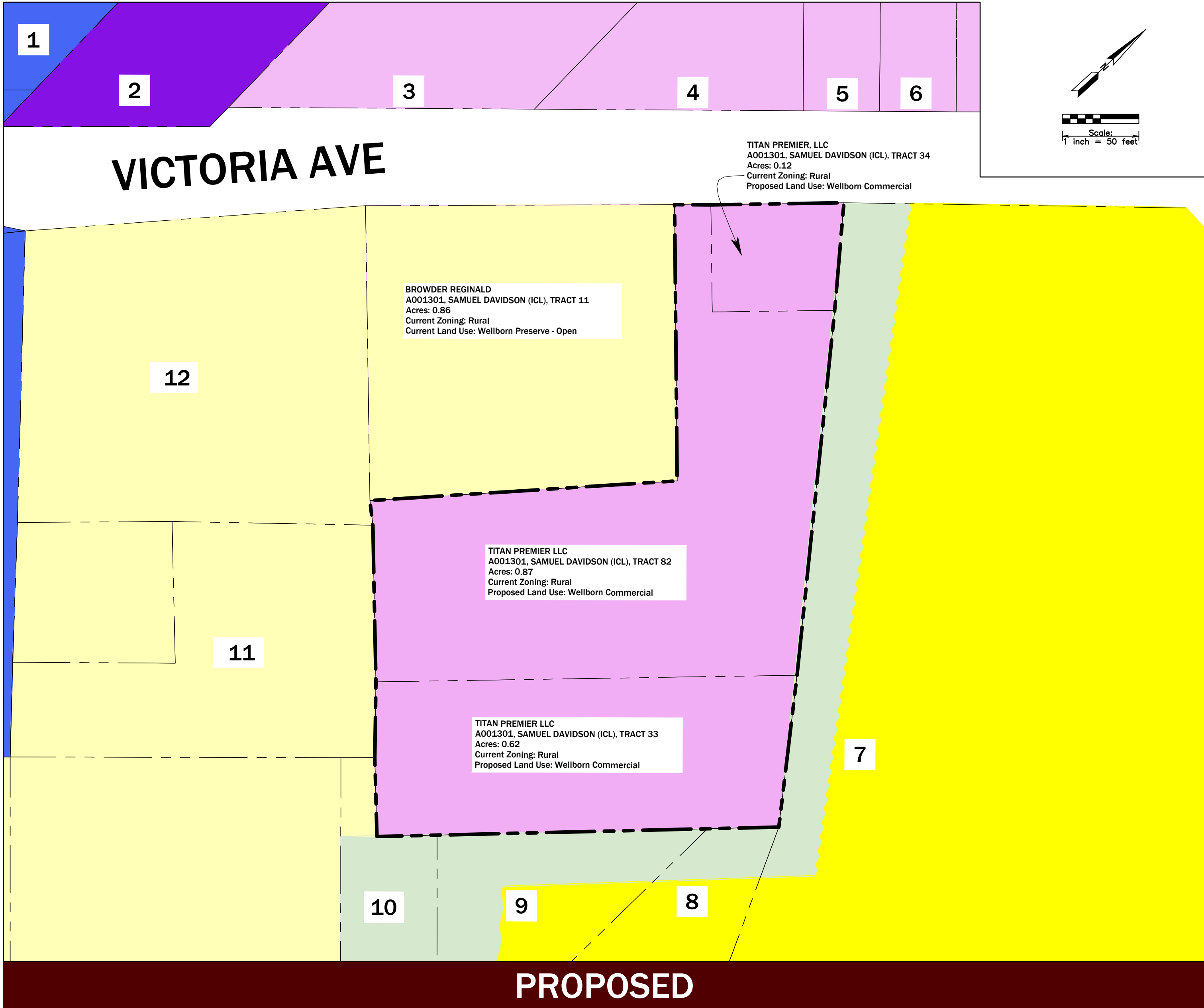
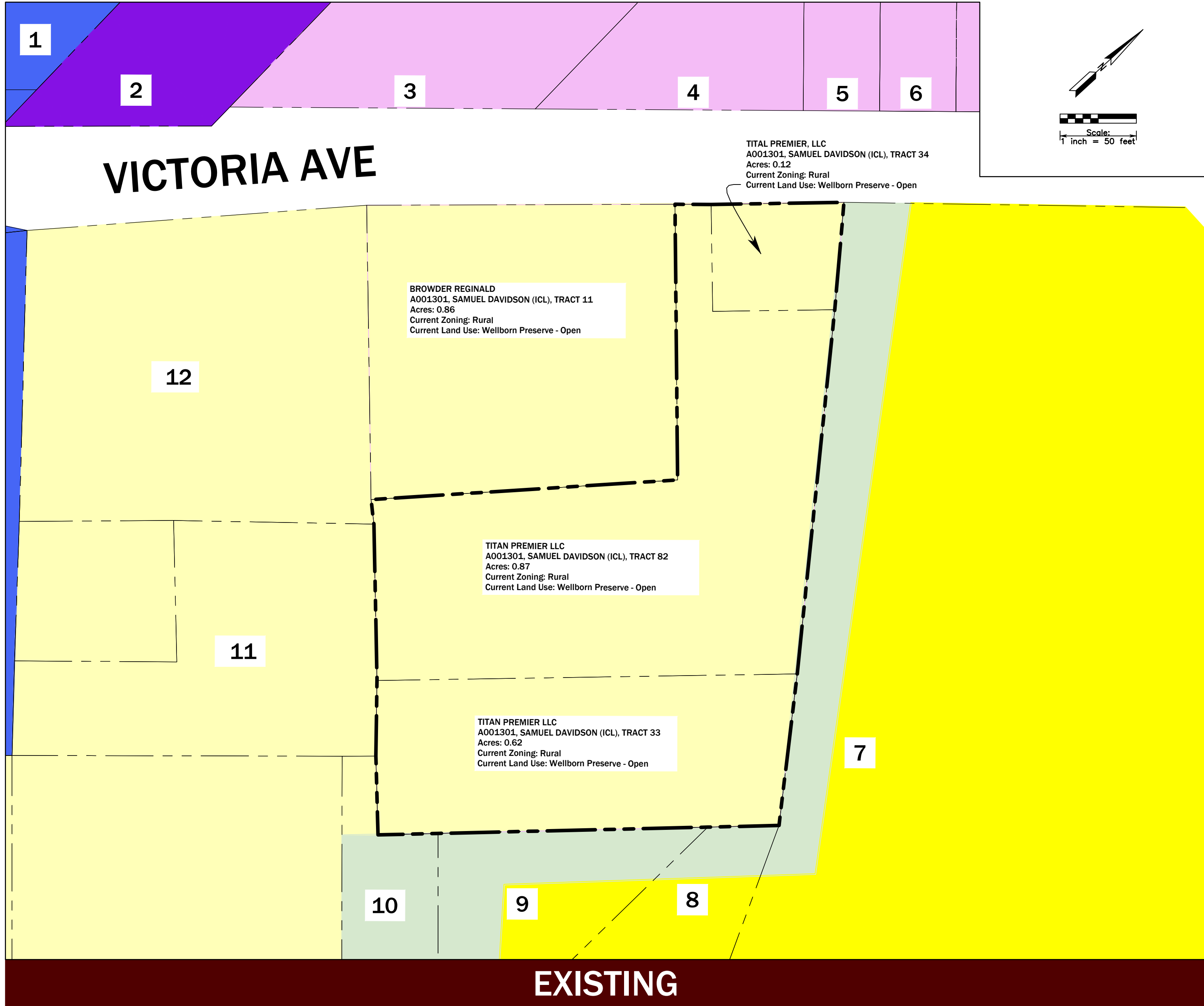
7. List any impacts on infrastructure, including water, wastewater, drainage and transportation network.

Water is sufficient in this area. This property wastewater demands were accounted for in the Creek Meadows Subdivision sewer report. This property has access to sewer and will be served by the adjacent development. Drainage would have no impact because of required compliance with the Unified Development Ordinance.

8. Explain consistency with the goals and strategies set forth in the Comprehensive Plan.

The Wellborn Community Plan states that while more commercial is amenable to residents, it should not be more intense than what you can find today. The proposed office and warehousing uses are not more intense than existing commercial uses found across Victoria Avenue. You can find both uses in the businesses across the street.

Further, the plan states that the "Community Character Goal for the Wellborn Community Plan is to be a community of rural character positioned for contextually appropriate growth that embodies and sustains the uniqueness and history of the area." The proposed office and warehousing is contextually appropriate with the businesses that have existed in the community for years and will visually represent the desired aesthetic for commercial development.

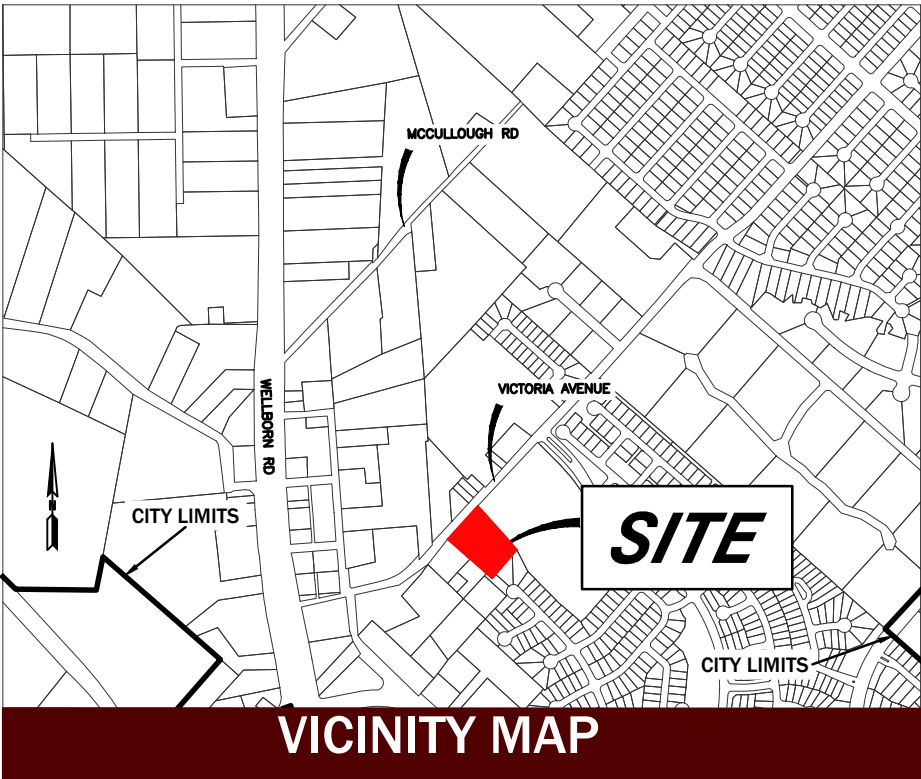


- LEGEND:
- WELLBORN PRESERVE - OPEN
 - WELLBORN COMMERCIAL
 - RURAL
 - RESTRICTED SUBURBAN
 - WELLBORN BUSINESS PARK
 - INSTITUTIONAL/PUBLIC

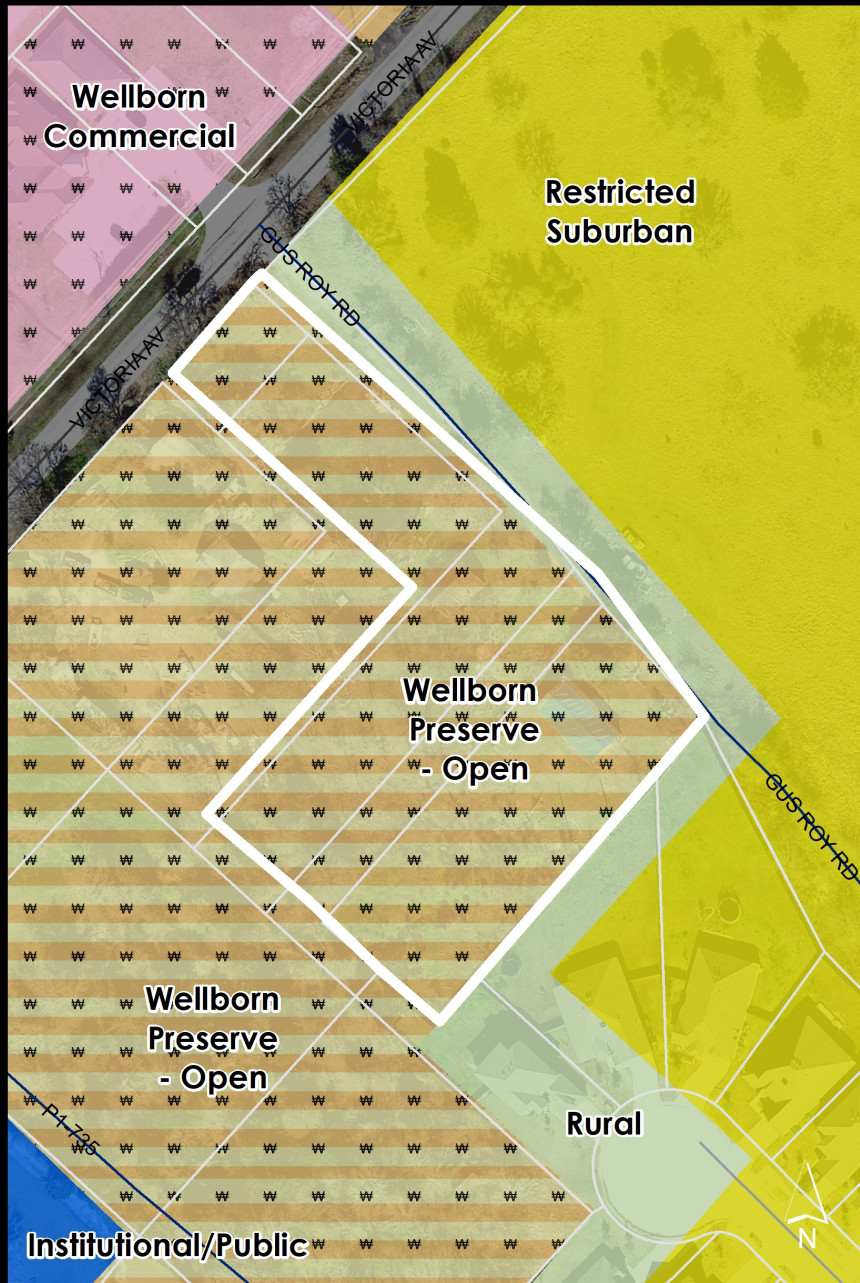
Number	Owner	Legal Description	Current Zoning	Current Land Use
1	WELLBORN SPEACIAL UTILITY DISTRICT OF BRAZOS COUNTY	WELLBORN SUD, BLOCK 1, LOT 1R	WC-Wellborn Commercial	Institutional/Public
2	PEACH CREEK RENTAL LTD & SCOTT ELLIOTT	BENJAMIN GRAHAM, LOT 3A	R-Rural	Wellborn Business Park
3	KENNADY E HUBBARD FAMILY LIMITED PARTNERSHIP	A&M SUPER STORAGE AT WELLBORN, BLOCK 1, LOT 1	PDD-Planned Development District	Wellborn Commercial
4	LARIAT PROPERTY MANAGEMENT LLC	CREEK MEADOWS SEC 1C PH 1A BLOCK 1, LOT 1	R-Rural	Wellborn Commercial
5	KENNEMER DEAN T & CHRISTINE D	CREEK MEADOWS SEC 1C PH 1A, BLOCK 1, LOT 2	R-Rural	Wellborn Commercial
6	AJG INVESTMENTS LLC	CREEK MEADOWS SEC 1C PH 1B, BLOCK 1, LOT 3	R-Rural	Wellborn Commercial
7	CREEK MEADOWS PARTNERS LP	A001301, SAMUEL DAVIDSON (ICL), TRACT 64.8, 17.732 ACRES	PDD-Planned Development District	Restricted Suburban
8	BURCH RENTAL CORP	CREEK MEADOWS SEC 4 PH 4, BLOCK 2, LOT 52	PDD-Planned Development District	Restricted Suburban
9	SMITH CHARLES L & LORENA SOLIS	CREEK MEADOWS SEC 4 PH 4, BLOCK 2, LOT 51	PDD-Planned Development District	Restricted Suburban
10	ROMITO BRANDON & KELSEY	CREEK MEADOWS SEC 4 PH 4, BLOCK 2, LOT 50	PDD-Planned Development District	Restricted Suburban
11	CEMETERY FREE VILL WORKERS	A001301, SAMUEL DAVIDSON (ICL), TRACT 114, 0.78 ACRES	R-Rural	Wellborn Preserve-Open
12	K&H PORTABLE TOILETS INC	A001301, SAMUEL DAVIDSON (ICL), TRACT 42, .929 ACRES	R-Rural	Wellborn Preserve-Open

NOTE:

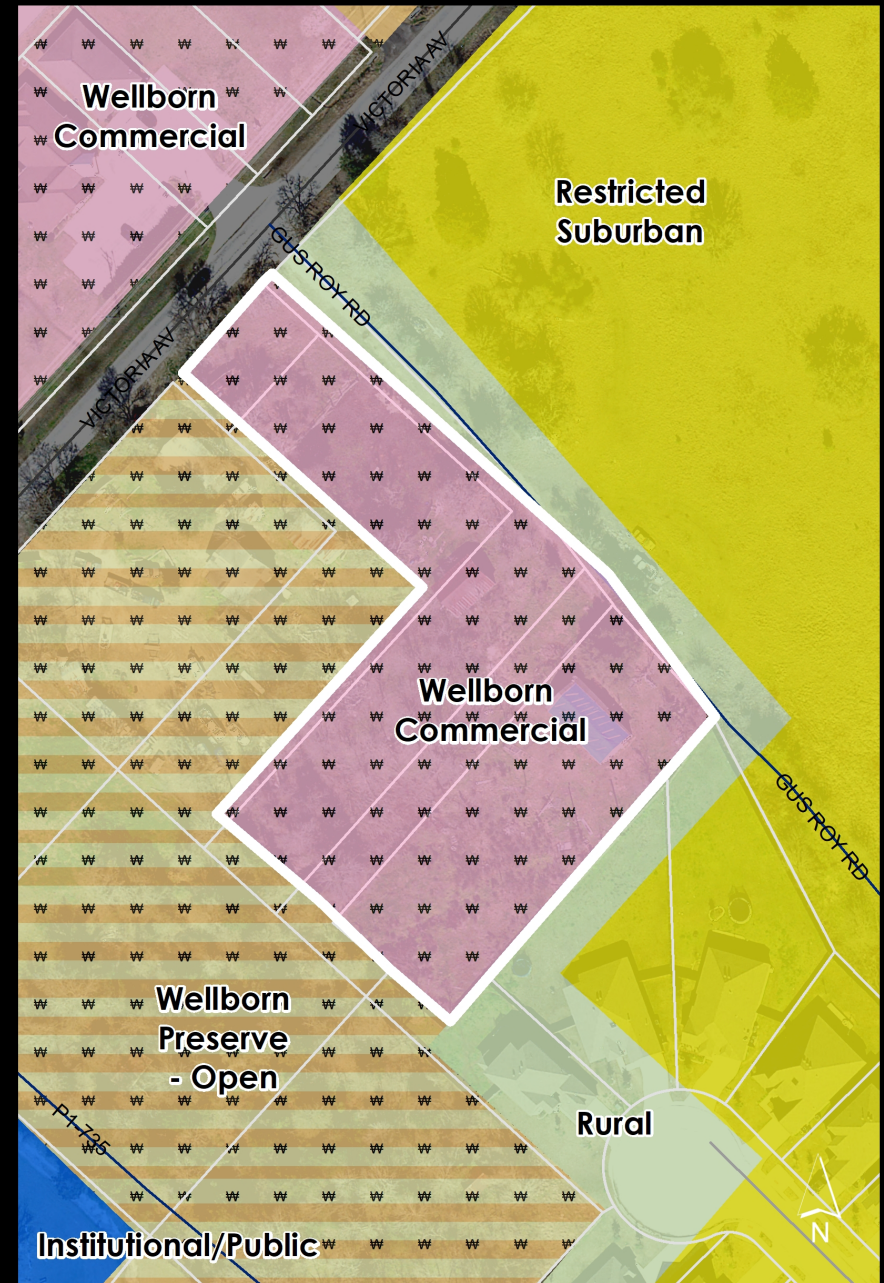
THERE IS NO FEMA REGULATED 100-YEAR FLOODPLAIN ON THIS SITE PER FEMA MAP PANEL #48041C0325E DATED MAY 16, 2012.



EXISTING Future Land Use



PROPOSED Future Land Use



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF COLLEGE STATION, TEXAS, AMENDING THE COLLEGE STATION COMPREHENSIVE PLAN BY AMENDING THE COMPREHENSIVE PLAN – FUTURE LAND USE & CHARACTER MAP FROM ESTATE TO RESTRICTED SUBURBAN FOR APPROXIMATELY 2 ACRES GENERALLY LOCATED AT 3970 GUS ROY ROAD; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND CONTAINING OTHER PROVISIONS RELATED THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the “Comprehensive Plan of the City of College Station” is hereby amended by adding new Subsection “C.2.qq” of Exhibit “A” thereto as set out in Exhibit “A” attached hereto and made a part hereof; and by amending the “Comprehensive Plan Future Land Use and Character Map,” as set out in Exhibit “B” attached hereto and made a part hereof for the identified area.

PART 2: That if any provisions of any section of this Ordinance shall be held to be void or unconstitutional, such holding shall in no way affect the validity of the remaining provisions or sections of this Ordinance, which shall remain in full force and effect.

PART 3: That this Ordinance shall take effect immediately from and after its passage.

PASSED, ADOPTED and APPROVED this 10th day of June, 2021.

ATTEST:

APPROVED:

City Secretary

Mayor

APPROVED:

City Attorney

EXHIBIT A

That Ordinance No. 3186 adopting the “Comprehensive Plan of the City of College Station” as amended, is hereby amended by adding new subsections “C.2.qq.” to Exhibit “A” of said plan for Exhibit “A” to read in its entirety as follows:

“EXHIBIT ‘A’**A. Comprehensive Plan**

The College Station Comprehensive Plan (Ordinance 3186) is hereby adopted and consists of the following:

1. Introduction;
2. Community Character;
3. Neighborhood Integrity;
4. Economic Development;
5. Parks, Greenways & the Arts;
6. Transportation;
7. Municipal Services & Community Facilities;
8. Growth Management and Capacity; and
9. Implementation and Administration.

B. Master Plans

The following Master Plans are hereby adopted and made a part of the College Station Comprehensive Plan:

1. The Northgate Redevelopment Plan dated November 1996;
2. The Revised Wolf Pen Creek Master Plan dated 1998;
3. Northgate Redevelopment Implementation Plan dated July 2003;
4. East College Station Transportation Study dated May 2005;
5. Bicycle, Pedestrian, and Greenways Master Plan dated January 2010;
6. Central College Station Neighborhood Plan dated June 2010;
7. Eastgate Neighborhood Plan dated June 2011;
8. Parks, Recreation and Open Spaces Master Plan dated July 2011;
9. Southside Area Neighborhood Plan dated August 2012;
10. Medical District Master Plan dated October 2012;
11. Wellborn Community Plan dated April 2013;
12. Economic Development Master Plan dated May 2020;
13. South Knoll Area Neighborhood Plan dated September 2013;
14. The Water System Master Plan dated April 2017; and
15. The Wastewater System Master Plan dated April 2017.

C. Miscellaneous Amendments

The following miscellaneous amendments to the College Station Comprehensive Plan are as follows:

1. Text Amendments:

- a. Chapter 2 “Community Character,” “Growth Areas” by amending the text regarding Growth Area IV and Growth Area V – Ordinance 3376, dated October 2011.
- b. Chapter 6 “Transportation” by amending the text regarding Complete Streets, Context Sensitive Solutions, Minimum Length and Additional Right-of-Way for Turn Lanes at Intersections, and Right-of-Way for Utilities – Ordinance 3729, dated December 10, 2015.
- c. Chapter 2 “Community Character,” Chapter 3 “Neighborhood Integrity,” Chapter 4 “Economic Development,” Chapter 5 “Parks, Greenways, and the Arts,” and Chapter 7 “Municipal Services and Community Facilities” by amending the text based on the recommendation of the Comprehensive Plan Five-Year Evaluation & Appraisal Report – Ordinance 3730 dated December 10, 2015.
- d. Chapter 8 “Growth Management & Capacity” by amending the text based on recommendations from the Annexation Task Force – Ordinance 3766, dated April 28, 2016.
- e. Chapter 1, Section 10; Chapter 5, Section 1; Chapter 5, Section 4; Chapter 8, Section 17; and Chapter 9, Section 3; by amending the text – Ordinance 3951, dated October 12, 2017.

2. Future Land Use and Character Map Amendment:

- a. 301 Southwest Parkway – Ordinance 3255, dated July 2010.
- b. Richards Subdivision – Ordinance 3376, dated October 2011.
- c. Earl Rudder Freeway at University Oaks – Ordinance 3465, dated November 19, 2012
- d. 1600 University Drive East – Ordinance 3535, dated November 14, 2013.
- e. 2560 Earl Rudder Freeway S. – Ordinance 3541, dated December 12, 2013.
- f. 13913 FM 2154. – Ordinance 3546, dated January 9, 2014.
- g. 2021 Harvey Mitchell Parkway – Ordinance 3549, dated January 23, 2014.
- h. 1201 Norton Lane – Ordinance 3555, dated February 27, 2014.
- i. 3715 Rock Prairie Road West – Ordinance 3596, dated August 25, 2014.
- j. 4201 Rock Prairie Road – Ordinance 3670, dated July 9, 2015.
- k. The approximately 40 acres of land generally located east of FM 2154 (aka Wellborn Road), south of the Southern Trace Subdivision, west of State Highway 40 (aka William D. Fitch Parkway), and north of Westminster Subdivision – Ordinance 3731, dated December 10, 2015.
- l. The approximately 120 acres of land generally located south of Barron Cut-Off Road, west of WS Phillips Parkway, north of the Castlegate II Subdivision, and east of the Wellborn Community – Ordinance 3732, dated December 10, 2015.
- m. The approximately 900 acres of land generally located south of Greens Prairie Road West, east of the Sweetwater Subdivision, and north of Arrington Road – Ordinance 3733, dated December 10, 2015.

- n. The approximately 17.788 acres of land generally located at the corner of Turkey Creek Road and Raymond Stotzer Parkway frontage road.– Ordinance 3752, dated March 10, 2016.
- o. The approximately 9 acres of land generally located north of the Crossroad Woods Subdivision near the intersection of Wellborn Road (FM 2154) and Greens Prairie Trail – Ordinance 3779, dated June 9, 2016
- p. The approximately 16 acres located at 8607 Rock Prairie Road, generally located at the north of Rock Prairie Road and west of William D. Fitch Parkway – Ordinance 3794, dated August 11, 2016.
- q. The approximately 14.25 acres of land located at 2501 Earl Rudder Freeway South, generally located north of North Forest Parkway and south of Raintree Drive, along the east side of Earl Rudder Freeway South – Ordinance 3799, dated August 25, 2016.
- r. The approximately 7 acres of land located along the south side of State Highway 30, south of Veterans Memorial Park – Ordinance 3828, dated October 27, 2016.
- s. The approximately 58 acres of land generally located along the east side of State Highway 6 South, north of W.D. Fitch parkway and south of the future Pebble Creek Parkway extension –Ordinance 3830, dated October 27, 2016.
- t. The approximately 2 acres of land generally located on Corsair Circle north of Pavilion Avenue – Ordinance 3846, dated December 8, 2016.
- u. The approximately 18 acres of land generally located at the southeast corner of Sebesta Road and Earl Rudder Freeway frontage road – Ordinance 3848, dated December 8, 2016.
- v. The approximately 6 acres of land being situated in the Pooh’s Park Subdivision, Block 1, Lots 6-14 recorded in Volume 314, Page 618 of the deed records of Brazos County, Texas, located at 204, 206, 208, 210, 212, 214, 216, 218, and 220 Holleman Drive east, more generally southwest of the intersection of Holleman Drive East and Lassie Lane by – Ordinance 3850, dated January 12, 2017.
- w. The approximately 6.3 acres of land generally located northeast intersection of Copperfield Parkway and Crescent Pointe Parkway - Ordinance 3859, dated February 9, 2017.
- x. The approximately 11.3 acres of land generally located at the southeast intersection of Earl Rudder Freeway South and Emerald Parkway – Ordinance 3875, dated April 27, 2017.
- y. The approximately 232 acres of land generally located south of Rock Prairie Road - Ordinance 3877, dated April 27, 2017.
- z. The approximately 5.96 acres of land generally located in the northeast corner of Associates Avenue and Harvey Road intersection. – Ordinance 3879, dated April 27, 2017.
- aa. The approximately 4.74 acres of land generally located at the corner of Harvey Mitchell Parkway South and Raymond Stotzer Parkway – Ordinance 3882, dated May 11, 2017.
- bb. The approximately 3.2 acres of land generally located east of Copperfield Parkway and south of Harvey Road. – Ordinance 3884, dated May 11, 2017.

- cc. The approximately 3.34 acres of land generally located north of Raintree Drive along Earl Rudder Freeway South – Ordinance 3901, dated July 27, 2017.
- dd. The approximately 12.5 acres generally located west of Earl Rudder Freeway South along Harvey Mitchell Parkway – Ordinance 3903, dated July 27, 2017.
- ee. Approximately 100 acres located along the east side of State Highway 6, south of The Business Park at College Station and north of the Texas World Speedway property- Ordinance 3906, dated July 27, 2017.
- ff. Approximately 1.7 acres of land being generally located at 12055 FM 2154 - Ordinance 3921, dated August 24, 2017.
- gg. Approximately 11 acres of land being generally located at 8822 Burgess Lane and near the east intersection of State Highway 47 and Raymond Stotzer Parkway – Ordinance 3965, dated December 14, 2017.
- hh. Approximately 29 acres of land being generally located at the west intersection of William D Fitch Parkway and Rock Prairie Road – Ordinance 3989, dated February 22, 2018.
- ii. Approximately 11.1 acres of land being generally located on the west side of Turkey Creek Road, approximately 500 feet south of HSC Parkway- Ordinance 4036, dated August 23, 2018.
- jj. Approximately 7.37 acres of land being generally located on the west side of FM2154, approximately 500 feet south of Barron Cut-Off Road – Ordinance 4066, dated January 10, 2019.
- kk. Approximately 13 acres of land being generally located at 1402 and 1404 Bird Pond Road – Ordinance 4090, dated April 25, 2019.
- ll. Approximately 1.3 acres of land being generally located generally located southwest of the intersection of Greens Prairie Road West and White’s Creek Lane – Ordinance 4103, dated June 27, 2019.
- mm. Approximately 8.7 acres of land generally located at 2709 Texas Avenue South – Ordinance 4121, dated September 12, 2019.
- nn. Approximately 1.3 acres of land generally located at 3030 University Drive East – Ordinance 4122, dated September 12, 2019.
- oo. Approximately 2.3 acres of land generally located on the south side of Harvey Mitchell Parkway South, approximately 80 feet east of the intersection with Dartmouth Street- Ordinance 4137, dated November 14, 2019.
- pp. Approximately 1.8 acres of land generally located at 12925 & 12965 FM 2154, - Ordinance 4145, dated December 10, 2019.
- qq. Approximately 2 acres of land generally located at 3970 Gus Roy Road, by this Ordinance, dated June 10, 2021.

3. Concept Map Amendment:

- a. Growth Area IV – Ordinance 3376, dated October 2011.
- b. Growth Area V – Ordinance 3376, dated October 2011.

4. Thoroughfare Map Amendment:

- a. Raintree Drive – Ordinance 3375, dated October 2011.
- b. Birkdale Drive – Ordinance 3375, dated October 2011.
- c. Corsair Circle – Ordinance 3375, dated October 2011.
- d. Deacon Drive – Ordinance 3375, dated October 2011.
- e. Dartmouth Drive – Ordinance 3375, dated October 2011.
- f. Farm to Market 60 – Ordinance 3375, dated October 2011.
- g. Southwest Parkway – Ordinance 3375, dated October 2011.
- h. Cain Road extension – Ordinance 3639, dated February 26, 2015.
- i. Update to Chapter 6 Maps- Ordinance 3729, dated December 10, 2015.
- j. South College Station Mobility Study – Ordinance 3827, dated October 27, 2016.
- k. Pavilion Avenue extension -- Ordinance 3885, dated May 11, 2017.
- l. Future Minor Collector realigned to Harpers Ferry Road along Arrington Road – Ordinance 3949, dated October 12, 2017.
- m. 2017 Thoroughfare Plan update to Map 6.6 – Ordinance 3962, dated November 20, 2017.
- n. Thousand Oaks Ranch area- Ordinance 4174, dated May 14, 2020.

5. Bicycle, Pedestrian and Greenways Master Plan Amendment:

- a. Cain Road extension – Ordinance 3639, dated February 26, 2015
- b. Update to Maps 5.4 and 5.5-- Ordinance 3729, dated December 10, 2015.
- c. South College Station Mobility Study – Ordinance 3827, dated October 27, 2016.
- d. Update to Maps 5.4 and 5.5 – Ordinance 3877, dated April 27, 2017.
- e. 2017 Thoroughfare Plan update to Maps 5.4 and 5.5 – Ordinance 3962, dated November 20, 2017.
- f. 2018 Bicycle, Pedestrian, and Greenways Master Plan Update to Maps 5.4, 5.5, 7.1, 7.2, 7.3, and 7.4 – Ordinance 4009, dated May 14, 2018.

6. Parks and Recreation Master Plan Amendment:

- a. Update to Map B/College Station Neighborhood Park Zone, to Map C/College Station Community Park Zone Map and to the text of Section 2 “Current Conditions and Trends,” subsection “Park Land,” paragraph five relating to said maps- Ordinance 3951, dated October 12, 2017.

7. Community and Neighborhood Plan Amendment:

- a. Eastgate Neighborhood Plan, Chapter 1 - Community Character, “Site Development Area 1 – Lincoln Avenue” – Ordinance 3956, dated November 9, 2017.

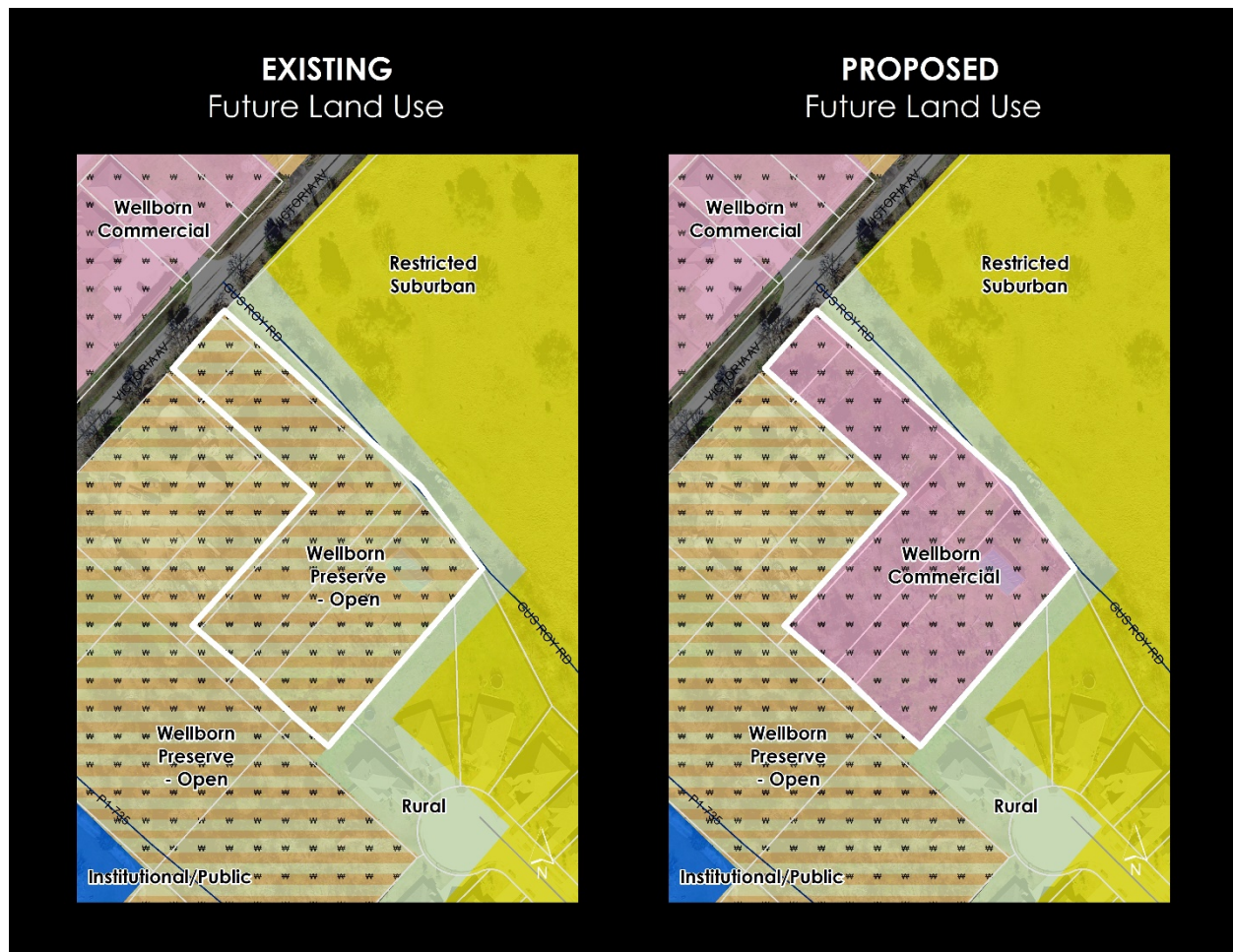
D. General

1. Conflict. All parts of the College Station Comprehensive Plan and any amendments thereto shall be harmonized where possible to give effect to all. Only in the event of an irreconcilable conflict shall the later adopted ordinance prevail and then only to the extent necessary to avoid

- such conflict. Ordinances adopted at the same city council meeting without reference to another such ordinance shall be harmonized, if possible, so that effect may be given to each.
2. Purpose. The Comprehensive Plan is to be used as a guide for growth and development for the entire City and its extra-territorial jurisdiction (“ETJ”). The College Station Comprehensive Plan depicts generalized locations of proposed future land-uses, including thoroughfares, bikeways, pedestrian ways, parks, greenways, and waterlines that are subject to modification by the City to fit local conditions and budget constraints.
 3. General nature of Future Land Use and Character. The College Station Comprehensive Plan, in particular the Future Land Use and Character Map found in A.3 above and any adopted amendments thereto, shall not be nor considered a zoning map, shall not constitute zoning regulations or establish zoning boundaries and shall not be site or parcel specific but shall be used to illustrate generalized locations.
 4. General nature of College Station Comprehensive Plan. The College Station Comprehensive Plan, including the Thoroughfare Plan, Bicycle, Pedestrian, and Greenways Master Plan, Central College Station Neighborhood Plan, Water System Master Plan and any additions, amendments, master plans and subcategories thereto depict same in generalized terms including future locations; and are subject to modifications by the City to fit local conditions, budget constraints, cost participation, and right-of-way availability that warrant further refinement as development occurs. Linear routes such as bikeways, greenways, thoroughfares, pedestrian ways, waterlines and sewer lines that are a part of the College Station Comprehensive Plan may be relocated by the City 1,000 feet from the locations shown in the Plan without being considered an amendment thereto.
 5. Reference. The term College Station Comprehensive Plan includes all of the above in its entirety as if presented in full herein, and as same may from time to time be amended.”

EXHIBIT B

That the “Comprehensive Plan of the City of College Station” is hereby amended by amending a portion of the map titled “Map 2.2-Future Land Use & Character” of Chapter 2 –Community Character” from Wellborn Preserve Open to Wellborn Commercial shown as follows:



June 10, 2021

Item No. 8.2.

Ordinance authorizing the issuance of up to \$62,443,000 in principal amount of "City of College Station, Texas Certificates of Obligation, Series 2021"

Sponsor: Mary Ellen Leonard, Director of Fiscal Services

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on an ordinance authorizing the issuance of up to \$62,443,000 in principal amount of "City of College Station, Texas Certificates of Obligation, Series 2021"; delegating the authority to certain city officials to execute certain documents relating to the sale of the certificates; approving and authorizing instruments and procedures relating to said certificates; and enacting other provisions relating to the subject.

Relationship to Strategic Goals:

Financial Sustainability

Core Services and Infrastructure

Recommendation(s): Council move to approve the attached ordinance authorizing the issuance of Certificates of Obligation, Series 2021; delegating the authority to certain City Officials to execute certain documents relating to the sale of the certificates; approving and authorizing instruments and procedures relating to the certificates; and enacting other provisions relating to the subject.

Summary: The City Council is authorized to approve the issuance of Certificates of Obligation (CO's) after approving a resolution directing notice to be published of the intent to issue the CO's. On April 8, 2021, Council approved a resolution directing staff to publish the City's notice of intent to issue the CO's, as required by law. On April 17th and April 24th such notices were duly published.

The City of College Station typically issues debt to fund various capital projects identified and approved as a part of the annual budget. The City primarily uses three types of debt instruments to fulfill those requirements:

1. General Obligation Bonds (GOB's) are based on the full faith and credit of the City and are paid primarily through the debt service portion of the ad valorem tax rate. GOBs are authorized by the voters and therefore the notice is provided in the election process.
2. Utility Revenue Bonds (URB's) are backed by the revenues of the City's various utilities and are issued as a business activity. These are typically only issued for utility capital projects.
3. Certificates of Obligation (CO's) normally include at least one additional revenue stream such as utility revenues, but are considered to be much like GOBs and therefore normally receive a rating similar to GOB's. Our policy for issuing CO's allows more flexibility in their issue than GOB's, particularly when other revenues are anticipated to assist in debt service.

It is at the recommendation of the City's Financial Advisor, Ms. Marti Shew with Hilltop Securities, Inc., that the City issue Certificates of Obligation for utility projects rather than Utility Revenue

Bonds.

This particular issue will provide resources for street, information technology, equipment maintenance facility and fleet vehicles, electric, water and sewer systems improvements; and debt issuance costs.

If this ordinance is approved, the City Council will be delegating to the Mayor, the City Manager and the Assistant City Manager/CFO the authority to complete the sale of the certificates and which must be completed by June 10, 2022.

Budget & Financial Summary: Staff reviewed the impact of the Certificates on the City's ability to meet debt service requirements and the effect they may have on the ad valorem tax rate and on the utility rates and presented Council a workshop on May 13, 2021.

Attachments:

1. Ordinance (CO) (ver 1)

CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS
COUNTY OF BRAZOS
CITY OF COLLEGE STATION

We, the undersigned officers of the City of College Station, Texas (the "City"), hereby certify as follows:

1. The City Council of the City convened in a regular meeting on June 10, 2021, at the designated meeting place, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Karl Mooney, Mayor
Bob Brick, Place 1 Councilman
John Crompton, Place 2 Councilman
Linda Harvell, Place 3 Councilwoman
Elizabeth Cunha, Place 4 Councilwoman
John Nichols, Place 5 Councilman
Dennis Maloney, Place 6 Councilman

and all of said persons were present except _____,
thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF COLLEGE STATION, TEXAS CERTIFICATES OF OBLIGATION, SERIES 2021"; DELEGATING THE AUTHORITY TO CERTAIN CITY OFFICIALS TO EXECUTE CERTAIN DOCUMENTS RELATING TO THE SALE OF THE CERTIFICATES; APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING TO SAID CERTIFICATES; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said Ordinance; and, after due discussion, said motion prevailed and carried by the following vote:

AYES: _____ NOES: _____

2. That a true, full and correct copy of the aforesaid Ordinance described in the above and foregoing paragraph is attached to and follows this Certificate; that said Ordinance has been duly recorded in said City Council's minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said Meeting pertaining to the passage of said Ordinance; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that said Ordinance would be introduced and considered at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose, and that said Meeting was open to the public and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED ON JUNE 10, 2021.

Tanya D. Smith
City Secretary

Karl P. Mooney
Mayor

(SEAL)

ORDINANCE NO. 2021-_____

AUTHORIZING THE ISSUANCE OF "CITY OF COLLEGE STATION, TEXAS CERTIFICATES OF OBLIGATION, SERIES 2021"; DELEGATING THE AUTHORITY TO CERTAIN CITY OFFICIALS TO EXECUTE CERTAIN DOCUMENTS RELATING TO THE SALE OF THE CERTIFICATES; APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING TO SAID CERTIFICATES; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the City Council of the City of College Station (the "City") passed a resolution authorizing and directing notice of its intention to issue the Certificates of Obligation herein authorized, to be published in a newspaper as required by Section 271.049 of the Texas Local Government Code;

WHEREAS, said notice was published in the *Bryan-College Station Eagle*, a "newspaper" of the type described in Section 2051.044, Texas Government Code, as required by said Section 271.049 of the Texas Local Government Code, on April 17, 2021 and April 24, 2021;

WHEREAS, said notice provided that the ordinance authorizing the Certificates of Obligation may authorize an authorized officer of the City to effect the sale and delivery of the Certificates of Obligation on a date or dates subsequent to the adoption of the ordinance;

WHEREAS, said notice provided that the ordinance authorizing the Certificates of Obligation may authorize an authorized officer of the City to effect the sale and delivery of the Certificates of Obligation on a date or dates subsequent to the adoption of the ordinance;

WHEREAS, no petition, signed by at least 5% of the qualified electors of said City as permitted by said Section 271.049 of the Texas Local Government Code protesting the issuance of such Certificates of Obligation, has been filed;

WHEREAS, the City is an "Issuer" within the meaning of Section 1371.001(4)(P), Texas Government Code, having (i) a principal amount of at least \$100 million in outstanding long-term indebtedness, in long-term indebtedness proposed to be issued, or a combination of outstanding or proposed long-term indebtedness and (ii) some amount of long-term indebtedness outstanding or proposed to be issued that is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation;

WHEREAS, the Certificates of Obligation hereinafter authorized are to be issued and delivered pursuant to Subchapter C of Chapter 271 of the Texas Local Government Code and Chapter 1371, Texas Government Code and the City's Home Rule Charter;

WHEREAS, during the preceding three years, the City has not submitted a bond proposition to authorize the issuance of bonds for the same purpose for which the Certificates of Obligation are hereby being issued and which proposition was disapproved by voters; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Texas Government Code, Chapter 551;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

Section 1. DEFINITIONS; AUTHORIZATION OF CERTIFICATES OF OBLIGATION.

(a) *Definitions.* Terms not otherwise defined herein shall have the following meanings.

(i) The term "*Authorized Denomination*" shall mean a denomination of \$5,000 of principal amount of a Certificate or any integral multiple thereof.

(ii) The term "*Business Day*" means any day other than a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City are, authorized by law or executive order to close.

(iii) The term "*Certificates*" and "*Certificates of Obligation*" shall mean the City of College Station, Texas Certificates of Obligation, Series 2021, authorized to be issued and delivered by this Ordinance.

(iv) The term "*Financial Obligation*" means a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) a guarantee of the foregoing (a) and (b). The term Financial Obligation does not include any municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(v) The term "*MSRB*" means the Municipal Securities Rulemaking Board.

(vi) The term "*Pricing Certificate*" means a certificate of the Pricing Officer setting forth the terms of sale of the Certificates including the method of sale, principal amount, maturity dates, interest payment dates, dated date, interest rates, yields, redemption provisions, and other matters related to the sale of the Certificates.

(vii) The term "*Pricing Officer*" means the Mayor, the City Manager and the Assistant City Manager/CFO of the City (each the "*Pricing Officer*") each of whom is independently authorized to finalize the terms of sale of the Certificates by execution of the Pricing Certificate.

(viii) The term "*Purchaser*" means (i) if the Certificates are sold by negotiated sale, the underwriter or underwriting syndicate selected by the Pricing Officer, or (ii) if the Certificates are sold by competitive sale by soliciting public bids, the underwriter or underwriting syndicate awarded the Certificates by the Pricing Officer.

(ix) The term "*Rule*" means SEC Rule 15c2-12 (17 C.F.R. § 240.15C2-12), as amended from time to time.

(x) The term "*SEC*" means the United States Securities and Exchange Commission.

(xi) The term "*Surplus Revenues*" shall mean those revenues from the operation of the City's combined municipal electric light and power, waterworks and sewer system remaining after payment of all operation and maintenance expenses thereof and other obligations heretofore or hereafter incurred to which such revenues have been or shall be encumbered by a lien on and pledge of such revenues superior to the lien on and pledge of such revenues to the Certificates.

(b) The City's Certificates of Obligation, to be designated the "City of College Station, Texas Certificates of Obligation, Series 2021", are hereby authorized to be issued and delivered in the principal amount not to exceed \$62,443,000 for the following public purposes: (i) streets and roads including related drainage, landscaping, signalization, lighting, pedestrian improvements and signage related thereto; (ii) information technology and communication equipment; (iii) equipment maintenance facility and fleet vehicles; (iv) improvements and extensions to the City's combined waterworks, sewer and electric systems including distribution, transmission, system lines, lift stations, metering, wells, plant improvements, and acquisition of interests in land for such purposes; and (v) the payment of fiscal, engineering and legal fees incurred in connection therewith.

Section 2. DELEGATION TO PRICING OFFICER.

(a) As authorized by Section 1371.053, Texas Government Code, each Pricing Officer is hereby authorized to act individually and severally on behalf of the City in selling and delivering the Certificates, carrying out the other procedures specified in this Ordinance, including, determining the date of the Certificates, any additional or different designation or title by which the Certificates shall be known, whether the Certificate shall be sold and delivered in one or more series and the date and sale and delivery of each such series, the price at which the Certificates will be sold, the years in which the Certificates will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment and record dates, the price and terms upon and at which the Certificates shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Certificates and obtaining municipal insurance for all or any portion of the Certificates and providing for the terms and provisions thereof applicable to the Certificates, all of which shall be specified in the Pricing Certificate; provided that:

(i) the aggregate principal amount of the Certificates shall not exceed \$62,443,000;

(ii) the true interest cost of the Certificates shall not exceed 3.500%;

(iii) the final maturity of the Certificates shall not exceed February 15, 2041;

(iv) the delegation made hereby shall expire if not exercised by the Pricing Officer on or prior to June 10, 2022; and

(v) on or prior to delivery, the Certificates shall be rated by a nationally recognized rating agency for municipal securities in one of the four highest categories for long-term obligations.

(b) In establishing the aggregate principal amount of the Certificates, the Pricing Officer shall establish an amount that, when combined with premium used for purposes other than the payment of costs of issuance, does not exceed the amount authorized in Subsection (a) hereof, which shall be sufficient in amount to provide for the purposes for which the Certificates are authorized and to pay costs of issuing the Certificates. The Certificates shall be sold with and subject to such terms as set forth in the Pricing Certificate.

(c) The Certificates may be sold by public offering (either through a negotiated or competitive offering) and the Pricing Certificate shall so state, and the Pricing Certificate may conform this Ordinance to such method of sale, including the provisions hereof that pertain to the undertaking of the Issuer in accordance with the Rule.

(d) The City Council hereby determines that the delegation of the authority to the Pricing Officer to approve the final terms of the Certificates as set forth in this Ordinance is, and the decisions made by the Pricing Officer pursuant to such delegated authority and incorporated into the Pricing Certificate are required to be, in the Issuer's best interests, and the Pricing Officer is hereby authorized to make and include in the Pricing Certificate a finding to that effect.

Section 3. CHARACTERISTICS OF THE CERTIFICATES. (a) The City shall keep or cause to be kept at the corporate trust office in Dallas, Texas (the "*Designated Trust Office*") of The Bank of New York Mellon Trust Company, N.A., or such other bank, trust company, financial institution, or other agency named by the Pricing Officer or in accordance with the provisions of (g) below (the "*Paying Agent/Registrar*"), books or records for the registration and transfer of the Certificates (the "*Registration Books*"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfers and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the registered owner and record in the Registration Books the address of the registered owner of each Certificate to which payments with respect to the Certificates shall be mailed, as herein provided. The City or its designee shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar at its Designated Trust Office, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. Registration of each Certificate may be transferred in the Registration Books only upon presentation and surrender thereof to the Paying Agent/Registrar at its Designated Trust Office for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing the assignment of such Certificate, or any portion thereof in any Authorized Denomination, to the

assignee or assignees thereof, and the right of such assignee or assignees to have such Certificate or any such portion thereof registered in the name of such assignee or assignees. Upon the assignment and transfer of any Certificate or any portion thereof, a new substitute certificate or certificates shall be issued in exchange therefor in the manner herein provided.

(b) The entity in whose name any Certificate shall be registered in the Registration Books at any time shall be treated as the absolute owner thereof for all purposes of this Ordinance, whether or not such Certificate shall be overdue, and the City and the Paying Agent/Registrar shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any such certificate shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such certificate to the extent of the sum or sums so paid.

(c) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates, and to act as its agent to exchange or replace Certificates, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates, and of all exchanges thereof, and all replacements thereof, as provided in this Ordinance.

(d) Each Certificate may be exchanged for fully registered certificates in the manner set forth herein. Each Certificate issued and delivered pursuant to this Ordinance may, upon surrender thereof at the Designated Trust Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, at the option of the registered owner or such assignee or assignees, as appropriate, be exchanged for fully registered Certificates, without interest coupons, in the form prescribed in the FORM OF CERTIFICATE, in an Authorized Denomination (subject to the requirement hereinafter stated that each substitute Certificate shall have a single stated maturity date), as requested in writing by such registered owner or such assignee or assignees, in an aggregate principal amount equal to the principal amount of any Certificate or Certificates so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. If any Certificate or portion thereof is assigned and transferred, each Certificate issued in exchange therefor shall have the same principal maturity date and bear interest at the same rate as the Certificate for which it is being exchanged. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate. The Paying Agent/Registrar shall exchange or replace Certificates as provided herein, and each fully registered Certificate or Certificates delivered in exchange for or replacement of any Certificate or portion thereof as permitted or required by any provision of this Ordinance shall constitute one of the Certificates for all purposes of this Ordinance, and may again be exchanged or replaced. It is specifically provided, however, that any Certificate delivered in exchange for or replacement of another Certificate prior to the first scheduled interest payment date on the Certificates (as stated on the face thereof) shall be dated the same date as such Certificate, but each substitute Certificate so delivered on or after such first scheduled interest payment date shall be dated as of the interest payment date preceding the date on which such substitute Certificate is delivered, unless such substitute Certificate is delivered on an interest payment date, in which case it shall be dated as of such date of delivery; provided,

however, that if at the time of delivery of any substitute Certificate the interest on the Certificate for which it is being exchanged has not been paid, then such substitute Certificate shall be dated as of the date to which such interest has been paid in full. On each substitute Certificate issued in exchange for or replacement of any Certificate or Certificates issued under this Ordinance there shall be printed thereon a Paying Agent/Registrar's Authentication Certificate, in the form hereinafter set forth in the FORM OF CERTIFICATE (the "*Authentication Certificate*"). An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such substitute Certificate, date such substitute Certificate in the manner set forth above, and manually sign and date the Authentication Certificate, and no such substitute Certificate shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all Certificates surrendered for exchange or replacement. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing exchange or replacement of any Certificates or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificate in the manner prescribed herein. Pursuant to Chapter 1206, Texas Government Code, the duty of exchange or replacement of any Certificates as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of Authentication Certificate, the exchanged or replaced Certificate shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Certificates which originally were delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts. Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Certificate so selected for redemption, in whole or in part, within 45 calendar days of the date fixed for redemption; *provided, however*, such limitation of transfer shall not be applicable to an exchange by the registered owner of the uncalled principal of a Certificate.

(e) All Certificates issued in exchange or replacement of any other Certificate or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be exchanged for other Certificates, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Certificates shall be payable, all as provided, and in the manner required or indicated, in the FORM OF CERTIFICATE.

(f) The City shall pay the Paying Agent/Registrar's reasonable and customary fees and charges for making transfers of Certificates, but the registered owner of any Certificate requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The registered owner of any Certificates requesting any exchange shall pay the Paying Agent/Registrar's reasonable and standard or customary fees and charges for exchanging any such certificate or portion thereof, together with any taxes or governmental charges required to be paid with respect thereto, all as a condition precedent to the exercise of such privilege of exchange, except, however, that in the case of the exchange of an assigned and transferred Certificate or Certificates or any portion or portions thereof in an Authorized Denomination, as provided in this Ordinance, such fees and charges will be paid by the City. In addition, the City hereby covenants with the registered owners of the Certificates that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on Certificates, when due,

and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer or registration of Certificates solely to the extent above provided, and with respect to the exchange of Certificates solely to the extent above provided.

(g) The City covenants with the registered owners of the Certificates that at all times while the Certificates are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Certificates under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than sixty days written notice to the Paying Agent/Registrar. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that it will promptly appoint a competent and legally qualified national or state banking institution which shall be a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers, subject to supervision or examination by federal or state authority, and whose qualifications substantially are similar to the previous Paying Agent/Registrar to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Certificates, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Certificates, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

Section 4. FORM OF CERTIFICATES. The form of the Certificates, including the form of the Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Certificates initially issued and delivered pursuant to this Ordinance, shall be in substantially the form as set forth in **Exhibit A** to this Ordinance, shall be numbered consecutively from R-1 upward, with the Initial Certificate being numbered T-1, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance and with the FORM OF CERTIFICATE to be modified pursuant to, and completed with information set forth in the Pricing Certificate. The FORM OF CERTIFICATE as it appears in **Exhibit A** shall be completed, amended and modified by Bond Counsel to incorporate the information set forth in the Pricing Certificate but it is not required for the FORM OF CERTIFICATE to reproduced as an exhibit to the Pricing Certificate. The printer of the Certificates is hereby authorized to print on the Certificates (i) the form of bond counsel's opinion relating to the Certificates, and (ii) an appropriate statement of insurance furnished by a municipal bond insurance company providing municipal bond insurance, if any, covering all or any part of the Certificates.

Section 5. RESERVED.

Section 6. LEVY OF TAX; INTEREST AND SINKING FUND; REVENUE PLEDGE.

(a) That a special fund or account, to be designated the "2021 Certificate of Obligation Interest and Sinking Fund" (the "*Interest and Sinking Fund*") is hereby created and shall be established and maintained by the City. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and principal of the Certificates. All ad valorem taxes levied and collected for and on account of the Certificates shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any of the Certificates are outstanding and unpaid, the governing body of the City shall compute and ascertain the rate and amount of ad valorem tax, based on the latest approved tax rolls of the City, with full allowances being made for tax delinquencies and the cost of tax collections, which will be sufficient to raise and produce the money required to pay the interest on the Certificates as such interest comes due, and to provide a sinking fund to pay the principal (including mandatory sinking fund redemption payments, if any) of the Certificates as such principal matures or comes due through operation of the mandatory sinking fund redemption, if any, but never less than 2% of the original amount of the Certificates as a sinking fund each year. The rate and amount of ad valorem tax is hereby ordered to be levied against all taxable property in the City for each year while any of the Certificates is outstanding and unpaid, and the ad valorem tax shall be assessed and collected each such year and deposited to the credit of the Interest and Sinking Fund. Ad valorem taxes necessary to pay the interest on and principal of the Certificates, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

(b) That the Certificates are additionally secured by and shall be payable from a limited pledge of Surplus Revenues (not to exceed \$1,000). The Surplus Revenues are pledged by the City pursuant to authority of Chapter 1502, Texas Government Code, specifically Section 1502.058 thereof. The City shall promptly deposit the Surplus Revenues upon their receipt to the credit of the Interest and Sinking Fund created pursuant to Section 6, to pay the principal and interest on the Certificates. The amount of Surplus Revenues pledged to the payment of the Certificates shall not exceed \$1,000. If Surplus Revenues or any other lawfully available revenues, income or resources of the City are deposited or budgeted to be deposited in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been required to be levied pursuant to Section 6 may be reduced to the extent and by the amount of the Surplus Revenues or other lawfully available revenues, income or resources then on deposit or budgeted to be deposited to the credit of the Interest and Sinking Fund.

Section 7. TRANSFER. That the City shall do any and all things necessary to accomplish the transfer of monies to the Interest and Sinking Fund of this issue in ample time to pay such items of principal and interest due on the Certificates.

Section 8. SECURITY FOR FUNDS. That the Interest and Sinking Fund created by this Ordinance shall be secured in the manner and to the fullest extent permitted or required by law for the security of public funds, and such Interest and Sinking Fund shall be used only for the purposes and in the manner permitted or required by this Ordinance.

Section 9. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES.

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

(b) *Application for Replacement Certificates.* That application for replacement of damaged, mutilated, lost, stolen, or destroyed Certificates shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Certificate, the registered owner applying for a replacement Certificate shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Certificate, the registered owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Certificate, as the case may be. In every case of damage or mutilation of a Certificate, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Certificate so damaged or mutilated.

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

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

(e) *Authority for Issuing Replacement Certificates.* That in accordance with Section 1201.067, Texas Government Code, this Section of this Ordinance shall constitute authority for the issuance of any such replacement Certificate without necessity of further action by the City or any other body or person, and the duty of the replacement of such Certificates is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificates in the form and manner and with the effect, as provided in Section 5(d) of this Ordinance for Certificates issued in conversion and exchange of other Certificates.

Section 10. FEDERAL INCOME TAX MATTERS. The City covenants to refrain from any action which would adversely affect, or to take such action as to ensure, the treatment of the Certificates as obligations described in section 103 of the Code, the interest on which is not

includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

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

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

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

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

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

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

(1) proceeds of the Certificates invested for a reasonable temporary period of three years or less until such proceeds are needed for the purpose for which the Certificates are issued,

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

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

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

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

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

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

Section 11. ALLOCATION OF, AND LIMITATION ON, EXPENDITURES FOR THE PROJECT. That the City covenants to account for the expenditure of proceeds from the sale of the Certificates and any investment earnings thereon to be used for the purposes described in Section 1 of this Ordinance (such purpose referred to in this Section and Section 12 hereof as a "Project") on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (a) the expenditure on a Project is made or (b) such Project is completed. The foregoing notwithstanding, the City shall not expend such proceeds or investment earnings more than 60 days after the earlier of (a) the fifth anniversary of the date of delivery of the Certificates or (b) the date the Certificates are retired, unless the City obtains an opinion of nationally-recognized bond counsel substantially to the effect that such expenditure will not adversely affect the tax-exempt status of the Certificates. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 12. DISPOSITION OF PROJECT. That the City covenants that the property constituting a Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Certificates. For purpose of the foregoing, the City may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Certificates. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 13. PROCEDURES TO MONITOR COMPLIANCE WITH TAX COVENANTS. The City hereby adopts the procedures attached hereto as **Exhibit B** as a means of monitoring compliance with the federal tax covenants made by the City herein.

Section 14. CUSTODY, APPROVAL, AND REGISTRATION OF CERTIFICATES. That the Mayor of the City is hereby authorized to have control of the Certificates initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Certificates pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Certificates said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificates, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such certificate. The Certificates thus registered shall remain in the custody of the Mayor (or the designee thereof such as the City's Bond Counsel) until delivered to the Purchaser (as defined in Section 18 of this Ordinance).

Section 15. DTC REGISTRATION. That the Certificates initially shall be issued and delivered in such manner that no physical distribution of the Certificates will be made to the public, and The Depository Trust Company ("DTC"), New York, New York, initially will act as depository for the Certificates. DTC has represented that it is a limited purpose trust company incorporated under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934, as amended, and the City accepts, but in no way verifies, such representations. The Certificates initially authorized by this Ordinance shall be delivered to and registered in the name of CEDE & CO., the nominee of DTC. It is expected that DTC will hold the Certificates on behalf of the Purchaser and its participants. So long as each Certificate is registered in the name of CEDE & CO., the Paying Agent/Registrar shall treat and deal with DTC the same in all respects as if it were the actual and beneficial owner thereof. It is expected that DTC will maintain a book-entry system which will identify ownership of the Certificates in Authorized Denominations, with transfers of ownership being effected on the records of DTC and its participants pursuant to rules and regulations established by them, and that the Certificates initially deposited with DTC shall be immobilized and not be further exchanged for substitute Certificates except as hereinafter provided. The City is not responsible or liable for any functions of DTC, will not be responsible

for paying any fees or charges with respect to its services, will not be responsible or liable for maintaining, supervising, or reviewing the records of DTC or its participants, or protecting any interests or rights of the beneficial owners of the Certificates. It shall be the duty of the DTC Participants, as defined in the Official Statement herein approved, to make all arrangements with DTC to establish this book-entry system, the beneficial ownership of the Certificates, and the method of paying the fees and charges of DTC. The City does not represent, nor does it in any way covenant that the initial book-entry system established with DTC will be maintained in the future. Notwithstanding the initial establishment of the foregoing book-entry system with DTC, if for any reason any of the originally delivered Certificates is duly filed with the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this Ordinance, substitute Certificates will be duly delivered as provided in this Ordinance, and there will be no assurance or representation that any book-entry system will be maintained for such Certificates. In connection with the initial establishment of the foregoing book-entry system with DTC, the City heretofore has executed a "Blanket Letter of Representations" prepared by DTC in order to implement the book-entry system described above.

Section 16. CONTINUING DISCLOSURE OBLIGATION PURSUANT TO RULE 15C2-12 (17 C.F.R. § 240.15C2-12).

(a) *Annual Reports.*

(i) The City will provide certain updated financial information and operating data to the MSRB on an annual basis in an electronic format that is prescribed by the MSRB and available via the Electronic Municipal Market Access System ("EMMA") at www.emma.msrb.org. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement under Tables numbered 1 through 6; 8 through 20 and in Appendix B. The City will update and provide the information in Tables 1 through 6 and 8 through 20 within six months after the end of each fiscal year ending in and after 2021. The City will additionally provide audited financial statements when and if available, and in any event, within 12 months after the end of each fiscal year ending in or after 2021. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City will file unaudited financial statements within such 12 month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in Appendix B of the Official Statement or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation.

(ii) The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC, as permitted by the Rule. 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 that is available to the public on the MSRB's internet website or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(b) *Event Notices.* The City shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten Business Days after the occurrence of the event) of any of the following events with respect to the Certificates:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
7. Modifications to rights of Certificateholders, if material;
8. Certificate calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of an obligated person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement,

or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City);

13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect Bondholders, if material.
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

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 this Section by the time required by such subsection.

(c) *Limitations, Disclaimers, and Amendments.*

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

(ii) The provisions of this Section are for the sole benefit of the registered owners and beneficial owners of the Certificates, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section 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 Certificates at any future date.

(iii) UNDER NO CIRCUMSTANCE SHALL THE CITY BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY CERTIFICATE

OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(iv) No default by the City in observing or performing its obligations under this Section shall comprise 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.

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

(d) *Procedures to Monitor Compliance with Continuing Disclosure Covenants.* The City hereby adopts the procedures attached hereto as **Exhibit B** as a means of monitoring compliance with the continuing disclosure covenants made by the City herein.

Section 17. DEFEASANCE.

(a) *Deemed Paid.* Any Certificate and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "*Defeased Certificate*") within the meaning of this Ordinance, except to the extent provided in subsection (e) of this Section, when payment of the principal of such Certificate, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "*Future Escrow Agreement*") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates shall have become due and payable. At such time as a Certificate shall be deemed to be a Defeased Certificate hereunder, as aforesaid, such Certificate and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged or the pledge of Surplus Revenues as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities.

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

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

(d) *Defeasance Securities.* The term "*Defeasance Securities*" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the

date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iv) any securities and obligations now or hereafter authorized by State law that are eligible to refund, retire or otherwise discharge obligations such as the Certificates.

(e) *Continuing Duty of Paying Agent/Registrar.* Until all Certificates defeased under this Section of this Ordinance shall become due and payable, the Paying Agent/Registrar for such Certificates shall perform the services of Paying Agent/Registrar for such Certificates the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services.

(f) The Pricing Officer is hereby authorized to modify the securities that are eligible as Defeasance Securities and any such modification shall described in the Pricing Certificate.

Section 18. SALE OF CERTIFICATES; OFFICIAL STATEMENT.

(a) The Certificates may be sold by public offering (either through a negotiated or competitive offering) and the terms and provisions of which are to be determined by the Pricing Officer in accordance with Section 2 hereof, and in which the purchasers of the Certificates are designated. The Certificates may be sold pursuant to a purchase agreement or notice of sale and bidding instructions (collectively, the "*Purchase Agreement*") which the Pricing Officer is hereby authorized to execute and deliver and in which the Purchaser of the Certificates shall be designated. The Certificates shall initially be registered in the name of the Purchaser thereof as set forth in the Pricing Certificate.

(b) The City hereby approves the form and content of the draft preliminary official statement relating to the Certificates in the form attached hereto as ***Exhibit C*** and any addenda, supplement or amendment thereto, and deems final the preliminary official statement and approves the distribution of such preliminary official statement in the reoffering of the Certificates by the Purchaser, with such changes therein or additions thereto as the Pricing Officer executing the same may deem advisable or as are required by the Rule. The Pricing Officer is hereby authorized, in the name and on behalf of the City, to approve, distribute, and deliver a final preliminary official statement and a final official statement relating to the Certificates to be used by the Purchaser in the marketing of the Certificates.

(c) The Pricing Officer is authorized, in connection with effecting the sale of the Certificates, to obtain from a municipal bond insurance company so designated in the Pricing Certificate (the "*Insurer*") a municipal bond insurance policy (the "*Insurance Policy*") in support of the Certificates. To that end, should the Pricing Officer exercise such authority and commit the City to obtain a municipal bond insurance policy, for so long as the Insurance Policy is in effect, the requirements of the Insurer relating to the issuance of the Insurance Policy are incorporated by reference into this Ordinance and made a part hereof for all purposes, notwithstanding any other provision of this Ordinance to the contrary. The Pricing Officer shall have the authority to execute any documents to effect the issuance of the Insurance Policy by the Insurer.

(d) The Mayor and Mayor Pro Tem, the City Manager, the Assistant City Manager/CFO, Director of Finance and City Secretary, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City a Paying Agent/Registrar Agreement, in the form presented at the meeting at which this Ordinance is adopted, with the Paying Agent/Registrar and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Certificates, the sale of the Certificates, the Purchase Agreement and the Official Statement. In case any officer whose signature shall appear on any Certificate shall cease to be such officer before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 19. FURTHER PROCEDURES. That the Mayor, the City Secretary, the City Manager, the Assistant City Manager/CFO, and Director of Finance, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, and the sale and delivery of the Certificates and fixing all details in connection therewith. The City Council hereby authorizes the payment of the fee of the Office of the Attorney General of the State of Texas for the examination of the proceedings relating to the issuance of the Certificates, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

Section 20. CONSTRUCTION FUND; USE OF PROCEEDS.

(a) The City hereby creates and establishes and shall maintain on the books of the City a separate fund to be entitled the "Series 2021 Certificates of Obligation Construction Fund" (the "*Construction Fund*") for use by the City for payment of all lawful costs associated with the acquisition and construction of the projects as provided in Section 1.

(b) The proceeds from the sale of the Certificates shall be deposited, on the date of closing, in the manner described in a letter of instructions prepared by the City or on behalf of the City by the City's financial advisor. The foregoing notwithstanding, any proceeds representing accrued interest on the Certificates shall be deposited to the credit of the Interest and Sinking Fund.

Section 21. INTEREST EARNINGS. That the interest earnings derived from the investment of proceeds from the sale of the Certificates may be used along with other proceeds for the construction of the permanent improvements set forth in Section 1 hereof for which the Certificates are issued; provided that after completion of such permanent improvements, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on proceeds which are required to be rebated to the United States of America pursuant to this Ordinance hereof in order to prevent the Certificates from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

Section 22. DEFAULT AND REMEDIES.

(a) *Events of Default.* Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

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

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

(b) *Remedies for Default.*

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

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all registered owners of Certificates then outstanding.

(c) *Remedies Not Exclusive.*

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

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

(iii) By accepting the delivery of a Certificate authorized under this Ordinance, such registered owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or members of the City or the City Council.

(iv) None of the members of the City Council, nor any other official or officer, agent, or employee of the City, shall be charged personally by the registered owners with any liability, or be held personally liable to the registered owners under any term or provision of this Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.

Section 23. MISCELLANEOUS PROVISIONS.

(a) *Preamble.* The preamble to this Ordinance is incorporated by reference and made a part hereof for all purposes.

(b) *Titles Not Restrictive.* That the titles assigned to the various sections of this Ordinance are for convenience only and shall not be considered restrictive of the subject matter of any section or of any part of this Ordinance.

(c) *Rules of Construction.* The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular section or other subdivision. Except where the context otherwise requires, terms defined in this Ordinance to impart the singular number shall be considered to include the plural number and vice versa. References to any named person means that party and its successors and assigns. References to any constitutional, statutory or regulatory provision means such provision as it exists on the date this Ordinance is adopted by the City and any future amendments thereto or successor provisions thereof. Any reference to "FORM OF CERTIFICATE" shall refer to the form of the Certificates set forth in **Exhibit A** to this Ordinance. Any reference to the payment of principal in this Ordinance shall be deemed to include the payment of any mandatory sinking fund redemption payments as may be described herein.

(d) *Inconsistent Provisions.* All ordinances, orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed and declared to be inapplicable, and the provisions of this Ordinance shall be and remain controlling as to the matters prescribed herein.

(e) *Severability.* If any word, phrase, clause, paragraph, sentence, part, portion, or provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance shall nevertheless be valid and the City hereby declares that this Ordinance would have been enacted without such invalid word, phrase, clause, paragraph, sentence, part, portion, or provisions.

(f) *Governing Law.* This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas.

(g) *Open Meeting.* The City officially finds and determines that the meeting at which this Ordinance is adopted was open to the public; and that public notice of the time, place, and purpose of such meeting was given, all as required by Chapter 551, Texas Government Code.

(h) *Application of Chapter 1208, Government Code.* Chapter 1208, Texas Government Code, applies to the issuance of the Certificates and the pledge of ad valorem taxes and the Surplus Revenues granted by the City under Section 6(b), and such pledge is therefore

valid, effective, and perfected. If Texas law is amended at any time while the Certificates are outstanding and unpaid such that the pledge of the ad valorem taxes and Surplus Revenues granted by the City is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Registered Owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

(i) *Immediate Effect.* In accordance with the provisions of Section 1201.028, Texas Government Code, this Ordinance shall be effective immediately upon its adoption by the City Council.

[Remainder of page intentionally left blank.]

PASSED, APPROVED AND EFFECTIVE THIS JUNE 10, 2021.

City Secretary; City of College Station

Mayor; City of College Station

(CITY SEAL)

APPROVED:

McCall, Parkhurst & Horton L.L.P., Dallas, Texas
Bond Counsel



EXHIBIT A

FORM OF CERTIFICATE

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

NO. _____	UNITED STATES OF AMERICA STATE OF TEXAS COUNTY OF BRAZOS CITY OF COLLEGE STATION, TEXAS CERTIFICATES OF OBLIGATION SERIES 2021	PRINCIPAL AMOUNT \$[]
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<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>DELIVERY DATE</u>	<u>CUSIP NO.</u>
	%	[], 2021	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

ON THE MATURITY DATE SPECIFIED ABOVE, THE CITY OF COLLEGE STATION, TEXAS, in Brazos County (the "City"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner specified above or to the registered assignee hereof (either being hereinafter called the "registered owner") the Principal Amount specified above, and to pay interest thereon (calculated on the basis of a 360-day year of twelve 30-day months), from the Delivery Date specified above, to the Maturity Date specified above, or the date of its redemption prior to scheduled maturity, at the interest rate per annum specified above, with said interest payable on [], and semiannually on each August 15 and February 15 thereafter until maturity or prior redemption; except that if this Certificate is required to be authenticated and the date of its authentication is later than [], such interest is payable semiannually on each August 15 and February 15 following such date.

THE PRINCIPAL OF AND INTEREST ON this Certificate are payable in lawful money of the United States of America, without exchange or collection charges. At maturity or redemption prior to maturity, the principal of this Certificate shall be paid to the registered owner hereof upon presentation and surrender of this Certificate at the designated corporate trust office in Dallas, Texas (the "*Designated Trust Office*") of The Bank of New York Mellon Trust

Company, N.A., which is the "Paying Agent/Registrar" for this Certificate. The payment of interest on this Certificate shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Certificate (the "*Certificate Ordinance*") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the last business day of the month preceding each such date (the "*Record Date*") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. Any accrued interest due at maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Certificate for payment at the Designated Trust Office of the Paying Agent/Registrar. The City covenants with the registered owner of this Certificate that on or before each principal and interest payment date for this Certificate it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Certificate Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates, when due.

IN THE EVENT OF NON-PAYMENT of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "*Special Record Date*") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest ("*Special Payment Date*", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each registered owner of a Certificate appearing on the Registration Books kept by the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

IF THE DATE for the payment of the principal of or interest on this Certificate shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE is one of a Series of Certificates dated as of [], 2021, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$[___], for the purpose of paying contractual obligations to be incurred by the City for the following public purposes (i) streets and roads including related drainage, landscaping, signalization, lighting, pedestrian improvements and signage related thereto; (ii) information technology and communication equipment; (iii) equipment maintenance facility and fleet vehicles; (iv) improvements and extensions to the City's combined waterworks, sewer and electric systems including distribution, transmission, system lines, lift stations, metering, wells, plant improvements, and acquisition of interests in land for such purposes; and (v) the payment of fiscal, engineering and legal fees incurred in connection therewith.

ON FEBRUARY 15, 20[], or on any date thereafter, the Certificates of this Series maturing on February 15, 20[] and thereafter may be redeemed prior to their scheduled maturities, at the option of the City, in whole, or in part, at par and accrued interest to the date fixed for redemption. The years of maturity of the Certificates called for redemption at the option of the City prior to their stated maturity shall be selected by the City. The Certificates or portions thereof redeemed within a maturity shall be selected by lot or other method by the Paying Agent/Registrar; *provided*, that during any period in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, if fewer than all of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

AT LEAST THIRTY days prior to the date fixed for any such redemption, a written notice of such redemption shall be given to the registered owner of each Certificate or a portion thereof being called for redemption by depositing such notice in the United States mail, first-class postage prepaid, addressed to each such registered owner at his address shown on the Registration Books of the Paying Agent/Registrar. By the date fixed for any such redemption due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for this Certificate or the portion hereof which is to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, this Certificate, or the portion hereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such redemptions of principal of this Certificate or any portion hereof. If a portion of any Certificate shall be redeemed a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in Authorized Denominations, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

IF AT THE TIME OF MAILING of notice of optional redemption there shall not have either been deposited with the Paying Agent/Registrar or legally authorized escrow agent immediately available funds sufficient to redeem all the Certificates called for redemption, such notice must state that it is conditional, and is subject to the deposit of the redemption moneys with the Paying Agent/Registrar or legally authorized escrow agent at or prior to the redemption date, and such notice shall be of no effect unless such moneys are so deposited on or prior to the redemption date. If such redemption is not effectuated, the Paying Agent/Registrar shall, within five days thereafter, give notice in the manner in which the notice of redemption was given that such moneys were not so received and shall rescind the redemption.

ALL CERTIFICATES OF THIS SERIES are issuable solely as fully registered certificates, without interest coupons, in Authorized Denominations. As provided in the Certificate Ordinance, this Certificate may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for a like aggregate principal

amount of fully registered certificates, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in Authorized Denominations as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Certificate to the Paying Agent/Registrar at its Designated Trust Office for cancellation, all in accordance with the form and procedures set forth in the Certificate Ordinance. Among other requirements for such assignment and transfer, this Certificate must be presented and surrendered to the Paying Agent/Registrar at its Designated Trust Office, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate or any portion or portions hereof in an Authorized Denomination to the assignee or assignees in whose name or names this Certificate or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Certificate may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate or any portion or portions hereof from time to time by the registered owner. The foregoing notwithstanding, in the case of the exchange of an assigned and transferred Certificate or Certificates or any portion or portions thereof, such fees and charges of the Paying Agent/Registrar will be paid by the City. The one requesting such exchange shall pay the Paying Agent/Registrar's reasonable standard or customary fees and charges for exchanging any Certificate or portion thereof. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, or exchange as a condition precedent to the exercise of such privilege. In any circumstance, neither the City nor the Paying Agent/Registrar shall be required (1) to make any transfer or exchange during a period beginning at the opening of business 30 days before the day of the first mailing of a notice of redemption of Certificates and ending at the close of business on the day of such mailing, or (2) to transfer or exchange any Certificates so selected for redemption when such redemption is scheduled to occur within 45 calendar days.

WHENEVER the beneficial ownership of this Certificate is determined by a book entry at a securities depository for the Certificates, the foregoing requirements of holding, delivering or transferring this Certificate shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

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

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Certificate have been performed, existed, and been done in accordance with law; that this Certificate is a direct obligation of said City, issued on the full faith and credit thereof; and that in accordance with the terms of the Certificate Ordinance, annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes

due and such principal matures, have been levied and ordered to be levied against all taxable property in said City, and have been pledged for such payment, within the limit prescribed by law; and that a limited pledge (not to exceed \$1,000) of the Surplus Revenues from the operation of the City's combined municipal electric light and power, waterworks and sewer system remaining after payment of all operation and maintenance expenses thereof and any other obligations heretofore or hereafter incurred to which such revenues have been or shall be encumbered by a lien on and pledge of such revenues superior to the lien on and pledge of such revenues to the Certificates, have been pledged as additional security for the Certificates.

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

IN WITNESS WHEREOF, this Certificate has been signed with the manual or facsimile signature of the Mayor of the City, attested by the manual or facsimile signature of the City Secretary, and the official seal of the City has been duly affixed to, or impressed, or placed in facsimile, on this Certificate.

Xxxxxx	xxxxxx
_____ City Secretary; City of College Station	_____ Mayor; City of College Station

(SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Certificate of Obligation has been issued under the provisions of the proceedings adopted by the City as described in the text of this Certificate of Obligation; and that this Certificate of Obligation has been issued in exchange for or replacement of a Certificate of Obligation of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____ The Bank of New York Mellon Trust Company, N.A.
Paying Agent/Registrar

By: _____
Authorized Representative

FORM OF COMPTROLLER'S CERTIFICATE ATTACHED TO
THE CERTIFICATE (CERTIFICATE NO. T-1) UPON INITIAL DELIVERY THEREOF

COMPTROLLER'S CERTIFICATE

OFFICE OF COMPTROLLER

§

REGISTER NO. _____

STATE OF TEXAS

§

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Certificate has been examined by him as required by law, and that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of the City of College Station, Texas, payable in the manner provided by and in the ordinance authorizing same, and said Certificate has this day been registered by me.

WITNESS MY HAND and seal of office at Austin, Texas this _____.

Comptroller of Public Accounts of the State of Texas

(SEAL)

FORM OF ASSIGNMENT

ASSIGNMENT

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

Please insert Social Security or Taxpayer Identification Number of Transferee

Please print or type name and address, including zip code of Transferee

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints: _____, attorney, to register the transfer of the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____.

Signature Guaranteed:

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

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

INSERTIONS FOR THE INITIAL CERTIFICATE. The initial Certificate shall be in the form set forth in paragraph (a) of this Form of Certificate, except that:

- i. immediately under the name of the Certificate, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO. ____" shall be deleted.
- ii. the first paragraph shall be deleted and the following will be inserted:

THE CITY OF COLLEGE STATION, TEXAS, in Brazos County, Texas (the "City"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner specified above or to the registered assignee hereof (either being hereinafter called the "registered owner") on the Maturity Dates, in the Principal Amounts and bearing interest at the per annum Interest Rates set forth in the following schedule:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
Information from Pricing Certificate to be Inserted in Initial Certificate		

The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date above at the respective Interest Rate per annum specified above. Interest is payable on [] and on each August 15 and February 15 thereafter to the date of payment of the Principal Amounts specified above, or the date of redemption prior to maturity; except, that if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full."

- iii. The initial Certificate shall be numbered "T-1."

EXHIBIT B

PROCEDURES REGARDING COMPLIANCE WITH FEDERAL TAX AND CONTINUING DISCLOSURE COVENANTS

This Exhibit is intended to assist the City of College Station (the "City") in complying with the federal income tax covenants and securities disclosure covenants as they apply to the issuance of tax-exempt debt securities such as the certificates of obligations (the "Obligations"). These procedures should be read together with any federal tax certifications, bond covenants, letters or memoranda from bond counsel and any attachments thereto (collectively, the "Closing Documents"). Failure to comply with federal guidelines could have serious consequences for investors, the City and its officials.

These procedures shall apply to the Obligations, until they are superseded by a change in circumstances at which time the City's bond counsel will propose new procedures to be adopted.

I. FEDERAL TAX LAW

1. Arbitrage Compliance.

Arbitrage refers to the difference between the interest paid on tax-exempt Obligations and the interest earned by investing the proceeds of tax-exempt Obligations in higher-yielding investments. Such higher-yielding investments could take the form of loans, securities, real property, personal property, or other investments that could yield a profit to the City. Federal income tax laws generally restrict the ability to earn arbitrage utilizing the proceeds of tax-exempt Obligations. Generally, any profit from investing Obligation proceeds at a yield above the yield paid on the Obligations belongs to the federal government and must be rebated to the federal government. If the City fails to comply federal tax guidelines, Obligations could be deemed to be "arbitrage bonds" by the Internal Revenue Service (the "IRS"), which would expose the City to monetary liability from the City's investors.

The arbitrage yield on the Obligations is set forth on the IRS Form 8038-G.

The Assistant City Manager/CFO and the City Treasurer (including such other employees of the City who report to such officers) (collectively, the "Responsible Person") will review the Closing Documents periodically (at least once a year) to ascertain if an exception to arbitrage compliance applies.

- a. Procedures applicable to the Obligation. The Responsible Person shall undertake the following procedures.

- i. If the City plans to spend funds currently on hand for a future project with the intent to later repay such funds from a debt issue, the Responsible Person shall contact Bond Counsel to obtain advice regarding a reimbursement resolution. The Responsible Person shall maintain any official action of the City (such as a reimbursement resolution) stating the City's intent to reimburse with the proceeds of the Obligations any amount expended prior to the Issue Date for the acquisition, renovation or construction of the Project.
 - ii. The Responsible Person shall ensure that the applicable information return (e.g., U.S. Internal Revenue Service ("IRS") Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS.
 - iii. If proceeds of the Obligations are to be invested in interest-earning investments, assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (i) at least every 5 years after the Issue Date and (ii) within 30 days after the date the Obligations are retired. If proceeds of the Obligations are to be invested in interest-earning investments, the Responsible Person should contact the City's arbitrage consultant regarding such matters.
 - iv. The Responsible Person shall monitor all amounts deposited into a sinking fund or funds pledged (directly or indirectly) to the payment of the Obligations, such as the Interest and Sinking Fund (the "I&S Fund"), to assure that the maximum amount invested within such applicable fund at a yield higher than the yield on the Obligations does not exceed an amount equal to the debt service on the Obligations in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Obligations for the immediately preceding 12-month period.
- NOTE: the purpose of the I&S Fund is to achieve a proper matching of revenues with principal and interest payments within each fiscal year. The I&S Fund should be used a mechanism for payment of current debt service and not as a long-term investment fund for debt service many years in the future.*
- v. The Responsible Person shall ensure that no more than 50% of the proceeds of the Obligations are invested in an investment with a guaranteed yield for 4 years or more.
- b. With respect to the investment and expenditure of the proceeds of the Obligations that are issued to finance public improvements or to acquire land or personal property, the Responsible Person shall undertake the following.

- i. The Responsible Person shall instruct the persons who are primarily responsible for the construction, renovation or acquisition of the facilities financed with Obligations (the “Project”) that the Project must (i) proceed with due diligence toward completion and that (ii) binding contracts for the expenditure of at least 5% of the proceeds of the Obligations will be entered into within six (6) months of the date of closing of the Obligations (the “Issue Date”). The Responsible Person shall monitor that the above requirements are satisfied.
 - ii. The Responsible Person shall monitor that at least 85% of the proceeds of the Obligations to be used for the construction, renovation or acquisition of the Project are expended within three years of the Issue Date.
 - iii. The Responsible Person shall monitor investment of proceeds of the Obligations and restrict the yield of the investments to the yield on the Obligations after three years of the Issue Date.
 - iv. To the extent that there are any unspent proceeds of the Obligations at the time the Obligations are later refunded, or if there are unspent proceeds of the Obligations that are being refunded by a new issuance of Obligations, the Responsible Person shall continue monitoring the expenditure of such unspent proceeds to ensure compliance with federal tax law with respect to both the refunded Obligations and any Obligations being issued for refunding purposes, and shall contact Bond Counsel as necessary.
- c. *Procedures applicable to Escrow Accounts for the Obligations.* In addition to the foregoing, with respect to the proceeds of the Obligations deposited to the escrow fund to be administered pursuant to the terms of an escrow agreement, the Responsible Person shall undertake the following.
- i. The Responsible Person shall review invoices, reports and other notifications from the escrow agent to ensure compliance with the applicable provisions of the escrow agreement, including with respect to reinvestment of cash balances.
 - ii. The Responsible Person shall contact the escrow agent on the date of redemption of obligations being refunded to ensure that they were redeemed.
 - iii. The Responsible Person shall monitor any unspent proceeds of the refunded obligations to ensure that the yield on any investments applicable to such proceeds are invested at the yield on the applicable obligations or otherwise applied (see Closing Documents).

B. Private Business Use.

Generally, the proceeds of tax-exempt Obligations may not inure to the benefit of entities other than state or local governments (“private business use”). Private business use occurs whenever Obligation proceeds are used to benefit any entity other than a state or local government, *including nonprofit corporations and the federal government.*

A series of Obligations may lose their tax-exempt status if: (i) more than 10% of the proceeds of the Obligations are to be used for any private business use and the payment of the principal or interest on more than 10% of the proceeds of the Obligations is secured by or payable from property used for a private business use, or (ii) the amount of proceeds of the Obligations used to make loans to borrowers other than state and local governments exceeds the lesser of 5% of the proceeds or \$15 million.

With respect to the use of the facilities financed or refinanced with the proceeds of the Obligations, the Responsible Person shall undertake the following to ensure the Obligations do not violate private business use tests.

- a. The Responsible Person shall develop procedures or a “tracking system” to identify, log and record all property financed with tax-exempt debt and identify the issue of Obligations used to finance such property.
- b. The Responsible Person shall monitor and record the date on which the Project is substantially complete and available to be used for the purpose intended.
- c. The Responsible Person shall monitor and record whether, at any time the Obligations are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has any contractual right (such as a lease, research contract, naming rights agreement, purchase contract, management agreement or other service agreement) with respect to any portion of the Project.
- d. Before entering into any private business use arrangement that involves the use of the Project, the Responsible Person must obtain a description of the proposed private business use arrangement and determine whether such arrangement, if put into effect, will be consistent with the restrictions on private business use of the Project. In connection with the evaluation of any proposed private business use arrangement, the Responsible Person should consult with Bond Counsel to discuss whether such arrangement, if put into effect, will be consistent with the restrictions on private business use of the Project, and, if not, whether any “remedial action” permitted under federal guidelines may be taken as a means of enabling such private business use without adversely affecting the tax-exempt status of the Obligations.
- e. The Responsible Person shall monitor and record whether, at any time the Obligations are outstanding, any person, other than the City, the employees of the

City, the agents of the City or members of the general public has a right to use the output of the Project (*e.g.*, water, gas, electricity, capacity) on any basis other than standard rates and charges.

- f. The Responsible Person shall monitor and record whether, at any time the Obligations are outstanding, any person, other than the City, has a naming right for the Project or any other contractual right granting an intangible benefit.
- g. Prior to any sale of property owned by the City (real or personal), the Responsible Person must confirm whether such property was financed with tax-exempt debt, and if so, determine whether the proposed disposition of the property could impact the tax-exempt status of the series of Obligations that financed the acquisition of such property.
- h. The Responsible Person shall take any action necessary to remediate any failure to maintain compliance with the covenants contained in the ordinance authorizing the issuance of the applicable series of Obligations.

C. Record Retention.

The Responsible Person will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Obligations and the use of the Project financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Obligations. If any portion of the Obligations is refunded with the proceeds of another series of Obligations, such records shall be maintained until the three (3) years after the refunding Obligations mature or are otherwise paid off. Such records can be maintained in paper or electronic format.

For purposes of these procedures, the Memorandum of Bond Counsel dated December 1, 2011 styled "Certain Federal Income Tax Considerations for Record Retention – Record Management Program and Periodic Compliance Review" is incorporated herein and should be reviewed periodically, at least once per year, by the Responsible Person.

D. Responsible Person & Continuity.

Each Responsible Person shall receive appropriate training regarding the City's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed with the proceeds of the Obligations. The foregoing notwithstanding, the Responsible Person is authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

Prior to cessation of employment with the City, the Responsible Person should identify their successor to maintain compliance with these procedures.

II. FEDERAL SECURITIES LAW

Obligations, whether taxable or tax-exempt, sold in a public offering in an amount of \$1 million or more are subject to Rule 15c2-12 (the “Rule”) of the United States Securities and Exchange Commission (the “SEC”). Additionally, the City may have covenanted to comply with the Rule even with respect to Obligations that would otherwise be exempt from the Rule (*e.g.*, Obligations sold in a private placement or Obligations sold in an amount less than \$1 million). Pursuant to the Rule, the City is required to make annual filings of certain information, as well as make filings upon the occurrence of certain specified events. All filings must be made with the Municipal Securities Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access System (“EMMA”) at emma.msrb.org.

A. Annual Filings.

The City must file certain updated financial information and operating data to the MSRB on an annual basis in an electronic format that is prescribed by the MSRB and available via EMMA. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in the City’s Official Statements under Tables numbered 1 through 6; 8 through 20 and in Appendix B. The City will update and provide the information in such tables within six months after the end of each fiscal year. The City will additionally provide audited financial statements when and if available, and in any event, within 12 months after the end of each fiscal year. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City will file unaudited financial statements within such 12 month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

The Responsible Person must compile, prepare and make such filings within the required time, or, alternatively, contract with a third-party, such as the City’s financial advisor, to make such filings on the City’s behalf.

B. Notices of Specified Events.

The City must provide notice of any of the following events with respect to the Obligations to the MSRB in a timely manner (but not in excess of ten business days after the occurrence of the event):

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;

- (6) Adverse tax opinions, the issuance by the IRS 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 Obligations, or other material events affecting the tax status of the Obligations;
- (7) Modifications to rights of Obligation holders, if material;
- (8) Obligations calls (includes redemptions and other early payments), if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Obligations, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the City;
- (13) 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;
- (14) Appointment of a successor or additional paying agent or the change of name of a paying agent, if material;
- (15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect bondholders, if material;
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties; and
- (17) In a timely manner, notice of a failure of the City to make the required annual filings listed in Subsection II(A) above.

The Responsible Person should review this list at regular intervals to determine whether any event has occurred that may require a filing with EMMA.

EXHIBIT C

PRELIMINARY OFFICIAL STATEMENT



(See "Continuing Disclosure of Information" herein)

PRELIMINARY OFFICIAL STATEMENT

Dated _____, 2021

Ratings:

Moody's: Applied for

S&P: Applied for

See "OTHER INFORMATION – Ratings" herein

NEW ISSUE - Book-Entry-Only

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Certificates will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under "TAX MATTERS" herein.



CITY OF COLLEGE STATION, TEXAS
(a Home-Rule City located in Brazos County, Texas)

\$63,270,000*
CERTIFICATES OF OBLIGATION, SERIES 2021

Dated Date: Date of Delivery

Interest Accrual Date: Date of Delivery

Due: February 15, as shown on page 2

PAYMENT TERMS. . . Interest on the \$63,270,000* City of College Station, Texas Certificates of Obligation, Series 2021 (the "Certificates") will accrue from the date of delivery, and will be payable February 15 and August 15 of each year commencing February 15, 2022 until maturity or prior redemption and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Certificates are being issued by the City of College Station, Texas (the "City") pursuant to the terms of an ordinance to be adopted by the governing body of the City on June 10, 2021 in which the City Council delegates authority to certain authorized officials of the City to finalize the pricing of the Certificates with the execution of a pricing certificate (such ordinance and pricing certificate collectively referred to as the "Ordinance"). The Certificates will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Certificates will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Certificates may be acquired in denominations of \$5,000 of principal amount or any integral multiples thereof within a maturity. **No physical delivery of the Certificates will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Certificates. See "THE CERTIFICATES - Book-Entry-Only System" herein. The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (see "THE CERTIFICATES - Paying Agent/Registrar").

AUTHORITY FOR ISSUANCE. . . The Certificates are issued pursuant to the Constitution and general laws of the State of Texas (the "State"), particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended, Chapter 1371, Texas Government Code, as amended, and constitute direct obligations of the City of College Station, Texas (the "City"), payable from a combination of (i) the levy and collection of a direct and continuing ad valorem tax, levied within the limits prescribed by law, on all taxable property within the City, and (ii) subordinate lien on and pledge of \$1,000 of the surplus revenues of the City's combined water, wastewater and electric utility system, as provided in the Ordinance (see "THE CERTIFICATES - Authority for Issuance of the Certificates" and "THE CERTIFICATES - Security and Source of Payment").

PURPOSE. . . Proceeds from the sale of the Certificates will be used for (i) streets and roads including related drainage, landscaping, signalization, lighting, pedestrian improvements and signage related thereto; (ii) information technology and communication equipment; (iii) government facilities and fleet vehicles; (iv) improvements and extensions to the City's combined waterworks, sewer and electric systems including distribution, transmission, system lines, lift stations, metering, wells, plant improvements, and acquisition of interests in land for such purposes; and (v) professional services rendered in relation to such projects and the issuance costs of the Certificates.

CUSIP PREFIX: 194469

MATURITY SCHEDULE & 9 DIGIT CUSIP

See Schedule on page 4

LEGALITY. . . The Certificates are offered for delivery, when issued, and received by the initial purchaser (the "Initial Purchaser") and subject to the opinion of the Attorney General of the State of Texas and the opinion of McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel for the City (see "APPENDIX C – Form Of Opinion Of Bond Counsel"). Certain legal matters will be passed upon for the City by McCall, Parkhurst & Horton, L.L.P., Dallas, Texas, Disclosure Counsel for the City

DELIVERY. . . It is expected that the Certificates will be available for delivery through the services of DTC on or about July 8, 2021.

BIDS DUE THURSDAY, JUNE 10, 2021, AT 10:15 A.M., CDT

* Preliminary, subject to change.

MATURITY SCHEDULE***\$63,270,000*****Certificates of Obligation, Series 2021**

Due Feb. 15	Principal	Interest Rate	Yield	CUSIP ⁽¹⁾
2022	\$ 2,645,000			
2023	2,775,000			
2024	2,795,000			
2025	2,815,000			
2026	2,840,000			
2027	2,875,000			
2028	2,910,000			
2029	2,950,000			
2030	3,000,000			
2031	3,050,000			
2032	3,110,000			
2033	3,175,000			
2034	3,245,000			
2035	3,325,000			
2036	3,405,000			
2037	3,490,000			
2038	3,575,000			
2039	3,665,000			
2040	3,765,000			
2041	3,860,000			

(1) CUSIP numbers have been assigned to the Certificates by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association, and are included solely for the convenience of the purchasers of the Certificates. Neither the City, the Financial Advisor nor the Initial Purchaser shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

OPTIONAL REDEMPTION. . . The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2031, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see “THE CERTIFICATES – Optional Redemption”).

MANDATORY SINKING FUND REDEMPTION . . . In addition to the foregoing optional redemption provision, if in connection with the pricing of the Certificates the principal amounts designated in the Maturity Schedule herein are combined to create Term Certificates, each such Term Certificate shall be subject to mandatory sinking fund redemption commencing on February 15 of the first year which has been combined to form such Term Certificate and continuing on February 15 in each year thereafter until the stated maturity date of that Term Certificate, and the amount required to be redeemed in any year shall be equal to the principal amount for such year set forth in the serial maturity schedule shown above (see “THE CERTIFICATES - Mandatory Sinking Fund Redemption”).

* Preliminary, subject to change.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended and in effect on the date hereof (the “Rule”), this document constitutes a Preliminary Official Statement of the City with respect to the Certificates that has been deemed “final” by the City as of its date except for the omission of no more than the information permitted by the Rule.

This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale. No dealer, broker, salesperson or other person has been authorized to give information or to make any representation other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon.

The information set forth herein has been obtained from the City and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as the promise or guarantee of the Financial Advisor. This Official Statement contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. CUSIP numbers have been assigned to this issue by CUSIP Global Services, and are included solely for the convenience of the owners of the Certificates. Neither the City, the Financial Advisor nor the Initial Purchasers shall be responsible for the selection or correctness of the CUSIP numbers shown on the inside cover page.

The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described.

In connection with this offering, the Initial Purchasers may over-allot or effect transactions which stabilize the market price of the issue at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Certificates are exempt from registration with the Securities and Exchange Commission and consequently have not been registered therewith. The registration, qualification, or exemption of the Certificates in accordance with applicable securities law provisions of the jurisdiction in which these securities have been registered or exempted should not be regarded as a recommendation thereof.

NEITHER THE CITY, ITS FINANCIAL ADVISOR NOR THE INITIAL PURCHASERS MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY (“DTC”) OR ITS BOOK-ENTRY-ONLY SYSTEM.

Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described herein since the date hereof.

THIS OFFICIAL STATEMENT CONTAINS “FORWARD-LOOKING” STATEMENTS WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. SUCH STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE AND ACHIEVEMENTS TO BE DIFFERENT FROM THE FUTURE RESULTS, PERFORMANCE AND ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED THAT THE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS. See “OTHER INFORMATION – FORWARD-LOOKING STATEMENTS DISCLAIMER” herein.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

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The cover page hereof, this page, the appendices included herein and any addenda, supplement or amendment hereto, are part of the Official Statement.

OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Certificates to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

- THE CITY**..... The City of College Station, Texas (the “City”) is a political subdivision and a home-rule city of the State, located in Brazos County, Texas. The City covers approximately 51.6 square miles (see “INTRODUCTION - Description of The City”).
- THE CERTIFICATES** The Certificates are issued as \$63,270,000* City of College Station, Texas Certificates of Obligation, Series 2021. The Certificates are issued as serial certificates maturing on February 15 in each of the years 2021-2041, inclusive (see “THE CERTIFICATES - General Description”). If two or more serial maturities of the Certificates are grouped into a single maturity (the “Term Certificates”) by the Initial Purchaser, such Term Certificates will be subject to mandatory sinking fund redemption in accordance with applicable provisions of the Ordinance.
- PAYMENT OF INTEREST** Interest on the Certificates will accrue from the date of delivery, and will be payable February 15 and August 15 of each year commencing February 15, 2022 until maturity or prior redemption and will be calculated on the basis of a 360-day year consisting of twelve 30-day months (see “THE CERTIFICATES - General Description”).
- AUTHORITY FOR ISSUANCE** . The Certificates are issued pursuant to the general laws of the State, particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended; Chapter 1371, Texas Government Code as amended, and an ordinance to be adopted in which the City Council delegates authority to certain authorized officials of the City to finalize the pricing of the Certificates with the execution of a pricing certificate (such ordinance and pricing certificate collectively referred to as the “Ordinance”) (see “THE CERTIFICATES - Authority for Issuance”).
- SECURITY FOR THE CERTIFICATES**..... The Certificates constitute direct obligations of the City, secured by and payable from a combination of (i) the levy and collection of an annual direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property located within the City, and (ii) a subordinate lien on and pledge of \$1,000 of the surplus revenues derived from the City’s combined water, wastewater and electric utility system (see “THE CERTIFICATES - Security and Source of Payment”).
- Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$2.50 per \$100 Taxable Assessed Valuation for all City purposes. The Home-Rule Charter of the City adopts the constitutionally authorized maximum tax rate of \$2.50 per \$100 Taxable Assessed Valuation.
- REDEMPTION** The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2031, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see “THE CERTIFICATES – Optional Redemption”). Additionally, the Certificates may be subject to mandatory redemption in the event the Initial Purchaser elects to aggregate one or more maturities as a Term Certificate; any aggregation of maturities into Term Certificates will be specified in the Official Statement. (See “THE CERTIFICATES – Mandatory Sinking Fund Redemption”).
- TAX EXEMPTION** In the opinion of Bond Counsel, the interest on the Certificates will be excludable from gross income for federal income tax purposes under existing law. See “TAX MATTERS” for a discussion of the opinion of Bond Counsel and Exhibit C.
- USE OF PROCEEDS** Proceeds from the sale of the Certificates will be used for (i) streets and roads including related drainage, landscaping, signalization, lighting, pedestrian improvements and signage related thereto; (ii) information technology and communication equipment; (iii) government facilities and fleet vehicles; (iv) improvements and extensions to the City's combined waterworks, sewer and electric systems including distribution, transmission, system lines, lift stations, metering, wells, plant improvements, and acquisition of interests in land for such purposes; and (v) professional services rendered in relation to such projects and the issuance costs of the Certificates. (see “THE CERTIFICATES – Sources and Use of Proceeds”).
- RATINGS** The presently outstanding tax supported debt of the City are rated “Aa1” by Moody's Investors Service, Inc. (“Moody's”) and “AA+” by Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business (“S&P”), without regard to credit enhancement (see “OTHER INFORMATION – Ratings”). Applications have been made to Moody's and S&P for contract ratings on the Certificates.

* Preliminary, subject to change.

BOOK-ENTRY-ONLY

SYSTEM The definitive Certificates will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company (“DTC”) pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Certificates may be acquired in denominations of \$5,000 of principal amount or any integral multiples thereof. No physical delivery of the Certificates will be made to the beneficial owners thereof. Principal of and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Certificates (see “THE CERTIFICATES - Book-Entry-Only System”).

PAYMENT RECORD Other than a late payment on the City’s Certificates of Obligation, Series 2002 that occurred in 2003, the City has never defaulted in payment of its general obligation tax debt.

SELECTED FINANCIAL INFORMATION

Fiscal Year Ended 9/30	Estimated City Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Per Capita Taxable Assessed Valuation	Net Ad Valorem Tax Debt ⁽³⁾	Per Capita Net Ad Valorem Tax Debt	Ratio Tax Debt to Taxable Assessed Valuation	Percent Total Collection
2017	109,936	\$ 7,623,964,171	\$ 69,349	\$ 169,595,000	\$ 1,543	2.22%	100.31%
2018	117,841	8,902,090,555	75,543	175,400,000	1,488	1.97%	98.90%
2019	121,150	9,487,074,377	78,308	197,690,000	1,632	2.08%	99.47%
2020	122,949	9,979,431,357 ⁽⁴⁾	81,167	183,525,000	1,493	1.84%	98.32%
2021	124,710	10,079,470,032	80,823	221,276,488 ⁽⁵⁾	1,774 ⁽⁵⁾	2.20% ⁽⁵⁾	80.39% ⁽⁶⁾

(1) Source: The City.

(2) As reported by the Brazos Central Appraisal District; subject to change during the ensuing year.

(3) Payable from ad valorem taxes. Does not include self-supporting debt. See “Table 10 – Self-Supporting Debt” for detail on the City’s self-supported tax debt.

(4) Certified taxable assessed valuation for tax year 2021 as reported by the Brazos Central Appraisal District. This amount is subject to change during ensuing year.

(5) Projected, includes the Certificates.

(6) Collections as of March 15, 2021. A portion of the City’s taxpayer base has elected to provide split payments to the City which will be due in part on June 30, 2021.

GENERAL FUND CONSOLIDATED STATEMENT SUMMARY

	For Fiscal Year Ended September 30,				
	2020	2019	2018	2017	2016
Beginning Balance	\$ 28,360,567	\$ 26,790,569	\$ 22,514,523	\$ 19,133,202	\$ 22,423,064
Total Revenue	74,456,870	71,180,329	67,484,355	64,795,371	60,087,950
Total Expenditures	85,856,082	87,077,758	82,128,812	76,897,859	77,508,715
Other Financing Sources	18,780,707	17,467,427	16,214,241	15,483,809	14,130,903
Prior Period Adjustment	-	-	2,706,262	-	-
Ending Balance ⁽¹⁾	\$ 35,742,062	\$ 28,360,567	\$ 26,790,569	\$ 22,514,523	\$ 19,133,202

UTILITY SYSTEM CONDENSED STATEMENT OF OPERATIONS

For Fiscal Year Ended September 30,

	2020	2019	2018	2017	2016
Revenues:					
Electric	\$ 100,369,952	\$ 102,443,382	\$ 102,511,712	\$ 99,179,570	\$ 98,904,688
Water and Wastewater	37,628,189	34,313,203	33,602,131	31,333,922	29,484,851
Interest	1,322,832	2,654,945	1,262,551	697,655	346,312
Other	4,400,186	3,558,330	2,520,335	3,179,821	3,636,420
Total Revenues	\$ 143,721,159	\$ 142,969,860	\$ 139,896,729	\$ 134,390,968	\$ 132,372,271
Expenses:					
Total Expenses	\$ 80,521,607	\$ 81,725,180	\$ 77,828,073	\$ 78,766,516	\$ 76,771,094
Net Available for Debt Service	\$ 63,199,552	\$ 61,244,680	\$ 62,068,656	\$ 55,624,452	\$ 55,601,177
Water (Units Served)	43,959	42,787	44,995	43,199	41,709
Wastewater (Units Served)	46,955	46,171	46,031	42,840	40,866
Electric (Units Served)	32,024	39,155	39,435	39,300	40,141

CITY OFFICIALS, STAFF AND CONSULTANTS

ELECTED OFFICIALS

Name	Position	Length of Service	Term Expiration	Occupation
Karl P. Mooney	Mayor	4 Years ⁽¹⁾	November 2022	Texas A&M University Administrator
Bob Brick	Council Member	3 Years	November 2023	Research Scientist
John Crompton	Council Member	1 Year	November 2022	CEO
Linda Harvell	Council Member	3 Years	November 2023	Business Owner
Elizabeth Cunha	Council Member	5 Months	November 2021	Education
John Nichols	Council Member	3 Years ⁽²⁾	November 2023	Retired Professor
Dennis Maloney	Council Member	2 Years	November 2021	Business Owner

(1) Elected November 2016 - Former City of College Station Council Member 2011-2016.

(2) Prior Council Member for 4 years prior to his current term.

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SELECTED ADMINISTRATIVE STAFF

Name	Position	Length of Service to the City (in Years)
Bryan Woods	City Manager	2.5
Jeff Capps	Deputy City Manager	28.0 ⁽¹⁾
Jeff Kersten	Assistant City Manager, CFO	30.0 ⁽²⁾
Carla Robinson	City Attorney	19.0
Tanya D. Smith	City Secretary	13.0 ⁽³⁾
Ty Elliott	Internal Auditor	13.5
Mary Ellen Leonard	Director of Finance	5.0
Gary Mechler	Director of Water Services	2.5 ⁽⁴⁾
Timothy Crabb	Director of Electric Utility	14.5 ⁽⁵⁾
Sindhu Menon	Chief Information Officer	3.0 ⁽⁶⁾
Stephen Wright	Director of Parks and Recreation	0.5
Michael Ostrowski	Director of Development Services	0.5
Pete Caler	Director of Public Works	21.5
Alison Pond	Director of Human Resources	12.0
Jay Socol	Public Communications Director	11.5

(1) Assistant City Manager since June 2014; previously served as Chief of Police.

(2) Assistant City Manager and Chief Financial Officer since January 2014; previously served as Executive Director of Business Services and Chief Financial Officer .

(3) Appointed City Secretary in July 2017. Previously served as Deputy City Secretary since 2008.

(4) New Hire Director of Water Services August 2018.

(5) Director of Electric Utility since December 2012; previously served as Assistant Director of Electric Utility.

(6) New hire as Director of Information Technology in March 2018.

CONSULTANTS AND ADVISORS

AuditorsBKD CPAs & Advisors
Houston, Texas

Bond Counsel McCall, Parkhurst & Horton L.L.P.
Dallas, Texas

Financial AdvisorHilltop Securities Inc.
Houston, Texas

For additional information regarding the City, please contact:

Jeff Kersten, CFO
Assistant City Manager
City of College Station
1101 Texas Avenue
College Station, Texas 77840
(979) 764-3555 Phone

or

W. Boyd London, Jr
Marti Shew
Hilltop Securities Inc.
1201 Elm Street, Suite 3500
Dallas, Texas 75270
(214) 953-4000

or

Joe Morrow
Hilltop Securities Inc.
700 Milam Street, Suite 500
Houston, Texas 77002
(713) 651-9850 Phone

PRELIMINARY OFFICIAL STATEMENT
RELATING TO
CITY OF COLLEGE STATION, TEXAS
(a Home-Rule City located in Brazos County, Texas)

\$63,270,000*
CERTIFICATES OF OBLIGATION, SERIES 2021

INTRODUCTION

This Official Statement, which includes the cover pages and Appendices hereto, provides certain information regarding the issuance of the \$63,270,000* City of College Station, Texas Certificates of Obligation, Series 2021 (the “Certificates”). Capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Ordinance to be adopted by the City Council of the City on June 10, 2021.

There follows in this Official Statement descriptions of the Certificates and certain information regarding the City and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the City's Financial Advisor, Hilltop Securities Inc., Houston, Texas.

Description of the City . . . The City is a political subdivision and municipal corporation of the State of Texas (the “State”), duly organized and existing under the laws of the State, including the City's Home Rule Charter. The City was incorporated in October 1938, and first adopted its Home-Rule Charter in October 1938, which was last amended in November 2018. The City operates under a Council/City Manager form of government with a City Council comprised of the Mayor and six Council members. Some of the services that the City provides are: public safety (police and fire protection), highways and streets, electric, water and sanitary sewer utilities, health and social services, culture-recreation, public transportation, public improvements, planning and zoning, and general administrative services. The 2010 Census population was 93,857 and the current estimated population of the City is 124,710. The City covers approximately 51.6 square miles.

THE CERTIFICATES

GENERAL DESCRIPTION . . . The Certificates will bear interest from the date of delivery to the Initial Purchaser, and mature on February 15 in each of the years and in the amounts shown on page 2 hereof. Interest on the Certificates will be calculated on the basis of a 360-day year consisting of twelve 30-day months and will be payable February 15 and August 15 of each year commencing February 15, 2022 until maturity or prior redemption. The definitive Certificates will be issued only in fully registered form in any integral multiple of \$5,000 in principal amount for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York (“DTC”) pursuant to the Book-Entry-Only System described herein. No physical delivery of the Certificates will be made to the beneficial owners thereof. Principal of and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Certificates (see “Book-Entry-Only System”).

AUTHORITY FOR ISSUANCE OF THE CERTIFICATES. . . The Certificates are being issued pursuant to the Constitution and general laws of the State of Texas, particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended, Chapter 1371, Texas Government Code, as amended and the Ordinance.

SECURITY AND SOURCE OF PAYMENT . . . The Certificates constitute direct obligations of the City payable from an annual direct and continuing ad valorem tax levied against all taxable property within the City, within the limits prescribed by law. In addition, the Certificates are additionally secured by and payable from a subordinate lien on and pledge of \$1,000 of the surplus revenues of the City's combined water, wastewater and electric utility system.

TAX RATE LIMITATION . . . All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax debt within the limits prescribed by law. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$2.50 per \$100 Taxable Assessed Valuation for all City purposes. The Home-Rule Charter of the City adopts the constitutionally authorized maximum tax rate of \$2.50 per \$100 Taxable Assessed Valuation. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for all debt service for obligations payable from annual ad valorem property taxes, as calculated at the time of issuance.

* Preliminary, subject to change.

OPTIONAL REDEMPTION . . . The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2031, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Certificates are to be redeemed, the City shall determine the Certificates, or portions thereof, within such maturity to be redeemed. If Certificates (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Certificates (or the principal amount thereof to be redeemed) shall become due and payable on such redemption date and interest thereon shall cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

MANDATORY SINKING FUND REDEMPTION . . . In addition to the foregoing optional redemption provision, if principal amounts designated in the serial maturity schedule shown on page 2 hereof are combined to create term certificates (the "Term Certificates"), each such Term Certificate shall be subject to mandatory sinking fund redemption commencing on February 15 of the first year which has been combined to form such Term Certificate and continuing on February 15 in each year thereafter until the stated maturity date of that Term Certificate, and the amount required to be redeemed in any year shall be equal to the principal amount for such year set forth in the Maturity Schedule herein.

NOTICE OF REDEMPTION . . . Not less than 30 days prior to a redemption date for the Certificates, the City shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the registered owners of the Certificates to be redeemed, in whole or in part, at the address of the registered owner appearing on the registration books of the Paying Agent/Registrar. ANY NOTICE SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN, THE CERTIFICATES CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY CERTIFICATE OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH CERTIFICATE OR PORTION THEREOF SHALL CEASE TO ACCRUE.

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

BOOK-ENTRY-ONLY SYSTEM . . . *This section describes how ownership of the Certificates is to be transferred and how the principal of and interest on the Certificates are to be paid to and credited by the DTC while the Certificates are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The City, the Financial Advisor and the Initial Purchaser believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.*

The City, the Financial Advisor and the Initial Purchaser cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Certificates, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Certificates), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Certificates. The Certificates will be issued as fully-registered securities in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate for each maturity will be issued for the Certificates, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect

Participants”). Direct Participants and Indirect Participants are referred to collectively herein as “Participants”. DTC is rated AA+ by Standard and Poor’s. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for such purchases on DTC’s records. The ownership interest of each actual purchaser of each Certificate (“Beneficial Owner”) is in turn to be recorded on the Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction as well as periodic statements of their holdings, from the Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Certificates, except in the event that use of the book-entry system described herein is discontinued.

To facilitate subsequent transfers, all Certificates deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Certificates within a maturity in the series are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC’s Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the City and the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent/Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City and the Paying Agent/Registrar. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and reimbursement of such payments to the Beneficial Owners will be the responsibility of Participants.

DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to the City and the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Certificates will be printed and delivered.

Use of Certain Terms in Other Sections of this Official Statement. In reading this Official Statement it should be understood that while the Certificates are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Certificates, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Ordinance will be given only to DTC.

Information concerning DTC and the Book-Entry System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the City or the Initial Purchaser.

PAYING AGENT/REGISTRAR . . . The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A., Dallas, Texas. In the Ordinance, the City retains the right to replace the Paying Agent/Registrar. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Certificates are duly paid and any successor Paying Agent/Registrar must be a bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the Certificates. Upon any change in the Paying Agent/Registrar for the Certificates, the City will promptly cause a written notice thereof to be sent to each registered owner of the Certificates by United States mail, first class, postage prepaid, which notice will also include the address of the new Paying Agent/Registrar.

TRANSFER, EXCHANGE AND REGISTRATION . . . In the event the Book-Entry-Only System should be discontinued, the Certificates may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender thereof to the Paying Agent/Registrar and such transfer or exchange will be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer. Certificates may be assigned by the execution of an assignment form on the respective Certificates or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. New Certificates will be delivered by the Paying Agent/Registrar, in lieu of the Certificates being transferred or exchanged, at the corporate trust office of the Paying Agent/Registrar, or sent by United States mail, first class, postage prepaid, to the new registered owner or his designee. To the extent possible, new Certificates issued in an exchange or transfer of Certificates will be delivered to the registered owner or assignee of the registered owner in not more than three business days after the receipt of the Certificates to be canceled, and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Certificates registered and delivered in an exchange or transfer will be in any integral multiple of \$5,000 for any one maturity and for a like aggregate principal amount as the Certificates surrendered for exchange or transfer. See "Book-Entry-Only System" herein for a description of the system to be utilized initially in regard to ownership and transferability of the Certificates. Neither the City nor the Paying Agent/Registrar will be required to transfer or exchange any Certificate called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation of transfer will not be applicable to an exchange by the registered owner of the uncalled balance of a Certificate.

RECORD DATE FOR INTEREST PAYMENT . . . The record date ("Record Date") for determining the person to whom the interest is payable on the Certificate on any interest payment date means the close of business on the last business day of the preceding month.

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

DEFEASANCE . . . The Ordinance provides for the defeasance of the Certificates when the payment of the principal of and premium, if any, on the Certificates, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, redemption, or otherwise), is provided by irrevocably depositing with a paying agency, in trust (1) money sufficient to make such payment or (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times to insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation and expenses of the paying agent for the Certificates. The Ordinance provides that "Defeasance Securities" means (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (d) any securities and obligations now or hereafter authorized by Texas law that are eligible to refund, retire or otherwise discharge obligations such as the Certificates. The City may modify or restrict the categories of eligible of Defeasance Securities to accommodate requests from the Initial Purchaser. The City has additionally reserved the right, subject to satisfying the requirement of (1) and (2) above, to substitute other Defeasance Securities for the Defeasance Securities originally deposited, to reinvestment the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

REMEDIES OF HOLDERS OF CERTIFICATES. . . The Ordinance establishes specific events of default with respect to the Certificates. If the City defaults in the payment of the principal of or interest on the Certificates when due or the City defaults in the observance or performance of any of the covenants, conditions, or obligations of the City, the failure to perform which materially, adversely affects the rights of the owners of the Certificates including but not limited to, their prospect or ability to be repaid in accordance with the Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any owner to the City, the Ordinance provide that any registered owner is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring the City to make such payment or observe and perform such covenants, obligations, or conditions. The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance of the Certificates or the Ordinance and the City's obligations are not uncertain or disputed. Chapter 1371, Texas Government code, which pertains to the issuance of public securities by issuers such as the City, permits the City to waive sovereign immunity in the proceedings authorizing its bonds, but in connection with the issuance of the Certificates, the City has not waived sovereign immunity, and therefore, holders may not be able to bring such a suit against the City for breach of the of Ordinance covenants in the absence of City action. The issuance of a writ of mandamus is controlled by equitable principles, so rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Certificates in the event of default and, consequently, the remedy of mandamus

may have to be relied upon from year to year. The Ordinance do not provide for the appointment of a trustee to represent the interest of the holders of the Certificates upon any failure of the City to perform in accordance with the terms of the Ordinance, or upon any other condition and accordingly all legal actions to enforce such remedies would have to undertaken of the initiative of, and be financed by, the registered owners of the Certificates. On June 30, 2006, the Texas Supreme Court ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex. 2006) that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in “clear and unambiguous” language. Because it is unclear whether the Texas legislature has effectively waived the City’s sovereign immunity from a suit for money damages, registered owners of the Certificates may not be able to bring such a suit against City for breach of the of covenants contained in the Ordinance. Even if a judgment against the City could be obtained, it could not be enforced by direct levy and execution against the City’s property. Further, the registered owners cannot themselves foreclose on property within the City or sell property within the City to enforce the tax lien on taxable property to pay the principal of and interest on the Certificates.

The City is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code (“Chapter 9”). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or registered owners of the Certificates of an entity which has sought protection under Chapter 9. Therefore, should the City avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Certificates are qualified with respect to the customary rights of debtors relative to their creditors, principles of sovereign immunity and by general principles of equity which permit the exercise of judicial discretion.

SOURCES AND USES OF CERTIFICATE PROCEEDS . . . Proceeds from the sale of the Certificates, are expected to be expended as follows:

Sources of Funds

Par Amount	\$	-
Issue Premium		
Total Uses of Funds	\$	-

Use of Funds

Deposit to Project Fund	\$	-
Costs of Issuance		
Total Uses of Funds	\$	-

TAX INFORMATION

The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Prospective investors are encouraged to review Title I of the Texas Tax Code, as amended (the “Property Tax Code”), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

VALUATION OF TAXABLE PROPERTY . . . The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board (the “Appraisal Review Board”) responsible for appraising property for all taxing units within the county. The appraisal of property within the City is the responsibility of the Brazos Central Appraisal District (the “Appraisal District”). Except as generally described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires appraisal districts to reappraise all property in its jurisdiction at least once every three (3) years. A taxing unit may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner’s principal residence (“homestead” or “homesteads”) to be based solely on the property’s value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified as both agricultural and open-space land.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the City, in establishing their tax rolls and tax rates (see “Tax Information – City and Taxpayer Remedies”).

STATE MANDATED HOMESTEAD EXEMPTIONS . . . State law grants, with respect to each city in the State, various exemptions for disabled veterans and their families, surviving spouses of members of the armed services killed in action, and surviving spouses of first responders killed or fatally wounded in the line of duty.

LOCAL OPTION HOMESTEAD EXEMPTIONS . . . The governing body of a taxing unit, including a city, county, school district, or special district, at its option may grant: (1) an exemption of up to 20% of the appraised value of all homesteads (but not less than \$5,000) and (2) an additional exemption of at least \$3,000 of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled. Each taxing unit decides if it will offer the local option homestead exemptions and at what percentage or dollar amount, as applicable. The exemption described in (2), above, may be created, increased, decreased or repealed at an election called by the governing body of a taxing unit upon presentment of a petition for such creation, increase, decrease, or repeal of at least 20% of the number of qualified voters who voted in the preceding election of the taxing unit.

LOCAL OPTION FREEZE FOR THE ELDERLY AND DISABLED . . . The governing body of a county, municipality or junior college district may, at its option, provide for a freeze on the total amount of ad valorem taxes levied on the homesteads of persons 65 years of age or older or of disabled persons above the amount of tax imposed in the year such residence qualified for such exemption. Also, upon voter initiative, an election may be held to determine by majority vote whether to establish such a freeze on ad valorem taxes. Once the freeze is established, the total amount of taxes imposed on such homesteads cannot be increased except for certain improvements, and such freeze cannot be repealed or rescinded.

PERSONAL PROPERTY . . . Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the “production of income” is taxed based on the property’s market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property.

FREEPORT AND GOODS-IN-TRANSIT EXEMPTIONS . . . Certain goods that are acquired in or imported into the State to be forwarded outside the State, and are detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication (“Freeport Property”) are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue taxing Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal.

Certain goods that are acquired in or imported into the State to be forwarded to another location within or without the State, stored in a location that is not owned by the owner of the goods and are transported to another location within or without the State within 175 days (“Goods-in-Transit”), are generally exempt from ad valorem taxation; however, the Property Tax Code permits a taxing unit, on a local option basis, to tax Goods-in-Transit if the taxing unit takes official action after conducting a public hearing, before January 1 of the first tax year in which the taxing unit proposes to tax Goods-in-Transit. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include aircraft or special inventories such as manufactured housing inventory, or a dealer’s motor vehicle, boat, or heavy equipment inventory.

A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

OTHER EXEMPT PROPERTY . . . Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property.

TAX INCREMENT REINVESTMENT ZONES . . . A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment reinvestment zones (“TIRZ”) within its boundaries. At the time of the creation of the TIRZ, a “base value” for the real property in the TIRZ is established and the difference between any increase in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the “tax increment”. During the existence of the TIRZ, all or a portion of the taxes levied against the tax increment by a city or county, and all other overlapping taxing units that elected to participate, are restricted to paying only planned project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units.

TAX ABATEMENT AGREEMENTS . . . Taxing units may also enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The taxing unit, in turn, agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years. See “Tax Information – Tax Abatement Policy” for descriptions of the City’s tax abatement program.

For a discussion of how the various exemptions described above are applied by the City, see “Tax Information – City Application of Property Tax Code” herein.

TEMPORARY EXEMPTION FOR QUALIFIED PROPERTY DAMAGED BY A DISASTER . . . The Property Tax Code entitles the owner of certain qualified (i) tangible personal property used for the production of income, (ii) improvements to real property, and (iii) manufactured homes located in an area declared by the governor to be a disaster area following a disaster and is at least 15 percent damaged by the disaster, as determined by the chief appraiser, to an exemption from taxation of a portion of the appraised value of the property. The amount of the exemption ranges from 15 percent to 100 percent based upon the damage assessment rating assigned by the chief appraiser. Except in situations where the territory is declared a disaster on or after the date the taxing unit adopts a tax rate for the year in which the disaster declaration is issued, the governing body of the taxing unit is not required to take any action in order for the taxpayer to be eligible for the exemption. If a taxpayer qualifies for the exemption after the beginning of the tax year, the amount of the exemption is prorated based on the number of days left in the tax year following the day on which the governor declares the area to be a disaster area. For more information on the exemption, reference is made to Section 11.35 of the Property Tax Code.

On April 13, 2020, the Attorney General of Texas released his opinion that “a court would likely conclude that the Legislature intended to limit the temporary tax exemption to apply to property physically harmed as a result of a declared disaster. Thus, purely economic, non-physical damage to property caused by the COVID-19 disaster is not eligible for the temporary tax exemption provided by section 11.35 of the Tax Code.” Tex. Att’y Gen. Op. No. KP-0299 (2020).

CITY AND TAXPAYER REMEDIES . . . Under certain circumstances, taxpayers and taxing units, including the City, may appeal the determinations of the Appraisal District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the City may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Beginning in the 2021 tax year, owners of certain property with a taxable value in excess of the current year “minimum eligibility amount”, as determined by the State Comptroller, and situated in a county with a population of one million or more, may protest the determinations of an appraisal district directly to a three-member special panel of the appraisal review board, appointed by the chairman of the appraisal review board, consisting of highly qualified professionals in the field of property tax appraisal. The minimum eligibility amount is set at \$50 million for the 2021 tax year, and is adjusted annually by the State Comptroller to reflect the inflation rate.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the City and provides for taxpayer referenda that could result in the repeal of certain tax increases (see “Tax Information – Public Hearing and Maintenance and Operations Tax Rate Limitations”). The Property Tax Code also establishes a procedure for providing notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

LEVY AND COLLECTION OF TAXES . . . The City is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. Taxes are due October 1, or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to twenty percent (20%) if imposed by the City. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes for certain taxpayers. Furthermore, the City may provide, on a local option basis, for the split payment, partial payment, and discounts for early payment of taxes under certain circumstances.

PUBLIC HEARING AND MAINTENANCE AND OPERATIONS TAX RATE LIMITATIONS . . . The following terms as used in this section have the meanings provided below:

“adjusted” means lost values are not included in the calculation of the prior year’s taxes and new values are not included in the current year’s taxable values.

“de minimis rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted), plus the rate that produces an additional \$500,000 in tax revenue when applied to the current year’s taxable value, plus the debt service tax rate.

“no-new-revenue tax rate” means the combined maintenance and operations tax rate and debt service tax rate that will produce the prior year’s total tax levy (adjusted) from the current year’s total taxable values (adjusted).

“special taxing unit” means a city for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per \$100 of taxable value.

“unused increment rate” means the cumulative difference between a city’s voter-approval tax rate and its actual tax rate for each of the tax years 2021 through 2022, which may be applied to a city’s tax rate in tax years 2021 through 2023 without impacting the voter-approval tax rate.

“voter-approval tax rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted) multiplied by 1.035, plus the debt service tax rate, plus the “unused increment rate.”

The City's tax rate consists of two components: (1) a rate for funding of maintenance and operations expenditures in the current year (the "maintenance and operations tax rate"), and (2) a rate for funding debt service in the current year (the "debt service tax rate"). Under State law, the assessor for the City must submit an appraisal roll showing the total appraised, assessed, and taxable values of all property in the City to the City Council by August 1 or as soon as practicable thereafter.

A city must annually calculate its "voter-approval tax rate" and "no-new-revenue tax rate" (as such terms are defined above) in accordance with forms prescribed by the State Comptroller and provide notice of such rates to each owner of taxable property within the city and the county tax assessor-collector for each county in which all or part of the city is located. A city must adopt a tax rate before the later of September 30 or the 60th day after receipt of the certified appraisal roll, except that a tax rate that exceeds the voter-approval tax rate must be adopted not later than the 71st day before the next occurring November uniform election date. If a city fails to timely adopt a tax rate, the tax rate is statutorily set as the lower of the no-new-revenue tax rate for the current tax year or the tax rate adopted by the city for the preceding tax year.

As described below, the Property Tax Code provides that if a city adopts a tax rate that exceeds its voter-approval tax rate or, in certain cases, its "de minimis rate", an election must be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

A city may not adopt a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate until each appraisal district in which such city participates has delivered notice to each taxpayer of the estimated total amount of property taxes owed and the city has held a public hearing on the proposed tax increase.

For cities with a population of 30,000 or more as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the voter-approval tax rate, that city must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

For cities with a population less than 30,000 as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the greater of (i) the voter-approval tax rate or (ii) the de minimis rate, the city must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate. However, for any tax year during which a city has a population of less than 30,000 as of the most recent federal decennial census and does not qualify as a special taxing unit, if a city's adopted tax rate is equal to or less than the de minimis rate but greater than both (a) the no-new-revenue tax rate, multiplied by 1.08, plus the debt service tax rate or (b) the city's voter-approval tax rate, then a valid petition signed by at least three percent of the registered voters in the city would require that an election be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

Any city located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its "voter-approval tax rate" using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such city's total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred.

State law provides cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales and use tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional sales and use tax for ad valorem tax reduction is approved and levied, the no-new-revenue tax rate and voter-approval tax rate must be reduced by the amount of the estimated sales tax revenues to be generated in the current tax year.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the City's ability to set a debt service tax rate in each year sufficient to pay debt service on all of the City's tax-supported debt obligations, including the Certificates.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

DEBT TAX RATE LIMITATIONS . . . All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax supported debt, within the limits prescribed by law. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$2.50 per \$100 of Taxable Assessed Valuation. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for all debt service on ad valorem tax-supported debt, as calculated at the time of issuance.

THE CITY'S RIGHTS IN THE EVENT OF TAX DELINQUENCIES . . . Taxes levied by the City are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the City, having power to tax the property. The City's tax lien is on a parity with tax liens of such other taxing units. A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the City is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the City may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the City must join other taxing units that have claims for delinquent taxes against all or part of the same property.

Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer's debt.

Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

CITY APPLICATION OF PROPERTY TAX CODE . . . The City grants a 5% exemption to the market value of the residence homestead. It also grants an exemption to the market value of the residence homestead of persons 65 years of age or older of \$30,000.

Ad valorem taxes are not levied by the City against the exempt value of residence homesteads for the payment of debt.

The City does not tax nonbusiness personal property.

The City does permit split payments, but discounts are not allowed.

The City does collect the additional one-half cent sales tax for reduction of ad valorem taxes.

The City has adopted a tax abatement policy.

An election was held on May 10, 2008 and the voters of College Station approved the ad valorem tax freeze for residential homesteads for disabled and age 65 or older persons.

Brazos County collects the taxes for the City.

TAX ABATEMENT POLICY . . . The City has established tax abatement guidelines and criteria for economic development prospects in the City. In order to be eligible for designation as a Reinvestment Zone and receive tax abatement, the planned improvement:

1. Must be expected to have an increased appraised ad valorem tax value of at least \$1,000,000 based upon the Brazos Central Appraisal District's assessment of the eligible property.
2. Must be expected to prevent the loss of payroll or retain, increase or create a payroll on a permanent basis in the City.

The following factors among others should be considered in determining whether to grant tax abatement and, if so, the percentage of value to be abated and the duration of the tax abatement:

1. Value of land and existing improvements, if any;
2. Type and value of proposed improvements;
3. Productive life of proposed improvements;
4. Number of existing jobs to be retained by proposed improvements;
5. Number of type of new jobs to be created by proposed improvements;
6. Amount of local payroll to be created;
7. Whether persons residing or projected to reside within the City will have the opportunity to fill the new jobs being created;
8. Amount of local taxes to be generated directly;
9. Amount of property tax base valuation which will be increased during term of abatement and after abatement, which shall include a definitive commitment that such valuation shall not, in any case, be less than \$1,000,000;
10. The costs to be incurred by the City to provide facilities or services directly resulting from the new improvements;
11. The amount of ad valorem taxes to be paid to the City during the abatement period considering (a) the existing values, (b) the percentage of new value abated, (c) the abatement period, and (d) the value after expiration of the abatement period;
12. The population growth of the City that occurs directly as result of new improvements;
13. The types of public improvements, if any, to be made by the applicant seeking abatement;
14. Whether the proposed improvements compete with existing businesses to the detriment of the local economy;
15. The impact on the business opportunities of existing businesses;
16. The attraction of other new businesses to the area;
17. The overall compatibility with the zoning ordinances and comprehensive plan for the area; and/or
18. Whether the project is environmentally compatible with no negative impact on quality of life perceptions.

Neither a Reinvestment Zone nor abatement agreement shall be authorized if it is determined that:

1. There would be substantial adverse affect on the provision of government service or tax base;
2. The applicant has insufficient financial capacity;

3. Planned or potential use of the property would constitute a hazard to public safety, health or morals;
4. Violation of other code or laws;
5. The agreement was signed after the commencement of construction, alteration or installation of improvements related to the project;
or
6. Any other reason deemed appropriate by the City Council

ECONOMIC DEVELOPMENT . . . In the fall of 2013, the College Station City Council adopted an Economic Development Master Plan. This document represents the City's first such effort and joins the many other Master Plans, Neighborhood, Corridor, and District Plans created to aid in successful implementation of the Comprehensive Plan. The Master Plan defines the goals and objectives of the City's economic development efforts and lays out strategies and detailed actions to achieve these goals and objectives. The plan specifically identified six strategic initiatives that the City's economic development program area should focus its efforts on: sustain and enhance high quality of life; support and partner with Texas A&M University and the Texas A&M University System; support retail development; support and stimulate biotechnology research and advanced manufacturing; support and stimulate health and wellness market; and support and stimulate sports, entertainment, and hospitality market.

Furthermore, the Plan also details how the plan should be monitored and updated over time, and identifies a series of formal economic development policy guidelines that were also adopted. These guidelines state that in order to ensure the ongoing competitiveness of the community, no State authorized incentive should immediately be discounted. The Texas Constitution and multiple State statutes identify the role of economic development by both the State and its municipalities as a public purpose. While recognizing there is no standard strategy, policy, or program for economic development, the Texas Legislature has created a vast array of tools that local governments have at their disposal. The objective of these tools is to not only encourage development and diversification of the Texas economy, but to simultaneously enhance the participating community's overall quality of life. Incentives to consider may include, but not be limited to: Chapter 380 financing; development fee rebates; enterprise zone program sponsorship; Freeport exemptions; infrastructure assistance; land transactions; delayed annexation or limited purpose annexation; special districts; reinvestment zones (tax abatement or tax increment); and fast track development process.

The City and the City of Bryan, Texas have also entered into an "Interlocal Cooperation and Joint Development Agreement" (the "Interlocal Agreement") in connection with implementing a joint economic development program known as the Joint Research Valley BioCorridor Development Project (the "Project"). Under the terms of the Interlocal Agreement, the City will make funds available to the City of Bryan, and the City of Bryan will make funds available to the City, for certain defined public infrastructure projects that are intended to enhance development of the Project. The obligations of each city under the Interlocal Agreement shall not constitute a debt for purposes of any provision of the State Constitution, and are intended to be paid from the general revenues of each city.

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TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT

2020/2021 Market Valuation Established by Brazos Central Appraisal District (excluding exempt property)		\$ 10,528,604,709
Less Exemptions/Reductions at 100% Market Value:		
Productivity Loss	\$ 106,149,136	
Over 65 Homestead Exemptions	108,396,448	
Cap Loss	11,315,648	
Pollution Control	263,403	
Member Armed Service Surviving Spouse	520,240	
Solar	129,100	
Freeport	16,282,988	
Disabled Veteran	50,132,788	
Homestead	155,626,621	
Abatements	318,305	449,134,677
2020/2021 Taxable Assessed Valuation		<u>\$ 10,079,470,032</u> ⁽¹⁾
Debt Payable from Ad Valorem Taxes (as of 3/1/2021)		
General Obligation Refunding Bonds, Series 2010	\$ 1,035,000	
Certificates of Obligation, Series 2013	7,030,000	
General Obligation Improvement and Refunding Bonds, Series 2013	10,230,000	
Certificates of Obligation, Series 2014	22,760,000	
General Obligation Improvement and Refunding Bonds, Series 2014	19,115,000	
Certificates of Obligation, Series 2016	19,230,000	
General Obligation Improvement and Refunding Bonds, Series 2016	30,255,000	
General Obligation Improvement and Refunding Bonds, Series 2017	27,505,000	
Certificates of Obligation, Series 2017	47,755,000	
Certificates of Obligation, Series 2018	31,485,000	
Certificates of Obligation, Series 2019	68,845,000	
Certificates of Obligation, Series 2020	20,300,000	
General Obligation Refunding Bonds, Series 2020	14,295,000	
General Obligation Refunding Bonds, Series 2020A	16,930,000	
The Certificates ⁽²⁾	63,270,000	400,040,000
Less: Self Supporting Debt ⁽³⁾		\$ 164,423,512
Less: Interest and Sinking Fund as of 2/1/2021		21,702,317
Net Debt Payable from Ad Valorem Taxes ⁽⁵⁾		<u>\$ 213,914,171</u>
Ratio of Net Debt Payable from Ad Valorem Taxes to Taxable Assessed Valuation ⁽⁵⁾		2.12%
2021 Estimated Population - 124,710		
Per Capita Taxable Assessed Valuation - \$80,823		
Per Capita Net Funded Debt - \$1,715 ⁽⁵⁾		

- (1) Certified taxable assessed valuation for tax year 2021 as reported by the Brazos Central Appraisal District. This amount is subject to change during ensuing year.
- (2) Preliminary, subject to change. The debt service on a portion of the Certificates will be internally allocated by the City as being payable from the surplus revenues from the respective enterprise funds. Although the City expects to pay for this portion of the Certificates with surplus enterprise funds, the Certificates are secured solely by a pledge of ad valorem taxes and by a pledge of combined utility system surplus net revenues limited to \$1,000. See "THE Certificates - Security and Source of Payment." There is no guarantee that payments from these enterprise funds will be made. If payments are not made from the enterprise funds, the City will be required to levy ad valorem taxes in amounts sufficient to make such payments.
- (3) In the past, the City has sold certificates of obligation to finance projects for the City's water and sewer system, and electric system and has internally allocated portions of this debt as payable from the respective enterprise funds. The self-supporting amounts listed above are projections of debt that is expected to be retired by the City based on actual historical payments from these funds to pay for debt service the outstanding certificates of obligation. There is no guarantee that payments from these funds will continue in the future. Includes a portion of the Certificates. See "DEBT INFORMATION – TABLE 10 – Self Supporting Debt."
- (4) Net of Interest and Sinking Fund as of February 1, 2021.

TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY

Taxable Appraised Value, Fiscal Year Ending September 30,						
Category	2021		2020		2019	
	Amount	% of	Amount	% of	Amount	% of
		Total		Total		Total
Real, Residential, Single-Family	\$ 5,811,512,587	55.20%	\$ 5,654,665,682	54.26%	\$ 5,420,353,263	54.67%
Real, Residential, Multi-Family	2,152,451,222	20.44%	2,165,512,093	20.78%	2,014,388,746	20.32%
Real, Vacant Lots/Tracts	176,239,728	1.67%	170,205,829	1.63%	181,379,036	1.83%
Real, Acreage (Land Only)	107,408,833	1.02%	111,699,300	1.07%	107,486,185	1.08%
Real, Farm and Ranch Improvements	70,754,199	0.67%	73,131,172	0.70%	92,572,477	0.93%
Real, Commercial/Industrial	1,675,685,747	15.92%	1,722,395,856	16.53%	1,612,617,746	16.27%
Real, Oil, Gas & Other Mineral Reserves	5,628,541	0.05%	7,641,206	0.07%	12,619,033	0.13%
Real and Tangible Personal, Utilities	41,370,586	0.39%	41,354,350	0.40%	40,945,210	0.41%
Tangible Personal, Business	413,595,878	3.93%	415,420,441	3.99%	389,192,346	3.93%
Tangible Personal, Other	2,317,808	0.02%	2,384,330	0.02%	2,441,400	0.02%
Real Property Inventory	43,992,153	0.42%	37,101,583	0.36%	23,400,278	0.24%
Special Inventory	27,647,427	0.26%	19,926,390	0.19%	16,814,030	0.17%
Total Appraised Value Before Exemptions	\$ 10,528,604,709	100.00%	\$ 10,421,438,232	100.00%	\$ 9,914,209,750	100.00%
Less: Total Exemptions/Reductions	449,134,677		442,006,875		427,135,373	
Taxable Assessed Value	<u>\$ 10,079,470,032</u>		<u>\$ 9,979,431,357</u>		<u>\$ 9,487,074,377</u>	

Taxable Appraised Value, Fiscal Year Ending September 30,				
Category	2018		2017	
	Amount	% of	Amount	% of
		Total		Total
Real, Residential, Single-Family	\$ 4,891,101,082	53.32%	\$ 4,470,806,990	56.58%
Real, Residential, Multi-Family	1,951,938,574	21.28%	1,275,467,653	16.14%
Real, Vacant Lots/Tracts	166,018,722	1.81%	158,722,669	2.01%
Real, Acreage (Land Only)	117,980,979	1.29%	87,626,228	1.11%
Real, Farm and Ranch Improvements	95,828,034	1.04%	113,059,943	1.43%
Real, Commercial/Industrial	1,497,083,484	16.32%	1,340,756,747	16.97%
Real, Oil, Gas & Other Mineral Reserves	4,375,082	0.05%	5,036,746	0.06%
Real and Tangible Personal, Utilities	40,806,430	0.44%	40,325,800	0.51%
Tangible Personal, Business	360,514,767	3.93%	371,077,880	4.70%
Tangible Personal, Other	2,449,980	0.03%	1,988,130	0.03%
Real Property Inventory	31,155,861	0.34%	23,079,643	0.29%
Special Inventory	13,855,490	0.15%	13,282,100	0.17%
Total Appraised Value Before Exemptions	\$ 9,173,108,485	100.00%	\$ 7,901,230,529	100.00%
Less: Total Exemptions/Reductions	271,017,930		277,266,358	
Taxable Assessed Value	<u>\$ 8,902,090,555</u>		<u>\$ 7,623,964,171</u>	

NOTE: Valuations shown are certified taxable assessed values reported by the Brazos Central Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

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TABLE 3 - VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year Ended 9/30	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Taxable Assessed Valuation Per Capita	Net G.O. Tax Debt ⁽³⁾	Ratio of Net G.O. Tax Debt to Taxable Assessed Valuation	Net G.O. Tax Debt Per Capita
2017	109,936	\$ 7,623,964,171	\$ 69,349	\$ 169,595,000	2.22%	\$ 1,543
2018	117,841	8,902,090,555	75,543	175,400,000	1.97%	1,488
2019	121,150	9,487,074,377	78,308	197,690,000	2.08%	1,632
2020	122,949	9,979,431,357	81,167	183,525,000	1.84%	1,493
2021	124,710	10,079,470,032	80,823	221,276,488 ⁽⁴⁾	2.20% ⁽⁴⁾	1,774 ⁽⁴⁾

(1) Source: The City.

(2) As reported by the Brazos Central Appraisal District; subject to change during the ensuing year. Certified taxable assessed valuation for tax year 2021 as reported by the Brazos Central Appraisal District. This amount is subject to change during ensuing year.

(3) Payable from ad valorem taxes. Does not include self-supporting debt. as shown on Table 8 and Table 10

(4) Projected, includes the Certificates. Preliminary, subject to change.

TABLE 4 - TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year Ended 9/30	Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% Total Collections
2017	\$ 0.4725	\$ 0.2772	\$ 0.1953	\$ 37,007,711	100.08%	100.31%
2018	0.4975	0.2772	0.2203	43,300,209	98.90%	98.90%
2019	0.5058	0.2855	0.2203	46,985,167	99.22%	99.47%
2020	0.5346	0.3132	0.2214	52,020,670	98.91% ⁽¹⁾	98.32% ⁽¹⁾
2021	0.5346	0.3182	0.2164	53,884,847	80.42% ⁽¹⁾⁽²⁾	80.39% ⁽¹⁾⁽²⁾

(1) For FYE 2020 and FYE 2021, the City made refunds from prior year ad valorem receipts due to entity protests of valuations. Therefore, delinquent collections were a payment and total receipts were lower than current collections.

(2) Collections as of March 15, 2021. A portion of the City's taxpayer base has elected to provide split payments to the City which will be due in part on June 30, 2021.

TABLE 5 - TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2021 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
CPP College Station I LLC	Real Estate	\$ 65,123,615	0.65%
FujiFilm Diosynth Biotechnologies Texas LLC	Technology	61,927,359	0.61%
The Standard at College Station LLC	Apartment Buildings	58,070,200	0.58%
Sterling-A&M High Rise LLC	Apartment Buildings	56,483,315	0.56%
POM-College Station LLC	Mall	54,563,371	0.54%
Woodridge College Station Phase II LLC	Mall	52,217,999	0.52%
Weinberg Israel	Real Estate	51,990,954	0.52%
Woodridge College Station LLC	Mall	49,763,388	0.49%
Culpepper Family LP	Real Estate	48,825,450	0.48%
SW Meadows Point LP	Apartment Buildings	48,172,628	0.48%
		<u>\$ 547,138,279</u>	<u>5.43%</u>

GENERAL OBLIGATION DEBT LIMITATION . . . No general obligation debt limitation is imposed on the City under current State law or the City's Home Rule Charter (see "THE CERTIFICATES - Tax Rate Limitation").

TABLE 6 - TAX ADEQUACY

Net Maximum Tax Supported Principal and Interest Requirements (2023).....	\$ 23,099,093 ⁽¹⁾
\$0.23149 Tax Rate at 99% Collection Produces	\$ 23,099,636
Net Average Tax Supported Principal and Interest Requirements (2021-2041).....	\$ 15,076,837 ⁽¹⁾
\$0.15110 Tax Rate at 99% Collection Produces	\$ 15,077,778

(1) Includes the Certificates and excludes self-supporting debt. Preliminary, subject to change.

TABLE 7 - ESTIMATED OVERLAPPING DEBT

Expenditures of the various taxing entities within the territory of the City are paid out of ad valorem taxes levied by such entities on properties within the City. Such entities are independent of the City and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax debt ("Tax Debt") was developed by the City from information obtained from the Brazos Central Appraisal District. Except for the amounts relating to the City, the City has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional debt since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional debt, the amount of which cannot be determined. The following table reflects the estimated share of overlapping Tax Debt of the City.

	2020/2021 Taxable Assessed Value	2019 Tax Rate	Total Net Tax Debt as of 3/1/2021	Estimated % Applicable	City's Overlapping Tax Debt as of 3/1/2021
City of College Station	\$ 10,079,470,032 ⁽¹⁾	0.5346	\$ 213,914,171 ⁽²⁾	100.00%	\$ 213,914,171
Brazos County	21,000,138,588	0.4950	888,225,000	48.31%	429,101,498
Bryan ISD	8,733,192,358	1.2330	172,270,000	3.26%	5,616,002
College Station ISD	10,889,533,648	1.2230	305,030,000	88.32%	269,402,496
Total Direct and Overlapping Funded Tax Debt					\$ 918,034,167
Ratio of Direct and Overlapping Funded Tax Debt to Taxable Assessed Valuation					9.108%
Per Capita Overlapping Funded Tax Debt					\$ 7,361

Source: Municipal Advisory Council of Texas.

(1) Certified taxable assessed valuation for tax year 2021 as reported by the Brazos Central Appraisal. This amount is subject to change during ensuing year.

(2) Projected, includes the Certificates and excludes self-supporting debt. Preliminary, subject to change.

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DEBT INFORMATION

TABLE 8 - PRO-FORMA AD VALOREM TAX DEBT SERVICE REQUIREMENTS*

Year End 9/30	Outstanding Debt Service			The Certificates ⁽¹⁾			Less: Self-Supporting Debt Service ⁽²⁾	Total Net Tax Supported Debt Service Requirements	% of Principal Retired
	Principal	Interest	Total	Principal	Interest	Total			
2021	\$ 26,625,000	\$ 14,058,493	\$ 40,683,493	\$ -	\$ -	\$ -	\$ 21,539,294	\$ 19,144,200	
2022	25,590,000	12,912,103	38,502,103	2,645,000	1,269,295	3,914,295	19,325,514	23,090,884	
2023	25,770,000	11,766,435	37,536,435	2,775,000	1,136,144	3,911,144	18,348,486	23,099,093	
2024	26,270,000	10,564,355	36,834,355	2,795,000	1,118,452	3,913,452	18,016,197	22,731,610	
2025	25,530,000	9,336,837	34,866,837	2,815,000	1,096,425	3,911,425	17,491,695	21,286,567	33.00%
2026	25,485,000	8,111,017	33,596,017	2,840,000	1,069,837	3,909,837	16,874,633	20,631,221	
2027	22,685,000	7,033,316	29,718,316	2,875,000	1,038,534	3,913,534	14,866,083	18,765,767	
2028	21,265,000	6,149,525	27,414,525	2,910,000	1,002,218	3,912,218	13,573,392	17,753,351	
2029	19,710,000	5,354,166	25,064,166	2,950,000	960,449	3,910,449	12,492,541	16,482,074	
2030	18,490,000	4,609,950	23,099,950	3,000,000	913,276	3,913,276	10,788,677	16,224,549	61.65%
2031	17,690,000	3,895,761	21,585,761	3,050,000	860,316	3,910,316	10,582,063	14,914,014	
2032	17,825,000	3,226,044	21,051,044	3,110,000	801,156	3,911,156	10,056,070	14,906,130	
2033	17,265,000	2,590,761	19,855,761	3,175,000	736,084	3,911,084	9,006,949	14,759,896	
2034	16,535,000	1,981,870	18,516,870	3,245,000	665,118	3,910,118	8,250,495	14,176,493	
2035	13,955,000	1,477,696	15,432,696	3,325,000	588,558	3,913,558	6,422,206	12,924,047	84.89%
2036	14,390,000	1,053,821	15,443,821	3,405,000	507,790	3,912,790	6,433,306	12,923,304	
2037	12,820,000	642,079	13,462,079	3,490,000	423,662	3,913,662	6,004,118	11,371,623	
2038	8,215,000	320,990	8,535,990	3,575,000	336,048	3,911,048	5,123,699	7,323,339	
2039	5,995,000	111,719	6,106,719	3,665,000	244,815	3,909,815	3,761,647	6,254,886	
2040	1,285,000	13,653	1,298,653	3,765,000	149,701	3,914,701	1,273,388	3,939,966	99.10%
2041	-	-	-	3,860,000	50,566	3,910,566	-	3,910,566	100.00%
	<u>\$ 363,395,000</u>	<u>\$ 105,210,590</u>	<u>\$ 468,605,590</u>	<u>\$ 63,270,000</u>	<u>\$ 14,968,440</u>	<u>\$ 78,238,440</u>	<u>\$ 230,230,450</u>	<u>\$ 316,613,580</u>	

(1) Average life of the Certificates – 10.733 years. Interest calculated at an average rate for purposes of illustration. Preliminary, subject to change.

(2) In the past, the City has sold certificates of obligation to finance projects for the City's water and sewer system, and electric system and has internally allocated portions of this debt as payable from the respective enterprise funds. The self-supporting amounts listed above are projections of debt that is expected to be retired by the City based on actual historical payments from these funds to pay for debt service the outstanding certificates of obligation. There is no guarantee that payments from these funds will continue in the future. Includes a portion of the Certificates. See "Table 10 – Self Supporting Debt" and the accompanying footnotes.

TABLE 9 - INTEREST AND SINKING FUND BUDGET PROJECTION

Total Net Tax Supported Debt Service Requirements, Fiscal Year Ending September 30, 2021 ⁽¹⁾		\$ 19,144,200
Interest and Sinking Fund, September 30, 2020	\$ 6,278,249	
Budgeted Interest and Sinking Fund Tax Levy	21,222,848	
Budgeted Investment Earnings	100,000	
Budgeted Transfers	467,985	28,069,082
Estimated Balance, September 30, 2021		\$ 8,924,882

(1) Excludes self-supporting debt. Includes the Certificates. Preliminary, subject to change.

TABLE 10 – SELF-SUPPORTING DEBT⁽¹⁾

Year End 9/30	Electric Fund	Wastewater Fund	Water Fund	Convention Center	Landfill	Total Self-Supporting Debt Service
2021	\$ 6,597,916	\$ 7,360,070	\$ 7,220,358	\$ 6,900	\$ 354,050	\$ 21,539,294
2022	6,444,757	6,414,414	6,136,369	6,675	323,300	19,325,514
2023	6,216,832	6,073,919	5,729,760	6,425	321,550	18,348,486
2024	5,870,022	6,048,437	5,762,513	6,175	329,050	18,016,197
2025	5,566,561	5,794,068	5,794,466	5,925	330,675	17,491,695
2026	5,309,990	5,789,021	5,438,396	5,675	331,550	16,874,633
2027	4,101,635	5,572,789	4,854,559	5,425	331,675	14,866,083
2028	3,947,376	5,205,106	4,091,286	5,225	324,400	13,573,392
2029	3,486,049	5,050,156	3,621,385	5,075	329,875	12,492,541
2030	2,627,607	5,053,517	3,107,553	-	-	10,788,677
2031	2,452,812	5,042,272	3,086,978	-	-	10,582,063
2032	2,132,827	5,048,835	2,874,407	-	-	10,056,070
2033	1,631,830	4,679,275	2,695,844	-	-	9,006,949
2034	1,033,030	4,523,646	2,693,819	-	-	8,250,495
2035	430,653	3,742,311	2,249,243	-	-	6,422,206
2036	432,185	3,748,325	2,252,796	-	-	6,433,306
2037	432,893	3,745,822	1,825,403	-	-	6,004,118
2038	432,756	3,415,000	1,275,943	-	-	5,123,699
2039	-	2,728,469	1,033,178	-	-	3,761,647
2040	-	1,096,528	176,859	-	-	1,273,388
	<u>\$ 59,147,731</u>	<u>\$ 96,131,981</u>	<u>\$ 71,921,113</u>	<u>\$ 53,500</u>	<u>\$ 2,976,125</u>	<u>\$ 230,230,450</u>

(1) The debt service described in this table is general obligation debt for which repayment is provided from revenues from other sources. It is the City's current policy to provide these payments from such sources. There is no assurance that the use of these sources to make these payments will continue in the future. If payments are not made from such sources in the future, the difference will be paid for with ad valorem taxes. Includes a portion of the Certificates. Preliminary, subject to change.

TABLE 11 - AUTHORIZED BUT UNISSUED TAX BONDS

Date of Authorization	Purpose	Amount Authorized	Issued To Date	Unissued
11/4/2003	Municipal Complex Improvements	\$ 7,610,000	\$ 3,955,000	\$ 3,655,000
11/4/2008	Park Improvements	12,790,000	12,145,000	645,000
		<u>\$ 77,570,000</u>	<u>\$ 73,270,000</u>	<u>\$ 4,300,000</u>

ANTICIPATED ISSUANCE OF GENERAL OBLIGATION DEBT

The City has no firm plans for the issuance of additional general obligation debt payable from ad valorem taxes within the next twelve months.

OTHER OBLIGATIONS

During the Fiscal-year 2016, the City of college Station entered into a three-year operating lease for office space with an optional one-year renewal. The lease was amended in 2018 to expire in May of 2021. Rent cost totaled \$126,012 for fiscal year 2020. The following is a schedule, by year, of the future minimum rental payments under the office space lease:

Year Ended	
<u>Septemer 30,</u>	
2021	\$ 53,147

PENSION FUND

Plan Description

The City accounts for pension cost under GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The City of College Station participates as one of over 887 plans in the multi-employer, nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report that can be obtained at www.tmrs.com. All eligible employees of the city are required to participate in TMRS.

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits, with interest, were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven actuarially equivalent payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Plan provisions for the City were as follows:

Employee deposit rate	7.00%
Matching ratio (City to Employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years at any age; 5 years at age 60 and above
Updated service credit	75% repeating transfers
Annuity increase (to retirees)	50% of CPI repeating

Employees covered by benefit terms at the December 31, 2019 valuation and measurement date are as follows:

Inactive employees or beneficiaries currently receiving benefits	498
Inactive employees entitled to but not yet receiving benefits	603
Active employees	922
Total	<u>2,023</u>

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 13% and 13% in calendar years 2020 and 2019, respectively. The City's contributions to TMRS for fiscal year 2020 were \$7,917,114 and were within a good range of the required contributions of \$7,917,114.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75%
Investment rate of return	6.75%, net of pension plan investment expense including inflation

Salary increases were based on service-related tables. Mortality rates for active members, retirees, and beneficiaries were based on fully generational basis with scale UMP. PUB(10) Mortality Table with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Actuarial assumptions used in the December 31, 2019 valuation were based on the results of actuarial experience studies of TMRS over the four year period from December 31, 2010 to December 31, 2014. Assumptions are reviewed annually.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan's policy with regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
Total	100.00%	

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Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will remain at the current 7.0% and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2018	\$ 299,618,207	\$ 248,862,692	\$ 50,755,515
Changes for the year:			
Service Cost	9,187,085	-	9,187,085
Interest (on the Total Pension Liability)	20,107,815	-	20,107,815
Change of benefit terms	-	-	-
Differences between expected and actual experience	(8,177)	-	(8,177)
Changes of assumptions	879,021	-	879,021
Contributions - employer	-	7,809,792	(7,809,792)
Contributions - employee	-	4,141,556	(4,141,556)
Net investment income (loss)	-	38,471,406	(38,471,406)
Benefit payments, including refunds of employee contributions;	(12,636,397)	(12,636,397)	-
Administrative expenses	-	(217,394)	217,394
Other	-	(6,530)	6,530
Net changes	17,529,347	37,562,433	(20,033,086)
Ending Balance at 12/31/2019	\$ 317,147,554	\$ 286,425,125	\$ 30,722,429

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 78,098,532	\$ 30,722,428	\$ (7,878,700)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmr.com.

Pension Expense

For the year ended September 30, 2020, the City recognized pension expense of \$10,227,085.

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Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At September 30, 2020, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 587,691	\$ 305,046
Changes in assumptions	708,560	-
Difference between projected and actual earnings	-	8,721,993
Contributions subsequent to the measurement date	5,829,832	-
Total	<u>\$ 7,126,083</u>	<u>\$ 9,027,039</u>

Deferred outflows of resources, of \$5,829,832 related to pensions resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2020 and recognized in the City's financial statements as of September 30, 2021.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense in the following years indicated below:

Fiscal Year Ended Sept. 30:	Net deferred outflows (inflows) of resources
2021	\$ (2,094,653)
2022	(2,209,267)
2023	768,722
2024	(4,195,589)
	<u>\$ (7,730,787)</u>

OTHER POST-EMPLOYMENT BENEFITS

Plan Description

Plan administration: As required by state laws, in addition to the pension benefits described above, the City makes available certain postretirement benefits to employees who meet TMRS retirement qualifications, retire from City employment, and enroll in the plan before the effective date of their retirement. The City's OPEB Plan is a single employer defined benefit plan, defined by City policy. The OPEB Plan does not issue a separate report that includes financial statements and required supplementary information for the OPEB Plan.

Plan membership. At September 30, 2020 membership consisted of the following:

	Medical and/or Dental Benefits	Life Insurance Benefits
Retirees and Retiree Spouses	71	188
Active Employees	905	905
	<u>976</u>	<u>1,093</u>

Benefits provided: The City's defined benefit Other Post-Employment Benefits (OPEB) Plan offers medical, dental, vision, drug, and life insurance benefits to retired employees and their eligible dependents. The OPEB Plan is a single employer defined benefit OPEB plan administered by the City. The benefit levels offered to retired employees and eligible dependents are the same as those afforded to active employees as the City's group health insurance plan covers both active and retired members. All medical, dental, vision and drug care benefits are provided through the City's self-insured health plan. As long as monthly premium payments are made, the healthcare plan provides coverage until age 65 for retired employees and eligible dependents enrolled in the City's OPEB Plan. The life insurance offered through the OPEB Plan provides a \$10,000, fully insured death benefit coverage upon retirement, which ceases upon attainment of age 65. The Life insurance benefit for eligible retirees is paid entirely by the City.

Contributions: Benefit provisions, as well as retiree premium contributions, are established by City management. The City determines the employer and participant contribution rates annually, based on recommendations of City staff and the City's benefit consultant. For the year ended September 30, 2020, the City's average contribution rate was 1.0 percent of covered-employee payroll.

Investments

Investment policy: The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay the present and future obligations of the Plan. The Plan has a Balanced Risk Tolerance with a Strategic Asset Allocation of the following:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Allocation Range</u>
Cash	5.0%	0-20%
Fixed Income	35.0%	30%-50%
Equity	60.0%	50%-70%
Total	<u>100.0%</u>	

Concentrations: Assets of the OPEB plan are held in Trust by PARS which is fully discussed in Note 23 in the City's financial statements.

Rate of return: For the year ended December 31, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 19.9 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Receivables

The OPEB plan has no receivables from long-term contracts with the City for contributions at September 30, 2020.

Allocated Insurance Contracts

The OPEB plan has no allocated insurance contracts excluded from OPEB plan assets at September 30, 2020.

Reserves

The OPEB plan has no reserves recorded at September 30, 2020.

Net OPEB Liability

The components of the net OPEB liability of the City at September 30, 2020 based on the December 31, 2019 measurement and actuarial valuation date, were as follows:

Total OPEB liability - ending	\$ 5,367,544
Plan fiduciary net position - ending	<u>(4,069,750)</u>
Net OPEB liability - ending	<u>1,297,794</u>
Plan fiduciary net position as a percentage of total OPEB liability	75.82%

Changes in the Net OPEB Liability

For the year ended September 30, 2020, the City recognized reduction in the OPEB liability of \$3,562,595. Effective January 1, 2018, the City has made the following changes to the benefits offered under its Other Post Employment Benefit Plan. To be eligible for premium pricing for medical, dental, vision, and drug benefits at the time of retirement, employees must:

- Meet TMRS retirement qualifications,
- Be 55 years of age or older,
- Have five (5) years of employment at the City of College Station,
- Be enrolled in the plan before the effective date of their retirement.

In addition, certain actuarial changes were made when enacting GASB 75 that affected the Net OPEB Liability. Those changes included:

- The Entry Age Normal Actuarial Cost Method must be used to attribute the actuarial present value of benefits to service periods in determining the OPEB Liability. This differed from the Projected Unit Credit Cost Method previously used by the City.
- Discount Rate changes were allowed under GASB 75. Those changes included that for the unfunded portion of the plan, the discount rate is based on yields of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. For the funded portion, however, the City could continue to use an assumption similar to the current discount rate.
- Instead of recording expense equal to the Annual Required Contribution (ARC), GASB No. 75 required expensing the change in Net OPEB Liability from one period to the next. Some sources of this change are expensed immediately, while others are amortized over a period of approximately ten to twenty years depending on plan demographics.

Components of the change in the Net OPEB Liability is as follows:

	Increase (Decrease) Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances as of December 31, 2018	\$ 7,290,606	\$ 2,430,218	\$ 4,860,388
Changes for the year:			
Service cost	191,361	-	191,361
Interest	510,805	-	510,805
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(564,641)	-	(564,641)
Changes of assumptions of other inputs	(1,691,111)	-	(1,691,111)
Contributions-employer	-	1,472,910	(1,472,910)
Net investment income	-	536,099	(536,099)
Administrative expenses	-	-	-
Benefit payments, including refunds of employee contributions	(369,477)	(369,477)	-
Net changes	(1,923,063)	1,639,532	(3,562,595)
Balances as of December 31, 2019	<u>\$ 5,367,543</u>	<u>\$ 4,069,750</u>	<u>\$ 1,297,793</u>

Actuarial assumptions. The total OPEB liability for the year ended September 30, 2020 as measured as of December 31, 2019 was determined by an actuarial valuation as of that date using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary increases	4% to 12% including inflation
Discount rate	7.00%
Healthcare cost trend rates	7.50% in FY22 decreasing 0.50% per year to an ultimate rate of 4.75% for FY28 and later years

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB. The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

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The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Expected Real Rate of Return	Weighted Average
Cash	5.00%	0.75%	0.04%
Fixed Income	35.00%	3.56%	1.25%
Equity	60.00%	5.75%	3.45%
Total	100.00%	N/A	4.74%

Discount rate. The discount rate used to measure the total OPEB liability was 7.0 percent. The discount rate used to determine the total OPEB Liability as of the beginning of the measurement year prior to the establishment of the OPEB trust was 3.78%. The weighted average of the Expected Real Rate of Return is added to the Expected Long-Term Inflation assumption and reduced by expected investment expenses ($4.74\% + 3.00\% - 0.75\% = 6.99\%$). This result is then rounded to the nearest 25 basis points to obtain the Expected Long-Term Rate of Return of 7.00%.

The projected cash flows into the plan are equal to projected benefit payments out of the plan plus prefunding contributions that have been approved by the City Council. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates.

The assumed rate of general inflation has been updated since the valuation used for the September 30, 2018 liability to reflect the actuary's best expectation of future plan experience.

The long-term expected rate of return for the plan is 7.0 percent. The plan operates on a pay as you go basis and accumulates assets in trust in addition to the pay as you go amount.

Based on the discount rate assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current discount rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB liability	\$ 1,700,482	\$ 1,297,794	\$ 933,995

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.75 percent decreasing to 3.75 percent) or 1-percentage-point higher (8.5 percent decreasing to 5.75 percent) than the current healthcare cost trend rates:

	1% Decrease (6.50% decreasing to 3.75%)	Current Healthcare Cost Trend Rates (7.50% decreasing to 4.75%)	1% Increase (8.50% decreasing to 5.75%)
Net OPEB liability	\$ 872,379	\$ 1,297,794	\$ 1,791,133

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended September 30, 2020, the City recognized OPEB expense/(income) of \$358,105. At September 30, 2020, the City reported changes to deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 69,094	\$ 899,763
Changes in actual assumptions	-	3,469,949
Difference between projected and actual investment earnings	-	104,861
Contributions subsequent to the measurement date	707,044	-
Total	<u>\$ 776,138</u>	<u>\$ 4,474,573</u>

Deferred outflows of resources, of \$707,044 related to OPEB resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability for the measurement year ending December 31, 2020 and recognized in the City's financial statements as of September 30, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended Sept. 30:	Deferred inflows of resources
2021	\$ (871,333)
2022	(871,332)
2023	(870,936)
2024	(928,824)
2025	(477,901)
Thereafter	(385,153)
	<u>\$ (4,405,479)</u>

OPEB Trust

On September 11, 2017, the City Council approved a resolution adopting the Public Agencies Retirement Services (PARS) Post-Retirement Health Care Plan Trust and on September 25, 2017, the City Council passed resolution 2017-0564 appropriating the funds. Effective September 27, 2017, the City entered into a section 115 Irrevocable Exclusive Benefit agent multiple-employer trust to fund its Other Postemployment Benefits Obligation. Trust and Investment Management Services are provided by Public Agency Retirement Services (PARS) and is administered by the City. The investment manager that executes investment transactions is Highmark Capital Management, Inc. and the custodian of the trust's funds is US Bank.

With the establishment of the trust, the City can pre-fund (make annual payments in advance of the obligation) and allocate funds for the express purpose of funding future OPEB costs. The investment returns can be used to reduce the actuarial contributions and can result in lower long-term costs of the plan. As of September 30, 2020 the trust's balance was \$4,148,473.

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FINANCIAL INFORMATION

TABLE 12 - GENERAL FUND REVENUES AND EXPENDITURE HISTORY

	Fiscal Year Ended September 30,				
	2020	2019	2018	2017	2016
Revenues:					
Taxes	\$ 62,576,440	\$ 59,745,768	\$ 56,329,528	\$ 53,749,315	\$ 48,737,894
Licenses & Permits	1,978,515	1,633,241	1,772,959	2,127,142	2,132,802
Intergovernmental	1,117,729	585,506	910,169	828,510	1,373,950
Charges for Services	3,654,911	3,753,297	3,940,837	3,863,744	3,809,206
Fines, Forfeits and Penalties	2,955,723	3,544,994	3,211,536	2,917,735	3,255,051
Investment Income	264,215	757,250	449,880	241,880	148,302
Rents & Royalties	100,409	184,543	219,538	284,351	187,328
Contributions	251	17,905	7,361	7,580	8,880
Other	1,808,677	957,825	642,547	775,114	434,537
Total Revenues	\$ 74,456,870	\$ 71,180,329	\$ 67,484,355	\$ 64,795,371	\$ 60,087,950
Expenditures:					
General Government	\$ 7,629,456	\$ 8,481,683	\$ 6,165,016	\$ 6,228,021	\$ 5,524,471
Fiscal Services	4,424,965	3,993,584	3,954,488	3,815,223	3,733,550
Police Department	23,798,584	24,299,928	22,631,648	21,372,560	20,170,450
Fire Department	19,957,114	19,888,536	19,624,919	17,001,580	16,916,819
Planning & Development Services	4,112,986	4,180,089	3,740,969	3,741,263	3,243,768
Parks and Recreation	7,569,136	9,350,892	9,129,079	8,621,075	9,279,126
Information Technology	5,463,764	4,591,351	4,488,885	4,600,556	4,491,009
Public Works	8,512,549	9,348,645	9,575,300	8,151,055	11,162,508
Library Services	1,207,017	1,186,313	1,118,522	1,097,876	1,098,326
Contributions	1,623,437	1,467,695	1,380,580	1,280,215	1,220,251
Other	-	-	-	-	863
Capital Improvement Projects	1,557,074	289,042	319,406	988,435	667,574
Total Expenditures	\$ 85,856,082	\$ 87,077,758	\$ 82,128,812	\$ 76,897,859	\$ 77,508,715
Other Financing Sources (Uses):					
Sale of General Fixed Assets	\$ -	\$ -	\$ -	\$ 47,478	\$ -
Operating Transfers In	22,015,275	19,427,607	19,245,943	18,347,351	16,507,346
Operating Transfers Out	(3,234,568)	(1,960,180)	(3,031,702)	(2,911,020)	(2,376,443)
Total Other Financing Sources (Uses)	\$ 18,780,707	\$ 17,467,427	\$ 16,214,241	\$ 15,483,809	\$ 14,130,903
Net Change in Fund Balance	\$ 7,381,495	\$ 1,569,998	\$ 1,569,784	\$ 3,381,321	\$ (3,289,862)
Fund Balance, Beginning of Year	28,360,567	26,790,569	22,514,523	19,133,202	22,423,064
Prior Period Adjustment	-	-	2,706,262	-	-
Fund Balance, End of Year	\$ 35,742,062	\$ 28,360,567	\$ 26,790,569	\$ 22,514,523	\$ 19,133,202

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TABLE 13 - MUNICIPAL SALES TAX HISTORY

The City has adopted the Municipal Sales and Use Tax Act, Texas, Tax Code, Chapter 321, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the Certificates. Collections and enforcements are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly. In May 1990, the voters of the City approved the imposition of an additional sales and use tax of one-half of one percent ($\frac{1}{2}$ of 1%) for property tax reduction. The total sales tax rate for the City is 1.5%.

Fiscal Year Ended	Total Collected ⁽¹⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽²⁾
9/30				
2017	\$ 28,561,762	77.18%	\$ 0.36	\$ 260
2018	28,799,040	66.51%	0.33	244
2019	29,955,649	63.76%	0.32	247
2020	29,478,931	56.67%	0.30	240
2021	13,489,329 ⁽³⁾	25.03%	0.13	108

(1) Provided by the City.

(2) Based on population estimates provided by the City.

(3) Collections as of February 29, 2021.

The sales tax breakdown for the City is as follows:

Brazos County Sales & Use Tax	1/2 %
Property Tax Reduction	1/2 %
City Sales & Use Tax	1 %
State Sales & Use Tax	6 1/4 %
Total	8 1/4 %

FINANCIAL POLICIES

Basis of Accounting . . . The accounts of the City are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. Government funds are used to account for the City's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

General Fund . . . The General Fund is the City's primary operating fund. It is used to account for all activities typically considered governmental functions of the City. These include Public Safety, Public Works, Parks and Recreation, Economic and Planning and Development Services, the support functions for these areas, and the administrative functions for the City.

The General Fund for the 2020-2021 fiscal year is influenced by current policies and any approved policy changes. The policies include inter-fund equity; maintaining a balance between revenues and expenditures; and maintaining the level of service currently provided as the City experiences residential and commercial growth.

The City's financial policies are for a General Fund balance of 18% of budgeted appropriations at year end. To the extent that the General Fund balance exceeds this amount, this surplus is to be expended in future years for one time expenditures such as capital items and short term projects.

Debt Service Fund . . . The Debt Service Fund accounts for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds. It is the City's policy to maintain at least 8 1/3% of annual appropriated expenditures for debt service and any associated fees as the Debt Service Fund balance at fiscal yearend. The City is in compliance with that policy.

Budgetary Procedures . . . Prior to September 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. All budget requests are compiled by the Finance Department and presented with comparative and supporting data to the Mayor and City Council for review. Public hearings are properly advertised and conducted at City Hall for taxpayer comments. Prior to September 27, the budget is legally enacted through passage of an ordinance. The City Council must approve all transfers of budgeted amounts between departments within any fund and any revision that alters the total expenditure of any fund. An amount is also budgeted each year for contingencies which may arise.

THE COMBINED UTILITY SYSTEM

WATERWORKS SYSTEM

Since December 1981, the City has had the capability to produce and deliver 100% of its water. The system has been expanded to a system of ten wells, with a combined capacity of 38 million gallons per day. The water is delivered to the distribution system by 14 miles of 30-inch diameter and 36 inch diameter pipeline and two pumping stations.

Two of the wells mentioned above are shallow wells, less than 1,500 feet deep, drilled into the Carrizo and Sparta aquifers. The remaining eight are deep wells, approximately 3,000 feet, drilled in the Simsboro Sand formation of the Carrizo-Wilcox aquifer. This is a very prolific aquifer of high quality water that has the capacity to provide an adequate water supply for the City and surrounding communities through the year 2060, and well beyond, if managed properly.

The Simsboro Sand, and all local aquifers, are regulated by the Brazos Valley Groundwater Conservation District, and permitting requirements have been implemented for all new water wells. College Station has recently completed the construction of another Simsboro well, Well #9 that will meet the city's demands for water for many years into the future. Well #10 remains in the planning stages, and would be constructed in future years, depending upon the rate of growth of water demands. College Station is also investigating other water supply strategies for the future.

The City has completed a Water Reclamation project, which pumps effluent from the wastewater treatment plant to Veteran's Park for irrigation of playing fields, reducing the demand on the potable water system by approximately 350,000 gallons per day during the watering season. In 2016, the City completed a two year agreement with an oil company, which provided the City with \$470,000 of revenue for providing just under 200 million gallons of reclaimed water.

The City also has stand by generators at strategic locations sufficient to provide adequate potable water for health and safety during an extended area-wide electrical power outage.

Water rates are established by ordinance, passed and approved by the City Council. The following rates became effective October 1, 2019. The Residential rates are inclined block rates to encourage water conservation.

Type of Customer	Usage Charge (per 1,000 gallons)	Service Charge	Meter Size
Residential, Commercial and Industrial		12.40 per mo.	3/4"
		15.60 per mo.	1"
		23.20 per mo.	1 1/2"
		36.65 per mo.	2"
		115.60 per mo.	3"
		171.75 per mo.	4"
		209.10 per mo.	6"
		209.10 per mo.	8"
Residential	\$2.75 for usage from 0-10,000 gallons		
	\$3.60 for usage from 11,000-15,000 gallons		
	\$4.40 for usage from 16,000-20,000 gallons		
	\$5.20 for usage from 21,000-25,000 gallons		
	\$6.05 for usage from 26,000 gallons and more		
Commercial	\$3.05 per 1,000 gallons		
Commercial Irrigation Usage Charge	\$3.25 per 1,000 gallons		
Commercial Irrigation Multifamily 3+ units	Rates as above with an added 50% surcharge		
MUD #1 Residential and Commercial			

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WASTEWATER SYSTEM

The City's wastewater is treated by three City-owned wastewater treatment plants, Carter Creek Treatment Plant, Lick Creek Treatment Plant, and Carter Lake Treatment Plant located within the City limits. The three plants have a combined treatment capacity of 11.5 mgd. An expansion of the Lick Creek Treatment plant is currently underway and will increase the city's combined treatment capacity to 14.5 mgd.

Sewer rates were established by ordinance, passed and approved by the City Council, and became effective on October 1, 2017

Residential (metered water)	\$21.29 including 4,000 gallons of metered water
Usage Charge	\$4.26 per 1,000 gallons of additional metered water
	\$46.87 maximum per month
Residential (without meter to each unit).....	\$27.09 per unit per month
Commercial and Industrial	\$18.27 per month
Usage Charge	\$5.07 per 1,000 gallons of metered water usage
.....	

There are 2,217 customers (units) who receive their water from Wellborn Water, but sewer is provided by the City of College Station. Those customers pay an initial usage charge of \$46.87 per month. After six months of documented water usage, rates can be adjusted downward on a tiered scale.

ELECTRIC SUPPLY SOURCE

The City has multiple Power Purchase Agreements (PPAs) in order to meet its load requirements. The PPAs are currently with AEP Energy Partners (AEPEP) and Garland Power and Light (GP&L). With AEPEP, the City has a fixed block, around the clock (ATC) PPA that expires in 2027. The City also has a PPA with AEPEP for wind power that expires in 2028. The City has a load following PPA with GP&L that expires in 2027. While the PPAs with AEPEP are considered base load power, the load following PPA with GP&L covers the load above the base power provided by AEPEP's PPAs. GP&L is also the City's Qualified Scheduling Entity (QSE). GP&L's QSE schedules and settles all the contract resources owned by the City. On the City's advisement, the QSE also procures any replacement power as needed on behalf of the City.

Other wholesale/power supply costs include Congestion costs, Ancillary Services and Transmission Cost of Service (TCOS). Since the City owns transmission assets, it not only pays but also receives TCOS payments based on TCOS rates approved by the Public Utility Commission of Texas.

The City owns 20 miles of 138kV transmission lines, eight substations, and 510 miles of distribution lines. ERCOT serves as the RTO/ISO for the area.

The current electric rates were established by ordinance passed and approved by the City Council and became effective on September 27, 2018. The electric rates are subject to a transmission delivery adjustment (TDA) charge which requires that the net energy charge per kilowatt hour must be increased or decreased by an amount per kilowatt hour equal to additional transmission charges above those accounted for in the wholesale rate. The TDA is currently set at \$0.005 per kilowatt hour of energy consumed.

In January 2009, College Station Utilities began offering residential electric customers renewable wind energy. In February 2010, the renewable wind energy program was expanded to include commercial customers. Wind energy is generated from the South Trent Mesa Wind Project located west of Abilene, Texas.

Single Family Residential	Service Charge	\$7.00 per month
	plus:	
	kWh (May through October)	\$0.1169 per kWh
	kWh (November through April)	\$0.1123 per kWh
	Tax	1.50%
	Transmission Delivery Adjustment (TDA) ..	\$0.005 per kWh
Master Metered Multiple Dwelling Units .	Service Charge	\$100.00 per month per master meter
	plus:	
	kWh (May through October)	\$0.11869 per kWh
	kWh (November through April)	\$0.11323 per kWh
	Tax	1.50%
	TDA	\$0.005 per kWh
Small Commercial (1-10 KW demand).....	Service Charge.....	\$9.00 per month
	plus:	
	First 1,000 kWh	\$0.1344 per kWh

	Over 1,000 kWh	\$0.1028 per kWh
	Tax	8.25%
	TDA	\$0.005 per kWh
Medium Commercial (15-300 KW)	Service Charge.....	\$25.00 per month
	plus:	
	Demand Charge (Per KW)	\$10.40 per KW
	Energy Charge All kWh.....	\$0.0729 per KW
	Minimum Monthly Charge	\$181.00
	Tax	8.25%
	TDA	\$0.005 per kWh
Large Commercial (300 – 1,500 KW)	Service Charge.....	\$75.00 per month
	plus:	
	Demand Charge (Per KW)	\$10.40 per KW
	Energy Charge All kWh.....	\$0.0703 per KW
	Minimum Monthly Charge	\$3,195.00
	Tax	8.25%
	TDA	\$0.005 per kWh
Industrial (1,500 KW and over).....	Service Charge	\$250.00 per month
	plus:	
	Demand Charge (Per KW).....	\$9.85
	Energy Charge (first 500,000 kWh)	\$0.0682 per KW
	Minimum Monthly	\$15,034.85
	Tax.....	8.25%
	TDA.....	\$0.005 per kWh

WIND WATT RATES

Wind rates were established by Ordinance #2012-3397 on February 23, 2012, passed and approved by the City Council, and became effective on March 1, 2012.

Participation Level: Residential & Commercial

10%	\$0.0005 per KW
50%	\$0.0025 per KW
100%	\$0.005 per KW

TABLE 14 - HISTORICAL UTILITY USERS (UNITS SERVED)

	Fiscal Year Ended September 30,				
	2020	2019	2018	2017	2016
Water	43,959	42,787	44,995	43,199	41,709
Wastewater	46,955	46,171	46,031	42,840	40,866
Electric	32,024	39,155	39,435	39,300	40,141

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TABLE 15 - TEN LARGEST UTILITY CUSTOMERS

Utility Customer	Type of Business	FY 2020 KWH Consumption	Total Percent of KWH Consumed
Scott & White	Clinic/Hospital/Pharmacy	21,428,140	2.53%
CSISD	Schools	15,346,361	1.81%
City of College Station	Municipality	12,588,693	1.49%
HEB Grocery	Retail	12,449,280	1.47%
Biotechnologies Texas LLC	Medical	10,682,460	1.26%
Wal-Mart	Retail	7,951,120	0.94%
College Station Medical Center	Hospital	7,220,880	0.85%
Texas A&M	University	7,153,880	0.85%
CBL & Associates	Retail Mall	5,193,660	0.61%
Dealer Computer Services Inc	Retail	4,296,000	0.51%
		<u>104,310,474</u>	<u>12.33%</u>

TABLE 16 - CONDENSED STATEMENT OF OPERATIONS

	For Fiscal Year Ended September 30,				
	2020	2019	2018	2017	2016
Revenues:					
Electric	\$ 100,369,952	\$ 102,443,382	\$ 102,511,712	\$ 99,179,570	\$ 98,904,688
Water and Wastewater	37,628,189	34,313,203	33,602,131	31,333,922	29,484,851
Interest	1,322,832	2,654,945	1,262,551	697,655	346,312
Other	4,400,186	3,558,330	2,520,335	3,179,821	3,636,420
Total Revenues	<u>\$ 143,721,159</u>	<u>\$ 142,969,860</u>	<u>\$ 139,896,729</u>	<u>\$ 134,390,968</u>	<u>\$ 132,372,271</u>
Expenses:					
Total Expenses	<u>\$ 80,521,607</u>	<u>\$ 81,725,180</u>	<u>\$ 77,828,073</u>	<u>\$ 78,766,516</u>	<u>\$ 76,771,094</u>
Net Available for Debt Service	<u>\$ 63,199,552</u>	<u>\$ 61,244,680</u>	<u>\$ 62,068,656</u>	<u>\$ 55,624,452</u>	<u>\$ 55,601,177</u>
Water (Units Served)	43,959	42,787	44,995	43,199	41,709
Wastewater (Units Served)	46,955	46,171	46,031	42,840	40,866
Electric (Units Served)	32,024	39,155	39,435	39,300	40,141

TABLE 17 – VALUE OF THE SYSTEM

	Fiscal Year Ended September 30,				
	2020	2019	2018	2017	2016
Utility Systems	\$ 656,481,245	\$ 617,910,408	\$ 579,717,873	\$ 553,774,054	\$ 527,435,531
Construction in Progress	60,688,724	45,129,947	46,447,061	30,240,705	23,520,025
	<u>\$ 717,169,969</u>	<u>\$ 663,040,355</u>	<u>\$ 626,164,934</u>	<u>\$ 584,014,759</u>	<u>\$ 550,955,556</u>
Less: Accumulated Depreciation	282,503,564	263,680,722	246,243,993	229,374,628	213,325,487
Net System Value	<u>\$ 434,666,405</u>	<u>\$ 399,359,633</u>	<u>\$ 379,920,941</u>	<u>\$ 354,640,131</u>	<u>\$ 337,630,069</u>

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TABLE 18 – CITY’S EQUITY IN THE SYSTEM

Resources	Fiscal Year Ended September 30,				
	2020	2019	2018	2017	2016
Net System Value	\$ 434,666,405	\$ 399,359,633	\$ 379,920,941	\$ 354,640,131	\$ 337,630,069
Current Assets	137,070,915	116,643,763	102,382,543	70,636,223	63,085,837
Restricted Assets	17,826,724	36,743,001	11,296,693	30,149,917	21,849,829
Other Resources	-	-	-	-	-
Deferred Charges	3,460,814	6,485,373	3,506,226	5,197,104	5,425,502
Total	\$ 593,024,858	\$ 559,231,770	\$ 497,106,403	\$ 460,623,375	\$ 427,991,237
Obligations					
Current Liabilities	\$ 16,876,003	\$ 14,711,183	\$ 12,467,547	\$ 10,681,761	\$ 9,511,319
Current Liabilities Payable from					
Restricted Assets	19,656,598	18,432,091	15,872,611	15,887,617	15,462,903
General Obligation Debt	44,570,802	45,850,605	52,738,157	59,325,710	55,626,759
Certificates of Obligation	133,490,618	126,583,979	91,642,717	77,282,370	78,814,496
Revenue Bond Debt	-	-	-	-	-
Other Debt ⁽¹⁾	8,633,818	10,773,356	8,016,706	8,899,938	9,418,425
Total Liabilities	\$ 223,227,839	\$ 216,351,214	\$ 180,737,738	\$ 172,077,396	\$ 168,833,902
City's Equity in System	\$ 369,797,019	\$ 342,880,556	\$ 316,368,665	\$ 288,545,979	\$ 259,157,335
Percentage of Equity in System	62.36%	61.31%	63.64%	62.64%	60.55%

(1) Includes OPEB Net Pension Obligations.

TABLE 19 – UTILITY REVENUE BOND AND SYSTEM SUPPORTED GENERAL OBLIGATION DEBT SERVICE

Series	Original Principal Amount	Outstanding Principal as of 9/30/2020
2009 ⁽²⁾	31,315,000	1,000,000
2010 ⁽¹⁾⁽³⁾	37,150,000	3,985,000
2012 ⁽¹⁾	21,085,000	825,000
2012 ⁽²⁾	16,415,000	765,000
2013 ⁽²⁾	10,230,000	7,485,000
2013 ⁽¹⁾⁽³⁾	20,760,000	2,735,000
2014 ⁽²⁾	34,005,000	18,370,000
2014 ⁽¹⁾⁽³⁾	35,865,000	6,370,000
2016 ⁽²⁾	25,720,000	6,035,000
2016 ⁽¹⁾⁽³⁾	40,890,000	15,450,000
2017 ⁽²⁾	57,725,000	11,025,000
2017 ⁽¹⁾⁽³⁾	29,800,000	9,205,000
2018 ⁽²⁾	37,380,000	18,015,000
2019 ⁽²⁾	74,510,000	37,350,000
2020 ⁽²⁾	21,055,000	19,115,000
2020 ⁽¹⁾	15,355,000	5,655,000
2020A ⁽¹⁾	16,930,000	12,848,512
	<u>\$ 526,190,000</u>	<u>\$ 176,233,512</u>

(1) Represents refunding bonds.

(2) Certificates of Obligation supported in whole or in part by Utility System revenues.

(3) General Obligation Bonds supported in part by the Utility System revenues.

INVESTMENTS

The City invests its investable funds in investments authorized by Texas law in accordance with investment policies approved by the City Council. Both state law and the City's investment policies are subject to change.

LEGAL INVESTMENTS

Authorized investments are summarized as follows: (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor; (8) interest-bearing banking deposits other than those described by clause (7) if (A) the funds invested in the banking deposits are invested through: (i) a broker with a main office or branch office in this State that the City selects from a list the City Council or a designated investment committee of the City adopts as required by Section 2256.025, Texas Government Code; or (ii) a depository institution with a main office or branch office in the State that the City selects; (B) the broker or depository institution selected as described by (A) above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the City's account; (C) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and (D) the City appoints as the City's custodian of the banking deposits issued for the City's account: (i) the depository institution selected as described by (A) above; (ii) an entity described by Section 2257.041(d), Texas Government Code; or (iii) a clearing broker dealer registered with the SEC and operating under SEC Rule 15c3-3; (9) (i) certificates of deposit or share certificates meeting the requirements of Chapter 2256, Texas Government Code (the "Public Funds Investment Act"), that are issued by an institution that has its main office or a branch office in the State and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or their respective successors, and are secured as to principal by obligations described in clauses (1) through (8) or in any other manner and provided for by law for City deposits, or (ii) certificates of deposits where (a) the funds are invested by the City through (A) a broker that has its main office or a branch office in the State and is selected from a list adopted by the City as required by law, or (B) a depository institution that has its main office or branch office in the State that is selected by the City, (b) the broker or the depository institution selected by the City arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the City, (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) the City appoints the depository institution selected under (a) above, a custodian as described by Section 2257.041(d), Texas Government Code, or a clearing brokerdealer registered with the SEC and operating pursuant to SEC Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the City with respect to the certificates of deposit; (10) fully collateralized repurchase agreements as defined in the Public Funds Investment Act, that have a defined termination date, are secured by a combination of cash and obligations described in clauses (1) or (13) in this paragraph, require the securities being purchased by the City or cash held by the City to be pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City, and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (11) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than "A" or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (13) through (15) below, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the City, held in the City's name and deposited at the time the investment is made with the City or a third party designated by the City; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less; (12) certain bankers' acceptances with stated maturity of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated not less than "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency; (13) commercial paper with a stated maturity of 365 days or less that is rated not less than "A-1" or "P-1" or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a United States or state bank; (14) no-load money market mutual funds registered with and regulated by the SEC that provide the City with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940 and that comply with federal SEC Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and (15) no-load mutual funds registered with the SEC that have an average weighted maturity of less than two years, and have either (a) a duration of one year or more and invest exclusively in obligations described in under this heading, or (b) a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities, other than the prohibited obligations described below, in an amount at least equal to the amount of bond proceeds invested under such contract.

A political subdivision such as the City may enter into securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, other than the prohibited obligations described below, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (13) through (15) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the City, held in the City's name and deposited at the time the investment is made with the City or a third party designated by the City; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less.

The City may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than AAA or AAAM or an equivalent by at least one nationally recognized rating service, if the City Council authorizes such investment in the particular pool by order, ordinance, or resolution and the investment pool complies with the requirements of Section 2256.016, Texas Government Code. The City may also contract with an investment management firm registered (x) under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.), or (y) with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the City retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the City must do so by ordinance, order or resolution.

The City is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

INVESTMENT POLICIES

Under Texas law, the City is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that includes a list of authorized investments for City funds, maximum allowable stated maturity of any individual investment and the maximum average dollar-weighted maturity allowed for pooled fund groups, methods to monitor the market price of investments acquired with public funds, a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis, and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the PFIA. All City funds must be invested consistent with a formally adopted "Investment Strategy Statement" that specifically addresses each funds' investment. Each Investment Strategy Statement will describe its objectives concerning (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under Texas law, City investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." At least quarterly the investment officers of the City will submit an investment report detailing (1) the investment position of the City, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value and ending market value for each pooled fund group, (4) the book value and market value of each separately listed asset at the end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategy statements and (b) state law. No person may invest City funds without express written authority from the City Council.

ADDITIONAL PROVISIONS

Under Texas law the City is additionally required to: (1) annually review its adopted policies and strategies; (2) require any investment officers' with personal business relationships or relatives with firms seeking to sell securities to the entity to disclose the relationship and file a statement with the Texas Ethics Commission and the City Council; (3) require the registered principal of firms seeking to sell securities to the City to: (a) receive and review the City's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude imprudent investment activities, and (c) deliver a written statement attesting to these requirements; (4) perform an annual audit of the management controls on investments and adherence to the City's investment policy; (5) provide specific investment training for the Finance Director, Treasurer, Assistant City Manager and investment officers; (6) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse repurchase agreement; (7) restrict the investment in non-money market mutual funds of any portion of bond proceeds, reserves and funds held for debt service and to no more than 15% of the entity's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; (8) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements and (9) at least annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

Under Texas law, the City may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the City retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the City must do so by order, ordinance or resolution. The City has not contracted with, and has no present intention of contracting with, any such investment management firm or the State Securities Board to provide such services.

CITY'S INVESTMENT POLICY

The Assistant City Manager or his designee will promptly cause all City funds to be deposited with the bank depository and invested in accordance with the provisions of the current Bank Depository Agreement or in any negotiable instrument that the City Council has authorized under the provisions of the PFIA, as amended, and in accordance with the City Council approved Investment Policies.

At the end of each fiscal year, a report on investment performance will be provided to the City Council. In conjunction with the quarterly financial report, the Assistant City Manager or his designee will prepare and provide a written recapitulation of the City's investment portfolio to the Council, detailing each City investment instrument with its rate of return and maturity date.

The City's adopted investment policy permits the City to invest its funds and funds under its control in all of the enumerated investments authorized by the PFIA.

TABLE 20 - CURRENT INVESTMENTS

As of February 28, 2021, the City's investable funds were invested in the following categories:

Investment Type	Book Value	Market Value
Cash	\$ 8,000,000	\$ 8,000,000
Local Government Investment Pool	5,465,791	5,465,791
Money Market Mutual Fund	296,943,900	296,943,900
	<u>\$ 310,409,691</u>	<u>\$ 310,409,691</u>

TAX MATTERS

OPINION . . . On the date of initial delivery of the Certificates, McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel, will render its opinion that, in accordance with statutes, regulations, published rulings and court decisions existing on the date thereof ("Existing Law"), (1) interest on the Certificates for federal income tax purposes will be excludable from the "gross income" of the holders thereof and (2) the Certificates will not be treated as "specified private activity bonds" the interest on which would be included as an alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986 (the "Code"). Except as stated above, Bond Counsel will express no opinion as to any other federal, state or local tax consequences of the purchase, ownership or disposition of the Certificates. See APPENDIX C - Form of Opinion of Bond Counsel.

In rendering its opinion, Bond Counsel will rely upon (a) certain information and representations of the City, including information and representations contained in the City's federal tax certificate, and (b) covenants of the City contained in the Ordinance authorizing the Certificates relating to certain matters, including arbitrage and the use of the proceeds of the Certificates and the property financed or refinanced therewith. Failure of the City to comply with these representations or covenants could cause the interest on the Certificates, as the case may be, to become includable in gross income retroactively to their date of issuance.

The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied subsequent to the issuance of the Certificates in order for interest on the Certificates to be, and to remain, excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Certificates to be included in gross income retroactively to the date of issuance of the Certificates. The opinions of Bond Counsel are rendered in reliance upon the compliance by the City with such requirements, and Bond Counsel has not been retained to monitor compliance with these requirements subsequent to the issuance of the Certificates.

Bond Counsel's opinions are not a guarantee of a result, but represent its legal judgment based upon its review of Existing Law and reliance on the aforementioned information, representations and covenants. Existing Law is subject to change by the Congress and to subsequent judicial and administrative interpretation by the courts and the Department of the Treasury. There can be no assurance that Existing Law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of the purchase, ownership or disposition of the Certificates.

A ruling was not sought from the Internal Revenue Service by the Issuer with respect to the Certificates or the property financed or refinanced with proceeds of the Certificates. No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Certificates, or as to whether the Internal Revenue Service would agree with the opinion of Bond Counsel. If an Internal Revenue Service audit is commenced, under current procedures the Internal Revenue Service is likely to treat the Issuer as the taxpayer and the Certificate holders may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

FEDERAL INCOME TAX ACCOUNTING TREATMENT OF ORIGINAL ISSUE DISCOUNT . . . The initial public offering price to be paid for one or more maturities of the Certificates may be less than the principal amount thereof or one or more periods for the payment of interest on the Certificates may not be equal to the accrual period or be in excess of one year (the “Original Issue Discount Certificates”). In such event, the difference between (i) the “stated redemption price at maturity” of each Original Issue Discount Certificate, and (ii) the initial offering price to the public of such Original Issue Discount Certificate would constitute original issue discount. The “stated redemption price at maturity” means the sum of all payments to be made on the Certificates less the amount of all periodic interest payments. Periodic interest payments are payments which are made during equal accrual periods (or during any unequal period if it is the initial or final period) and which are made during accrual periods which do not exceed one year.

Under Existing Law, any owner who has purchased such Original Issue Discount Certificate in the initial public offering is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such Original Issue Discount Certificate equal to that portion of the amount of such original issue discount allocable to the accrual period. For a discussion of certain collateral federal tax consequences, see discussion set forth below.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Certificate prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Certificate in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Certificate was held by such initial owner) is includable in gross income.

Under Existing Law, the original issue discount on each Original Issue Discount Certificate is accrued daily to the stated maturity thereof (in amounts calculated as described below for each accrual period within each accrual period) and the accrued amount is added to an initial owner's basis for such Original Issue Discount Certificate for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Original Issue Discount Certificate.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Certificates which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Certificates should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of the treatment of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Certificates and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Certificates.

COLLATERAL FEDERAL INCOME TAX CONSEQUENCES . . . The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Certificates. This discussion is based on Existing Law, which is subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with accumulated earnings and profits and excess passive investment income, foreign corporations subject to the branch profits tax, taxpayers qualifying for the health insurance premium credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE CERTIFICATES.

Under section 6012 of the Code, holders of tax-exempt obligations, such as the Certificates, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Certificates, if such obligation was acquired at a “market discount” and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to “market discount bonds” to the extent such gain does not exceed the accrued market discount of such bonds; although for this purpose, a de minimis amount of market discount is ignored. A “market discount bond” is one which is acquired by the holder at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the “revised issue price” (i.e., the issue price plus accrued original issue discount). The “accrued market discount” is the amount which bears the same ratio to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

STATE, LOCAL AND FOREIGN TAXES . . . Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Certificates under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Certificates will be sent to each registered holder and to the Internal Revenue Service. Payments of interest and principal may be subject to backup withholding under section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner's social security number or other taxpayer identification number ("TIN"), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient's federal income tax. Special rules apply to partnerships, estates and trusts, and in certain circumstances, and in respect of Non-U.S. Holders, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

INFORMATION REPORTING AND BACKUP WITHHOLDING . . . Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Certificates will be sent to each registered holder and to the IRS. Payments of interest and principal may be subject to backup withholding under section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner's social security number or other taxpayer identification number ("TIN"), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient's federal income tax. Special rules apply to partnerships, estates and trusts, and in certain circumstances, and in respect of Non-U.S. Holders, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

FUTURE AND PROPOSED LEGISLATION . . . Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Certificates under federal or state law, and could affect the market price or marketability of the Certificates. Any of the foregoing could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any of the foregoing becoming effective cannot be predicted. Prospective purchasers of the Certificates should consult their own tax advisors regarding the foregoing matters.

CONTINUING DISCLOSURE OF INFORMATION

In the Ordinance, the City has made the following agreement for the benefit of the holders and beneficial owners of Certificates. The City is required to observe the agreement for so long as it remains obligated to advance funds to pay the Certificates. Under the agreement, the City will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Municipal Securities Rulemaking Board (the "MSRB"). This information will be publicly available at no cost on the Electronic Municipal Market Access of the MSRB, with the web address www.emma.msrb.org ("EMMA"). The agreement specifies that all documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

ANNUAL REPORTS . . . The City will provide certain updated financial information and operating data to the MSRB on an annual basis in an electronic format that is prescribed by the MSRB and available via the Electronic Municipal Market Access System ("EMMA") at www.emma.msrb.org. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in this Official Statement under Tables numbered 1 through 6; 8 through 20 and in Appendix B. The City will update and provide the information in Tables 1 through 6 and 8 through 20 within six months after the end of each fiscal year ending in and after 2021. The City will additionally provide audited financial statements when and if available, and in any event, within 12 months after the end of each fiscal year ending in or after 2021. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City will file unaudited financial statements within such 12 month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in Appendix B or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation.

The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site identified below or filed with the United States Securities and Exchange Commission (the "SEC"), as permitted by SEC Rule 15c2-12 (the "Rule").

The City's current fiscal year end is September 30. Accordingly, the City must provide updated information included in Tables 1 through 6 and 8 through 20 by the last day of March in each year, and audited financial statements for the preceding fiscal year (or unaudited financial statements if the audited financial statements are not yet available) as described above. If the City changes its fiscal year, it will file notice of the change (and of the date of the new fiscal year end) with the MSRB prior to the next date by which the City otherwise would be required to provide financial information and operating data as set forth above.

EVENT NOTICES . . . The City will also provide timely notices of certain events to the MSRB. The City will provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner (but not in excess of ten business days after the occurrence of the event): (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates; (7) modifications to rights of holders of the Certificates, if material; (8) Certificate calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Certificates, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake

such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; and (15) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material; and (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties. In addition, the City will provide timely notice of any failure by the City to provide annual financial information in accordance with their agreement described above under “Annual Reports.” Neither the Certificates nor the Ordinance provides for debt service reserves, liquidity enhancement, or credit enhancement. In addition, the City will provide timely notice of any failure by the City to provide annual financial information in accordance with their agreement described above under “Annual Reports.”

For the events listed in clause (15) and (16) above, the term “financial obligation” means a: (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) a guarantee of either (A) or (B). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

For these purposes, any event described in clause (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City will provide each notice described in the previous paragraph to the MSRB through EMMA, in accordance with the Rule.

LIMITATIONS AND AMENDMENTS . . . The City has agreed to update information and to provide notices of specified events only as described above. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Certificates at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Certificates may seek a writ of mandamus to compel the City to comply with its agreement.

The City may amend its continuing disclosure agreement from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, if (i) the agreement, as amended, would have permitted an underwriter to purchase or sell Certificates in the offering described herein 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 (ii) either (a) the holders of a majority in aggregate principal amount of the outstanding Certificates consent to the amendment or (b) any person unaffiliated with the City (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Certificates. If the City so amends the agreement, it has agreed to include with the next financial information and operating data provided in accordance with its agreement described above under “Annual Reports” an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

COMPLIANCE WITH PRIOR UNDERTAKINGS . . . During the last five years, the City has not failed to comply in any material respect with any material provisions of the continuing disclosure agreements made by the City in accordance with Rule 15c2-12.

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OTHER INFORMATION

RATINGS

The presently outstanding tax supported debt of the City is rated “Aa1” by Moody's and “AA+” by S&P, without regard to credit enhancement. Applications have been made to Moody's and S&P for contract ratings for the Certificates. The ratings reflect only the respective views of such organizations and the City makes no representation as to the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by either or both of such rating companies, if in the judgment of either or both companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of the Certificates.

LITIGATION

The City is a party to legal proceedings, many of which occur in the normal course of operations. It is not possible at the present time to estimate ultimate outcome or liability, if any, of the city with respect to the various proceedings. The City's management believes that the ultimate outcome of the various lawsuits will not have a material adverse effect on the City's financial position.

REGISTRATION AND QUALIFICATION OF CERTIFICATES FOR SALE

The sale of the Certificates has not been registered under the federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Certificates have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Certificates been qualified under the securities acts of any jurisdiction. The City assumes no responsibility for qualification of the Certificates under the securities laws of any jurisdiction in which the Certificates may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Certificates must not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) provides that the Certificates are negotiable instruments, investment securities governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State of Texas. With respect to investment in the Certificates by municipalities or other political subdivisions or public agencies of the State of Texas, the PFIA requires that the Certificates be assigned a rating of at least “A” or its equivalent as to investment quality by a national rating agency. See “OTHER INFORMATION - Ratings” herein. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Certificates are legal investments for state banks, savings banks, trust companies with at capital of one million dollars or more, and savings and loan associations. The Certificates are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value. The City has made no investigation of other laws, rules, regulations or investment criteria which might apply to such institutions or entities or which might limit the suitability of the Certificates for any of the foregoing purposes or limit the authority of such institutions or entities to purchase or invest in the Certificates for such purposes. No review by the City has been made of the laws in other states to determine whether the Certificates are legal investments for various institutions in those states.

LEGAL MATTERS

The City will furnish to the Initial Purchaser a complete transcript of proceedings had incident to the authorization and issuance of the Certificates, including the unqualified approving legal opinion of the Attorney General of Texas approving the Initial Certificate and to the effect that the Certificates are valid and legally binding obligations of the City, and based upon examination of such transcript of proceedings, the approving legal opinion of Bond Counsel. The customary closing papers, including a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Certificates or which would affect the provision made for their payment or security, or in any manner questioning the validity of said Certificates will also be furnished. In its capacity as Bond Counsel, such firm has reviewed the information describing the Certificates in the Notice of Sales and Bidding Instructions, the Official Bid Forms and the Official Statement to verify that such information conforms to the provisions of the Ordinance. Certain legal matters will be passed upon for the City by McCall, Parkhurst & Horton, L.L.P., Dallas, Texas, Disclosure Counsel for the City. In connection with the transactions described in the Official Statement, Bond Counsel represents only the City. The legal fee to be paid Bond Counsel for services rendered in connection with the issuance of the Certificates is contingent on the sale and delivery of the Certificates. The legal opinion will accompany the Certificates deposited with DTC or will be printed on the Certificates in the event of the discontinuance of the Book-Entry-Only System.

The various legal opinions to be delivered concurrently with the delivery of the Certificates express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise from the transaction.

The various legal opinions to be delivered concurrently with the delivery of the Certificates express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

AUTHENTICITY OF FINANCIAL DATA AND OTHER INFORMATION

The financial data and other information contained herein have been obtained from City records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

FINANCIAL ADVISOR

Hilltop Securities Inc. is employed as Financial Advisor to the City in connection with the issuance of the Certificates. The Financial Advisor's fee for services rendered with respect to the sale of the Certificates is contingent upon the issuance and delivery of the Certificates. Hilltop Securities Inc., in its capacity as Financial Advisor, has relied on the opinions of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Certificates, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the City and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

INFECTIOUS DISEASE OUTLOOK (COVID- 19)

The World Health Organization has declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the "Pandemic"), which is currently affecting many parts of the world, including the United States and Texas. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States in connection with COVID-19. On March 13, 2020, the President of the United States (the "President") declared the Pandemic a national emergency and the Texas Governor (the "Governor") declared COVID-19 an imminent threat of disaster for all counties in Texas (collectively, the "disaster declarations"). On March 25, 2020, in response to a request from the Governor, the President issued a Major Disaster Declaration for the State of Texas.

Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with this disaster and issuing executive orders that have the force and effect of law. The Governor has issued a number of executive orders relating to COVID-19 preparedness and mitigation. These include, for example, the issuance of Executive Order GA-14 on March 31, 2020, which, among other things, prohibits social gatherings and in-person contact except where necessary to provide or obtain essential services as defined in State and federal guidance, and the issuance of Executive Order GA-16 on April 17, 2020, which extended the closure of schools throughout the state through for the remainder of the 2019-2020 school year. Many of the federal, state and local actions and policies under the aforementioned disaster declarations are focused on limiting instances where the public can congregate or interact with each other, which affects economic growth within Texas.

Since the disaster declarations were made, the Pandemic has negatively affected travel, commerce, and financial markets locally and globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide and within Texas. Stock values and crude oil prices, in the U.S. and globally, have seen significant declines attributed to COVID-19 concerns. Texas may be particularly at risk from any global slowdown, given the prevalence of international trade in the state and the risk of contraction in the oil and gas industry and spillover effects into other industries, including manufacturing.

Such adverse economic conditions, if they continue, could result in declines in city's sales tax collections, the demand for residential and commercial property in the area and could reduce or negatively affect property values or homebuilding activity within the city. The Certificates are secured by the City's ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Certificates as well as the City's share of operations and maintenance expenses payable from ad valorem taxes. The City continues to monitor the spread of COVID-19 and is working with local, state, and national agencies to address the potential impact of COVID-19 upon the City. While the potential impact of COVID-19 on the City cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the City's operations and financial condition. The financial and operating data contained herein are the latest available, but are as of dates and for periods prior to the economic impact of the Pandemic and measures instituted to slow it. Accordingly, they are not indicative of the economic impact of the Pandemic on the City's financial condition. See "TAX INFORMATION" for the City's current fund balances.

The City can make no representation or give any assurance regarding the short or long-term impact that the outbreak of COVID-19 may have on the City or its finances.

CERTIFICATION OF THE OFFICIAL STATEMENT AND NO-LITIGATION CERTIFICATE

At the time of payment for and delivery of the Certificates, the Initial Purchaser will be furnished a certificate, executed by the proper City officials, acting in their official capacity, to the effect that to the best of their knowledge and belief: (a) the descriptions and statements of or pertaining to the City contained in its Official Statement and any addenda, supplement or amendment thereto, for its Certificates on the date of such Official Statement, on the date of purchase of said Certificates, and on the date of delivery, were and are true and correct in all material respects; (b) insofar as the City and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements, including financial data, of, or pertaining to, entities other than the City and their activities contained in such Official Statement are concerned, such statements and data have been obtained from sources which the City believes to be reliable and that the City has no reason to believe that they are untrue in any material respect; (d) there has been no material adverse change in the financial condition of the City since September 30, 2019, the date of the last audited financial statements of the City and (e) except as disclosed herein, no litigation of any nature has been filed or is pending, as of that date, of which the City has notice to restrain or enjoin the issuance, execution or delivery of the Certificates, in any manner questioning the authority or proceedings for the issuance, execution, or delivery of the Certificates; or which would affect the provisions made for their payment or security, or in any manner question the validity of the Certificates.

FORWARD-LOOKING STATEMENTS

The statements contained in this Official Statement, and in any other information provided by the City, that are not purely historical, are forward-looking statements, including statements regarding the City's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the City on the date hereof, and the City assumes no obligation to update any such forward-looking statements. The City's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the City. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

INITIAL PURCHASER

After requesting competitive bids for the Certificates, the City accepted the bid of _____ (the "Initial Purchaser ") to purchase the Certificates at the interest rates shown on page 4 of the Official Statement at a price of _____(%) of par plus a cash premium of \$ _____. The Initial Purchaser can give no assurance that any trading market will be developed for the Certificates after their sale by the City to the Initial Purchaser. The City has no control over the price at which the Certificates are subsequently sold and the initial yield at which the Certificates will be priced and reoffered will be established by and will be the responsibility of the Initial Purchaser.

MISCELLANEOUS

The Ordinance authorizing the issuance of the Certificates will also approve the form and content of this Official Statement, and any addenda or amendment thereto, and authorize its further use in the reoffering of the Certificates by the Initial Purchaser.

Mayor
City of College Station, Texas

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY

THE CITY

The City, located in Brazos County, is situated in the middle of a triangle bounded by Dallas/Fort Worth, Houston, and San Antonio/Austin. Approximately 80% of the Texas population is located within a 200 mile radius of the City. In addition to being a residential community for faculty, students and other personnel of Texas A&M University, the City also serves as a regional manufacturing, retail and health care hub.

The City was incorporated in 1938 and has a Council-City Manager form of government with City employees totaling 1,044.75 currently.

The City adopted and enforces comprehensive zoning and building restrictions aimed at assuring orderly growth and development. The City's ordinances require all subdividers, at their own expense and without provision for refund, to install streets and water and wastewater lines in any planned subdivision. These facilities are constructed under the City's specifications and inspection and when completed are deeded to the City free and clear. All areas within the City are now adequately served with water, wastewater and electric service.

Proximity to three of the nation's largest cities, college-town cultural amenities, low cost of living, varied housing options, warm climate and low crime rate have resulted in significant population growth over the last decade.

CITY OWNED FACILITIES

The City maintains approximately 578 linear miles of streets within city limits, 99% of which are hard surface. The City has a complete water distribution, wastewater collection and treatment system with 835 miles of wastewater and water lines. The City owns the electrical distribution system with approximately 510 miles of distribution lines and 20 miles of 138kv transmission lines.

The City has a fully equipped police department with 146 full time police officers and 76 support personnel. The department has 70 police patrol cars. The fire department consists of 158 full time fire fighters and 8 support personnel. There are six stations and a total of 8 engines, 6 ambulances, 2 command vehicles, 1 rescue truck, 2 ladder trucks, 1 tanker truck, and 1 grass fire truck.

EDUCATIONAL FACILITIES

The College Station Independent School District (the "School District") is a fully accredited system offering 18 educational campuses for pre-kindergarten through high school. The School District has a student enrollment in excess of 13,500 and employs close to 1,700 people. On November 3, 2015 the voters passed a bond proposition for the School District that includes the construction of additional facilities. The bonds would fund a tenth elementary school in the 2018-2019 school year. The School District's facilities are also used by Blinn College, a community college offering two years of college level courses.

College Station is home to Texas A&M University which provides higher education, offering both four year college programs and graduate degree programs to approximately 69,000 enrolled students.

HEALTH CARE

College Station Medical Center, affectionately called 'The Med', is a 200,000 square foot community healthcare provider located on 25 acres within the city limits of College Station. The Med is a 167-bed facility and is a licensed Level III Trauma unit. College Station Medical Center is the only hospital in the Brazos Valley Region to receive national certification in joint replacement from the Joint Commission. They are also an accredited Chest Pain Center, a certified Primary Stroke Center and the region's first accredited Sleep Center. The over 650 healthcare professionals work every day to be a place of healing, caring and connection for patients and families in the community. In 2019, The Med was purchased by the CHI St. Joseph system and is now called CHI St. Joseph Health College Station Hospital.

Rock Prairie Behavioral Health is a 72-bed state-of-the-art psychiatric hospital built specifically with patients' needs in mind and is dedicated to providing quality behavioral health care to promote growth and recovery for patients and families throughout the state of Texas. The acute psychiatric hospital treats adolescents, adults, and seniors in both inpatient and outpatient settings. The treatment facility is located in the heart of the Brazos Valley, conveniently located in College Station.

Baylor Scott & White Medical Center – College Station is a 403,000 square foot, five story, 143-bed hospital located on a 98 acre campus near the intersection of Texas Highway 6 and Rock Prairie Road within the City of College Station. Baylor Scott & White Medical Center – College Station is a nationally accredited Chest pain Center as well as a Level III Trauma Center. Scott & White Clinic – Rock Prairie, a four-story medical office building, is also located on the campus adjacent to the hospital. Baylor Scott and White Medical Center - College Station houses an emergency department, cardiac services including cath labs, neonatal intensive care unit, comprehensive cancer services, operating rooms, maternity services suites, endoscopic procedure suites, intra operative robotics and other specialty services, all supported by a pharmacy, comprehensive state-of-the-art imaging technology and other diagnostic capabilities.

Other area health care providers include: St. Joseph Regional Health Care Center, Baylor Scott and White Clinic, and The Physicians Centre.

MEDICAL DISTRICT

The City recently amended its Comprehensive Plan to include the College Station Medical District Master Plan. The Master Plan establishes guiding principles for the development of approximately 1,700 acres in south College Station to accommodate medical facilities, walkable village centers, commercial space, and a variety of residential unit types, all in close proximity to parks, open space, and trails. To ensure the long-term success of the District, the City has created a Tax Increment Reinvestment Zones to help fund the necessary infrastructure. The City activated a Municipal Management District along the relatively undeveloped east side of State Highway 6 to be used as a tool for development of these areas as well.

TRANSPORTATION

U.S. Highway 190/State Highway 21 links the City to Interstate 45 which is located approximately 35 miles to the east. State Highway 21 via U.S. Highway 290 also links the City to Austin, located approximately 110 miles to the west. State Highway 6 links the City to Waco (100 miles) and Interstate 35 to the north and Houston (90 miles) to the south. Also, State Highway 30 links the City to Huntsville (45 miles) and Interstate 45 to the east.

Airlines	Commercial, corporate and private airport facilities are provided by Easterwood Airport, which is located on the City's west side and is owned and operated by Texas A&M University. American Eagle Airlines provides daily flights to and from Dallas-Fort Worth Airport out of Easterwood. United Airlines provides daily flights to and from Houston Bush Intercontinental Airport out of Easterwood. This airport recently completed a \$15 million renovation to the terminal. Coulter Field is located north of the City of Bryan and provides a 4,000 foot lighted runway. Coulter Field offers all types of services for the private aircraft.
Bus Lines	Two bus lines serve the City with daily service connecting the City with Houston and Dallas.
Railroads	Rail freight service is provided by the Union Pacific Railroad. Union Pacific Railroad operates a main freight line from Houston through Bryan-College Station to Dallas-Fort Worth and beyond.

RECREATION

The College Station parks system encompasses 1,397.1 acres of parks and facilities spread throughout the city. This includes 4 dog parks, 1 skate park, 63 playgrounds, 4 recreation centers, 12 ponds, 2 pools, a splash pad, 34.5 miles of walking trails, 2 municipal cemeteries and the Ringer Library.

POPULATION

	Official U.S. Census ⁽¹⁾				
	1970	1980	1990	2000	2010
City of College Station	17,676	37,272	52,456	67,890	93,857
Brazos County	57,978	93,588	121,862	152,415	194,851

(1) U.S. Census Bureau, American Community Survey

ECONOMIC BACKGROUND

Texas A&M University and System

Texas A&M opened its doors in 1876 as the state's first public institution of higher learning. Located in College Station, Texas (about 90 miles northwest of Houston and within a two to three-hour drive from Austin and Dallas), Texas A&M's main campus is home to over 69,000 students, with more than 508,000 former students worldwide. As one of only 62 members of the prestigious Association of American Universities (AAU), an association of leading public and private research universities in the United States and Canada, Texas A&M boasts some of the top programs in academic research and scholarship. Texas A&M and the Texas A&M University System employ more than 27,000 full and part-time personnel.

Texas A&M is one of only 17 institutions in the nation to hold the triple designation as a land-grant, sea-grant, and space-grant university.

In May 2016, the Chancellor of The Texas A&M University System unveiled plans to invest \$150 million to create a new research and development campus to help companies move ideas from the laboratory to the marketplace while also offering a new path toward a college degree. The facility, to be located at a revamped and renamed Riverside Campus in Brazos County, initially will include a cluster of seven new buildings and test beds to encourage the private sector to develop secure research facilities adjacent to the System's site. The facility, named the RELIS Campus will focus on robotics, driverless and connected vehicles, advanced manufacturing, large-scale testing as well as smart power grids and water systems.

George Bush Presidential Library and Museum

The City is the site of the George Bush Presidential Library and Museum, located on the campus of Texas A&M University. Texas A&M provides programs and facilities such as research and instructional programs related to the library and museum, a conference center, communications center, educational museum/library center, and family-oriented facilities such as a park surrounding the presidential library and museum. The Presidential Library and Museum is also part of the George Bush Presidential Library Center which is home to the prestigious Bush School of Government and Public Service.

Century Square

The City continues to experience a sustained period of growth. The growth has resulted in continued retail development, especially in the Tower Point and Caprock developments in the southern part of the City with new restaurants and other businesses opening and others under construction to serve the ever growing residential populations in that area of the City. However, that growth has expanded to the north side of College Station where mixed-used facilities and additional hotels near the Texas A&M campus are under construction.

One such development is Century Square. This 60-acre development creates a dynamic community center where people congregate from across the region to experience a walkable, urban destination. The project features premier retail and restaurant establishments, entertainment venues, 60,000 SF of Class-A office, two full-service hotels: The George and Cavalry Court, luxury apartment homes: 100 Park, and an activated central gathering space.

Athletics

Athletics is an integral part of College Station. Texas A&M University, along with the City, hosts a multitude of athletic events. Texas A&M University is the home of Kyle Field, Reed Arena, Olsen Field at Bluebell Park, Aggie Softball Complex, George P. Mitchell Tennis Center and Gilliam Indoor Track Stadium. Several of Texas A&M teams have won both conference and national titles over the past five years with every university varsity level team competing in post-season play for the 2015-2016 season. This has positioned the University to host regional payoffs as well as national championship games. Texas A&M's move to the Southeastern Conference (SEC) in 2012 has proved positive for the City. For the Texas A&M's football team ranked sixth in the nation in average attendance for the 2019 season with average attendance of 97,459 for home games, according to figures released by the NCAA.

The City's premiere sport complexes, as well as the ease to get around, makes College Station attractive to a number of high profile organizations. Over the past several years, Texas Amateur Athletic Federation has chosen College Station to host state tournaments and events. In addition, the City facilitates four major softball tournaments, multiple soccer tournaments, two 7 on 7 football tournaments and baseball tournaments throughout the year. The City plans to add 4 synthetic infield & natural grass outfield baseball/softball fields at the new Texas Independence Ballpark. This is anticipated to allow additional tournaments to be held in this area.

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MAJOR AREA EMPLOYERS

Firm Name	Product	Number of Employees
Texas A&M University and System	Education/Research	27,000+
Bryan ISD	Education	2000+
College Station ISD	Education	2000+
Texas A&M Health Science Center	Education	2000+
Reynolds & Reynolds	Computer Hardware and Software	1800+
Blinn College - Bryan Campus	Education	1000+
Sanderson Farms, Inc.	Poultry Processing	1000+
CHI St. Joseph's Regional Hospital	Health Service	1000+
Wal-Mart/Sam's	Retail	1000+
HEB Grocery	Retail	1000+
City of College Station	Government	1000+
Brazos County	Government	500-999
City of Bryan	Government	500-999
College Station Medical Center	Health Service	500-999
Ply Gem Windows	Manufacturing	500-999
Baylor Scott & White	Health Service	500-999

Source: Research Valley Partnership

Employment is provided by a variety of high growth industries located in, or adjacent to, the City which include ambulatory health care services; professional, scientific, and technical services; specialty trade contractors; food manufacturing; administrative and support services as identified in the Local Employment Dynamics data. Additionally, College Station is also home to the 350 acre Research Park, located on the Texas A&M University campus, which houses 30 public-private tenants including the Research Valley Partnership, Schlumberger, Texas A&M Transportation Institute, and Offshore Technology Research Center. The City also developed the 200-acre, Class "A" Business Center at College Station (BCCS), tenants of which include Reynolds and Reynolds Cognizant Technology Solution, Suddenlink Media, Stata Corporation, Heat Transfer Research, Inc. (HTRI), and the Texas A&M University System. In addition, the City has worked to develop a new Science Park at Research Valley, which currently houses Lynntech, Inc. and RBC Technologies.

LABOR STATISTICS

College Station

Year	Labor Force	Total Employment	Unemployment	Rate
2017	58,027	56,234	1,793	3.1%
2018	60,143	58,408	1,735	2.9%
2019	61,583	59,874	1,709	2.8%
2020	60,194	57,208	2,986	5.0%
2021 ⁽¹⁾	60,924	57,933	2,992	4.9%

Brazos County

Year	Labor Force	Total Employment	Unemployment	Rate
2017	113,012	109,505	3,507	3.1%
2018	116,443	113,099	3,344	2.9%
2019	118,714	115,510	3,204	2.7%
2020	116,599	110,366	6,233	5.3%
2021 ⁽¹⁾	118,156	111,764	6,392	5.4%

Source: Texas Workforce Commission.

(1) Average as of February 2021.

BUILDING PERMITS

College Station has grown rapidly over the past 30 years as evidenced by an increase in population from 37,272 in 1980 to 93,857 in 2010. As of 2021, the estimated population of College Station was 124,710. The following table sets forth the number and value of construction permits issued by the City over the past several years.

Calendar Year	Residential Construction		Commercial Construction		Other Construction*		Total	
	Number of Permits	Value	Number of Permits	Value	Number of Permits	Value	Number of Permits	Value
2016	1,802	\$ 325,247,597	424	\$ 207,892,402	\$ -	\$ -	2,226	\$ 533,139,999
2017	1,190	257,998,990	208	170,405,189	-	-	1,398	428,404,179
2018	1,953	177,627,344	461	103,143,722	-	-	2,414	280,771,066
2019	553	100,803,824	102	80,992,499	1,911	98,242,242	2,566	280,038,565
2020	610	110,135,433	82	81,220,448	656	35,731,929	1,348	227,087,810

Source: The City.

* Starting in 2019 all new pools, remodels/renovations, new roofs, demolitions, slab only and other improvements are reported under "Other Construction". These permits were previously reported under Residential and Commercial.

COUNTY CHARACTERISTICS

Brazos County was created in 1841 from Robertson and Washington Counties. The economy is diversified primarily by agribusiness, computer manufacturing, research and development, and education. The Texas Almanac designates cattle, hogs, sorghums, corn, cotton, wheat, oats and pecans as the principal sources of agricultural income.

The County had a 2010 population of 194,851, an increase of 27.8% since 2000. Minerals produced in the County include sand and gravel, lignite, gas and oil.

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APPENDIX B

EXCERPTS FROM THE
CITY OF COLLEGE STATION, TEXAS
ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2021

The information contained in this Appendix consists of excerpts from the City of College Station, Texas Annual Financial Report for the Year Ended September 30, 2021, and is not intended to be a complete statement of the City's financial condition. Reference is made to the complete Report for further information.

APPENDIX C

FORM OF OPINION OF BOND COUNSEL

June 10, 2021

Item No. 8.3.

Ordinance Extending Mayoral Renewal of Disaster Declaration

Sponsor: Bryan Woods, City Manager

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding an ordinance consenting to and extending the Mayor's renewal of a disaster declaration due to public health emergency.

Relationship to Strategic Goals:

- Good Governance

Recommendation(s): Staff recommend that Council adopt the ordinance.

Summary: On March 17, 2020, the Mayor of College Station issued a proclamation declaring a state of disaster for the City of College Station resulting from the threat of a public health emergency resulting from coronavirus disease 2019, now designated SARSCoV2, (COVID-19).

On March 18, 2020, the Mayor of College Station issued an order closing all bars, limiting restaurants to only take-out, drive-through, or delivery services and amended the declaration to limit gatherings to less than ten (10) people in the best interest of the public health, safety and welfare to protect life in College Station in response to COVID-19.

On March 23, 2020, the College Station City Council adopted an Extension of Disaster Ordinance with Ordinance No. 2020-4164 extending the March 17, 2020, Disaster Declaration and extending the Mayor's Order of March 18, 2020.

On March 23, 2020, the Mayor of College Station issued a Second Mayoral Order mandating the citizens of College Station to shelter in place until Tuesday, April 7, 2020. On March 30, 2020, the College Station City Council adopted an ordinance consenting and approving the Second Mayoral Order.

On April 21, 2020, the Mayor of College Station issued a renewal to the Disaster Declaration. On April 23, 2020, the College Station City Council consented with Ordinance 2020-4169 to the Mayor's April 21, 2020, Disaster Declaration Renewal.

On May 22, 2020, the Mayor of College Station issued a renewal to the Disaster Declaration. On May 28, 2020, the College Station City Council consented with Ordinance 2020-4181 to the Mayor's May 22, 2020, Disaster Declaration Renewal.

On June 22, 2020, the Mayor of College Station issued a renewal to the Disaster Declaration. On June 25, 2020, the College Station City Council consented with Ordinance 2020-4195 to the Mayor's June 22, 2020, Disaster Declaration Renewal.

On June 25, 2020, the Mayor of College Station issued a Third Mayoral Order mandating face

coverings for commercial entities until Friday, July 10, 2020. On July 9, 2020, the College Station City Council consented with Ordinance No. 2020-4197 to the Third Mayoral Order of June 25, 2020, mandating commercial entities to require face coverings.

On July 22, 2020, the Mayor of College Station issued a renewal to the Disaster Declaration. On July 23, 2020, the College Station City Council consented with Ordinance 2020-4203 to the Mayor's July 22, 2020, Disaster Declaration Renewal.

On August 13, 2020, the Mayor of College Station issued a Fourth Mayoral Order delegating authority to the Texas A&M University President to approve gatherings over 10 people on state lands and facilities it owns or controls.

On August 21, 2020, the Mayor of College Station issued a renewal to the Disaster Declaration. On August 27, 2020, the College Station City Council consented with Ordinance 2020-4209 to the Mayor's August 21, 2020, Disaster Declaration Renewal.

On September 21, 2020, the Mayor of College Station issued a renewal to the Disaster Declaration. On September 24, 2020, the College Station City Council consented with Ordinance 2020-4211 to the Mayor's September 21, 2020, Disaster Declaration Renewal.

On October 20, 2020, the Mayor of College Station issued a renewal to the Disaster Declaration. On October 22, 2020, the College Station City Council consented with Ordinance 2020-4220 to the Mayor's October 20, 2020, Disaster Declaration Renewal.

On November 20, 2020, the Mayor of College Station issued a renewal to the Disaster Declaration. On November 23, 2020, the College Station City Council consented with Ordinance 2020-4226 to the Mayor's November 20, 2020, Disaster Declaration Renewal.

On December 7, 2020, the Mayor of College Station issued a renewal to the Disaster Declaration. On December 10, 2020, the College Station City Council consented with Ordinance 2020-4231 to the Mayor's December 7, 2020, Disaster Declaration Renewal.

On January 8, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On January 14, 2021, the College Station City Council consented with Ordinance 2021-4239 to the Mayor's January 8, 2021, Disaster Declaration Renewal.

On February 8, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On February 11, 2021, the College Station City Council consented with Ordinance 2021-4240 to the Mayor's February 8, 2021, Disaster Declaration Renewal.

On March 8, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On March 11, 2021, the College Station City Council consented with Ordinance 2021-4246 to the Mayor's March 8, 2021, Disaster Declaration Renewal.

On April 6, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On April 8, 2021, the College Station City Council consented with Ordinance 2021-4258 to the Mayor's April

6, 2021, Disaster Declaration Renewal.

On May 7, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On May 13, 2021, the College Station City Council consented with Ordinance 2021-4263 to the Mayor's May 7, 2021, Disaster Declaration Renewal.

On June 7, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, October 20, 2020, November 20, 2020, December 7, 2020, January 8, 2021, February 8, 2021, March 8, 2021, April 6, 2021, and May 7, 2021. The conditions necessitating the declaration of a state of disaster and mayoral orders continue to exist. The Council needs to consent to and approve the Mayor's Disaster Declaration renewal.

Budget & Financial Summary: N/A

Attachments:

1. June 10 Disaster Declaration Renewal Ordinance - Agenda

ORDINANCE NO. _____

DISASTER DECLARATION RENEWAL AND EXTENSION ORDINANCE

WHEREAS, on March 17, 2020, the Mayor of College Station issued a proclamation declaring a state of disaster for the City of College Station resulting from the threat of a public health emergency resulting from coronavirus disease 2019, now designated SARS-CoV2, (COVID-19); and

WHEREAS, on March 18, 2020, the Mayor of College Station issued an order closing all bars, limiting restaurants to only take-out, drive-through, or delivery services and amended the declaration to limit gatherings to less than ten (10) people in the best interest of the public health, safety and welfare to protect life in College Station in response to COVID-19; and

WHEREAS, on March 23, 2020, the College Station City Council adopted an Extension of Disaster Ordinance with Ordinance No. 2020-4164 extending the March 17, 2020, Disaster Declaration and extending the Mayor's Order of March 18, 2020; and

WHEREAS, on March 23, 2020, the Mayor of College Station issued a Second Mayoral Order mandating the citizens of College Station to shelter in place until Tuesday, April 7, 2020; and

WHEREAS, on March 30, 2020, the College Station City Council consented with Ordinance No. 2020-4166 to the Second Mayoral Order of March 23, 2020, mandating the citizens of College Station to shelter in place until Tuesday, April 7, 2020; and

WHEREAS, on April 21, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, the order and amended disaster declaration proclaimed by the Mayor on March 18, 2020, both consented to and extended by the City Council on March 23, 2020, in Ordinance No. 2020-4164; and

WHEREAS, on April 23, 2020, the College Station City Council consented with Ordinance 2020-4169 to the Mayor's April 21, 2020, Disaster Declaration Renewal; and

WHEREAS, on May 22, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, and April 21, 2020; and

WHEREAS, on May 28, 2020, the College Station City Council consented with Ordinance 2020-4181 to the Mayor's May 22, 2020, Disaster Declaration Renewal; and

WHEREAS, on June 22, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, and May 22, 2020; and

WHEREAS, on June 25, 2020, the College Station City Council consented with Ordinance 2020-4195 to the June 22, 2020, Disaster Declaration Renewal; and

WHEREAS, on June 25, 2020, the Mayor of College Station issued a Third Mayoral Order mandating commercial entities to require face coverings from: 6:00 A.M., Monday, June 29, 2020, and ending at 11:59 P.M., Friday, July 10, 2020; and

WHEREAS, on July 9, 2020, the College Station City Council consented with Ordinance No. 2020-4197 to the Third Mayoral Order of June 25, 2020, mandating commercial entities to require face coverings; and

WHEREAS, on July 22, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, and June 22, 2020; and

WHEREAS, on July 23, 2020, the College Station City Council consented with Ordinance 2020-4203 to the June 22, 2020, Disaster Declaration Renewal; and

WHEREAS, on August 13, 2020, the Mayor of College Station issued a Fourth Mayoral Order delegating authority to the Texas A&M University President to approve gatherings over 10 people on state lands and facilities it owns or controls; and

WHEREAS, on August 21, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, and July 22, 2020; and

WHEREAS, on August 27, 2020, the College Station City Council consented with Ordinance 2020-4209 to the June 22, 2020, Disaster Declaration Renewal; and

WHEREAS, on September 21, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020 and August 21, 2020; and

WHEREAS, on September 24, 2020, the College Station City Council consented with Ordinance 2020-4211 to the September 21, 2020, Disaster Declaration Renewal; and

WHEREAS, on October 20, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020; and September 21, 2020, and

WHEREAS, on October 22, 2020, the College Station City Council consented with Ordinance 2020-4220 to the October 20, 2020, Disaster Declaration Renewal; and

WHEREAS, on November 20, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, and October 20, 2020, and

WHEREAS, on November 23, 2020, the College Station City Council consented with Ordinance 2020-4226 to the November 20, 2020, Disaster Declaration Renewal; and

WHEREAS, on December 7, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, October 20, 2020, and November 20, 2020, and

WHEREAS, on December 10, 2020, the College Station City Council consented with Ordinance 2020-4231 to the November 20, 2020, Disaster Declaration Renewal; and

WHEREAS, on January 8, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, October 20, 2020, November 20, 2020 and December 7, 2020, and

WHEREAS, on January 14, 2021, the College Station City Council consented with Ordinance 2021-4239 to the January 8, 2021, Disaster Declaration Renewal; and

WHEREAS, on February 8, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, October 20, 2020, November 20, 2020, December 7, 2020, and January 8, 2021, and

WHEREAS, on February 11, 2021, the College Station City Council consented with Ordinance 2021-4240 to the February 8, 2021, Disaster Declaration Renewal; and

WHEREAS, on March 8, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, October 20, 2020, November 20, 2020, December 7, 2020, January 8, 2021, and February 8, 2021, and

WHEREAS, on March 11, 2021, the College Station City Council consented with Ordinance 2021-4246 to the March 8, 2021, Disaster Declaration Renewal; and

WHEREAS, on April 6, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020,

September 21, 2020, October 20, 2020, November 20, 2020, December 7, 2020, January 8, 2021, February 8, 2021, and March 8, 2021, and

WHEREAS, on April 8, 2021, the College Station City Council consented with Ordinance 2021-4258 to the April 6, 2021, Disaster Declaration Renewal; and

WHEREAS, on May 7, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, October 20, 2020, November 20, 2020, December 7, 2020, January 8, 2021, February 8, 2021, March 8, 2021, and April 6, 2021 and

WHEREAS, on May 13, 2021, the College Station City Council consented with Ordinance 2021-4263 to the May 7, 2021, Disaster Declaration Renewal; and

WHEREAS, on June 7, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, October 20, 2020, November 20, 2020, December 7, 2020, January 8, 2021, February 8, 2021, March 8, 2021, April 6, 2021 and May 7, 2021; and

WHEREAS, said state of disaster requires that certain emergency measures be taken pursuant to the Texas Government Code, Chapter 418; and the following regulations shall take effect immediately upon issuance, and shall remain in effect until the state of disaster is terminated or as stated below; and

WHEREAS, the conditions necessitating declaration of a state of disaster and mayoral orders continue to exist; and

WHEREAS, said state of disaster requires that certain emergency measures be taken pursuant to the Texas Government Code, Chapter 418; and the following regulations shall take effect immediately upon issuance, and shall remain in effect until the state of disaster is terminated or as stated below; and

NOW THEREFORE, BE IT ORDERED BY THE CITY COUNCIL OF COLLEGE STATION:

1. That the state of disaster renewal proclaimed by the Mayor on June 7, 2021, as set out in **Exhibit A** is consented to and extended by the College Station City Council and shall continue until terminated by the College Station City Council.
2. This Ordinance is passed as an emergency measure and pursuant to local authority for emergency measures and shall become effective on the 10th day of June, 2021.

PASSED AND ADOPTED, this 10th day of June, 2021.

APPROVED:

Mayor

ATTEST:

City Secretary

APPROVED:

City Attorney

EXHIBIT A

DISASTER RENEWAL PROCLAIMED BY THE MAYOR ON JUNE 7, 2021



DECLARATION OF DISASTER RENEWAL

WHEREAS, on March 17, 2020, the Mayor of College Station issued a proclamation declaring a state of disaster for the City of College Station resulting from the threat of a public health emergency resulting from coronavirus disease 2019, now designated SARS-CoV2, (COVID-19); and

WHEREAS, on March 18, 2020, the Mayor of College Station issued an order closing all bars, limiting restaurants to only take-out, drive-through, or delivery services and amended the declaration to limit gatherings to less than ten (10) people in the best interest of the public health, safety and welfare to protect life in College Station in response to COVID-19; and

WHEREAS, on March 23, 2020, the College Station City Council adopted an Extension of Disaster Ordinance with Ordinance No. 2020-4164 extending the March 17, 2020, Disaster Declaration and extending the Mayor's Order of March 18, 2020; and

WHEREAS, on March 23, 2020, the Mayor of College Station issued a Second Mayoral Order mandating the citizens of College Station to shelter in place until Tuesday, April 7, 2020; and

WHEREAS, on March 30, 2020, the College Station City Council consented with Ordinance No. 2020-4166 to the Second Mayoral Order of March 23, 2020, mandating the citizens of College Station to shelter in place until Tuesday, April 7, 2020; and

WHEREAS, on April 21, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, the order and amended disaster declaration proclaimed by the Mayor on March 18, 2020, both consented to and extended by the City Council on March 23, 2020, in Ordinance No. 2020-4164; and

WHEREAS, on April 23, 2020, the College Station City Council consented with Ordinance 2020-4169 to the Mayor's April 21, 2020, Disaster Declaration Renewal; and

WHEREAS, on May 22, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, and April 21, 2020; and

WHEREAS, on May 28, 2020, the College Station City Council consented with Ordinance 2020-4181 to the Mayor's May 22, 2020, Disaster Declaration Renewal; and

WHEREAS, on June 22, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, and May 22, 2020; and

WHEREAS, on June 25, 2020, the College Station City Council consented with Ordinance 2020-4195 to the June 22, 2020, Disaster Declaration Renewal; and

WHEREAS, on June 25, 2020, the Mayor of College Station issued a Third Mayoral Order mandating commercial entities to require face coverings from: 6:00 A.M., Monday, June 29, 2020, and ending at 11:59 P.M., Friday, July 10, 2020; and

WHEREAS, on July 9, 2020, the College Station City Council consented with Ordinance No. 2020-4197 to the Third Mayoral Order of June 25, 2020, mandating commercial entities to require face coverings; and

WHEREAS, on July 22, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, and June 22, 2020; and

WHEREAS, on July 23, 2020, the College Station City Council consented with Ordinance 2020-4203 to the July 22, 2020, Disaster Declaration Renewal; and

WHEREAS, on August 13, 2020, the Mayor of College Station issued a Fourth Mayoral Order delegating authority to the Texas A&M University President to approve gatherings over 10 people on state lands and facilities it owns or controls; and

WHEREAS, on August 21, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020; and July 22, 2020, and

WHEREAS, on August 27, 2020, the College Station City Council consented with Ordinance 2020-4209 to the August 21, 2020, Disaster Declaration Renewal; and

WHEREAS, on September 21, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020; July 22, 2020, and August 21, 2020, and

WHEREAS, on September 24, 2020, the College Station City Council consented with Ordinance 2020-4211 to the September 21, 2020, Disaster Declaration Renewal; and

WHEREAS, on October 20, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, and September 21, 2020, and

WHEREAS, on October 22, 2020, the College Station City Council consented with Ordinance 2020-4220 to the October 20, 2020, Disaster Declaration Renewal; and

WHEREAS, on November 20, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, and October 20, 2020, and

WHEREAS, on November 23, 2020, the College Station City Council consented with Ordinance 2020-4226 to the November 20, 2020, Disaster Declaration Renewal; and

WHEREAS, on December 7, 2020, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, and October 20, 2020, and November 20, 2020, and

WHEREAS, on December 10, 2020, the College Station City Council consented with Ordinance 2020-4231 to the December 7, 2020, Disaster Declaration Renewal; and

WHEREAS, on January 8, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, and October 20, 2020, November 20, 2020, and December 7, 2020, and

WHEREAS, on January 14, 2021, the College Station City Council consented with Ordinance 2021-4239 to the January 8, 2021, Disaster Declaration Renewal; and

WHEREAS, on February 8, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, and October 20, 2020, November 20, 2020, December 7, 2020, and January 8, 2021, and

WHEREAS, on February 11, 2021, the College Station City Council consented with Ordinance 2021-4240 to the February 8, 2021, Disaster Declaration Renewal; and

WHEREAS, on March 8, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, and October 20, 2020, November 20, 2020, December 7, 2020, January 8, 2021, and February 8, 2021, and

WHEREAS, on March 11, 2021, the College Station City Council consented with Ordinance 2021-4246 to the March 8, 2021, Disaster Declaration Renewal; and

WHEREAS, on April 6, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020,

September 21, 2020, and October 20, 2020, November 20, 2020, December 7, 2020, January 8, 2021, February 8, 2021, and March 8, 2021 and

WHEREAS, on May 13, 2021, the College Station City Council consented with Ordinance 2021-4263 to the April 6, 2021, Disaster Declaration Renewal; and

WHEREAS, on May 7, 2021, the Mayor of College Station issued a proclamation pursuant to §418.014 of the Texas Government Code renewing the state of disaster proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, and October 20, 2020, November 20, 2020, December 7, 2020, January 8, 2021, February 8, 2021, and March 8, 2021 and April 6, 2021; and

WHEREAS, on April 8, 2021, the College Station City Council consented with Ordinance 2021-4258 to the April 6, 2021, Disaster Declaration Renewal; and

WHEREAS, said state of disaster requires that certain emergency measures be taken pursuant to the Texas Government Code, Chapter 418; and the following regulations shall take effect immediately upon issuance, and shall remain in effect until the state of disaster is terminated or as stated below; and

WHEREAS, the conditions necessitating declaration of a state of disaster and mayoral orders continue to exist; and

WHEREAS, said state of disaster requires that certain emergency measures be taken pursuant to the Texas Government Code, Chapter 418; and the following regulations shall take effect immediately upon issuance, and shall remain in effect until the state of disaster is terminated or as stated below; and

NOW, THEREFORE, BE IT PROCLAIMED BY THE MAYOR OF THE CITY OF COLLEGE STATION:

1. Pursuant to §418.014 of the Texas Government Code the state of disaster is hereby renewed as proclaimed by the Mayor on March 17, 2020, April 21, 2020, May 22, 2020, June 22, 2020, July 22, 2020, August 21, 2020, September 21, 2020, October 20, 2020, November 20, 2020 December 7, 2020, January 8, 2021, February 8, 2021, March 8, 2021, April 6, 2021, and May 7, 2021 are renewed, until terminated by the College Station City Council.
2. Pursuant to §418.108(b) of the Texas Government Code, the state of disaster shall continue for a period of not more than seven days from the date of this declaration, unless continued or renewed by the City Council of College Station.
3. Pursuant to §418.108(c) of the Texas Government Code, this declaration of a local state of disaster shall be given prompt and general publicity and shall be filed promptly with the City Secretary.

4. That this proclamation shall take effect on June 7, 2021.

DECLARED this 7th day of June, 2021.

APPROVED:

Mayor

APPROVED:

City Attorney

ATTEST:

City Secretary

June 10, 2021

Item No. 8.4.

Appointments to the Impact Fee Advisory Committee

Sponsor: Tanya Smith, City Secretary, Carol Cotter

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding the appointments of representatives to serve as a member of the Impact Fee Advisory Committee.

Relationship to Strategic Goals:

- Good Governance

Recommendation(s): N/A

Summary: The Impact Fee Advisory Committee's purpose is to advise and assist City Council with the implementation and maintenance of the Impact Fees for the Water system, the Wastewater system, and Roadways.

The Impact Fee Advisory Committee is established to:

- Assist the City in adopting land use assumptions;
- Review the Capital Improvements Plan and any proposed amendments, and file written comments;
- Monitor and evaluate implementation of the Capital Improvements Plan;
- Review semi-annual reports, with respect to the Capital Improvements Plan and report to the Mayor and Council any perceived inequities in implementing the plan or imposing the impact fees; and
- Advise the Mayor and Council of the need to update or revise land use assumptions, Capital Improvements Plan and impact fees.

Membership is comprised of the Planning and Zoning Commission members and up to three ad hoc members 1) ETJ representative; 2) Homebuilders Association representative; and/or 3) any individual so desired. When Impact Fee Advisory Committee meetings are held, they are typically during regularly scheduled P&Z meetings which are held on evenings of the first and third Thursdays of the month.

At this time two appointments needed are for 2) Homebuilders Association representative; and/or 3) any individual so desired. These appointments will be for two years terms, and we have received four applications for the vacant positions.

Budget & Financial Summary: N/A

Attachments:

None

June 10, 2021

Item No. 11.1.

Council Reports on Committees, Boards, and Commissions

Sponsor: City Council

Reviewed By CBC: City Council

Agenda Caption: A Council Member may make a report regarding meetings of City Council boards and commissions or meetings of boards and committees on which a Council Member serves as a representative that have met since the last council meeting. (Committees listed in Coversheet)

Relationship to Strategic Goals:

Good Governance

Recommendation(s): Review meetings attended.

Summary: Animal Shelter Board, Arts Council of Brazos Valley, Architectural Advisory Committee, Audit Committee, Bicycle, Pedestrian, and Greenways Advisory Board, Bio-Corridor Board of Adjustments, Brazos County Health Dept., Brazos Valley Council of Governments, Brazos Valley Economic Development Corporation, Bryan/College Station Chamber of Commerce, Budget and Finance Committee, BVSWMA, BVWACS, Census Committee Group, Compensation and Benefits Committee, Experience Bryan-College Station, Design Review Board, Economic Development Committee, Gulf Coast Strategic Highway Coalition, Historic Preservation Committee, Interfaith Dialogue Association, Intergovernmental Committee, Joint Relief Funding Review Committee, Landmark Commission, Library Board, Metropolitan Planning Organization, Operation Restart, Parks and Recreation Board, Planning and Zoning Commission, Research Valley Technology Council, Regional Transportation Committee for Council of Governments, Sister Cities Association, Spring Creek Local Government Corporation, Transportation and Mobility Committee, TAMU Student Senate, Texas Municipal League, Walk with the Mayor, YMCA, Zoning Board of Adjustments. (Notice of Agendas posted on City Hall bulletin board.)

Budget & Financial Summary: None.

Attachments:

None