



College Station, TX

Meeting Agenda City Council

1101 Texas Ave, College Station, TX 77840
Internet: <https://zoom.us/j/96728393278>
Phone: 888 475 4499 and Meeting ID: 967 2839 3278

July 14, 2022

4:00 PM

City Hall Council Chambers

Notice is hereby given that a quorum of the meeting body will be present in the physical location stated above where citizens may also attend in order to view a member(s) participating by videoconference call as allowed by 551.127, Texas Government Code. The City uses a third-party vendor to host the virtual portion of the meeting; if virtual access is unavailable, meeting access and participation will be in-person only.

1. **Call to Order.**
2. **Executive Session is Closed to the Public and Will Be Held in the 1938 Executive Conference Room. The Open Meeting Will Resume No Earlier Than 6:00 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

- a. 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
- b. 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
- c. 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
- d. Shana Elliott and Lawrence Kalke v. The City of College Station, et al.

Legal Advice

- a. Legal Advice regarding the City's application to change transmission cost of service (TCOS) and wholesale transmission rates before the Public Utility Commission of Texas.
- b. Legal advice related to a 2016 Economic Development Agreement with Viasat, Inc.
- c. Legal advice related to a 2014 Economic Development Agreement with Fujifilm Diosynth Biotechnologies Texas, LLC, f/k/a Kalon Biotherapeutics LLC.

Real Estate {Gov't Code Section 551.072};

Possible action. The City Council may deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the City

in negotiations with a third person. After executive session discussion, any final action or vote taken will be in public. The following subject(s) may be discussed:

- a. Property generally located in the southwest quadrant of Texas State Highway 6 and Harvey Road.
- b. Property generally located at the intersection of Texas State Highway 6 and Corporate Parkway.

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 Attorney
- b. City Manager
- c. Council Self Evaluation

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 must register with the City Secretary two (2) hours prior to the meeting being called to order. Individuals shall 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. Please do not carry purses, briefcases, backpacks, liquids, foods or any other object other than papers or personal electronic communication devices to the lectern, nor advance past the lectern unless you are invited to do so. 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 three (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 on alignment options for Corporate Parkway at William D. Fitch and potential impacts to the City's Thoroughfare Plan in the general area.

Sponsors: Emily Fisher, Jason Schubert

Attachments: None

- 6.2. Presentation, discussion, and possible action regarding a presentation on the city's street maintenance plan.

Sponsors: Emily Fisher

Attachments: None

- 6.3. Presentation, discussion, and possible action regarding the nonprofit organization Unlimited Potential, as requested by City Council.

Sponsors: Debbie Eller

Attachments: None

- 6.4. Presentation, discussion, and possible action on a draft policy from the Naming of City Facilities Subcommittee.

Sponsors: Bryan Woods

Attachments: None

7. Consent Agenda.

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:

- June 21, 2022 Special Meeting
- June 22, 2022 Special Meeting
- June 23, 2022 Council Meeting
- June 29, 2022 Special Meeting

Sponsors: Tanya Smith

Attachments:

1. SPM062122 DRAFT Minutes
2. SPM062222 DRAFT Minutes
3. CCM062322 DRAFT Minutes
4. SPM062922 DRAFT Minutes

- 7.2. Presentation, discussion, and possible action regarding a change order for delivery and testing of the Wellborn Road Dynamic Message Sign.

Sponsors: Emily Fisher

Attachments: 1. Change order #1_ Delivery and Testing 2

- 7.3. Presentation, discussion, and possible action regarding a local on-system improvement project agreement with the Texas Department of Transportation for the installation of a dynamic message sign on Wellborn Road (FM 2154).

Sponsors: Emily Fisher

Attachments:

1. Resolution FM 2154 LOSA
2. Draft LOSA - FM 2154 DMS Board

- 7.4. Presentation, discussion, and possible action regarding the second and last renewal of a professional services contract with McCord Engineering, Inc. for electrical engineering services for an amount not to exceed \$600,000.

Sponsors: Timothy Crabb

Attachments: 1. 20300510R2 Mc Cord Eng Inc Ltr 61022

- 7.5. Presentation, discussion, and possible action regarding the approval of a contract between the City of College Station and McCord Engineering, Inc. not to exceed the amount of \$550,000 for the purpose of engineering design and required deliverables to facilitate the necessary relocation

of all City of College Station (COCS) electric facilities in conflict with the State Highway 6 Expansion Project CSJ#1.

Sponsors: Timothy Crabb

Attachments: 1. Contract is available for review in the City Secretary's Office

- 7.6. Presentation, discussion, and possible action regarding an ordinance amending Chapter 40, "Utilities," Article III "Electric System," Division 2 "Rate Schedules," Section 40-322 "Electric Rate Schedule TDA (Transmission Delivery Adjustment)" of the Code of Ordinances of the City of College Station, Texas, by amending Section 40-322 "Electric Rate Schedule TDA (Transmission Delivery Adjustment)," providing a severability clause and providing an effective date.

Sponsors: Timothy Crabb

Attachments: 1. Ch. 40-322 TDA Definition Ord_20220531

- 7.7. Presentation, discussion, and possible action on approving annual water meter purchases from Badger Meter, Inc. Based on the current unit pricing, the estimated annual expenditure for water meters is \$125,000.

Sponsors: Gary Mechler

Attachments: 1. Badger Meter, Inc. Quote
2. Sole Source Letter

- 7.8. Presentation, discussion, and possible action on the first reading of a franchise agreement ordinance with Waste Falcon, LLC for the collection of recyclables from commercial businesses and multi-family locations.

Sponsors: Emily Fisher

Attachments: 1. 22300601 Waste Falcon

- 7.9. Presentation, discussion, and possible action regarding a professional services contract with Freese and Nichols, Inc. in the amount of \$245,510 for preliminary design of the Carters Creek Wastewater Treatment Plant Effluent Filters project.

Sponsors: Emily Fisher

Attachments: 1. Carters Creek Effluent Filters Design_Scope of Work_05172022
2. Carters Creek Effluent Filters Design_Effort Estimate_05172022

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

Sponsors: Bryan Woods

Attachments: 1. July 14 Disaster Declaration Renewal Ordinance

8. Regular Agenda.

- 8.1. Presentation, discussion, and possible action on an ordinance authorizing the issuance of certificates of obligation, series 2022; 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.

Sponsors: Michael DeHaven

Attachments: 1. POS-College Station CO Series 2022 Final Draft
2. Ordinance (delegation) (ver 1)

- 8.2. Public Hearing, presentation, discussion, and possible action regarding a presentation of the proposed Program Year 2023 Annual Action Plan, Fiscal Year 2023 Community Development Budget, and Substantial Amendment to the 2020 - 2024 Consolidated Plan.

Sponsors: Debbie Eller

- Attachments:
1. Attachment 1 - FY 2023 Proposed Community Development Budget
 2. Attachment 3 - FY 2023 Plan Development Process Summary
 3. Attachment 2 - FY 2023 CDBG Public Service Funding
 4. Attachment 4 - FY 2023 Income Limits
 5. Attachment 5 - 2020-2024 Community Development Goals
 6. Attachment 6 - Community Development Project Descriptions
 7. Attachment 7 - Map of LMI Income Areas 2019

- 8.3. Public Hearing, presentation, discussion, and possible action regarding an ordinance amending Appendix A , “Unified Development Ordinance, “Article 4, Zoning Districts,” Section 4.2 “Official Zoning Map,” of the Code of Ordinances of the City of College Station, Texas, by changing the zoning district boundary from R&D Research and Development to PDD Planned Development District for approximately 6.74 acres located at 400 Technology Parkway, generally located at the end of Technology Parkway east of State Highway 6 South.

Sponsors: Anthony Armstrong

- Attachments:
1. Ordinance
 2. Vicinity, Aerial, and Small Area Map
 3. Background Information
 4. Applicant's Supporting Information
 5. Existing Future Land Use Map
 6. Rezoning Map
 7. Concept Plan
 8. Modifications and Benefits

- 8.4. Public Hearing, presentation, discussion, and possible action to consider the naming of Lick Creek Nature Center.

Sponsors: Bryan Woods

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 July 8, 2022 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."

July 14, 2022
Item No. 6.1.
Corporate Parkway Alignment Options

Sponsor: Emily Fisher, Director of Public Works, Jason Schubert

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on alignment options for Corporate Parkway at William D. Fitch and potential impacts to the City's Thoroughfare Plan in the general area.

Relationship to Strategic Goals:

1. Core Services and Infrastructure
2. Improving Mobility

Recommendation(s): N/A

Summary: In 2020, staff engaged consultants to look at various alignment options for Corporate Pkwy (formerly Pebble Creek Pkwy) at its future intersection with William D Fitch. This presentation will review these options and explain the benefits and constraints of each.

Budget & Financial Summary: N/A

Attachments:

None

July 14, 2022
Item No. 6.2.
Street Maintenance Presentation

Sponsor: Emily Fisher, Director of Public Works

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding a presentation on the city's street maintenance plan.

Relationship to Strategic Goals:

1. Core Services and Infrastructure

Recommendation(s): N/A

Summary: The Street Maintenance Division has 19 full time employees and maintains approximately 355.63 roadway centerline miles. The Division is responsible for sweeping operations and both minor and major repair operations.

Budget & Financial Summary: N/A

Attachments:

None

July 14, 2022
Item No. 6.3.

Sponsor: Debbie Eller, Director of Community Services

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding the nonprofit organization Unlimited Potential, as requested by City Council.

Relationship to Strategic Goals:

Recommendation(s):

Summary:

Budget & Financial Summary:

Attachments:

None

July 14, 2022
Item No. 6.4.

Sponsor: Bryan Woods, City Manager

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on a draft policy from the Naming of City Facilities Subcommittee.

Relationship to Strategic Goals:

Recommendation(s):

Summary:

Budget & Financial Summary:

Attachments:

None

MINUTES OF THE CITY COUNCIL SPECIAL MEETING
CITY OF COLLEGE STATION
JUNE 21, 2022

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

Karl Mooney, Mayor

Council:

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

City Staff:

Tanya Smith, City Secretary
Ian Whittenton, Deputy City Secretary

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

With a quorum present, the Special Meeting of the College Station City Council was called to order by Mayor Mooney at 9:00 a.m. on Tuesday, June 21, 2022, 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 §551.074-Personnel, the College Station City Council convened into Executive Session at 9:01 a.m. on June 21, 2022, to continue discussing matters pertaining to:

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

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

Executive Session recessed at 1:12 p.m. No action was taken.

4. Adjournment.

There being no further business, Mayor Mooney adjourned the Special Meeting of the City Council at 1:13 p.m. on Tuesday, June 21, 2022.

Karl Mooney, Mayor

ATTEST:

Tanya Smith, City Secretary

MINUTES OF THE CITY COUNCIL SPECIAL MEETING
CITY OF COLLEGE STATION
JUNE 22, 2022

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

Karl Mooney, Mayor

Council:

Bob Brick
John Crompton – arrive late
Linda Harvell
Elizabeth Cunha
John Nichols - absent
Dennis Maloney

City Staff:

Tanya Smith, City Secretary

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

With a quorum present, the Special Meeting of the College Station City Council was called to order by Mayor Mooney at 9:22 a.m. on Wednesday, June 22, 2022, 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 §551.074-Personnel, the College Station City Council convened into Executive Session at 9:23 a.m. on June 22, 2022, to continue discussing matters pertaining to:

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

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

Executive Session recessed at 12:25 p.m. No action was taken.

4. Adjournment.

There being no further business, Mayor Mooney adjourned the Special Meeting of the City Council at 12:25 p.m. on Wednesday, June 22, 2022.

Karl Mooney, Mayor

ATTEST:

Tanya Smith, City Secretary

MINUTES OF THE CITY COUNCIL MEETING
IN-PERSON WITH TELECONFERENCE PARTICIPATION
CITY OF COLLEGE STATION
JUNE 23, 2022

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

Karl Mooney, Mayor

Council:

Bob Brick
John Crompton
Linda Harvell
Elizabeth Cunha
John Nichols – via remote
Dennis Maloney

City Staff:

Bryan Woods, City Manager
Jeff Capps, Deputy City Manager
Adam Falco, Interim City Attorney
John Haislet, Assistant 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 In-Person and Teleconference at 4:00 p.m. on Thursday, June 23, 2022, 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, §551.072-Real Estate, and §551.074-Personnel, the College Station City Council convened into Executive Session at 4:01 p.m. on June 23, 2022, 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; and
 - 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; and

- Shana Elliott and Lawrence Kalke v. The City of College Station, et al.

B. Deliberation on the purchase, exchange, lease, or value of real property; to wit:

- Property generally located in the southwest quadrant of Texas State Highway 6 and Harvey Road.
- Property generally located at the intersection of Texas State Highway 6 and Corporate Parkway.
- Real estate negotiations for property located generally at the intersection of Texas Avenue and Francis Drive in College Station.

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

- City Attorney
- City Secretary
- Council Self-Evaluation

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

Executive Session recessed at 6:13 p.m. No action was taken.

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

5. Hear Visitors Comments

No one signed up to speak.

6. WORKSHOP ITEMS

6.1. Presentation, discussion, and possible actions regarding additional landscaping on Texas Avenue and converting other roadways to landscaped boulevards.

Emily Fisher, Public Works Director, presented an outline of possible areas to landscape on Texas Avenue and other boulevard road sections in the city.

Texas Avenue

- Currently planter boxes
- Cost approx. \$80,000 (2018)
- Other possible locations

Constraints

- Sight Distance
- Irrigation
- Buffer to maintain
- Water infiltration
- Funding
- Utilities

Other Roadways

- Greens Prairie Road
- Royder Road
- Barron Road
- Harvey Mitchell Pkwy
- Wellborn Road
- Dartmouth Street
- George Bush Drive
- WD Fitch Pkwy

Potential Roadways

- Rock Prairie Road East
- University Drive
- Harvey Road

Council directed staff to continue the current strategies with regards to landscaping on roadways.

6.2. Presentation, discussion, and possible action related to the current off-leash ordinance and enforcement in the City of College Station.

Steve Wright, Parks and Recreation Director, stated that the College Station Code of Ordinances, Section 32-25 states except as provided in Texas Human Resources Code § 121.003, ensuring accessibility to disabled persons, or any designated "leash free" area, it shall be unlawful for any owner or person in control of any dog to keep or permit the same in or about any park or recreation area unless such dog is kept under restraint at all times by means of a leash.

Off-Leash Areas

Dog Parks

- Barracks Park
- University Park
- Steeplechase Park

Designated Off-leash Trail

- Racoon Run located within Lick Creek Park
- Parks Board restricted off-leash to Racoon Run only in 2019

Enforcement

City of College Station Charter Art. II – jurisdiction granted to City Police Department

- NPO – Code Enforcement and Animal Control, can issue citations
- PO – College Station Police Officer, can issue citations

Sample Programs

- Austin: NPO Park Rangers – interpretive and educational, no citations
- Houston: NPO Park Rangers – educated and trained in approach, citations issued
- San Diego: Animal Control with a division specific to parks, citations issued

Council directed staff to monitor Racoon Run off-leash designated area in regard to violations and bring back enforcement options in the future. Council also requested staff to review other possible off leash locations such as Smith Tract.

6.3. Presentation, discussion, and possible action related to a land management category of nature & wildlife preserves, encouraging proper practices as our city continues to grow.

Steve Wright, Parks and Recreation Director, stated that while park land is protected through multiple sources, maintenance and use expectations are standardized throughout the industry. Mr. Wright explained that reviewing the possibility of an additional layer of management, Nature & Wildlife Preserve, use, intent, and protection change.

Current Classifications

Parks and Greenways are areas that are permanently protected from development. Such areas are preserved for their natural function or for parks, recreation, or greenways opportunities. These areas include, publicly owned open space, conservation easements, greenway trails, and public parks.

Natural & Open Areas is a land use designation is generally for areas that represent a constraint to development and that should be conserved for their natural function or open space qualities. These areas include floodplains, riparian buffers, common areas, and open space. The boundaries of the

Natural & Open Areas land use are illustrative, and the exact location of floodplains and other physical constraints are determined during the development process.

Mr. Wright explained that a proposed category within Parks & Greenways is Nature & Wildlife Preserve and the intent is a two-step process:

- Develop a sub-category in the Parks Master Plan.
- Develop a Land Management Plan and Program to restore and manage natural areas to provide vital ecosystem services to College Station.

Council directed staff to bring back an item for options on a land management category of nature & wildlife preserves along with next steps for possible identification criteria and land management plans.

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 the Consent Agenda for a separate vote.

Items 7.6 was pulled from Consent for clarification.

(7.6) Councilmember Cunha requested if language could be added to the contract under scope of services to direct the contractor to not park on sidewalks and bike lanes. *Emily Fisher*, Public Works Director, stated that it could be added but the contract would have to go back out for bid. She also explained that those issues are addressed with the contract when they are called into the city.

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

- **June 9, 2022 Council Meeting**

7.2. Presentation, discussion, and possible action on the second reading of a franchise agreement Ordinance No. 2022-4363 with Rocking H Dumpsters LLC for the collection of recyclables from commercial businesses and multi-family locations.

7.3. Presentation, discussion, and possible action regarding a landscape maintenance agreement with the Texas Department of Transportation for the removal and replanting of trees located along State Highway 6.

7.4. Presentation, discussion, and possible action regarding a professional services contract with Freese and Nichols, INC. in the amount of \$400,000 for the development of a City of College Station Industrial Pretreatment Program.

7.5. Presentation, discussion, and possible action regarding Ordinance No. 2022-4364 amending Chapter 38 "Traffic and Vehicles", Article VI "Traffic Schedules," Section 38-1014 "Traffic Schedule XIV, No Parking Here to Corner and No Parking at Any Time", by removing parking on the west side of Dogwood Street and adding parking on the east side of Dogwood Street.

7.6. Presentation, discussion, and possible action regarding the award of Annual Agreement for City Wide Landscape Maintenance and Mowing to Green Teams, Inc. not to exceed the amount of \$1,077,221.

7.7. Presentation, discussion, and possible action regarding Change Order 1 to the Greens Prairie Road Widening Phase 2 Project construction contract with Larry Young Paving, Inc in the amount of \$226,830.

7.8. Presentation, discussion, and possible action regarding approval of the City's award for an Annual Price Agreement for Di-Electric Switchgears with annual expenditures not to exceed \$1,584,270, awarded to Techline, Inc.

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

8. REGULAR ITEMS

8.1. Public Hearing, presentation, discussion, and possible action regarding Ordinance No. 2022-4365 amending the Comprehensive Plan Future Land Use and Character Map from Suburban Residential to Neighborhood Commercial for approximately 5 acres of land, located at 2354 Barron Road.

Regular Items 8.1 and 8.2 were presented together.

8.2. Public Hearing, presentation, discussion, and possible action regarding Ordinance No. 2022-4366 amending Appendix A, "Unified Development Ordinance," Article 4, "Zoning Districts," Section 4.2, "Official Zoning Map," of the Code of Ordinances of the City of College Station, Texas by changing the zoning district boundaries from R Rural to PDD Planned Development District on approximately 5 acres of land located at 2354 Barron Road.

Derrick Williams, Planning and Development, stated that the applicant is requesting an amendment to the Comprehensive Plan Future Land Use and Character Map from Suburban Residential to Neighborhood Commercial on approximately 5 acres of land located at 2354 Barron Road. The subject property and properties to the north and west are primarily designated as Suburban Residential on the Comprehensive Plan Future Land Use and Character Map, while the property to the east is Neighborhood Commercial, and the property to the south is Institutional/Public where College Station High School is located. The comprehensive plan amendment request is in conjunction with a proposed rezoning on the property from R Rural to PDD Planned Development District with a Suburban Commercial base to allow for small-scale commercial opportunities. The Planning and Zoning Commission heard this item at their June 2, 2022, meeting and voted unanimously to recommend approval. Staff also recommends approval of the rezoning.

Derrick Williams, Planning and Development, explained that the applicant is also requesting to rezone approximately 5 acres of land located where Barron Road and Victoria Road intersect from R Rural to PDD Planned Development District with a base zoning of SC Suburban Commercial. The change in the zoning district boundaries from R Rural to PDD Planned Development District, would bring small scale commercial opportunities to a vacant tract of land located at the intersection of Victoria Ave. (a 2-Lane Major Collector) and Barron Rd. (a 4-Lane Minor Arterial)

Community Benefits: The applicant offers the following as community benefits:

- To remove fuel sales as a permitted use.

Recommendations

- Neighborhood Meeting held April 25th on Zoom.
- Heard at the June 2nd Planning and Zoning Commission Meeting.
 - Comp Plan: 4-1 recommendation for approval.
 - PDD Zoning & Concept Plan: Unanimous recommendation for approval.
- Received three contacts in opposition of this project.
- Staff recommends approval of the comprehensive plan amendment, rezoning and concept plan.

The Planning and Zoning Commission heard this item at their June 2, 2022, meeting and recommend approval with the addition of the following community benefit:

- No building on the property shall exceed a building height of 28 feet facing Victoria Avenue (northeast) and a building height of 16 feet facing Renee Lane (southwest).

At approximately 8:07 p.m., Mayor Mooney opened the Public Hearing for Items 8.1 and 8.2.

Billy Hart, College Station, came before Council with his concerns of traffic congestion and pedestrian safety.

There being no comments, the Public Hearing for Items 8.1 and 8.2 was closed at 8:41 p.m.

(8.1) MOTION: Upon a motion made by Councilmember Maloney and a second by Mayor Mooney, the City Council voted seven (7) for and none (0) opposed, to adopt Ordinance No. 2022-4365, amending the Comprehensive Plan Future Land Use and Character Map from Suburban Residential to Neighborhood Commercial for approximately 5 acres of land, located at 2354 Barron Road. The motion carried unanimously.

(8.2) MOTION: Upon a motion made by Councilmember Maloney and a second by Mayor Mooney, the City Council voted seven (7) for and none (0) opposed, to adopt Ordinance No. 2022-4366, amending Appendix A, "Unified Development Ordinance," Article 4, "Zoning Districts," Section 4.2, "Official Zoning Map," of the Code of Ordinances of the City of College Station, Texas by changing the zoning district boundaries from R Rural to PDD Planned Development District on approximately 5 acres of land located at 2354 Barron Road with condition no building on the property shall exceed a building height of 28 feet facing Victoria Avenue (northeast) and a building height of 16 feet facing Renee Lane (southwest) as well as 6 ½ ft concrete wall on the north and east side. The motion carried unanimously.

8.3. Public Hearing, presentation, discussion, and possible action regarding Ordinance No. 2022-4367 amending Appendix A, "Unified Development Ordinance," Article 8, "Subdivision Design and Improvements," Section 8.8 "Requirements for Park Land Dedication," of the Code of Ordinances of the City of College Station, Texas, in its entirety, including amending the official Park Zones Map and land dedication and fee amounts.

Michael Ostrowski, Planning and Development Director, stated that for parkland dedication purposes, developers are required to dedicate either land and/or fee in lieu of land for new residential development (both single-family and multi-family). The intent is that this dedication or fee will offset the demand that the new residents will place on the parks system. In addition to land, developers are also required to either construct or provide a fee for the improvements of the parks' facilities. These funds are not to be used for maintenance, but rather new or improved parks facilities. The land and improvements required for each development are to be located within the same park zone where the development is taking place. Through a couple of City Council work sessions, the City Council has

directed staff to make several changes to the parkland dedication requirements within the Unified Development Ordinance (UDO). While there are several changes to the ordinance, they generally fall into the following categories: zones, appeals, credits, and fees.

Zones

- Eliminate the distinctions of parkland dedication zones
- Reduce the number of parkland dedication zones

Appeals

- Create an appeals section

Credits

- Developer credit up to 25% if developer provides private park land and/or amenities on the site

Fees

- Standard review of fees
- Update the cost information relating to the average per acre cost
- Ensure park development fee recognizes passive parks
- ETJ developments pay the same fee
- Calculate the fee based on current data

Mr. Ostrowski explained that in terms of fees, City Council has directed staff to ensure that (1) there is a standard review of fees, (2) that the cost per acre of land reflects market costs, (3) that the park development fee recognizes passive parks, (4) that Extraterritorial Jurisdiction (ETJ) projects pay the same fee, and (5) that the fees are calculated based on current data. All these changes have been incorporated into the revised ordinance. As it relates to fees, the new ordinance includes a proportionate rate, and the City Council will need to consider what collection rate will be charged.

The Parks and Recreation Board heard this item at their May 10, 2022, meeting and recommended approval. The Planning and Zoning Commission heard this item at their May 19, 2022, meeting and recommended approval. Staff recommends approval. Also, as part of the City Council action, the City Council will need to set the Collection Rate.

Total Parkland Dedication Fees

	Proportionate	Existing	Difference
<u>Land dedication</u>			
Single-family: One acre per number of dwelling units	48	61	(13)
Multi-family: One acre per number of bedrooms	83	145	(62)
<u>Fee in lieu of land dedication</u>			
Single-family per dwelling unit	\$1,106	\$524	\$582
Multi-family per bedroom	\$396	\$220	\$176
<u>Park development fee</u>			
Single-family per dwelling unit	\$4,150	\$737	\$3,413
Multi-family per bedroom	\$1,486	\$467	\$1,019
<u>Total park fees</u>			
Single-family per dwelling unit	\$5,256	\$1,261	\$3,995
Multi-family per bedroom	\$1,881	\$687	\$1,194

At approximately 8:54 p.m., Mayor Mooney opened the Public Hearing.

Austin McKnight, College Station, came before Council share that he believes four zones are too large. He also believes that the fee increase will impact the affordability of homes and would like to see that reconsidered.

There being no comments, the Public Hearing was closed at 9:30 p.m.

MOTION: Upon a motion made by Councilmember Crompton and a second by Councilmember Maloney, the City Council voted seven (7) for and none (0) opposed, to adopt Ordinance No. 2022-4367, amending Appendix A, "Unified Development Ordinance," Article 8, "Subdivision Design and Improvements," Section 8.8 "Requirements for Park Land Dedication," of the Code of Ordinances of the City of College Station, Texas, in its entirety, including amending the official Park Zones Map; changing the applicability to waive the dedication and fee requirements for any unit that qualifies as new, affordable housing to be sold to low-and moderate income households, as defined by the current U.S. Department of Housing and Urban Development Income Limits; and phasing in the dedication and fee amounts of the Proportionate Rate to be 60% starting October 1, 2022, 80% starting October 1, 2023, and 100% starting October 1, 2024. The motion carried unanimously.

MOTION: Upon a motion made by Councilmember Crompton and a second by Councilmember Cunha, the City Council voted seven (7) for and none (0) opposed, to direct staff to bring back a policy document which will describe the process that will be used in detail and the preferred dispensation of funds in zones. The motion carried unanimously.

8.4. Public Hearing, presentation, discussion, and possible action regarding Ordinance No. 2022-4368 adopting the standards of care for the City's Parks and Recreation Department's elementary age (5-13) Youth Recreational Program in compliance with the exemptions for childcare licensing according to Texas Human Resources Code Section 42.041(b)(14).

Steve Wright, Parks and Recreation Director, stated that the Department of Human Services and Department of Protective and Regulatory Services passed updated legislation specifically regarding the regulation of certain facilities, homes, and agencies that provide child-care services. According to Section 42.041, the services provided by the Parks and Recreation Department within the City of College Station meet all exemptions to this legislation. Mr. Wright explained that however, our compliance must be evidenced through an approved Standard of Care Ordinance. In conjunction with the Legal Department, Parks & Recreation staff has drafted the ordinance for adoption.

Proposed Ordinance applies to:

- Elementary age (ages 5-13) recreation programs
- Specifically, Parks and Recreation
- Lincoln Recreation Center and Lick Creek
 - Park Camps
 - After-school and summer programming

Focus of Ordinance specific to Parks and Recreation:

- Staffing responsibilities – designate hierarchy
- Ratios – better than industry standards
 - Standard = <20 youth – 1 staff
 - College Station Parks and Recreation = 8–1

At approximately 9:35 p.m., Mayor Mooney opened the Public Hearing.

There being no comments, the Public Hearing was closed at 9:35 p.m.

MOTION: Upon a motion made by Councilmember Nichols and a second by Councilmember Harvell, the City Council voted seven (7) for and none (0) opposed, to adopt Ordinance No. 2022-4368, the standards of care for the City's Parks and Recreation Department's elementary age (5-13) Youth Recreational Program in compliance with the exemptions for childcare licensing according to Texas Human Resources Code Section 42.041(b)(14). The motion carried unanimously.

9. Council Calendar

Council reviewed the calendar.

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.

Councilmember Cunha reported on the Police Department is having appointment fair.

Mayor Mooney reported on visiting with officials from Union Pacific on railroad crossings.

Councilmember Maloney reported on a swearing in ceremony for the College Station Police Department.

11. 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)

Nothing to report.

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.

Councilmember Maloney requested a public hearing on naming a city facility after former Mayor,

Gary Halter.

Councilmember Brick requested a future agenda item on the city's Naming Policy and drafts proposed by a subcommittee.

13. Adjournment.

There being no further business, Mayor Mooney adjourned the Meeting of the City Council at 9:43 p.m. on Thursday, June 23, 2022.

Karl Mooney, Mayor

ATTEST:

Tanya Smith, City Secretary

MINUTES OF THE CITY COUNCIL SPECIAL MEETING
IN-PERSON WITH TELECONFERENCE PARTICIPATION
CITY OF COLLEGE STATION
JUNE 29, 2022

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
Adam Falco, Interim City Attorney
Ian Whittenton, Deputy City Secretary
Lisa McCracken, Records Management Administrator

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

With a quorum present, the Special Meeting of the College Station City Council was called to order by Mayor Mooney via In-Person and Teleconference at 5:01 p.m. on Wednesday, June 29, 2022, 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 the College Station City Council convened into Executive Session at 5:01 p.m. on June 29, 2022, to continue discussing matters pertaining to:

- a. Legal advice regarding the City's application to change transmission cost of service (TCOS) and wholesale transmission rates before the Public Utility Commission of Texas.

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

Executive Session recessed at 6:23 p.m. No action was taken.

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

5. SPECIAL ITEMS

5.1. Presentation, discussion, and possible action regarding a potential 2022 bond election.

Jennifer Prochazka, Assistant City Manager, provided an overview on the timeline of a potential 2022 Bond Election highlighting the public meetings and engagement to this point, while noting future milestone dates.

- 4/28 – 8/10: Community Input/Council Review/Prioritization of Projects
- 8/10: 1st Day to call for Bond Election
- 8/22: Last Day to call for Bond Election
- 10/22: Early voting begins
- 11/8: Election Day

Mrs. Prochazka went on to present the staff's recommendations for the bond election, noting that the Citizens Bond Advisory Committee had presented their recommendations at the April 28, 2022 City Council meeting and the total possible amount available for a GO Bond Election was between 75,000,000 and \$100,000,000. In total 16 potential bond items had been recommended by staff which totaled \$93,975,000 which includes a 5% contingency due to recent inflation.

A majority of council modified the staff recommendations by removing the Gilchrist Street Rehabilitation and adding Mabel Clare Thomas Park Pool and Westside Park Development to the recommendation. Additional changes were made to the Rock Prairie Road East Widening by requiring separated bike lanes, Mabel Clare Thomas Park Redevelopment would not have a covered basketball court, Mabel Clare Thomas Park Pool would have revised concept pool amenities, and Westside Park Development would have its estimate revised to reflect more basic upgrades.

Council Recommendation

<u>CBAC Rank</u>	<u>Project Name</u>	<u>Project Type</u>	<u>Estimated Cost + Contingency</u>
1	Fire Station 7	Public Safety	\$10,500,000
2	Rock Prairie Road East Widening	Streets	\$18,900,000
3	Citywide Park Improvements	Parks	\$5,250,000
4	Bachmann Little League Building	Parks	\$3,150,000
5	Bachmann Athletic Building	Parks	\$4,200,000
6	Veterans Park - 6 Soccer Field Replacements	Parks	\$6,300,000
7	Pickleball/Futsal Courts	Parks	\$1,050,000
8	Veterans Park - Synthetic Fields 7&8 Replacement	Parks	\$3,150,000
9	Bicycle and Pedestrian Improvements	Streets	\$5,250,000
10	Traffic Signal Improvements	Streets	\$5,250,000
11	Central Park Operations Shop	Facilities	\$7,350,000
12	Mabel Clare Thomas Park Redevelopment	Parks	\$3,570,000
13	Bee Creek & Central Tennis Court Replacements	Parks	\$1,575,000
14	Lincoln Center Area Improvements	Parks	\$1,050,000
18	Texas Independence Ball Park Phase 2	Parks	\$12,600,000
16	Mabel Clare Thomas Park Pool	Parks	\$3,150,000
21	Westside Park Development	Parks	\$3,150,000

13. Adjournment.

There being no further business, Mayor Mooney adjourned the Special Meeting of the City Council at 8:29 p.m. on Wednesday, June 29, 2022.

Karl Mooney, Mayor

ATTEST:

Tanya Smith, City Secretary

July 14, 2022
Item No. 7.2.
Dynamic Message Sign Delivery Change Order

Sponsor: Emily Fisher, Director of Public Works

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding a change order for delivery and testing of the Wellborn Road Dynamic Message Sign.

Relationship to Strategic Goals:

1. Core Services and Infrastructure
2. Improving Mobility

Recommendation(s): Staff recommends approval.

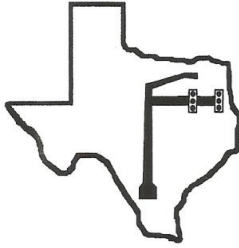
Summary: Traffic Engineering has worked with Iteris through the ITS Masterplan to design and implement a Dynamic Message Sign on Wellborn Road near the intersection with Navarro Drive. The signal shop does not have the equipment nor the storage space to accept delivery of the DMS, so it was necessary to shift the responsibility of receiving delivery as well as preliminary testing to the contractor. To avoid additional price increases and not lengthen procurement lead times, this change needed to be made prior to approval and requires ratification by City Council.

Budget & Financial Summary: Funds are available through the ITS Master Plan project.

Attachments:

1. Change order #1_ Delivery and Testing 2

CHANGE ORDER NO.		DATE: 5/17/22		Contract No. 22300301		
PO No. 22202671-00		PROJECT: Construction and Assembly of Dynamic Message Sign				
OWNER:			CONTRACTOR:			
City of College Station			Allstate Signal & Construction LLC			
P.O. Box 9960			P.O. Box 2654			
College Station, Texas 77842			Cypress, TX 77410		Ph: 281-255-4055	
					Fax: 281-255-4051	
PURPOSE OF THIS CHANGE ORDER:						
A. To compensate the contractor to take delivery and transport DMS sign to installation site.						
B. Contractor will provide testing of the DMS sign upon delivery of the DMS.						
C.						
ITEM NO	UNIT	DESCRIPTION	UNIT PRICE	ORIGINAL QUANTITY	REVISED QUANTITY	ADDED COST
1		Receive and transport DMS sign to jobsite	\$2,172.42	0	1	\$2,172.42
2		Assist with testing of DMS sign at Allstate signal's yar	\$707.19	0	1	\$707.19
3						\$0.00
					TOTAL	\$2,879.61
THE NET AFFECT OF THIS CHANGE ORDER IS			% INCREASE/DECREASE.			
LINE 1 (acct./work order number) LINE 2 (acct./work order number) LINE 3 (acct./work order number) TOTAL CHANGE ORDER \$2,172.42 \$707.19 \$0.00 2,879.61 ORIGINAL CONTRACT AMOUNT CHANGE ORDER NO. 1 CHANGE ORDER NO. 2 REVISED CONTRACT AMOUNT \$97,534.90 \$2,879.61 \$100,414.51 2.95% % CHANGE 0.00% % <u>CHANGE</u> 2.95% % TOTAL CHANGE ORIGINAL CONTRACT TIME Time Extension No. 1 Revised Contract Time Days Days 0 Days SUBSTANTIAL COMPLETION DATE REVISED SUBSTANTIAL COMPLETION DATE						
APPROVED						
_____ A/E CONTRACTOR			_____ DEPARTMENT DIRECTOR			
Date			Date			
_____ CONSTRUCTION CONTRACTOR			_____ ASST CITY MGR - CFO			
Date			Date			
_____ PROJECT MANAGER			_____ CITY ATTORNEY			
Date			Date			
_____ CITY ENGINEER			_____ CITY MANAGER			
Date			Date			



ALLSTATE SIGNAL & CONSTRUCTION, LLC
P.O. BOX 2654
CYPRESS, TX 77410
PHONE: 281-255-4005
FAX: 281-255-4051

CHANGE ORDER REQUEST

DATE: 4/4/2022
CSJ #: NA
PROJECT #: CITY OF COLLEGE STATION DMS
HIGHWAY: WELLBORN RD
ALLSTATE JOB #: 399

TO: CITY OF COLLEGE STATION
1101 TEXAS AVE
COLLEGE STATION, TEXAS 77842

ATTN: MICHAEL HOLMES

Mr. Holmes:

Please see attached change order request for the above mentioned project. Per your request, attached is the price proposal for Allstate Signal to accept and receive delivery of the proposed city supplied DMS sign. As discussed, Allstate will except delivery of sign and assist the city with the proposed testing procedures. If you have any questions, please do not hesitate to contact me.

Description:

Sincerely,

JR Cook
Project Manager
Allstate Signal & Construction, LLC.

ALLSTATE SIGNAL & CONSTRUCTION, LLC.
CHANGE ORDER SUMMARY

COUNTY: CITY OF COLLEGE STATION
 CSJ #: NA
 PROJECT #: CITY OF COLLEGE STATION DMS
 HWY: WELLBORN RD
 DATE REQUESTED: 4/4/2022

BID ITEM #	DESCRIPTION	UNIT	QTY	UNIT PRICE	EXTENDED
EXISTING ITEMS					
				\$ -	-
				\$ -	-
				\$ -	-
				\$ -	-
				TOTAL OF EXITSING ITEMS: \$ -	
NEW ITEMS					
XXX-XXXX	RECEIVE & TRANSPORT DMS SIGN TO JOBSITE	LS	1	\$ 2,172.42	\$ 2,172.42
XXX-XXXX	ASSIST WITH TESTING OF DMS SIGN AT ALLSTATE SIGNAL'S YARD	LS	1	\$ 707.19	\$ 707.19
				\$ -	-
				\$ -	-
				TOTAL OF NEW ITEMS: \$ 2,879.61	
				TOTAL: \$	2,879.61

NOTES

SIGNATURE: 
 JR COOK
 TITLE: MANAGER
 DATE: 4/4/2022

ALLSTATE SIGNAL & CONSTRUCTION, LLC
CHANGE ORDER ESTIMATE

COUNTY: CITY OF COLLEGE STATION

CSJ#: NA

PROJECT #: CITY OF COLLEGE STATION DMS

DATE: 4/4/2022

LOCATION: WELLBORN RD

ITEM: RECEIVE AND DELIVER DMS TO PROJECT

QTY: 1

SCOPE:

Material				
DESCRIPTION	UNIT	QTY	UNIT PRICE	EXTENDED PRICE
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
Total:				\$ -
25% Mark Up:				\$ -
MATERIAL TOTAL:				\$ -

Equipment				
DESCRIPTION	UNIT	QTY	UNIT PRICE	EXTENDED PRICE
F-550 FLAT BED TRUCK	HR	2	\$ 34.38	\$ 68.76
20' FLATBED TRAILER	HR	2	\$ 13.95	\$ 27.90
FLAT BED TRUCK / 6X4/ 45,000 GVWR	HR	4.5	\$ 65.94	\$ 296.73
CRANE	HR	4.5	\$ 188.59	\$ 848.66
Total:				\$ 1,242.05
15% Mark Up:				\$ 186.31
EQUIPMENT TOTAL:				\$ 1,428.35

Labor				
DESCRIPTION	UNIT	QTY	UNIT PRICE	EXTENDED PRICE
OPERATOR	HR	4.5	\$ 30.80	\$ 138.60
LABOR - UTILITY	HR	4.5	\$ 21.18	\$ 95.31
LABOR - UTILITY	HR	4.5	\$ 21.18	\$ 95.31
LABOR - COMMON	HR	4.5	\$ 18.70	\$ 84.15
Sub-Total:				\$ 413.37
55% Labor Burden				\$ 227.35
25% Mark UP:				\$ 103.34
LABOR TOTAL:				\$ 744.07

SUBCONTRACTORS				
DESCRIPTION	UNIT	QTY	UNIT PRICE	EXTENDED PRICE
				\$ -
SUBCONTRACTOR TOTAL:				\$ -

TOTALS				
ITEM TOTAL:				\$ 2,172.42
ITEM UNIT PRICE:				\$ 2,172.42

ALLSTATE SIGNAL & CONSTRUCTION, LLC
CHANGE ORDER ESTIMATE

COUNTY: CITY OF COLLEGE STATION

CSJ#: NA

PROJECT #: CITY OF COLLEGE STATION DMS

DATE: 4/4/2022

LOCATION: WELLBORN RD

ITEM: SHOP TESTING

QTY: 1

SCOPE:

Material				
DESCRIPTION	UNIT	QTY	UNIT PRICE	EXTENDED PRICE
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
Total:				\$ -
25% Mark Up:				\$ -
MATERIAL TOTAL:				\$ -

Equipment				
DESCRIPTION	UNIT	QTY	UNIT PRICE	EXTENDED PRICE
F-350 PICK UP	HR	5	\$ 41.63	\$ 208.15
			\$ -	\$ -
			\$ -	\$ -
Total:				\$ 208.15
15% Mark Up:				\$ 31.22
EQUIPMENT TOTAL:				\$ 239.37

Labor				
DESCRIPTION	UNIT	QTY	UNIT PRICE	EXTENDED PRICE
FOREMAN	HR	5	\$ 30.80	\$ 154.00
LABOR - UTILITY	HR	5	\$ 21.18	\$ 105.90
			\$ -	\$ -
			\$ -	\$ -
Sub-Total:				\$ 259.90
55% Labor Burden				\$ 142.95
25% Mark UP:				\$ 64.98
LABOR TOTAL:				\$ 467.82

SUBCONTRACTORS				
DESCRIPTION	UNIT	QTY	UNIT PRICE	EXTENDED PRICE
				\$ -
SUBCONTRACTOR TOTAL:				\$ -

TOTALS				
ITEM TOTAL:				\$ 707.19
ITEM UNIT PRICE:				\$ 707.19

Rental Rate Blue Book, Usage Report (Monthly)

Name: COCS DMS

Notes: None so far...

Adjustments

Note: Values not specified at the fleet level will be taken from individual equipment adjustments.

Rate Effective Date: -

Rate Effective Date: -

Region: -

Organization: -

Ownership Adjustment: -

Operating Adjustment: -

Rental Rate Blue Book Rates

All prices shown in US dollars (\$)

Equipment Details							Rental Rate Blue Book®				Adjustments								
ID	Equipment Type	Size Class	Manufacturer	Model	Year	Serial Number	Configuration/Notes	Ownership	Operating	Standby	Idling	Revision	Region	Age	Ownership	Operating	FHWA Hourly Rate	Hours	Total Cost
20' Flatbed Trailer	Fixed Gooseneck Equipment Trailers	All	Miscellaneous	LEVEL 2 30	2020		Capacity:30.0 , Deck Length:16' - 18' , Deck Type:Level , Number Of Axles:2.0 , Power Mode:Manual	USD \$8.06	USD \$5.89	USD \$5.72	USD \$8.06	2022-04-01	Texas: 96.9%	99.58%	100%	100%	USD \$13.95	1	USD \$13.95
350 Pick Up Truck	On-Highway Light Duty Trucks	300 HP & Over	Ford	F-350	2020		Axle Configuration:4.0 X 4.0 , Cab Type:Crew , Horsepower:385.0 , Power Mode:Gasoline , Ton Rating:1.0	USD \$5.35	USD \$36.28	USD \$4.12	USD \$36.36	2022-04-01	Texas: 99.3%	99.9%	100%	100%	USD \$41.63	1	USD \$41.63
5500 Flatbed Truck	On-Highway Flatbed Trucks	19,501 - 26,000 GVW	Miscellaneous	4X2 25KGVW DSL	2018		Axle Configuration:4X2 , Horsepower:200.0 , Maximum Gross Vehicle Weight:25000.0 , Power Mode:Diesel	USD \$8.04	USD \$26.34	USD \$5.95	USD \$28.17	2022-04-01	Texas: 98.8%	99.8%	100%	100%	USD \$34.38	1	USD \$34.38
JRCOOK3	Telescopic Cranes For Truck Mounting	42,001 lbs & Over	National Crane	13105	2015		Maximum Boom Length:105.0 , Power Mode:Hydraulic	USD \$132.53	USD \$56.06	USD \$46.39	USD \$132.53	2022-04-01	Texas: 98.6%	99.19%	100%	100%	USD \$188.59	1	USD \$188.59
Peterbilt 380	On-Highway Flatbed Trucks	33,001 - 45,000 GVW	Miscellaneous	6X4 45KGVW DSL	2018		Axle Configuration:6X4 , Horsepower:380.0 , Maximum Gross Vehicle Weight:45000.0 , Power Mode:Diesel	USD \$15.69	USD \$50.25	USD \$11.61	USD \$53.93	2022-04-01	Texas: 98.8%	99.8%	100%	100%	USD \$65.94	1	USD \$65.94
																		Total: USD	
																		\$344.49	

These are the most accurate rates for the selected Revision Date(s). However, due to more frequent online updates, these rates may not match Rental Rate Blue Book Print. Visit the Cost Recovery Product Guide on our Help page for more information.

The equipment represented in this report has been exclusively prepared for JR COOK (jcook@assctx.com)

July 14, 2022

Item No. 7.3.

TXDOT Local on-system improvement agreement for installation of dynamic message board

Sponsor: Emily Fisher, Director of Public Works

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding a local on-system improvement project agreement with the Texas Department of Transportation for the installation of a dynamic message sign on Wellborn Road (FM 2154).

Relationship to Strategic Goals:

1. Core Services and Infrastructure
2. Improving Mobility

Recommendation(s): Staff recommends approval

Summary: As part of the Intelligent Transportation System (ITS) Master Plan, the city is installing a dynamic message sign on Wellborn Road near the Jones Crossing development. The sign will be located on the northbound side of the road. The sign has the ability to display different messages to drivers, including drive times, road closures, alternate routes, etc. TXDOT will also have the ability to display messages as needed. The sign is partially located within TXDOT right of way, but will be maintained by the city. This agreement allows for the sign improvement to use TXDOT right of way.

Budget & Financial Summary: N/A

Attachments:

1. Resolution FM 2154 LOSA
2. Draft LOSA - FM 2154 DMS Board

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, APPROVING AN AGREEMENT FOR A LOCAL ON-SYSTEM IMPROVEMENT PROJECT WITH THE STATE OF TEXAS ACTING THROUGH THE TEXAS DEPARTMENT OF TRANSPORTATION ("TXDOT") FOR THE INSTALLATION OF A DYNAMIC MESSAGE SIGN WITHIN FM 2154 RIGHT OF WAY

WHEREAS, FM 2154 is owned and maintained by the Texas Department of Transportation; and

WHEREAS, any construction or improvements on Texas Department of Transportation right of way must be approved through the Texas Department of Transportation permitting process; and

WHEREAS, the City of College Station agrees to the provisions stated in the Agreement for a local on-system improvement project.

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

PART 1: That the City Council hereby approves the Agreement for a local on-system improvement project with the Texas Department of Transportation for the construction of a dynamic message sign.

PART 2: That the City Council hereby authorizes the City Manager to execute the Agreement.

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

ADOPTED this ____ day of _____, A.D. 2022.

ATTEST:

APPROVED:

City Secretary

MAYOR

APPROVED:

City Attorney

CSJ #	0540-04-094
District #	17 – BRY
Code Chart 64 #	09050 – City of College Station
Project Name	FM 2154 DMS Board

STATE OF TEXAS §

COUNTY OF TRAVIS §

AGREEMENT For A LOCAL ON-SYSTEM IMPROVEMENT PROJECT

THIS AGREEMENT (Agreement) is made by and between the State of Texas, acting by and through the Texas Department of Transportation called the “State”, and the **City of College Station**, acting by and through its duly authorized officials, called the “Local Government.” The State and Local Government shall be collectively referred to as “the parties” hereinafter.

WITNESSETH

WHEREAS, the Texas Transportation Code, Section 201.103 establishes that the State shall design, construct and operate a system of highways in cooperation with local governments and Section 222.052 authorizes the Texas Transportation Commission to accept contributions from political subdivisions for development and construction of public roads and the state highway system within the political subdivision; and

WHEREAS, the Texas Transportation Commission passed Minute Order Number **{Enter MO #}**, authorizing the State to accept Local Government funded projects performed on the state highway system. The project covered by this Agreement includes only work within the state right of way as described in the Agreement, Article 2, Scope of Work (Project); and,

WHEREAS, the Governing Body of the Local Government has approved entering into this Agreement by resolution, ordinance, or commissioners court order dated _____, which is attached to and made a part of this Agreement as Attachment A, Resolution, Ordinance, or Commissioners Court Order (Attachment A) for the improvement covered by this Agreement. A map showing the Project location appears in Attachment B, Project Location Map (Attachment B), which is attached to and made a part of this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties, to be by them respectively kept and performed as set forth in this Agreement, it is agreed as follows:

AGREEMENT

1. **Period of the Agreement**

This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed. This Agreement shall remain in effect until the completed Project is accepted by the State or unless terminated as provided below.

CSJ #	0540-04-094
District #	17 – BRY
Code Chart 64 #	09050 – City of College Station
Project Name	FM 2154 DMS Board

2. Scope of Work

The Project consists of **the design and installation of a dynamic message board on FM 2154 approximately 0.65 miles south of FM 2818 in College Station, TX as shown on Attachment B.**

3. Local Project Sources and Uses of Funds

- A. The total estimated cost of the Project is shown in Attachment C, Local On-System Improvement Project Budget (Attachment C), which is attached to and made a part of this Agreement. The estimated funds from the Local Government are shown in Attachment C. The State will pay for no Project costs performed by or managed by Local Government under this Agreement.
- B. Attachment C shows how necessary resources for completing the Project will be provided by major cost categories. These categories may include but are not limited to: (1) costs of real property (right of way); (2) costs of utility work; (3) costs of environmental assessment and remediation; (4) cost of preliminary engineering and design; (5) cost of construction and construction management; and (6) any other Project costs.
- C. The Local Government shall be solely responsible for all of its costs associated with the Project provided for in this Agreement. The Local Government shall be responsible for cost overruns for the Project in excess of the estimated amount to be paid by the Local Government on Attachment C. The Local Government shall also be responsible for direct and indirect costs incurred by the State related to performance of this project if so indicated on Attachment C. If the State determines that the on-system improvements are of significant operational benefit to the State, the State may waive its direct or indirect costs. The State's waiver of its direct or indirect costs shall be indicated on Attachment C by showing the State as responsible for these costs. When the Local Government is responsible for the State's direct or indirect costs, the amount indicated on Attachment C is a fixed fee and not subject to adjustment except through the execution of an amendment to this Agreement.
- D. Prior to the performance of any engineering review work by the State, the Local Government shall pay to the State the amount of direct and indirect State costs specified in Attachment C.
- E. Whenever funds are paid by the Local Government to the State under this Agreement, the Local Government shall remit a check or warrant made payable to the "Texas Department of Transportation" or may use the State's Automated Clearing House (ACH) system for electronic transfer of funds in accordance with instructions provided by TxDOT's Financial Management Division. The funds shall be deposited and managed by the State and are not refundable.
- F. The Local Government will begin construction on the Project within 6 months after execution of the Agreement.
- G. The Local Government will complete construction and receive the State's acceptance of the project within 12 months after the date the State authorizes in writing for the Local Government to commence construction of the Project.
- H. If the Local Government chooses not to or fails to complete the work once construction on the Project commences, the State may terminate this Agreement in accordance with paragraph 4.C. below. The State may address unfinished construction work as it determines necessary to protect the interests of the State, which includes returning the

CSJ #	0540-04-094
District #	17 – BRY
Code Chart 64 #	09050 – City of College Station
Project Name	FM 2154 DMS Board

Project area to its original condition or completing the work using State forces or contractors. The Local Government shall pay all costs incurred by the State under this provision.

4. Termination of this Agreement

This Agreement shall remain in effect until the Project is completed and accepted by the State, unless:

- A. The Agreement is terminated in writing with the mutual consent of the parties;
- B. The State terminates the Agreement in writing due to the Local Government's failure to comply with paragraphs 3.F or 3.G; or
- C. The Agreement is terminated by one party because of a breach, in which case any cost incurred because of the breach shall be paid by the breaching party.

5. Amendments

Amendments to this Agreement due to changes in the character of the work, terms of the Agreement, or responsibilities of the parties relating to the Project may be enacted through a mutually agreed upon, written amendment. Amendments may not include the addition of State or Federal funds. If any funds other than Local Government funds are proposed, this Agreement must be terminated and a new agreement with appropriate terms and clauses executed in its place.

6. Remedies

This Agreement shall not be considered as specifying the exclusive remedy for any Agreement default, but all remedies existing at law and in equity may be availed of by either party to this Agreement and shall be cumulative.

7. Architectural and Engineering Services

The Local Government has responsibility for the performance of architectural and engineering services. The engineering plans shall be developed in accordance with the applicable *State's Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges* and the special specifications and special provisions related to it. The Project design shall, at a minimum conform to applicable State manuals.

The State shall review the plans, specifications, and estimates provided by the Local Government upon completion or at any time deemed necessary by the State. Should the State determine that the complete plans, specifications, and estimates for the Project are not acceptable, the Local Government shall correct the design documents to the State's satisfaction. Should additional specifications or data be required by the State, the Local Government shall redesign the plans and specifications to the State's satisfaction. The costs for additional work on the plans, specifications, and estimates shall be borne by the Local Government.

8. Environmental Assessment and Mitigation

Development of a transportation project must comply with applicable environmental laws. The Local Government is responsible for:

- A. The identification and assessment of any environmental problems associated with the development of the Project governed by this Agreement.
- B. The cost of any environmental problem's mitigation and remediation.

CSJ #	0540-04-094
District #	17 – BRY
Code Chart 64 #	09050 – City of College Station
Project Name	FM 2154 DMS Board

- C. Providing any public meetings or public hearings required for development of all required environmental documents and obtaining all required permits and approvals.
- D. The preparation of documents required for the environmental clearance of the Project.

Before the advertisement for bids, the Local Government shall provide to the State written documentation from the appropriate regulatory agency or agencies that all environmental clearances and approvals have been obtained.

9. Right of Way and Real Property

The Local Government shall acquire all required right of way and necessary right of entry for performance of the Project in accordance with applicable requirements of the Texas Department of Transportation Right of Way Manual, State law, and Federal law governing the acquisition of real property including but not limited to Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C.A. Section 4601 et seq. Right of way acquired for improvements to the state highway system shall be acquired in the name of the State. Local Government shall provide right of entry to State personnel and its authorized representatives to areas off the state highway system throughout the duration of the Project for the State to perform inspection and oversight of the Project.

10. Utilities

The Local Government shall be responsible for the adjustment, removal, or relocation of utility facilities for the Project in accordance with applicable State and Federal laws, regulations, rules, policies, and procedures, including any cost to the State of a delay resulting from the Local Government's failure to ensure that utility facilities are adjusted, removed, or relocated before the scheduled beginning of construction. The Local Government will not be reimbursed for the cost of required utility work. The Local Government must obtain advance approval for any variance from established procedures.

11. Compliance with Texas Accessibility Standards and ADA

Local Government shall ensure that the plans for and the construction of the Project are in compliance with standards issued or approved by the Texas Department of Licensing and Regulation (TDLR) as meeting or consistent with minimum accessibility requirements of the Americans with Disabilities Act (P.L. 101-336) (ADA).

12. Construction Responsibilities

- A. The Local Government shall advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders that may become necessary subsequent to the award of the construction contract. Project plans and specifications for improvements on the state highway system must be approved by the State prior to advertising for construction. Upon selection of a contractor and prior to commencing construction within the state highway system right of way, the Local Government shall request and obtain written authorization to commence construction of the Project from the State. The Local Government will supervise and inspect all work performed hereunder and provide such engineering inspection and testing services as may be required to ensure

CSJ #	0540-04-094
District #	17 – BRY
Code Chart 64 #	09050 – City of College Station
Project Name	FM 2154 DMS Board

that the construction is accomplished in accordance with the approved plans and specifications. All construction change orders impacting the proposed improvements, traffic control, environmental mitigation, or drainage on the state highway system require written pre-approval by the State prior to execution by the Local Government.

- B. Upon completion of the Project, the Local Government will issue and sign a “Notification of Completion” acknowledging the Project’s construction completion. A copy will be provided to the State prior to State’s final acceptance of the improvements.
- C. Prior to the State’s acceptance of the improvements on the state highway system, Local Government shall furnish to the State written certification from a Texas Registered Professional Engineer that the Project was constructed in substantial compliance with the Project’s plans, specifications, and quality assurance requirements.

13. Project Maintenance

After Local Government completion of the work and acceptance by the State, the State will be responsible for maintenance of the improvements within the state highway system right of way outside the boundaries of an incorporated city. This obligation may be fulfilled through other agreements signed by the State.

14. Notices

All notices to either party shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to that party at the following address:

Local Government	State
Director of Public Works City of College Station P.O. Box 9960 College Station, Texas 78701	Director of Contract Services Texas Department of Transportation 125 E. 11 th Street Austin, Texas 78701

All notices shall be deemed given on the date delivered in person or deposited in the mail, unless otherwise provided by this Agreement. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail, and that request shall be carried out by the other party.

15. Legal Construction

If one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions and this Agreement shall be construed as if it did not contain the invalid, illegal, or unenforceable provision.

16. Responsibilities of the Parties

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party, and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

CSJ #	0540-04-094
District #	17 – BRY
Code Chart 64 #	09050 – City of College Station
Project Name	FM 2154 DMS Board

17. Ownership of Documents

Upon completion or termination of this Agreement, copies of all documents and data prepared under this Agreement by the Local Government for improvements within the state highway system right of way shall be provided to the State prior to State acceptance of the Project without restriction or limitation on their further use. The originals shall remain the property of the Local Government. At the request of the State, the Local Government shall submit any Project information required by the State in the format directed by the State.

18. Compliance with Laws

The parties shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this Agreement. When required, the Local Government shall furnish the State with satisfactory proof of this compliance.

19. Sole Agreement

This Agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings or written or oral agreements respecting the Agreement's subject matter.

20. Inspection of Books and Records

The parties to this Agreement shall maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred and engineering inspection and testing services performed under this Agreement and shall make such materials available to the State and the Local Government or their duly authorized representatives for review and inspection at its office during the Agreement period and for seven (7) years from the date of completion of work defined under this Agreement or until any impending litigation or claims are resolved. Additionally, the State and the Local Government and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

21. Insurance

Before beginning work on the state highway system, the Local Government and its contractor performing the work shall provide the State with a fully executed copy of the State's Form 1560 Certificate of Insurance verifying the existence of coverage in the amounts and types specified on the Certificate of Insurance for all persons and entities working on state right of way. Self-insurance documentation acceptable to the State may be substituted for all or part of the coverage's required for the Local Government. This coverage shall be maintained until all work on the state right of way is complete. If coverage is not maintained, all work on state right of way shall cease immediately, and the State may recover damages and all costs of completing the work.

22. Pertinent Non-Discrimination Authorities

During the performance of this Agreement, the Local Government, for itself, its assignees, and successors in interest agree to comply with all applicable Federal and State nondiscrimination statutes and authorities.

CSJ #	0540-04-094
District #	17 – BRY
Code Chart 64 #	09050 – City of College Station
Project Name	FM 2154 DMS Board

23. Signatory Warranty

Each signatory warrants that the signatory has necessary authority to execute this Agreement on behalf of the entity represented.

Each party is signing this agreement on the date stated under that party’s signature.

THE STATE OF TEXAS

THE LOCAL GOVERNMENT

Signature

Kenneth Stewart
Typed or Printed Name

Director of Contract Services
Typed or Printed Title

Date

Signature

Bryan Woods
Typed or Printed Name

City Manager
Typed or Printed Title

Date

CSJ #	0540-04-094
District #	17 – BRY
Code Chart 64 #	09050 – City of College Station
Project Name	FM 2154 DMS Board

ATTACHMENT A
RESOLUTION, ORDINANCE, OR COMMISSIONERS COURT ORDER

CSJ #	0540-04-094
District #	17 – BRY
Code Chart 64 #	09050 – City of College Station
Project Name	FM 2154 DMS Board

ATTACHMENT B PROJECT LOCATION MAP



CSJ #	0540-04-094
District #	17 – BRY
Code Chart 64 #	09050 – City of College Station
Project Name	FM 2154 DMS Board

ATTACHMENT C
LOCAL ON-SYSTEM IMPROVEMENT PROJECT BUDGET
(Locally Funded and Performed Project)

The Local Government is responsible for 100% of the costs allocated to it as described below, including overruns.

Description	Estimated Costs	Subtotals
PROJECT PHASES: Work performed by the Local Government or its Consultant or Contractor		
Environmental	\$	
Right of Way	\$	
Engineering	\$97,723.00	
Utility Work	\$	
Construction	\$97,534.90	
Subtotal for Project Phases		\$195,257.90
DIRECT STATE COSTS:	Paid By: ☐ Local Government ☒ State	
Environmental	\$	
Right of Way	\$	
Engineering	\$1,024	
Utility Work	\$	
Construction	\$5,803	
Subtotal for Direct State Costs		\$6,827
INDIRECT STATE COSTS:	Paid By: ☐ Local Government ☒ State	
Subtotal for Indirect State Costs		\$325.67
TOTAL ESTIMATED COST OF PROJECT		\$202,410.90

\$0	Fixed price amount of payment by the Local Government to the State for the State's direct and indirect costs as stated in Article 3, C and D of the Agreement.
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July 14, 2022

Item No. 7.4.

Electrical Engineering Services Contract Renewal with McCord Engineering Inc.

Sponsor: Timothy Crabb, Director of Electric

Reviewed By CBC: N/A

Agenda Caption: Presentation, discussion, and possible action regarding the second and last renewal of a professional services contract with McCord Engineering, Inc. for electrical engineering services for an amount not to exceed \$600,000.

Relationship to Strategic Goals:

Financially Sustainable City Core Services and Infrastructure

Recommendation(s): Recommendation(s): Staff recommends Council approve renewal two of Contract 20300510 with McCord Engineering, Inc. for the not-to-exceed amount of \$600,000.

Summary: The City of College Station Electric Utilities Department has contracted with McCord Engineering, Inc. for several years for engineering services. McCord Engineering is a highly-qualified, local business and is very responsive to the needs of the City. Based on McCord's unique familiarity with the City's electric system, it is in the City's best interest to continue to contract with McCord to provide these services. This contract is exempt from the City's Request for Qualifications process. It is anticipated that McCord Engineering will provide engineering and design services as needed for new and existing electric system facility additions and improvements. This is the second and last renewal, with an annual not-to-exceed amount of \$600,000.

Budget & Financial Summary: Funds are budgeted and available in the Electric Utility's capital and operations and maintenance budgets.

Attachments:

1. 20300510R2 Mc Cord Eng Inc Ltr 61022



June 10, 2022

ATTN: Mr. Rex Woods
McCord Engineering, Inc.
916 Southwest Parkway East
College Station, TX 77840

RE: C#20300510 Contract Renewal 2
Engineering Services Retainer Contract

Dear Mr. Woods,

The City of College Station appreciates the products and services provided by McCord Engineering, this last year. We would like to exercise our option to renew the above referenced price agreement for the term of July 23, 2022, through July 22, 2023, with contract amount not to exceed Six Hundred Thousand and 00/100 Dollars (\$600,000.00). This is the second and last renewal for this contract.

If this contract renewal meets your company's approval, please provide your confirmation for renewal via return e-mail to rforsyth@cstx.gov., no later than June 17, 2022.

Sincerely,

Robyn Forsyth
Buyer C.T.P.M.
City of College Station
1101 Texas Avenue S
College Station, Tx 77840
rforsyth@cstx.gov
979-764-3437

Attachment

PO Box 9960
1101 Texas Avenue
College Station, TX 77842

www.cstx.gov

.....

CONTRACT #20300510 RENEWAL #2 ACCEPTANCE

By signing herewith, I acknowledge and agree to Contract #20300510 Renewal Two (2), for the “Engineering Services Retainer Contract” in accordance with all terms and conditions agreed to and accepted, for an amount not to exceed Six Hundred Thousand and 00/100 Dollars (\$600,000.00)

I understand this renewal term will be for the period beginning July 23, 2022, through July 22, 2023. This is the second and last renewal for this contract.

McCord Engineering Inc.

CITY OF COLLEGE STATION

By: _____
Printed Name: _____
Title: _____
Date: _____

By: _____
City Manager
Date: _____

APPROVED:

City Attorney
Date: _____

Asst. City Manager/CFO
Date: _____



McCORD
ENGINEERING, INC.

McCord Engineering, Inc.

916 Southwest Parkway East
College Station, Texas 77840
(979) 764-8356 Fax (979) 764-9644

Exhibit A CONFIDENTIAL

TO: City of College Station

July 1, 2021

FEE SCHEDULE

A. Engineering Services Rendered

1. Mileage in accordance with the current IRS rate.
2. Out of pocket expenses (Meals, Motel, Postage, Printing, etc.) - at cost.
3. Salaries and Wages - Below is our current hourly rates by position title for MEI personnel. These rates are valid for one year.

Registered Professional Engineers

Level 1	\$100.00-\$140.00
Level 2	\$140.00-\$190.00
Level 3	\$190.00-\$265.00

Engineering Technician/Project Managers

Level 1	\$45.00-\$90.00
Level 2	\$90.00-\$110.00
Level 3	\$110.00-\$150.00
Level 4	\$150.00-\$200.00

Field Services Technician

Level 1	\$45.00-\$55.00
Level 2	\$50.00-\$64.00
Level 3	\$64.00-\$70.00
Level 4	\$70.00-\$90.00
Level 5	\$90.00-\$120.00

Administrative

Level 1	\$25.00-\$80.00
Level 2	\$80.00-\$150.00

Draftsmen

Level 1	\$40.00-\$60.00
Level 2	\$60.00-\$70.00
Level 3	\$70.00-\$100.00

Computer Programmer.....	\$50.00-\$100.00
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UAV/Lidar Services (amount per hour)

UAV Equipment.....	\$160.00
Lidar.....	\$250.00

Our services are billed on a monthly basis with payment due net 30 days.

July 14, 2022

Item No. 7.5.

Contract for Electrical Engineering Services for the Transmission and Distribution Electric Line Relocation for the State Highway 6 Widening Project (CSJ#1)

Sponsor: Timothy Crabb, Director of Electric

Reviewed By CBC: N/A

Agenda Caption: Presentation, discussion, and possible action regarding the approval of a contract between the City of College Station and McCord Engineering, Inc. not to exceed the amount of \$550,000 for the purpose of engineering design and required deliverables to facilitate the necessary relocation of all City of College Station (COCS) electric facilities in conflict with the State Highway 6 Expansion Project CSJ#1.

Relationship to Strategic Goals:

Financially Sustainable City
Core Services and Infrastructure

Recommendation(s): Staff recommends approval of the contract with McCord Engineering Inc.

Summary: The City of College Station Electric Department will be required to relocate electric facilities in conflict with TxDOT's State Highway (SH) 6 Expansion Project CSJ#1 from the city limit line between the cities of College Station and Bryan to the intersection of SH 6 and Business 6. The City of College Station Electric Utilities Department has contracted with McCord Engineering, Inc. for many years for electrical engineering services. McCord Engineering is a highly-qualified local business and is very responsive to the needs of the City. Based on their unique familiarity with the City's electric system, it is in the City's best interest to contract with McCord Engineering to provide electrical engineering services for this project. As such, this contract is exempt from the City's Request for Qualifications process.

Budget & Financial Summary: Funds are available as budgeted and approved in the Electric Utility's annual budget and in the Electric Utility Capital Improvement Projects Fund for professional services related to electric capital improvement projects.

Attachments:

1. Contract is available for review in the City Secretary's Office

Contract 22300604 is available for review in the City Secretary's office.

July 14, 2022

Item No. 7.6.

Ordinance Amendment for Electric Rate Schedule Transmission Delivery Adjustment

Sponsor: Timothy Crabb, Director of Electric

Reviewed By CBC: N/A

Agenda Caption: Presentation, discussion, and possible action regarding an ordinance amending Chapter 40, "Utilities," Article III "Electric System," Division 2 "Rate Schedules," Section 40-322 "Electric Rate Schedule TDA (Transmission Delivery Adjustment)" of the Code of Ordinances of the City of College Station, Texas, by amending Section 40-322 "Electric Rate Schedule TDA (Transmission Delivery Adjustment)," providing a severability clause and providing an effective date.

Relationship to Strategic Goals:

Core Services and Infrastructure
Financial Sustainability

Recommendation(s): Staff recommends approval of this ordinance amendment.

Summary: The Transmission Delivery Adjustment (TDA) is a method to recover the cost of Electric Reliability Council of Texas (ERCOT) charges for utilizing and maintaining the transmission system to transport energy to serve the needs of College Station Electric Utility (CSU) customers. Through annual adjustments to reflect actual costs related to the transportation of energy through the ERCOT system, CSU can remain whole on these costs, which can fluctuate year-to-year. This amendment clearly defines the calculation for TDA.

Budget & Financial Summary: N/A

Attachments:

1. Ch. 40-322 TDA Definition Ord_20220531

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 40 "UTILITIES," ARTICLE III "ELECTRIC SYSTEM," DIVISION 2 "RATE SCHEDULES," SECTION 40-322 "ELECTRIC RATE SCHEDULE TDA (TRANSMISSION DELIVERY ADJUSTMENT)" OF THE CODE OF ORDINANCES OF THE CITY OF COLLEGE STATION, TEXAS, BY AMENDING SECTION 40-322 "ELECTRIC RATE SCHEDULE TDA (TRANSMISSION DELIVERY ADJUSTMENT);" PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

PART 1: That Chapter 40 "Utilities," Article III "Electric System," Division 2 "Rate Schedules," Section 40-322 "Electric Rate Schedule TDA (Transmission Delivery Adjustment)" of the Code of Ordinances of the City of College Station, Texas, be amended by amending Section 40-322 "Electric Rate Schedule TDA (Transmission Delivery Adjustment)," as set out in **Exhibit "A"**, attached hereto and made a part of this ordinance for all purposes.

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

PART 3: This Ordinance becomes effective immediately upon passage by the City Council.

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

APPROVED:

Mayor

ATTEST:

City Secretary

APPROVED:

City Attorney

EXHIBIT “A”

That Chapter 40 “Utilities,” Article III “Electric System,” Division 2 “Rate Schedules,” Section 40-322 “Electric Rate Schedule TDA (Transmission Delivery Adjustment)” of the Code of Ordinances of the City of College Station, Texas, is hereby amended to read as follows:

Sec. 40-322. - Electric Rate Schedule TDA (transmission delivery adjustment).

- (a) There is hereby established Electric Rate Schedule TDA, which shall be electric service billed under all applicable rate schedules and shall be subject to the application of a transmission delivery adjustment (TDA) charge determined by multiplying the billing kilowatt hour (kwh) for the current month times a Transmission Delivery Adjustment Factor (TDAF). The TDAF shall be calculated on an annualized basis in accordance with the following formula:

$$TDAF = \frac{TC}{S * CF}$$

- (b) Definitions. The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a different meaning:

- (1) TDAF means transmission delivery adjustment factor, rounded to the nearest \$0.0001 per kWh.
- (2) TC means total estimated transmission delivery cost including congestion fees, Transmission Cost of Service (TCOS) Matrix estimated access payment fees, and any other costs associated with delivery of wholesale power to the City on an annualized basis.
- (3) S means total estimated kWh energy sales to City customers on an annualized basis, minus the kWh’s allotted to streetlight service and security lights.
- (4) CF means correction factor adjustment to be applied to correct for any variance between actual kWh sales and collections. This adjustment is made to account for collecting the entire amount allocated to transmission delivery cost. This calculation will be made on an annual basis to coincide with the Public Utility Commission of Texas (PUCT) adjustment to the TCOS Matrix.

July 14, 2022
Item No. 7.7.
Annual Badger Water Meters

Sponsor: Gary Mechler, Director of Water

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on approving annual water meter purchases from Badger Meter, Inc. Based on the current unit pricing, the estimated annual expenditure for water meters is \$125,000.

Relationship to Strategic Goals:

1. Financially Sustainable City
2. Core Services and Infrastructure

Recommendation(s): Staff recommends approval to purchase water meters from Badger Meter, Inc.

Summary: Water meters will be purchased, stocked in the Water/Wastewater inventory, and expensed as necessary for the ongoing water meter replacement program.

Badger Meter, Inc. is the sole manufacturer of Badger Meters. This is a sole source purchase and is exempt from competitive bidding as more fully described in Texas Local Government Code, Chapter 252.022 (7). See the attached sole source justification documentation for additional information.

Budget & Financial Summary: Funds are budgeted and available in the Water/Wastewater Fund. Various projects may be expensed as supplies are pulled from inventory and issued.

Attachments:

1. Badger Meter, Inc. Quote
2. Sole Source Letter



DATE: June 24, 2022
QUOTED BY: TOBY SLEDGE
CUSTOMER EMAIL: bbmiller@cstx.gov
QUOTE #: BMI_CS_090121

BILL TO:

City of College Station - Electric Utility Admin Office
1601 Graham Road
College Station, TX 77842

SHIP TO:

City of College Station - Electric Utility Admin Office
1601 Graham Road
College Station, TX 77842

SALESPERSON	PAYMENT TERMS	SHIPPING METHOD	PROJECT	QUOTE TERM
T. SLEDGE	Net 30 Days	Best Way	METER PARTS	8/1/22 - 7/31/23

QTY	Product Description	UNIT PRICE	AMOUNT
1000	RCDL M25 LL Disc Meter (NSF 61-G), 5/8" X 3/4-3/4 Bore (3/4 X 7 1/2), Low Lead Bronze Bottom, Less Connections, Local Register, Gallon, Plastic Shroud / Plastic Lid (Black) No AMR, UM1-0001-7359	\$ 67.00	\$ 67,000.00
50	RCDL M70 LL Disc Meter (NSF 61-G), 1" (1 X 10 3/4), LowLead Bronze Bottom, Less Connections, Local Register, Gallon, Plastic Shroud / Plastic Lid (Black) No AMR,UM1-0003-1806	\$ 167.00	\$ 8,350.00

Toby Sledge
Account Manager
Phone: 979-571-3183
Email: tsledge@badgermeter.com
www.badgermeter.com



4545 W Brown Deer Road
PO Box 245036
Milwaukee, Wisconsin 53224-9536
414-355-0400 | 800-876-3837
www.badgermeter.com

June 8, 2020

Ms. Brandi Whittenton, Buyer
City of College Station
PO BOX 9960
College, Station TX 77845

RE: Sole Source Letter

Dear Ms. Whittenton:

This correspondence confirms that Badger Meter is the sole authorized manufacturer of Badger Meter products.

In the event you have any questions regarding this correspondence, we can be reached by telephone at 800-876-3837 ext. 17290 or via email at bids@badgermeter.com.

Sincerely,

BADGER METER, INC.

A handwritten signature in blue ink, appearing to read 'Chris D. Washington'.

Christopher D. Washington
Assistant Secretary

July 14, 2022

Item No. 7.8.

Waste Falcon, LLC Franchise Agreement Ordinance

Sponsor: Emily Fisher, Director of Public Works

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on the first reading of a franchise agreement ordinance with Waste Falcon, LLC for the collection of recyclables from commercial businesses and multi-family locations.

Relationship to Strategic Goals:

1. Core Services and Infrastructure

Recommendation(s): Staff recommends approval

Summary: The proposed agreement would allow Waste Falcon, LLC to collect recyclables from commercial businesses and multi-family locations within the City of College Station. The company will be responsible for developing on-site collection of recyclables so as not to interfere with the collection of municipal solid waste (MSW).

Budget & Financial Summary: N/A

Attachments:

1. 22300601 Waste Falcon



CONTRACT#: 22300601 PROJECT#: N/A BID/RFP/RFP#: N/A

Name of Contractor:

Waste Falcon, LLC

CONTRACT TOTAL VALUE: \$ N/A

Grant Funded ☐ Yes ☒ No

If yes, what is the grant number:

Debarment Check ☐ Yes ☐ No ☒ N/A

Davis Bacon Wages Used ☐ Yes ☐ No ☒ N/A

Section 3 Plan Incl. ☐ Yes ☐ No ☒ N/A

Buy America Required ☐ Yes ☐ No ☒ N/A

Transparency Report ☐ Yes ☐ No ☒ N/A

☒ NEW CONTRACT ☐ RENEWAL # _____ ☐ CHANGE ORDER # _____ ☐ OTHER _____

BUDGETARY AND FINANCIAL INFORMATION (Include number of bids solicited, number of bids received, funding source, budget vs. actual cost, summary tabulation)

Two City Council readings required for this Franchise Agreement; scheduled for July 14, 2022 & July 28, 2022.

(If required)*

CRC Approval Date*: N/A Council Approval Date*: 07/14/22 & 07/28/22 Agenda Item No*: _____

--Section to be completed by Risk, Purchasing or City Secretary's Office Only--

Insurance Certificates: *RU* Performance Bond: N/A Payment Bond: N/A Info Tech: N/A

SIGNATURES RECOMMENDING APPROVAL

Emily Fisher
DEPARTMENT DIRECTOR/ADMINISTERING CONTRACT

6/17/2022

DATE _____

John A. Haislet
LEGAL DEPARTMENT

6/21/2022

DATE _____


ASST CITY MGR – CFO

6/21/2022

DATE _____

APPROVED & EXECUTED

CITY MANAGER

DATE _____

MAYOR (if applicable)

DATE _____

CITY SECRETARY (if applicable)

DATE _____

ORDINANCE NO. _____

RECYCLABLES COLLECTION FRANCHISE AGREEMENT

AN ORDINANCE GRANTING CONTRACTOR, WASTE FALCON, LLC, ITS SUCCESSORS AND ASSIGNS, A NON-EXCLUSIVE FRANCHISE FOR THE PRIVILEGE AND USE OF PUBLIC STREETS, ALLEYS, AND PUBLIC RIGHTS OF WAY WITHIN THE CORPORATE LIMITS OF THE CITY OF COLLEGE STATION (“CITY”) FOR THE PURPOSE OF PROVIDING COLLECTION OF DEMOLITION AND CONSTRUCTION DEBRIS, RECYCABLES, AND ORGANIC WASTE FROM COMMERCIAL, INDUSTRIAL, AND MULTI-FAMILY SITES; PRESCRIBING THE TERMS, CONDITIONS, OBLIGATIONS, AND LIMITATIONS UNDER WHICH SAID FRANCHISE SHALL BE EXERCISED; PROVIDING FOR THE CONSIDERATION; FOR THE PERIOD OF THE GRANT; FOR ASSIGNMENT; FOR THE METHOD OF ACCEPTANCE; FOR REPEAL OF CONFLICTING ORDINANCES; FOR PARTIAL INVALIDITY.

WHEREAS, the City, by ordinance, exclusively provides all solid waste collection and disposal services for solid waste aggregated from within the City limits including, but not limited to Recyclables; and

WHEREAS, the City pursuant to City Charter Article XI, may grant franchises to entities for use of public streets, alleys, and highways for collection of Solid Waste and Recyclables generated within the City limits; and

WHEREAS, the City of College Station desires to exercise the Charter’s authority and grant a non-exclusive franchise to Contractor for collection of demolition and construction debris and other waste for disposal using roll off containers, and recyclable materials, and organic waste from multifamily and commercial locations for the purpose of recycling.

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

Table of Contents

Article I. Definitions	3
Article II. Grant of Authority and Acceptance	4
Article III. Payment and Term	4
Article IV. Access to Records & Reporting	6
Article V. Rates to be Charged by Contractor	6
Article VI. Appearance of Personnel and Equipment	6
Article VII. Collection and Transport of Recyclables	7
Article VIII. Placement of Receptacles	7
Article IX. Service Complaints	7
Article X. Disposal and Processing	8
Article XI. Violation and Penalty	8
Article XII. Insurance	8
Article XIII. Indemnification and Release	9
Article XIV. Disputes and Mediation	9
Article XV. General Terms	10
Exhibit A. Schedule of Rates	13
Exhibit B. Insurance Requirements	14
I) Standard Insurance Policies Required:	14
II) General Requirements Applicable to All Policies:	14
III) Commercial General Liability	14
IV) Business Automobile Liability	15
V) Workers' Compensation Insurance	15
Exhibit C. Certificates of Insurance	16

ARTICLE I. DEFINITIONS

- 1.1 **Agreement** means this Franchise Agreement adopted by City Ordinance between City and Contractor for the collection of Recyclables within the City limits.
- 1.2 **Approved Customers** means those designated premises located within the City that generate Recyclables.
- 1.3 **Brazos Valley Solid Waste Management Agency, Inc. (BVSWMA, Inc.)** means the permitted municipal solid waste landfill and compost facility owned and operated by a Texas local government corporation.
- 1.4 **City Council or Council** means the governing body of the City of College Station, Texas.
- 1.5 **City** means the City of College Station, a Texas Home Rule Municipal Corporation.
- 1.6 **City's Representative** means the Recycling & Environmental Compliance Manager or the Manager's designated appointee.
- 1.7 **Collection** means the scheduled aggregation of Recyclables by Contractor.
- 1.8 **Construction and Demolition Debris** means buildings material waste resulting from demolition, remodeling, repairs, or construction, as well as materials discarded during periodic temporary facility clean-up generated within the City.
- 1.9 **Contaminated** means Recyclables mixed with solid waste or altered in a way that results in materials being unrecyclable or un-compostable.
- 1.10 **Contractor** means the Contractor franchised for the collection of Recyclables.
- 1.11 **Customers** means the locations designated by the City as a Commercial Business or Multifamily Residence.
- 1.12 **Organic Waste** means waste of biological origin recovered from the solid waste stream for the purposes of reuse, reclamation, or compost. Organic Waste is not solid waste, unless it is abandoned or disposed of, rather than reprocessed into another product.
- 1.13 **Receptacle** means a weatherproof container easily identifiable and designated for recycling or organic waste collection and shall not be made of any temporary materials.
- 1.14 **Recyclables or Recyclable Materials** mean materials, including construction and demolition debris recovered from the solid waste stream for the purpose of reuse or reclamation, a substantial portion of which are consistently used in the manufacture of products that may otherwise be produced using raw or virgin materials. Recyclable materials are not solid waste unless they are abandoned or disposed of as garbage rather than reprocessed into another product.

- 1.15 **Residue** means the materials regularly associated with and attached to Recyclables, as a part of the original packaging or usage of that material that is not recyclable or compostable.
- 1.16 **Roll-Off / Compactor** means a container of varying capacity used for Recyclables collection.
- 1.17 **TAC** means the Texas Administrative Code now and as amended.
- 1.18 **TCEQ** means the Texas Commission on Environmental Quality.

ARTICLE II. GRANT OF AUTHORITY AND ACCEPTANCE

- 2.1 **Non-Exclusive.** City grants Contractor a non-exclusive franchise to operate and establish Recyclables collection from designated Customers. Nothing in this Agreement shall be construed as granting an exclusive franchise or right. City grants Contractor passage and rights-of-way on, along, and across City streets, highways, alleys, public places and all other real property for collecting demolition and construction debris, recyclables and organic waste from commercial, industrial, multifamily and residential construction sites for the purpose of disposal and/or recycling within the jurisdictional limits of the City. Contractor is expressly prohibited from collecting any recyclables from completed residences that are covered by the City's residential single stream recycling contract and program. All collection, work, activity, and undertakings by Contractor are subject to this Agreement and City's governmental and police powers.
- 2.2 **Acceptance.** By accepting this Agreement, Contractor represents it has, by careful examination, satisfied itself as to the nature and location of the services, character, quality, and quantity of services to be performed, the character of the equipment and facilities necessary to fulfill obligations under this Agreement, as well as the general and local conditions and all other matters affecting services performed under this Agreement.
- 2.3 **Option to Market Materials.** If City develops services or programs resulting in materials that may be recycled or composted, including but not limited to residential construction sites, multifamily, or commercial recycling or composting, the City shall have the option to market those to any contractor.
- 2.4 **Contract with City.** If City and Contractor contract for the collection and recycling or composting of materials, those terms will be incorporated into this Agreement by amendment.

ARTICLE III. PAYMENT AND TERM

- 3.1 **Franchise Fee.** For and in consideration of the grant of the franchise herein, Contractor agrees and will pay a Franchise Fee during the term of this Agreement, a sum based on the following graduated fee schedule depending on the percentage of aggregate recycling or composting accomplished:

- a. A fee is required, equivalent to five percent (5%) of Contractor's monthly gross revenues, delivery revenues, and hauling revenues; including rates as described in **Exhibit A**, generated from Contractor's provision of Recyclables collection services within the City if Contractor reports aggregate recycling or composting of at least sixty percent (60%) of Recyclables collected.
- b. A fee is required, equivalent to six and one half percent (6.5%) of Contractor's monthly gross revenues, delivery revenues, and hauling revenues; including rates as described in **Exhibit A**, generated from Contractor's provision of Recyclables collection services within the City if Contractor reports aggregate recycling or composting of at least fifty-five percent (55%) but less than sixty percent (60%) of Recyclables collected.
- c. A fee is required, equivalent to eight percent (8%) of Contractor's monthly gross revenues, delivery revenues, and hauling revenues; including rates as described in **Exhibit A**, generated from Contractor's provision of Recyclables collection services within the City if Contractor reports aggregate recycling or composting less than fifty-five percent (55%) of Recyclables collected.

3.2 Payments. Revenue received by Contractor from this Agreement is subject to the Franchise Fee and shall be computed into Contractor's monthly gross revenues, delivery revenues, hauling revenues, and rates, as described in **Exhibit A**. Payment will be paid quarterly to the City, and shall be due by the twentieth (20th) day of the month following the end of the previous calendar quarter. Payment after that date shall incur a ten percent (10%) late fee on the outstanding account balance under Article V.

3.3 Failure to Pay. Failure by Contractor to pay any amount due under this franchise constitutes a Failure to Perform under this contract and is subject to the provisions of Article XV. General Terms of this Agreement (Termination for Cause).

3.4 Franchise Fee Requirements. Payments must state on a form approved by the City:

- a. The number and type of Customers collected from, for the previous quarter, for Customers included in this Agreement.
- b. The total tons landfilled, recycled or composted, within the jurisdictional limits of the City, for the previous quarter.
- c. The total gross revenues for the previous calendar quarter, for revenues generated under this agreement.
- d. The total payment amount.

3.5 Term. The term of this Agreement shall be for a period of five (5) years, beginning on the date of acceptance and approval by City Council.

ARTICLE IV. ACCESS TO RECORDS & REPORTING

- 4.1 Facilities.** The City shall have the right to inspect the Contractor's facilities, equipment, personnel, and operations to ensure compliance with this Agreement.
- 4.2 Records.** The City shall have the right to inspect Contractor's records, receipts, and all documentation relating to the performance of this Agreement. Those records include, but are not limited to, information concerning the quality and quantity of Recyclables collected, processed, and sold; number of Customers served, gross amounts paid to and paid by Contractor from the sale/processing of Recyclables. The City agrees to notify the Contractor at least twenty-four (24) hours prior to such inspection of operations and/or records.
- 4.3 Records Retention.** Contractor shall retain all records associated with this Agreement for a period of four (4) years. City shall have access to information regarding Contractor's markets and prices paid for each type of material's return/cost; all information obtained by City marked confidential or proprietary shall remain confidential or proprietary pursuant to the Texas Open Records Act.
- 4.4 Activity Report.** Contractor shall provide a Monthly Recycling Activity Report, on a form approved by the City, summarizing the previous month's collection. This report is due to the City's Representative no later than the twentieth (20th) calendar day of each month. Contractor's report shall include the following information:
- a. The Customer collection count, itemized by customer type.
 - b. Total tonnage of materials collected, recycled, composted and/or landfilled, itemized by type of material, within the jurisdictional limits of the City.
 - c. Any other information concerning the collections as required by the City's Representative.

ARTICLE V. RATES TO BE CHARGED BY CONTRACTOR

- 5.1** The Contractor shall follow the Schedule of Rates attached hereto as **Exhibit A** for the services described herein. The rates provided shall be kept current and made available to the City's Representative within thirty (30) days of an adopted rate change. The Contractor agrees to use due diligence to keep costs from increasing.

ARTICLE VI. APPEARANCE OF PERSONNEL AND EQUIPMENT

- 6.1 Equipment.** Contractor shall ensure all collection equipment and vehicles are attractively painted, well maintained and are in good working condition. Equipment must be washed at least one time per week. Equipment and vehicles must have sufficient carrying capacity for safe and efficient collection. The City shall have the right to inspect and approve the appearance of collection equipment. A standby vehicle shall be available at all times for collection.

- 6.2 Signage.** Contractor's vehicles shall at all times be clearly labeled with Contractor's name and phone number in visible letters and numbers not less than three (3) inches in height. Signage must be on both sides of the vehicle and placed in a conspicuous place. Only labeled vehicles shall perform collection activities under this Agreement. Contractor's roll-offs, compactors, and receptacles must be clearly marked as used for collection in letters at least twelve inches (12") in height on each side of the container.
- 6.3 Personnel.** All collection personnel shall wear a City-approved uniform to include, at minimum, matching labeled shirts with denim jeans or other standard work attire.

ARTICLE VII. COLLECTION AND TRANSPORT

- 7.1 Transport.** The Contractor shall only transport collected materials for storage, processing, disposal, or other necessary handling to locations in a manner permitted by the terms of this Agreement as well as federal, state, and local law. This Agreement does not authorize Contractor to utilize the streets, alleys, and public ways to dispose of municipal solid waste or any other type of waste intended for disposal from any other project.
- 7.2 Cover.** During transport of materials all vehicles shall be covered to prevent release of litter.

ARTICLE VIII. PLACEMENT OF RECEPTACLES

- 8.1 Placement.** All roll-offs, compactors, and receptacles placed in service shall be located in such a manner so as not to be a safety or traffic hazard. Under no circumstances shall Contractor place roll-offs, compactors, or receptacles on public streets, alleys, or thoroughfares without prior approval of the City's Representative. City reserves the right to designate the exact location of any or all roll-offs, compactors, or containers placed in service in the City.
- 8.2 City Collection.** Collections shall not interfere with the City's collection of municipal solid waste. Under no circumstances shall contractor place roll-offs, compactors, or receptacles in existing enclosures designated for City roll-offs, compactors, and receptacles.

ARTICLE IX. SERVICE COMPLAINTS

- 9.1 Nature of Complaint.** Contractor shall handle directly any complaints pertaining to customer service, property damage, or personal injury from their commercial business and multifamily Recyclables collection service.
- 9.2 Intake.** Contractor shall develop written practices and procedures for receiving and resolving Customer complaints and collection issues. Any complaint received by the City shall be forwarded to the Contractor within one (1) business day of receipt.

- 9.3 Response.** Contractor shall respond to all complaints within one (1) business day of receiving a complaint from a Customer or notice of complaint from the City. Regardless of the nature of the complaint, Contractor shall report the action taken to the City in accordance with Article IV. Access to Records & Reporting.
- 9.4 Complaint Charges.** Upon receipt of ten (10) Customer complaints within a forty-five (45) day period, Contractor shall be assessed a charge of Three Hundred Dollars (\$300.00). Complaints are to be verified by the Contractor and the City's Representative. The City shall invoice the Contractor such charges.

ARTICLE X. DISPOSAL AND PROCESSING

- 10.1 Disposal Site.** Unless approved otherwise in writing by the City, Contractor shall utilize BVSWM, Inc. Landfill for the disposal of all non-recyclable waste material collected by Contractor within the corporate limits of the City.
- 10.2 Processing Facility.** Contractor shall only use a City-approved recycling or composting facility for processing of all Recyclables collected by Contractor within the corporate limits of the City under this Agreement.

ARTICLE XI. VIOLATION AND PENALTY

- 11.1 Fine.** It shall be unlawful for any person, firm or corporation to violate any provision or term of this Agreement and they shall receive a citation and fine not to exceed \$2,000.00 per offense per day. Each and every day a violation continues constitutes a separate offense.
- 11.2 Remedies.** In addition to any rights set out elsewhere in this Agreement, or other rights the City may possess at law or equity, the City reserves the right to apply any remedies, alone or in combination, in the event Contractor violates any provision of this Agreement. The remedies provided for in this Agreement are cumulative and not exclusive; the exercise of one remedy shall not prevent the exercise of another, or any rights of the City at law or equity.

ARTICLE XII. INSURANCE

- 12.1** The Contractor shall procure and maintain, at its sole cost and expense for the term of this Agreement, insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the services performed by the Contractor, its agents, representatives, volunteers, employees, or subcontractors.
- 12.2** The Contractor's insurance shall list the City of College Station, its employees, agents, volunteers, and officials as additional insureds. Insurance requirements are attached in **Exhibit B**. Certificates of insurance evidencing the required insurance coverages are attached in **Exhibit C**.

ARTICLE XIII. INDEMNIFICATION AND RELEASE

- 13.1 Indemnification.** Contractor shall indemnify, hold harmless, and defend the City, its officers, agents, volunteers, and employees from and against any and all claims, losses, damages, causes of action, suits, and liability of every kind, including all expenses of litigation, court costs, and attorney's fees, for injury to or death of any person or for damage to any property arising out of or in connection with the work and services done by the Contractor under this Agreement. Such indemnity shall apply regardless of whether the claims, losses, damages, causes of action, suits, or liability arise in whole or in part from the negligence of the City, any other party indemnified hereunder, the Contractor, or any third party.
- 13.2 Release.** The Contractor assumes full responsibility for the work to be performed hereunder and hereby releases, relinquishes, and discharges the City, its officers, agents, volunteers, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person and any loss of or damage to any property caused by, alleged to be caused by, arising out of, or in connection with the Contractor's work and services to be performed hereunder. This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance and regardless of whether such injury, death, loss, or damage was caused in whole or in part by the negligence of the City, any other party released hereunder, the Contractor, or any third party.

ARTICLE XIV. DISPUTES AND MEDIATION

- 14.1 Disputes.** If a dispute arises between City and Contractor during this Agreement, the dispute shall first be referred to the operational officers or representatives designated by the parties having oversight of the Agreement's administration. The officers or representatives shall meet within thirty (30) days of either party's request for a meeting, whichever request is first, and the parties shall make a good faith effort to achieve a resolution of the dispute.
- 14.2 Mediation.** If the parties are not able to resolve the dispute under the procedure in this article, then the parties agree the matter shall be referred to non-binding mediation. The parties shall mutually agree upon a mediator to assist in resolving their differences. If the parties cannot agree upon a mediator, the parties shall jointly obtain a list of three (3) mediators from a reputable dispute resolution organization and alternate striking mediators on that list until one remains. A coin toss shall determine who may strike the first name. If a party fails to notify the other party of which mediator it has stricken within two (2) business days, the other party shall select the mediator from those mediators remaining on the list. The parties shall pay their own expenses of any mediation and will share the cost of the mediator's services.
- 14.3 Other Remedies.** If the parties fail to achieve a resolution of the dispute through mediation, either party may then pursue any available judicial remedies.

ARTICLE XV. GENERAL TERMS

15.1 Performance. Contractor, its employees, associates, or subcontractors shall perform all the services in a professional manner and be fully qualified and competent to perform those services.

15.2 Termination.

a. For Convenience. At any time, the City or Contractor may terminate this Agreement for convenience, in writing with thirty (30) days' written notice. City shall be compensated for outstanding Franchise Fees.

b. For Cause. City may terminate this Agreement if Contractor materially breaches or otherwise fails to perform, comply with or otherwise observe any of the terms and conditions of this Agreement, or fails to maintain all required licenses and approvals from federal, state, and local jurisdictions, and fails to cure such breach or default within thirty (30) days of City providing Contractor written notice, or, if not reasonably capable of being cured within thirty (30) calendar days, within such other reasonable period of time upon which the parties may agree.

c. Hearing. This Agreement shall not be terminated except upon a majority vote of the City Council, after giving reasonable notice to Contractor. The Contractor will have an opportunity to be heard, provided if exigent circumstances necessitate immediate termination, the hearing may be held as soon as possible after the termination.

15.3 Venue. This Contract has been made under and shall be governed by the laws of the State of Texas. The parties agree that performance and all matters related thereto shall be in Brazos County, Texas.

15.4 Amendment. This Agreement may only be amended by written instrument approved and executed by the parties.

15.5 Taxes. The City is tax exempt and is not responsible for the payment of any taxes.

15.6 Compliance with Laws. The Contractor will comply with all applicable federal, state, and local statutes, regulations, ordinances, and other laws, including but not limited to the Immigration Reform and Control (IRCA). The Contractor may not knowingly obtain the labor or services of an undocumented worker. The Contractor, not the City, must verify eligibility for employment as required by IRCA.

15.7 Waiver of Terms. No waiver or deferral by either party of any term or condition of this Contract shall be deemed or construed to be a waiver of deferral of any other term or condition or subsequent waiver or deferral of the same term or condition.

15.8 Assignment. This Agreement and the rights and obligations contained herein may not be assigned by the Contractor without the prior written approval of City.

15.9 Invalid Provisions. If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court of competent jurisdiction finds that any provision of this Agreement is invalid or unenforceable, and if by limiting that provision, the Agreement may become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

15.10 Entire Agreement. This Agreement represents the entire agreement between the City and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral.

15.11 Agree to Terms. The parties' state they have read the terms and conditions of this Agreement and agree to the terms and conditions. Contractor shall evidence its unconditional written acceptance of all the terms and conditions of this Agreement by the execution of this Agreement.

15.12 Effective Date. According to City Charter, Section 105, after passage, approval and legal publication of this Agreement as provided by law, and provided it has been duly accepted by Contractor as herein above provided, this Agreement shall not take effect until sixty (60) days after its adoption on its second and final reading.

15.13 Notice. Any official notice under this Agreement will be sent to the following addresses:

City of College Station
Attn: Caroline Ask
PO BOX 9960
College Station, TX 77842
cask@cstx.gov

Waste Falcon, LLC
Attn: Chris Conger, CEO
13121 Louetta Rd. # 2016
Cypress, TX 77429-5155
chris@wastefalcon.com

15.14 List of Exhibits. All exhibits to this Agreement are incorporated and made part of this Agreement for all purposes.

- A. Schedule of Rates
- B. Insurance Requirements
- C. Certificates of Insurance

15.15 Public Meetings and Readings. This Agreement was passed, adopted and approved according to Texas Government Code Chapter 551.

- a. First Consideration & Approval on the _____ day of _____, 2022.
- b. Second Consideration & Approval on the _____ day of _____, 2022.

WASTE FALCON, LLC

By: Chris Conger

Printed Name: Chris Conger

Title: **Owner/Member**

Date: 6/16/2022

CITY OF COLLEGE STATION

By: _____
Mayor

Date: _____

ATTEST:

City Secretary
Date: _____

APPROVED:

City Manager
Date: _____

John A. Haislet

City Attorney
Date: 6/21/2022

JM Everts

Assistant City Manager/CFO
Date: 6/21/2022

EXHIBIT A. SCHEDULE OF RATES

- I. Contractor's base rate is \$459.00 (20-yard dumpster) per pull, and may increase, depending on a variety of conditions, including but not limited to:
 - a. Location of Customer
 - b. Impact on Existing Routes
 - c. Ingress and Egress Capabilities
 - d. Special Requests by Customers
 - e. Frequency of Collections
 - f. Volume of Materials
 - g. Type of Materials
 - h. External Contributing Conditions of Market Costs

EXHIBIT B. INSURANCE REQUIREMENTS

Throughout the term of this Agreement the Contractor must comply with the following:

I. Standard Insurance Policies Required:

- a. Commercial General Liability
- b. Business Automobile Liability
- c. Workers' Compensation

II. General Requirements Applicable to All Policies:

- a. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent.
- b. Certificates of Insurance and endorsements shall be furnished on the most current State of Texas Department of Insurance-approved forms to the City's Representative at the time of execution of this Agreement; shall be attached to this Agreement as **Exhibit C**; and shall be approved by the City before work begins.
- c. Contractor shall be responsible for all deductibles on any policies obtained in compliance with this Agreement. Deductibles shall be listed on the Certificate of Insurance and are acceptable on a per-occurrence basis only.
- d. The City will accept only licensed Insurance Carriers authorized to do business in the State of Texas.
- e. The City will not accept "claims made" policies.
- f. Coverage shall not be suspended, canceled, non-renewed or reduced in limits of liability before thirty (30) days written notice has been given to the City.

III. Commercial General Liability

- a. General Liability insurance shall be written by a carrier rated "A: VIII" or better under the current A. M. Best Key Rating Guide.
- b. Policies shall contain an endorsement listing the City as Additional Insured and further providing "primary and non-contributory" language with regard to self-insurance or any insurance the City may have or obtain.
- c. Limits of liability must be equal to or greater than \$500,000 per occurrence for bodily injury and property damage, with an annual aggregate limit of \$1,000,000. Limits shall be endorsed to be per project.
- d. No coverage shall be excluded from the standard policy without notification of individual exclusions being submitted for the City's review and acceptance
- e. The coverage shall include, but not be limited to the following:
premises/operations with separate aggregate; independent contracts;
products/completed operations; contractual liability (insuring the indemnity provided herein) Host Liquor Liability, and Personal & Advertising Liability.

IV. Business Automobile Liability

- a. Business Automobile Liability insurance shall be written by a carrier rated "A: VIII" or better under the current A. M. Best Key Rating Guide.
- b. Policies shall contain an endorsement listing the City as Additional Insured and further providing "primary and non-contributory" language with regard to self-insurance or any insurance the City may have or obtain
- c. Combined Single Limit of Liability not less than \$1,000,000 per occurrence for bodily injury and property damage.
- d. The Business Auto Policy must show Symbol 1 in the Covered Autos Portion of the liability section in Item 2 of the declarations page
- e. The coverage shall include any autos, owned autos, leased or rented autos, non-owned autos, and hired autos.

V. Workers' Compensation Insurance

- a. Workers compensation insurance shall include the following terms:
 - i. Employer's Liability minimum limits of liability not less than \$500,000 for each accident/each disease/each employee are required
 - ii. "Texas Waiver of Our Right to Recover From Others Endorsement, WC 42 03 04" shall be included in this policy
 - iii. TEXAS must appear in Item 3A of the Workers' Compensation coverage or Item 3C must contain the following: "All States except those listed in Item 3A and the States of NV, ND, OH, WA, WV, and WY"

EXHIBIT C. CERTIFICATES OF INSURANCE



WASTEFA-01

STEVEB

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/16/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Carroll Insurance Agency Ltd. 14906 FM 529 Houston, TX 77095	CONTACT NAME: PHONE (A/C, No, Ext): (281) 656-3000 FAX (A/C, No): (281) 656-3001 E-MAIL ADDRESS: Service@carrollins.com
	INSURER(S) AFFORDING COVERAGE INSURER A: GuideOne National Ins Co INSURER B: National Liab & Fire Ins Co INSURER C: Texas Mutual Insurance Company INSURER D: INSURER E: INSURER F:
INSURED Waste Falcon LLC 13121 Louetta RD #2016 Cypress, TX 77429	NAIC # 14167 20052 22945

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC OTHER:			ENV562010498-00	6/14/2022	6/14/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 POLLUTION \$ 1,000,000
B	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO OWNED AUTOS ONLY ☒ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY			73TRR253052	6/14/2022	6/14/2023	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	☐ UMBRELLA LIAB ☐ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED ☐ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
C	☒ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y / N If yes, describe under DESCRIPTION OF OPERATIONS below		N / A	0002079320	6/15/2022	6/15/2023	PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

City of College Station
Attn: Risk Management
PO Box 9960
College Station, TX 77842

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

TEXAS WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Texas is shown in item 3.A. of the Information Page.

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule, but this waiver applies only with respect to bodily injury arising out of the operations described in the schedule where you are required by a written contract to obtain this waiver from us.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

Schedule

1. ☐ Specific Waiver

Name of person or organization

☒ Blanket Waiver

Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

2. Operations: All Texas operations

3. Premium:

The premium charge for this endorsement shall be **2.00** percent of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.

4. Advance Premium: Included, see Information Page

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.
(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)
This endorsement, effective on 6/23/22 at 12:01 a.m. standard time, forms a part of:

Policy no. 0002079320 of Texas Mutual Insurance Company effective on 6/23/22

Issued to: Waste Falcon LLC

This is not a bill



Authorized representative

NCCI Carrier Code: 29939

6/14/22

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement, effected prior to the date your operations for that person or organization commenced, that such person or organization be added as an additional insured on your policy.	In respect to any location where the named insured is performing "your work".
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement, effected prior to the date your operations for that person or organization commenced, that such person or organization be added as an additional insured on your policy.	In respect to any location where the named insured is performing "your work".
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY/NON-CONTRIBUTORY COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PRIMARY/NON-CONTRIBUTORY – If required by written contract or agreement, effected prior to the date your operations for that person or organization commenced and named below, such insurance as is afforded by this policy to any additional insureds under this policy shall be primary insurance, and any insurance or self-insurance maintained by such additional insured(s) shall not contribute to the insurance afforded to the named insured.

All other terms and conditions remain unchanged.

SCHEDULE

Any person or organization that is:

1. An owner of real or personal property on which you are performing operations, but only at the specific written request by that person or organization to you, and only if:
 - a. That request is made prior to the date your operations for that person or organization commenced; and
 - b. A Certificate of Insurance evidencing that request has been issued by your authorized insurance agent or broker; or
2. A contractor on whose behalf you are performing operations, but only at the specific written request by that person or organization to you, and only if:
 - a. That request is made prior to the date your operations for that person or organization commenced; and
 - b. A Certificate of Insurance evidencing that request has been issued by your authorized insurance agent or broker.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDED WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

Any person or organization that is:

1. An owner of real or personal property on which you are performing operations, but only at the specific written request by that person or organization to you, and only if:
 - a. That request is made prior to the date your operations for that person or organization commenced; and
 - b. A Certificate of Insurance evidencing that request has been issued by your authorized insurance agent or broker; or
2. A contractor on whose behalf you are performing operations, but only at the specific written request by that person or organization to you, and only if:
 - a. That request is made prior to the date your operations for that person or organization commenced; and
 - b. A Certificate of Insurance evidencing that request has been issued by your authorized insurance agent or broker.

WAIVER OF SUBROGATION – If required by written contract or agreement, we waive any right of recovery we may have against any entity that is an additional insured shown in the Schedule above per the terms of this endorsement because of payments we make for injury or damage arising out of “your work” performed under a contract with that person or organization.

All other terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY/NON-CONTRIBUTORY COVERAGE

This endorsement modifies insurance provided under the following:

CONTRACTORS POLLUTION LIABILITY COVERAGE PART

PRIMARY/NON-CONTRIBUTORY – If required by written contract or agreement, effected prior to the date your operations for that person or organization commenced and named below, such insurance as is afforded by this policy to any additional insureds under this policy shall be primary insurance, and any insurance or self-insurance maintained by such additional insured(s) shall not contribute to the insurance afforded to the named insured.

All other terms and conditions remain unchanged.

SCHEDULE

Any person or organization that is:

1. An owner of real or personal property on which you are performing operations, but only at the specific written request by that person or organization to you, and only if:
 - a. That request is made prior to the date your operations for that person or organization commenced; and
 - b. A Certificate of Insurance evidencing that request has been issued by your authorized insurance agent or broker; or
2. A contractor on whose behalf you are performing operations, but only at the specific written request by that person or organization to you, and only if:
 - a. That request is made prior to the date your operations for that person or organization commenced; and
 - b. A Certificate of Insurance evidencing that request has been issued by your authorized insurance agent or broker.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDED WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

CONTRACTORS POLLUTION LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

Any person or organization that is:

- 1.** An owner of real or personal property on which you are performing operations, but only at the specific written request by that person or organization to you, and only if:
 - a.** That request is made prior to the date your operations for that person or organization commenced; and
 - b.** A Certificate of Insurance evidencing that request has been issued by your authorized insurance agent or broker; or
- 2.** A contractor on whose behalf you are performing operations, but only at the specific written request by that person or organization to you, and only if:
 - a.** That request is made prior to the date your operations for that person or organization commenced; and
 - b.** A Certificate of Insurance evidencing that request has been issued by your authorized insurance agent or broker.

WAIVER OF SUBROGATION – If required by written contract or agreement, we waive any right of recovery we may have against any entity that is an additional insured shown in the Schedule above per the terms of this endorsement because of payments we make for injury or damage arising out of “your work” performed under a contract with that person or organization.

All other terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS

This endorsement modifies insurance provided under the following:

CONTRACTORS POLLUTION LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement, effected prior to the date your operations for that person or organization commenced, that such person or organization be added as an additional insured on your policy.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Section II - Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule above, but only with respect to liability caused, in whole or in part, by your operations performed for the additional insured(s), or premises owned by or rented to you.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDED WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

TRANSPORTATION POLLUTION LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

Any person or organization that is:

1. An owner of real or personal property on which you are performing operations, but only at the specific written request by that person or organization to you, and only if:
 - a. That request is made prior to the date your operations for that person or organization commenced; and
 - b. A Certificate of Insurance evidencing that request has been issued by your authorized insurance agent or broker; or
2. A contractor on whose behalf you are performing operations, but only at the specific written request by that person or organization to you, and only if:
 - a. That request is made prior to the date your operations for that person or organization commenced; and
 - b. A Certificate of Insurance evidencing that request has been issued by your authorized insurance agent or broker.

WAIVER OF SUBROGATION – If required by written contract or agreement, we waive any right of recovery we may have against any entity that is an additional insured shown in the Schedule above per the terms of this endorsement because of payments we make for injury or damage arising out of “your work” performed under a contract with that person or organization.

All other terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED-OWNERS, LESSEES, OR CONTRACTORS

This endorsement modifies insurance provided under the following:

TRANSPORTATION POLLUTION LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement, effected prior to the date your operations for that person or organization commenced, that such person or organization be added as an additional insured on your policy.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

SECTION II – WHO IS AN INSURED is amended to include as an insured the person or organization shown in the above **Schedule**, but only with respect to liability caused, in whole or in part, by:

- 1) Your acts or omissions; or
- 2) The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations performed for the additional insured(s).

July 14, 2022

Item No. 7.9.

Carter Creek Wastewater Treatment Plant Effluent Filters Project Professional Services Contract

Sponsor: Emily Fisher, Director of Public Works

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding a professional services contract with Freese and Nichols, Inc. in the amount of \$245,510 for preliminary design of the Carters Creek Wastewater Treatment Plant Effluent Filters project.

Relationship to Strategic Goals:

1. Core Services and Infrastructure

Recommendation(s): Staff recommends approval

Summary: The Carter Creek Wastewater Treatment Plant (WWTP) Effluent Filters Project includes the design and construction of a filters structure for the plant effluent. The scope of work for this contract includes providing alternative locations within the plant for the filters structure, alternative filter media, existing pumping requirements, and optimization recommendations. The final submittal for this contract will be a preliminary engineering report.

Budget & Financial Summary: Budget in the amount of \$1,000,000 is currently appropriated for this project in the Wastewater Capital Improvement Projects Fund. A total of \$877 has been spent or encumbered to date, leaving a balance of \$999,123 for this contract and future expenses.

Attachments:

1. Carters Creek Effluent Filters Design_Scope of Work_05172022
2. Carters Creek Effluent Filters Design_Effort Estimate_05172022

City of College Station
Carters Creek Wastewater Treatment Plant
Effluent Cloth Filtration System
Engineering Scope of Services
May 17, 2022

Scope Narrative and Assumptions:

The Carters Creek Wastewater Treatment Plant (CCWWTP) was originally built in 1956 to treat wastewater from the City of College Station (the City). The CCWWTP is the largest of the three WWTPs owned and operated by the City of College Station (City) and is currently permitted to discharge an average annual daily flow (AADF) of 9.5 million gallons per day (MGD) and 30 MGD of peak 2-hr flow. In 2015, the City hired Freese and Nichols, Inc. (FNI) to prepare a Wastewater Master Plan for identifying deficiencies in the current wastewater system and develop a capital improvements program. As a part of the Master Plan, FNI conducted a condition and criticality assessment of all existing treatment units to evaluate each treatment's ability to meet treatment objectives. Based on the evaluations conducted, the 2016 Master Plan Update had recommended incorporation of Effluent Cloth Filtration System into the Carters Creek WWTP system to improve the quality of plant effluent and enhance the performance of the existing UV system to result in more efficient and effective operation. Therefore, the City desires to construct an effluent cloth media filtration system to meet the treatment objectives and improve overall performance of the WWTP. This agreement establishes the relationship between the City and FNI to provide engineering services for the preliminary evaluation of the Effluent Filter design. Capacity requirement and site location for the Effluent Cloth Filtration System will be evaluated as part of this project. This study also includes a hydraulic and siting assessment of existing treatment units as they relate to the performance of the effluent cloth filtration system to develop options for siting and routing flow through the filters either by gravity or with assistance of re-lift pump station.

BASIC SERVICES: FNI shall render the following professional services for the development of the Project:

ARTICLE I

A. Phase 1 - Preliminary Design Phase Services

1. Perform general administrative duties associated with the project including:
 - a. Progress monitoring and monthly progress reporting, scheduling, general correspondence, documentation, office administration and invoicing for the scope items identified below. Documentation shall be in accordance with any regulatory requirements for the project. These duties include maintaining routine contact with the CITY to help meet the needs of the City in a timely manner and executing the work in accordance with the work plan, budget, and schedule.
 - b. Conduct one (1) Project Team kick off meeting. Kickoff meeting to be held in-person at the CCWWTP training room, followed by a site visit to pertinent facilities.
 - c. Conduct one (1) Design Team kickoff meeting to discuss project expectations with the FNI internal team.
 - d. Conduct monthly internal progress meetings.
2. Available Data Review:

City of College Station
Carters Creek WWTP Effluent Cloth Filtration System
Scope of Work

- a. Review the recommended modifications made in the 2016 Master Plan and flow projections made in 2021 Impact Fee Update.
 - b. Review as-builts and historical flows and loads provided by the City.
 - c. Update the evaluation to divert flows from CCWWTP to Lick Creek WWTP (LCWWTP) based on the updated flows from the 2021 Impact Fee Update.
 - d. Establish the design flow rate (Annual Average Daily and Peak 2-Hour Flow Rate) for the ultimate design condition.
3. Conduct Effluent Cloth Filter System evaluation to consider:
 - a. Capacity requirements based on recommendation made under Task 2.d.
 - b. Cloth Filter System unit considered will be based on Aqua-Aerobics cloth media AquaDisc or MegaDisc system to be generally similar to the unit currently being installed at the Lick Creek WWTP. The two options considered will be above ground metal or FRP tanks on concrete slab or below ground units in concrete basins.
 - c. Electrical and SCADA provisions.
 - d. Opinion of Probable Construction Cost based on AACE Level 5.
4. Analysis of the overall effluent hydraulics using Visual Hydraulics based on Peak 2-hour Flow Rate from Task 2.d and determine system bottlenecks considering latest 100-year floodplain elevation, as provided by the City.
 - a. Three options to be evaluated for routing the plant flow through the Effluent Cloth Filtration System:
 - i. Low-head lift station after the existing second stage clarifiers and before new filters and existing UV.
 - ii. Modification of existing clarifiers to parallel operation to allow gravity flow through the filters and existing UV.
 - iii. Modification of existing UV to incorporate effluent pumping lift station after the new/modified UV facility.
 - b. Siting requirements will be evaluated for each option.
 - c. Hydraulic profile will be developed for each option.
 - d. Life Cycle Cost Analysis of each option will be conducted for making recommendations using OPCCs from Task 3.d.
5. Prepare a DRAFT Preliminary Engineering Report (PER) for the project in sufficient detail to indicate generally the issues and solutions to the City based on the Effluent Filter System options evaluation of Task 4.a. The report shall contain schematic layouts, sketches and conceptual design criteria with appropriate exhibits to indicate the considerations involved, constructability, electrical and instrumentation issues.
6. Conduct one (1) submittal overview workshop with the City prior to submittal to review contents of the PER, recommendations and costs. The overview workshop will be held at the CCWWTP training room.
7. Provide one (1) electronic file in PDF format of the draft PER for the City's review.
8. Attend one (1) review meeting with the City to discuss the results of the PER. This meeting will be held at the CC WWTP training room.
9. Make any necessary modifications to PER based on the comments from the review meeting.
10. Provide one (1) electronic file in PDF format of the revised PER.

ARTICLE II

SPECIAL SERVICES: Special Services to be performed by FNI, if authorized by the City, which are not included in the above-described Basic Services, are described as follows:

City of College Station Carters Creek WWTP Effluent Cloth Filtration System 5/17/2022 Detailed Cost Breakdown		Project Fee Summary	
		Basic Services	\$ 245,510
		Special Services	\$ -
		Total Project	\$ 245,510

Tasks				Labor										
Phase	Task	Basic or Special	Task Description	Gennady Boksiner	Darpan Chorghe	Engineer II	John Manning	Michael Robertson	David Jackson	Jason Matthews	Richard Weatherly	Jason Crawley	Total Hours	Total Labor Effort
				PM	APM	EIT	Electrical	Structural	SA/QC	CAD	PIC/Client Rep	QC		
				\$296	\$148	\$118	\$271	\$233	\$296	\$140	\$294	\$230		
	1a	Basic	Progress monitoring and monthly reporting	8	8								16	\$ 3,626
	1b	Basic	Client Kickoff Meeting	8	12	18			8		4		50	\$ 10,005
	1c	Basic	Internal Kickoff Meeting	2	4	4	1	1	1	1	1	1	16	\$ 3,182
	1d	Basic	Internal Progress Meetings	8	8	12	8	4	4	4	4		52	\$ 11,209
	2a	Basic	2016 MP and 2021 Impact Fee Update Review	4	8	8			4				24	\$ 4,585
	2b	Basic	Review as-built and historical flows	4	8	8							20	\$ 3,378
	2c	Basic	Update flow diversion from CCWWTP to LCWWTP	4	8	8							20	\$ 3,378
	2d	Basic	Establish design flow rate	16	32	32	8	8	8		4		108	\$ 21,239
	3a	Basic	Capacity Requirements for Effluent Filters	4	8	8					4		24	\$ 4,575
	3b	Basic	Cloth Filter to be Aquadisc or Megadisc	8	16	16				32			72	\$ 11,322
	3c	Basic	Electrical and SCADA Requirements	8	16	16	20						60	\$ 12,291
	3d	Basic	Filter System OPCC	8	16	16	8	4				4	56	\$ 10,859
	4a	Basic	Ananlysis of existing plant hydraulics	20	40	40						4	104	\$ 17,827
	4a.i	Basic	Evaluate Option 1 for flow routing	8	16	16	8			16			64	\$ 11,253
	4a.ii	Basic	Evaluate Option 2 for flow routing	8	16	16	8			16			64	\$ 11,253
	4a.iii	Basic	Evaluate Option 3 for flow routing	8	16	16	8			16			64	\$ 11,253
	4b	Basic	Siting Requirements Evaluation	8	16	16				16			56	\$ 9,039
	4c	Basic	Hydraulic Profiles	8	16	16				16			56	\$ 9,039
	4d	Basic	LCC Analysis	8	16	16	8	4				2	54	\$ 10,390
	5	Basic	DRAFT PER Development	16	40	40	20		8		4	8	136	\$ 26,706
	6	Basic	Submittal Overview Workshop (In-person)	8	12	18					4		42	\$ 7,589
	7	Basic	Submission of Electronic Copies											\$ -
	8	Basic	PER Review Meeting (Virtual)	8	12	18			4		4		46	\$ 8,797
	10	Basic	Make modifications to PER	4	12	12	4		8				40	\$ 7,984
Total Hours / Quantity				186	356	370	101	21	45	117	29	19	-	1,244
Total Effort				\$ 56,242	\$ 53,724	\$ 44,435	\$ 27,959	\$ 4,989	\$ 13,586	\$ 16,699	\$ 8,684	\$ 4,462	\$ -	\$ 230,781

City of College Station Carters Creek WWTP Effluent Cloth Filtration System 5/17/2022 Detailed Cost Breakdown	Project Fee Summary	
	Basic Services	245,510
	Special Services	-
	Total Project	245,510

Tasks				Expenses										
Phase	Task	Basic or Special	Task Description	Tech Charge	Miles	Meals	Hotel	B&W (sheet)	Color (sheet)	Binding (each)	Lg Format - Bond - B&W (sq. ft.)	Lg Format - Glossy/Mylar - B&W (sq. ft.)	Other	Total Expense Effort
	1a	Basic	Progress monitoring and monthly reporting	16										\$ 136
	1b	Basic	Client Kickoff Meeting	50										\$ 425
	1c	Basic	Internal Kickoff Meeting	16										\$ 136
	1d	Basic	Internal Progress Meetings	52										\$ 442
	2a	Basic	2016 MP and 2021 Impact Fee Update Review	24	1,200	600								\$ 1,566
	2b	Basic	Review as-built and historical flows	20										\$ 170
	2c	Basic	Update flow diversion from CCWWTP to LCWWTP	20										\$ 170
	2d	Basic	Establish design flow rate	108										\$ 918
	3a	Basic	Capacity Requirements for Effluent Filters	24										\$ 204
	3b	Basic	Cloth Filter to be Aquadisc or Megadisc	72	600	300			1000					\$ 1,543
	3c	Basic	Electrical and SCADA Requirements	60										\$ 510
	3d	Basic	Filter System OPCC	56										\$ 476
	4a	Basic	Ananlysis of existing plant hydraulics	104										\$ 884
	4a.i	Basic	Evaluate Option 1 for flow routing	64										\$ 544
	4a.ii	Basic	Evaluate Option 2 for flow routing	64										\$ 544
	4a.iii	Basic	Evaluate Option 3 for flow routing	64										\$ 544
	4b	Basic	Siting Requirements Evaluation	56										\$ 476
	4c	Basic	Hydraulic Profiles	56										\$ 476
	4d	Basic	LCC Analysis	54										\$ 459
	5	Basic	DRAFT PER Development	136										\$ 1,156
	6	Basic	Submittal Overview Workshop (In-person)	42										\$ 357
	7	Basic	Submission of Electronic Copies		600	300			1000					\$ 931
	8	Basic	PER Review Meeting (Virtual)	46										\$ 391
	10	Basic	Make modifications to PER	40										\$ 340
Total Hours / Quantity				1,244	3,000	1,500	-	-	3,000	-	-	-	-	
Total Effort				\$ 10,574	\$ 1,755	\$ 1,650	\$ -	\$ -	\$ 750	\$ -	\$ -	\$ -	\$ -	\$ 14,729

City of College Station Carters Creek WWTP Effluent Cloth Filtration System 5/17/2022 Detailed Cost Breakdown	Project Fee Summary	
	Basic Services	245,510
	Special Services	-
	Total Project	245,510

Tasks				Subconsultants										Total	
Phase	Task	Basic or Special	Task Description	Sub Name 1	Sub Name 2	Sub Name 3	Sub Name 4	Sub Name 5	Sub Name 6	Sub Name 7	Sub Name 8	Sub Name 9	Sub Name 10	Total Sub Effort	Total Effort
	1a	Basic	Progress monitoring and monthly reporting											\$ -	\$ 3,762
	1b	Basic	Client Kickoff Meeting											\$ -	\$ 10,430
	1c	Basic	Internal Kickoff Meeting											\$ -	\$ 3,318
	1d	Basic	Internal Progress Meetings											\$ -	\$ 11,651
	2a	Basic	2016 MP and 2021 Impact Fee Update Review											\$ -	\$ 6,151
	2b	Basic	Review as-built and historical flows											\$ -	\$ 3,548
	2c	Basic	Update flow diversion from CCWWTP to LCWWTP											\$ -	\$ 3,548
	2d	Basic	Establish design flow rate											\$ -	\$ 22,157
	3a	Basic	Capacity Requirements for Effluent Filters											\$ -	\$ 4,779
	3b	Basic	Cloth Filter to be Aquadisc or Megadisc											\$ -	\$ 12,865
	3c	Basic	Electrical and SCADA Requirements											\$ -	\$ 12,801
	3d	Basic	Filter System OPCC											\$ -	\$ 11,335
	4a	Basic	Ananalysis of existing plant hydraulics											\$ -	\$ 18,711
	4a.i	Basic	Evaluate Option 1 for flow routing											\$ -	\$ 11,797
	4a.ii	Basic	Evaluate Option 2 for flow routing											\$ -	\$ 11,797
	4a.iii	Basic	Evaluate Option 3 for flow routing											\$ -	\$ 11,797
	4b	Basic	Siting Requirements Evaluation											\$ -	\$ 9,515
	4c	Basic	Hydraulic Profiles											\$ -	\$ 9,515
	4d	Basic	LCC Analysis											\$ -	\$ 10,849
	5	Basic	DRAFT PER Development											\$ -	\$ 27,862
	6	Basic	Submittal Overview Workshop (In-person)											\$ -	\$ 7,946
	7	Basic	Submission of Electronic Copies											\$ -	\$ 931
	8	Basic	PER Review Meeting (Virtual)											\$ -	\$ 9,188
	10	Basic	Make modifications to PER											\$ -	\$ 8,324
Total Hours / Quantity				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Total Effort				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 245,510

July 14, 2022

Item No. 7.10.

Ordinance Extending Mayoral 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 a public health emergency.

Relationship to Strategic Goals:

Good governance

Recommendation(s): Staff recommends 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 SARS-CoV-2 (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 renewal to the Disaster Declaration. On June 10, 2021, the College Station City Council consented with Ordinance 2021-4271 to the Mayor's June 7, 2021, Disaster Declaration Renewal.

On July 2, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On July 8, 2021, the College Station City Council consented with Ordinance 2021-4275 to the Mayor's July 2, 2021, Disaster Declaration Renewal.

On August 6, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On August 12, 2021, the College Station City Council consented with Ordinance 2021-4288 to the Mayor's August 6, 2021, Disaster Declaration Renewal.

On September 6, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On September 9, 2021, the College Station City Council consented with Ordinance 2021-4299 to the Mayor's September 6, 2021, Disaster Declaration Renewal.

On October 7, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On October 14, 2021, the College Station City Council consented with Ordinance 2021-4301 to the Mayor's October 7, 2021, Disaster Declaration Renewal.

On November 8, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On November 11, 2021, the College Station City Council consented with Ordinance 2021-4313 to the Mayor's November 8, 2021, Disaster Declaration Renewal.

On December 6, 2021, the Mayor of College Station issued a renewal to the Disaster Declaration. On December 9, 2021, the College Station City Council consented with Ordinance 2021-4318 to the Mayor's December 6, 2021, Disaster Declaration Renewal.

On January 7, 2022, the Mayor of College Station issued a renewal to the Disaster Declaration. On January 13, 2022, the College Station City Council consented with Ordinance 2021-4326 to the Mayor's January 7, 2022, Disaster Declaration Renewal.

On February 7, 2022, the Mayor of College Station issued a renewal to the Disaster Declaration. On February 10, 2022, the College Station City Council consented with Ordinance 2021-4334 to the Mayor's February 7, 2022, Disaster Declaration Renewal.

On March 7, 2022, the Mayor of College Station issued a renewal of the Disaster Declaration. On March 10, 2022, the College Station City Council consented with Ordinance 2021-4337 to the Mayor's March 7, 2022, Disaster Declaration Renewal.

On April 8, 2022, the Mayor of College Station issued a renewal of the Disaster Declaration. On April 14, 2022, the College Station City Council consented with Ordinance 2024-4345 to the Mayor's April 8, 2022, Disaster Declaration Renewal.

On May 13, 2022, the Mayor of College Station issued a renewal of the Disaster Declaration. On May 18, 2022, the College Station City Council consented with Ordinance 2024-4354 to the Mayor's May 13, 2022, Disaster Declaration Renewal.

On June 6, 2022, the Mayor of College Station issued a renewal of the Disaster Declaration. On June 9, 2022, the College Station City Council consented with Ordinance 2024-4359 to the Mayor's June 6, 2022, Disaster Declaration Renewal.

On July 8, 2022, 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, May 7, 2021, June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, December 6, 2021, January 7, 2022, February 7, 2022, March 7, 2022, April 8, 2022, May 13, 2022 and June 6, 2022. 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. July 14 Disaster Declaration Renewal Ordinance

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, on June 10, 2021, the College Station City Council consented with Ordinance 2021-4271 to the June 7, 2021, Disaster Declaration Renewal; and

WHEREAS, on July 2, 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, May 7, 2021; June 7, 2021; and

WHEREAS, on July 8, 2021, the College Station City Council consented with Ordinance 2021-4275 to the June 7, 2021, Disaster Declaration Renewal; and

WHEREAS, on August 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, March 8, 2021, April 6, 2021, May 7, 2021; June 7, 2021, and July 2, 2021; and

WHEREAS, on August 12, 2021, the College Station City Council consented with Ordinance 2021-4288 to the August 6, 2021, Disaster Declaration Renewal; and

WHEREAS, on September 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, March 8, 2021, April 6, 2021, May 7, 2021; June 7, 2021, July 2, 2021, and August 6, 2021; and

WHEREAS, on September 9, 2021, the College Station City Council consented with Ordinance 2021-4299 to the September 6, 2021, Disaster Declaration Renewal; and

WHEREAS, on October 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, May 7, 2021; June 7, 2021, July 2, 2021, August 6, 2021, and September 6, 2021; and

WHEREAS, on October 14, 2021, the College Station City Council consented with Ordinance 2021-4304 to the October 7, 2021, Disaster Declaration Renewal; and

WHEREAS, on November 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, February 8, 2021, March 8, 2021, April 6, 2021, May 7, 2021; June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, and October 7, 2021; and

WHEREAS, on November 11, 2021, the College Station City Council consented with Ordinance 2021-4313 to the November 8, 2021, Disaster Declaration Renewal; and

WHEREAS, on December 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, March 8, 2021, April 6, 2021, May 7, 2021; June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, and November 8, 2021; and

WHEREAS, on December 9, 2021, the College Station City Council consented with Ordinance 2021-4318 to the December 6, 2021, Disaster Declaration Renewal; and

WHEREAS, on January 7, 2022, 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, May 7, 2021; June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, and December 6, 2021; and

WHEREAS, on January 13, 2022, the College Station City Council consented with Ordinance 2022-4326 to the January 7, 2022, Disaster Declaration Renewal; and

WHEREAS, on February 7, 2022, 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, May 7, 2021; June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, December 6, 2021, and January 7, 2022; and

WHEREAS, on February 10, 2022, the College Station City Council consented with Ordinance 2022-4334 to the February 7, 2022, Disaster Declaration Renewal; and

WHEREAS, on March 7, 2022, 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, May 7, 2021; June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, December 6, 2021, and January 7, 2022 and February 7, 2022; and

WHEREAS, on March 10, 2022, the College Station City Council consented with Ordinance 2022-4337 to the March 7, 2022, Disaster Declaration Renewal; and

WHEREAS, on April 8, 2022, 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, May 7, 2021; June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, December 6, 2021, January 7, 2022, February 7, 2022, March 7; 2022 and

WHEREAS, on April 14, 2022, the College Station City Council consented with Ordinance 2022-4345 to the April 8, 2022, Disaster Declaration Renewal; and

WHEREAS, on May 13, 2022, 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, May 7, 2021; June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, December 6, 2021, January 7, 2022, February 7, 2022, March 7; 2022, April 8, 2022; and

WHEREAS, on May 18, 2022, the College Station City Council consented with Ordinance 2022-4354 to the May 13, 2022, Disaster Declaration Renewal; and

WHEREAS, on June 6, 2022, 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, May 7, 2021; June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, December 6, 2021, January 7, 2022, February 7, 2022, March 7; 2022, April 8, 2022, June 6, 2022; and

WHEREAS, on June 9, 2022, the College Station City Council consented with Ordinance 2022-4359 to the June 6, 2022, Disaster Declaration Renewal; and

WHEREAS, on July 8, 2022, 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, May 7, 2021; June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, December 6, 2021, January 7, 2022, February 7, 2022, March 7; 2022, April 8, 2022, and June 6, 2022; 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 July 8, 2022, 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 14th day of July, 2022.

PASSED AND ADOPTED, this 14th day of July, 2022.

APPROVED:

Mayor

ATTEST:

City Secretary

APPROVED:

City Attorney

EXHIBIT A

DISASTER RENEWAL PROCLAIMED BY THE MAYOR ON JULY 8, 2022



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 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, and October 20, 2020, November 20, 2020, December 7, 2020, January 8, 2021, February 8, 2021, and March 8, 2021, April 6, 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 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, and 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, on June 10, 2021, the College Station City Council consented with Ordinance 2021-4271 to the April 6, 2021, Disaster Declaration Renewal; and

WHEREAS, on July 2, 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, May 7, 2021, and June 7, 2021; and

WHEREAS, on July 8, 2021, the College Station City Council consented with Ordinance 2021-4275 to the June 7, 2021, Disaster Declaration Renewal; and

WHEREAS, on August 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, March 8, 2021, April 6, 2021, May 7, 2021, June 7, 2021, and July 2, 2021; and

WHEREAS, on August 12, 2021, the College Station City Council consented with Ordinance 2021-4288 to the August 6, 2021, Disaster Declaration Renewal; and

WHEREAS, on September 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, March 8, 2021, April 6, 2021, May 7, 2021, June 7, 2021; July 2, 2021, And August 6, 2021; and

WHEREAS, on September 9, 2021, the College Station City Council consented with Ordinance 2021-4299 to the September 6, 2021, Disaster Declaration Renewal; and

WHEREAS, on October 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, May 7, 2021, June 7, 2021; July 2, 2021, August 6, 2021, and September 6, 2021; and

WHEREAS, on October 14, 2021, the College Station City Council consented with Ordinance 2021-4304 to the October 7, 2021, Disaster Declaration Renewal; and

WHEREAS, on November 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, February 8, 2021, March 8, 2021, April 6, 2021, May 7, 2021, June 7, 2021; July 2, 2021, August 6, 2021, September 6, 2021, and October 7, 2021; and

WHEREAS, on November 11, 2021, the College Station City Council consented with Ordinance 2021-4313 to the November 8, 2021, Disaster Declaration Renewal; and

WHEREAS, on December 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, March 8, 2021, April 6, 2021, May 7, 2021, June 7, 2021; July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, and November 8, 2021; and

WHEREAS, on December 9, 2021, the College Station City Council consented with Ordinance 2021-4318 to the December 6, 2021, Disaster Declaration Renewal; and

WHEREAS, on January 7, 2022, 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, May 7, 2021, June 7, 2021; July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, and December 6, 2021 and

WHEREAS, on January 13, 2022, the College Station City Council consented with Ordinance 2022-4326 to the January 7, 2022, Disaster Declaration Renewal; and

WHEREAS, on February 7, 2022, 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, May 7, 2021, June 7, 2021; July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, and December 6, 2021, and January 7, 2022 and

WHEREAS, on February 10, 2022, the College Station City Council consented with Ordinance 2022-4334 to the February 7, 2022, Disaster Declaration Renewal; and

WHEREAS, on March 7, 2022, 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, May 7, 2021, June 7, 2021; July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, and December 6, 2021, and January 7, 2022, and February 7, 2022; and

WHEREAS, on March 10, 2022, the College Station City Council consented with Ordinance 2022-4337 to the March 7, 2022, Disaster Declaration Renewal; and

WHEREAS, on April 8, 2022, 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, May 7, 2021, June 7, 2021; July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, and December 6, 2021, and January 7, 2022, February 7, 2022, March 7, 2022; and

WHEREAS, on April 14, 2022, the College Station City Council consented with Ordinance 2022-4345 to the April 8, 2022, Disaster Declaration Renewal; and

WHEREAS, on May 13, 2022, 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, May 7, 2021, June 7, 2021; July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, and December 6, 2021, and January 7, 2022, February 7, 2022, March 7, 2022, and April 8, 2022; and

WHEREAS, on May 18, 2022, the College Station City Council consented with Ordinance 2022-4354 to the May 13, 2022, Disaster Declaration Renewal; and

WHEREAS, on June 6, 2022, 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, May 7, 2021, June 7, 2021; July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, and December 6, 2021, January 7, 2022, February 7, 2022, March 7, 2022, and April 8, 2022, May 13, 2022 and

WHEREAS, on June 9, 2022, the College Station City Council consented with Ordinance 2022-4359 to the June 6, 2022, 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

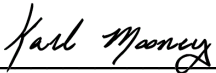
WHEREAS, said state of disaster requires that certain emergency measures be taken pursuant to the Texas Government Code, Chapter 418; and the following regulations shall take effect immediately upon issuance, and shall remain in effect until the state of disaster is terminated or as stated below; and

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, May 7, 2021, June 7, 2021, July 2, 2021, August 6, 2021, September 6, 2021, October 7, 2021, November 8, 2021, December 6, 2021, January 7, 2022, February 7, 2022, March 7, 2022, April 8, 2022, May 13, 2022, and June 6, 2022 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 July 8, 2022.

DECLARED this 8th day of July, 2022.

APPROVED:



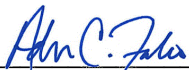
Mayor

ATTEST:



City Secretary

APPROVED:



City Attorney

July 14, 2022

Item No. 8.1.

Ordinance authorizing the issuance of up to \$78,000,000 in principal amount of “City of College Station, Texas Certificates of Obligation, Series 2022”

Sponsor: Michael DeHaven, Assistant Director of Fiscal Services

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on an ordinance authorizing the issuance of certificates of obligation, series 2022; 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.

Relationship to Strategic Goals:

Financially Sustainable City
Providing Core Services and Infrastructure.

Recommendation(s): Council move to approve the attached ordinance authorizing the issuance of Certificates of Obligation, Series 2022; 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 May 18, 2022 Council approved a resolution directing staff to publish the City's notice of intent to issue the CO's, as required by law. On May 24th and May 31st 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 streets, parks, information technology equipment,

facilities and electric, water and sewer system 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, which must be completed by July 14, 2023.

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.

Attachments:

1. POS-College Station CO Series 2022 Final Draft
2. Ordinance (delegation) (ver 1)

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)

\$76,110,000*
CERTIFICATES OF OBLIGATION, SERIES 2022

Dated Date: Date of Delivery
Interest Accrual Date: Date of Delivery

Due: February 15, as shown on page 2

PAYMENT TERMS. . . Interest on the \$76,110,000* City of College Station, Texas Certificates of Obligation, Series 2022 (the “Certificates”) will accrue from the date of delivery, and will be payable February 15 and August 15 of each year commencing February 15, 2023 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 July 14, 2022 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) designing, constructing, equipping and installing parks and recreation equipment and park improvements to Texas Independence Ballpark at Midtown; (iii) information technology and communication equipment; (iv) facilities and equipment maintenance facility relocation and improvements; (v) improvements and extensions to the City’s combined waterworks, sewer and electric systems including distribution, transmission, system lines, lift stations, pumps, storage tanks, metering, wells, plant improvements, and acquisition of interests in land for such purposes; and (vi) 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 2

LEGALITY. . . The Certificates are offered for delivery, when issued, and received by the Underwriters (the “Underwriters”) 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. Certain legal matters will be passed upon for the Underwriters by _____, Texas, counsel for the Underwriters.

DELIVERY. . . It is expected that the Certificates will be available for delivery through the services of DTC on or about August 11, 2022.

TBD

* Preliminary, subject to change.

MATURITY SCHEDULE*

\$76,110,000*
Certificates of Obligation, Series 2022

Due Feb. 15	Principal	Interest Rate	Yield	CUSIP ⁽¹⁾
2023	\$ 2,680,000			
2024	2,820,000			
2025	2,935,000			
2026	3,050,000			
2027	3,180,000			
2028	3,310,000			
2029	3,445,000			
2030	3,275,000			
2031	3,400,000			
2032	3,545,000			
2033	3,690,000			
2034	3,840,000			
2035	4,000,000			
2036	4,155,000			
2037	4,335,000			
2038	4,510,000			
2039	4,695,000			
2040	4,880,000			
2041	5,085,000			
2042	5,280,000			

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2022 CUSIP Global Services. All rights reserved. CUSIP data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers are provided for convenience of reference only.

OPTIONAL REDEMPTION . . . The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2032, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2031, 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 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 Underwriters 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 Underwriters 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 UNDERWRITERS 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.

TABLE OF CONTENTS

MATURITY SCHEDULE*	2
OFFICIAL STATEMENT SUMMARY	5
SELECTED FINANCIAL INFORMATION	6
GENERAL FUND CONSOLIDATED STATEMENT SUMMARY	6
UTILITY SYSTEM CONDENSED STATEMENT OF OPERATIONS	7
CITY OFFICIALS, STAFF AND CONSULTANTS	7
ELECTED OFFICIALS	7
SELECTED ADMINISTRATIVE STAFF	8
CONSULTANTS AND ADVISORS	8
INTRODUCTION	9
THE CERTIFICATES	9
TAX INFORMATION	13
TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT	19
TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY	20
TABLE 3 - VALUATION AND GENERAL OBLIGATION DEBT HISTORY	21
TABLE 4 - TAX RATE, LEVY AND COLLECTION HISTORY	21
TABLE 5 - TEN LARGEST TAXPAYERS	21
TABLE 6 - TAX ADEQUACY	22
TABLE 7 - ESTIMATED OVERLAPPING DEBT	22
DEBT INFORMATION	23
TABLE 8 - PRO-FORMA AD VALOREM TAX DEBT SERVICE REQUIREMENTS	23
TABLE 9 - INTEREST AND SINKING FUND BUDGET PROJECTION	24
TABLE 10 - SELF-SUPPORTING DEBT	24
TABLE 11 - AUTHORIZED BUT UNISSUED TAX BONDS. ANTICIPATED ISSUANCE OF GENERAL OBLIGATION DEBT	24
OTHER OBLIGATIONS	25
PENSION FUND	25
OTHER POST-EMPLOYMENT BENEFITS	28
FINANCIAL INFORMATION	33
TABLE 12 - GENERAL FUND REVENUES AND EXPENDITURE HISTORY	33
TABLE 13 - MUNICIPAL SALES TAX HISTORY	34
FINANCIAL POLICIES	34

THE COMBINED UTILITY SYSTEM	35
WATERWORKS SYSTEM	35
WASTEWATER SYSTEM	36
ELECTRIC SUPPLY SOURCE	36
WIND WATT RATES	37
TABLE 14 - HISTORICAL UTILITY USERS	37
TABLE 15 - TEN LARGEST UTILITY CUSTOMERS	38
TABLE 16 - CONDENSED STATEMENT OF OPERATIONS	38
TABLE 17 - VALUE OF THE SYSTEM	38
TABLE 18 - CITY'S EQUITY IN THE SYSTEM	39
TABLE 19 - UTILITY REVENUE BOND AND SYSTEM SUPPORTED GENERAL OBLIGATION DEBT SERVICE	39
INVESTMENTS	40
LEGAL INVESTMENTS	40
INVESTMENT POLICIES	41
ADDITIONAL PROVISIONS	41
CITY'S INVESTMENT POLICY	42
TABLE 20 - CURRENT INVESTMENTS	42
TAX MATTERS	42
CONTINUING DISCLOSURE OF INFORMATION	44
OTHER INFORMATION	46
RATINGS	46
LITIGATION	46
REGISTRATION AND QUALIFICATION OF CERTIFICATES FOR SALE	46
LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS	46
AUTHENTICITY OF FINANCIAL DATA AND OTHER INFORMATION	47
FINANCIAL ADVISOR	47
INFECTIOUS DISEASE OUTLOOK (COVID- 19)	47
FORWARD-LOOKING STATEMENTS	48
MISCELLANEOUS	48

APPENDICES

GENERAL INFORMATION REGARDING THE CITY	A
EXCERPTS FROM THE ANNUAL FINANCIAL REPORT	B
FORMS OF OPINIONS OF BOND COUNSEL	C

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 \$76,110,000* City of College Station, Texas Certificates of Obligation, Series 2022. The Certificates are issued as serial certificates maturing on February 15 in each of the years 2023-2042, inclusive (see “THE CERTIFICATES - General Description”).
- 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, 2023 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, 2032, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2031, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see “THE CERTIFICATES – Optional 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) designing, constructing, equipping and installing parks and recreation equipment and park improvements to Texas Independence Ballpark at Midtown; (iii) information technology and communication equipment; (iv) facilities and equipment maintenance facility relocation and improvements; (v) improvements and extensions to the City’s combined waterworks, sewer and electric systems including distribution, transmission, system lines, lift stations, pumps, storage tanks, metering, wells, plant improvements, and acquisition of interests in land for such purposes; and (vi) professional services rendered in relation to such projects and the issuance costs of the Certificates
- RATINGS** The presently outstanding tax supported debt of the City is 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 a contract rating 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
2018	117,841	\$ 8,902,090,555	\$ 75,543	\$ 175,400,000	\$ 1,488	1.97%	99.17%
2019	121,150	9,487,074,377	78,308	197,690,000	1,632	2.08%	99.22%
2020	122,949	9,979,431,357	81,167	183,525,000	1,493	1.84%	98.78%
2021	124,710	10,079,470,032	80,823	194,901,488	1,563	1.93%	99.27%
2022	124,866	10,483,884,379	83,961	226,498,586 ⁽⁴⁾	1,814 ⁽⁴⁾	2.16% ⁽⁴⁾	91.58% ⁽⁵⁾

(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) Projected, includes the Certificates.

(5) Collections as of May 11, 2022. 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.

GENERAL FUND CONSOLIDATED STATEMENT SUMMARY

	For Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Beginning Balance	\$ 35,742,062	\$ 28,360,567	\$ 26,790,569	\$ 22,514,523	\$ 19,133,202
Total Revenue	85,609,997	74,456,870	71,180,329	67,484,355	64,795,371
Total Expenditures	87,680,867	85,856,082	87,077,758	82,128,812	76,897,859
Other Financing Sources	16,166,209	18,780,707	17,467,427	16,214,241	15,483,809
Prior Period Adjustment	(1,517,309)	-	-	2,706,262	-
Ending Balance	\$ 48,320,092	\$ 35,742,062	\$ 28,360,567	\$ 26,790,569	\$ 22,514,523

(Remainder of page intentionally left blank)

UTILITY SYSTEM CONDENSED STATEMENT OF OPERATIONS

	For Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Revenues:					
Electric	\$ 102,794,575	\$ 100,369,952	\$ 102,443,382	\$ 102,511,712	\$ 99,179,570
Water and Wastewater	37,512,695	37,628,189	34,313,203	33,602,131	31,333,922
Interest	216,542	1,322,832	2,654,945	1,262,551	697,655
Other	4,508,068	4,400,186	3,558,330	2,520,335	3,179,821
Total Revenues	<u>\$ 145,031,880</u>	<u>\$ 143,721,159</u>	<u>\$ 142,969,860</u>	<u>\$ 139,896,729</u>	<u>\$ 134,390,968</u>
Expenses:					
Total Expenses	<u>\$ 133,786,264</u>	<u>\$ 80,521,607</u>	<u>\$ 81,725,180</u>	<u>\$ 77,828,073</u>	<u>\$ 78,766,516</u>
Net Available for Debt Service	<u>\$ 11,245,616</u>	<u>\$ 63,199,552</u>	<u>\$ 61,244,680</u>	<u>\$ 62,068,656</u>	<u>\$ 55,624,452</u>
Water Average Montly Consumption (MGW)	381,256	361,040	369,689	383,830	382,020
Wastewater Average Daily Treatment (000's gal.)	9,430	7,500	8,239	7,468	7,436
Electric Average Monthly Consumption (KWH)	71,670,181	70,516,104	70,995,416	72,239,944	69,814,277

CITY OFFICIALS, STAFF AND CONSULTANTS

ELECTED OFFICIALS

Name	Position	Length of Service	Term Expiration	Occupation
Karl P. Mooney	Mayor	5.5 Years	November 2022	Texas A&M University Administrator
Bob Brick	Council Member 1	4.5 Years	November 2022	Research Scientist
John Crompton	Council Member 2	2.5 Years	November 2022	Professor
Linda Harvell	Council Member 3	5.5 Years	November 2024	Business Owner
Elizabeth Cunha	Council Member 4	1.5 Years	November 2024	Education
John Nichols	Council Member 5	4.5 Years	November 2024	Retired Professor
Dennis Maloney	Council Member 6	2.5 Years	November 2024	Business Owner

Note: After November 2022 elections for Mayor, Place 1 and Place 2, these positions will serve for 4 year terms. The City will also move to even numbered years for council elections after this date. After the November 2024 elections for Places 4 and 6, these positions will serve 4 year terms resulting in all council positions then serving 4 year terms moving forward.

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SELECTED ADMINISTRATIVE STAFF

Name	Position	Length of Service to the City (in Years)
Bryan Woods	City Manager	3.5 ⁽¹⁾
Jeff Capps	Deputy City Manager	29.0 ⁽²⁾
Jeff Kersten	Assistant City Manager, CFO	31.0 ⁽³⁾
Jennifer Prochazka	Assistant City Manager	22.0 ⁽⁴⁾
Carla Robinson	City Attorney	21.0 ⁽⁵⁾
Tanya D. Smith	City Secretary	14.0 ⁽⁶⁾
Ty Elliott	Internal Auditor	15.0
Mary Ellen Leonard	Director of Finance	6.0
Gary Mechler	Director of Water Services	4.0 ⁽⁷⁾
Timothy Crabb	Director of Electric Utility	15.0 ⁽⁸⁾
Samuel Rivera	Chief Information Officer	3.0 ⁽⁹⁾
Stephen Wright	Director of Parks and Recreation	1.5 ⁽¹⁰⁾
Michael Ostrowski	Director of Planning and Development Services	1.5 ⁽¹¹⁾
Emily Fisher	Director of Public Works	9.0 ⁽¹²⁾
Alison Pond	Director of Human Resources	13.5
Colin Killian	Interim, Public Communications Director	12.0

(1) New hire as City Manager in December 2018.

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

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

(4) Assistant City Manager since 2020, previously served as Planning and Development Services Director.

(5) Will be retiring on June 15, 2022. City Council will appoint a new City Attorney after this date.

(6) Appointed City Secretary in July 2017; previously served as Deputy City Secretary since 2008.

(7) New hire Director of Water Services in August 2018.

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

(9) New hire as Assistant Director of Information Technology in July 2019. Appointed CIO in December 2021.

(10) New hire as Director of Parks and Recreation in December 2020.

(11) New hire as Director of Planning and Development in December 2020.

(12) Director of Public Works since 2022; previously served as CIP Manager.

CONSULTANTS AND ADVISORS

AuditorsBKD CPAs & Advisors
Houston, Texas

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

Financial AdvisorHilltop Securities Inc.
Houston, Texas

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(713) 651-9850 Phone

OFFICIAL STATEMENT
RELATING TO
CITY OF COLLEGE STATION, TEXAS
(a Home-Rule City located in Brazos County, Texas)
\$76,110,000*
CERTIFICATES OF OBLIGATION, SERIES 2022

INTRODUCTION

This Official Statement, which includes the cover pages and Appendices hereto, provides certain information regarding the issuance of the \$76,110,000* City of College Station, Texas Certificates of Obligation, Series 2022 (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 July 14, 2022.

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 2021. 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 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 Underwriters 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, 2023 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, 2032, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2031, 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 of 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 Underwriters 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 Underwriters 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 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 Underwriters.

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 Underwriters. 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 does 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 be 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

\$	-
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Use of Funds

Deposit to Project Fund

Underwriter's Discount

Costs of Issuance

Total Uses of Funds

\$	-
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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 percent 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

2021/2022 Market Valuation Established by Brazos Central Appraisal District (excluding exempt property)		\$ 10,987,702,891
Less Exemptions/Reductions at 100% Market Value:		
Productivity Loss	\$ 121,548,326	
Over 65 Homestead Exemptions	113,599,953	
Cap Loss	11,743,761	
Pollution Control	237,143	
Member Armed Service Surviving Spouse	716,365	
Solar	211,277	
Freeport	23,206,798	
Disabled Veteran	64,125,255	
Homestead	167,851,107	
First Responders Surviving Spouse	578,527	503,818,512
2021/2022 Taxable Assessed Valuation		<u>\$ 10,483,884,379 ⁽¹⁾</u>
Debt Payable from Ad Valorem Taxes (as of 6/1/2022)		
Certificates of Obligation, Series 2013	\$ 6,560,000	
General Obligation Improvement and Refunding Bonds, Series 2013	8,815,000	
Certificates of Obligation, Series 2014	20,935,000	
General Obligation Improvement and Refunding Bonds, Series 2014	16,825,000	
Certificates of Obligation, Series 2016	17,970,000	
General Obligation Improvement and Refunding Bonds, Series 2016	26,855,000	
General Obligation Improvement and Refunding Bonds, Series 2017	25,510,000	
Certificates of Obligation, Series 2017	45,315,000	
Certificates of Obligation, Series 2018	30,155,000	
Certificates of Obligation, Series 2019	65,540,000	
Certificates of Obligation, Series 2020	19,445,000	
General Obligation Refunding Bonds, Series 2020	13,145,000	
General Obligation Refunding Bonds, Series 2020A	14,110,000	
Certificates of Obligation, Series 2021	51,390,000	
The Certificates ⁽²⁾	<u>76,110,000</u>	<u>438,680,000</u>
Less: Self Supporting Debt ⁽³⁾		\$ 212,181,414
Less: Interest and Sinking Fund as of 5/1/2022		<u>9,356,390</u>
Net Debt Payable from Ad Valorem Taxes ⁽⁴⁾		<u>\$ 217,142,196</u>
Ratio of Net Debt Payable from Ad Valorem Taxes to Taxable Assessed Valuation ⁽⁴⁾		2.07%
2022 Estimated Population - 124,866		
Per Capita Taxable Assessed Valuation - \$83,961		
Per Capita Net Funded Debt - \$1,739		

- (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." Preliminary, subject to change.
- (4) Net of Interest and Sinking Fund as of May 1, 2022.

TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY

Category	Taxable Appraised Value, Fiscal Year Ending September 30,					
	2022		2021		2020	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 6,149,791,788	55.97%	\$ 5,811,512,587	55.20%	\$ 5,654,665,682	54.26%
Real, Residential, Multi-Family	2,205,779,501	20.07%	2,152,451,222	20.44%	2,165,512,093	20.78%
Real, Vacant Lots/Tracts	192,135,685	1.75%	176,239,728	1.67%	170,205,829	1.63%
Real, Acreage (Land Only)	122,899,435	1.12%	107,408,833	1.02%	111,699,300	1.07%
Real, Farm and Ranch Improvements	74,092,458	0.67%	70,754,199	0.67%	73,131,172	0.70%
Real, Commercial/Industrial	1,704,356,374	15.51%	1,675,685,747	15.92%	1,722,395,856	16.53%
Real, Oil, Gas & Other Mineral Reserves	2,362,709	0.02%	5,628,541	0.05%	7,641,206	0.07%
Real and Tangible Personal, Utilities	50,984,103	0.46%	41,370,586	0.39%	41,354,350	0.40%
Tangible Personal, Business	434,294,250	3.95%	413,595,878	3.93%	415,420,441	3.99%
Tangible Personal, Other	2,278,571	0.02%	2,317,808	0.02%	2,384,330	0.02%
Real Property Inventory	27,019,742	0.25%	43,992,153	0.42%	37,101,583	0.36%
Special Inventory	21,708,275	0.20%	27,647,427	0.26%	19,926,390	0.19%
Total Appraised Value Before Exemptions	\$ 10,987,702,891	100.00%	\$ 10,528,604,709	100.00%	\$ 10,421,438,232	100.00%
Less: Total Exemptions/Reductions	503,818,512		449,134,677		442,006,875	
Taxable Assessed Value	<u>\$ 10,483,884,379</u>		<u>\$ 10,079,470,032</u>		<u>\$ 9,979,431,357</u>	

Category	Taxable Appraised Value, Fiscal Year Ending September 30,			
	2019		2018	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 5,420,353,263	54.67%	\$ 4,891,101,082	53.32%
Real, Residential, Multi-Family	2,014,388,746	20.32%	1,951,938,574	21.28%
Real, Vacant Lots/Tracts	181,379,036	1.83%	166,018,722	1.81%
Real, Acreage (Land Only)	107,486,185	1.08%	117,980,979	1.29%
Real, Farm and Ranch Improvements	92,572,477	0.93%	95,828,034	1.04%
Real, Commercial/Industrial	1,612,617,746	16.27%	1,497,083,484	16.32%
Real, Oil, Gas & Other Mineral Reserves	12,619,033	0.13%	4,375,082	0.05%
Real and Tangible Personal, Utilities	40,945,210	0.41%	40,806,430	0.44%
Tangible Personal, Business	389,192,346	3.93%	360,514,767	3.93%
Tangible Personal, Other	2,441,400	0.02%	2,449,980	0.03%
Real Property Inventory	23,400,278	0.24%	31,155,861	0.34%
Special Inventory	16,814,030	0.17%	13,855,490	0.15%
Total Appraised Value Before Exemptions	\$ 9,914,209,750	100.00%	\$ 9,173,108,485	100.00%
Less: Total Exemptions/Reductions	427,135,373		271,017,930	
Taxable Assessed Value	<u>\$ 9,487,074,377</u>		<u>\$ 8,902,090,555</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
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	194,901,488	1.93%	1,563
2022	124,866	10,483,884,379	83,961	226,498,586 ⁽⁴⁾	2.16% ⁽⁴⁾	1,814 ⁽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.

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
2018	\$ 0.4975	\$ 0.2772	\$ 0.2203	\$ 43,300,209	98.90%	99.17%
2019	0.5058	0.2855	0.2203	46,985,167	99.22%	99.22%
2020	0.5346	0.3132	0.2214	52,020,670	98.78% ⁽¹⁾	98.78% ⁽¹⁾
2021	0.5346	0.3182	0.2164	52,501,620	99.27% ⁽¹⁾	99.27% ⁽¹⁾
2022	0.5346	0.3182	0.2164	54,614,467	91.58% ⁽²⁾	91.58% ⁽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 May 11, 2022. 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, 2022.

TABLE 5 - TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2022 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Fujifilm Diosynth Biotechnologies Texas LLC	Technology	\$ 118,007,167	1.13%
Sterling-A&M High Rise LLC	Apartment Buildings	62,231,467	0.59%
CPP College Station I LLC	Real Estate	60,789,498	0.58%
The Standard at College Station LLC	Apartment Buildings	60,417,818	0.58%
Northpoint Crossing Residential I Owner LLC	Real Estate	51,802,000	0.49%
Northpoint Crossing Residential II Owner LLC	Real Estate	51,802,000	0.49%
Culpepper Family LP	Real Estate	51,242,354	0.49%
Israel Weinberg	Commercial	51,009,683	0.49%
SW Meadows Point LP	Apartment Buildings	48,315,144	0.46%
Century Square Commercial Venture LLC	Real Estate	46,632,821	0.44%
		<u>\$ 602,249,952</u>	<u>5.74%</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).....	\$ 24,245,688 ⁽¹⁾
\$0.23361 Tax Rate at 99% Collection Produces	\$ 24,246,488
Net Average Tax Supported Principal and Interest Requirements (2022-2042).....	\$ 14,917,191 ⁽¹⁾
\$0.14373 Tax Rate at 99% Collection Produces	\$ 14,917,802

(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.

	2021/22 Taxable Assessed Value	2022 Tax Rate	Total Net Tax Debt as of 6/1/2022	Estimated % Applicable	City's Overlapping Tax Debt as of 6/1/2022
City of College Station	\$ 10,483,884,379 ⁽¹⁾	0.5346	\$ 217,142,196 ⁽²⁾	100.00%	\$ 217,142,196
Rock Prairie Management District #2	45,109,685	0.5000	2,500,000	100.00%	2,500,000
Brazos County	21,749,577,815	0.4940	81,300,000	48.31%	39,276,030
Bryan ISD	9,646,098,790	1.2270	267,705,000	3.26%	8,727,183
College Station ISD	11,323,889,383	1.2150	361,330,000	88.32%	319,126,656
Total Direct and Overlapping Funded Tax Debt					\$ 586,772,065
Ratio of Direct and Overlapping Funded Tax Debt to Taxable Assessed Valuation					5.597%
Per Capita Overlapping Funded Tax Debt					\$ 4,699

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.

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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			
2022	\$ 29,595,000	\$ 14,977,130	\$ 44,572,130	\$ -	\$ -	\$ -	\$ 21,534,629	\$ 23,037,501	
2023	27,775,000	13,583,579	41,358,579	2,680,000	3,024,627	5,704,627	22,817,517	24,245,688	
2024	28,385,000	12,278,499	40,663,499	2,820,000	2,880,800	5,700,800	22,488,047	23,876,252	
2025	27,750,000	10,942,606	38,692,606	2,935,000	2,765,700	5,700,700	21,960,320	22,432,986	
2026	27,815,000	9,603,036	37,418,036	3,050,000	2,646,000	5,696,000	21,335,458	21,778,578	32.63%
2027	25,130,000	8,405,959	33,535,959	3,180,000	2,521,400	5,701,400	19,329,183	19,908,177	
2028	23,845,000	7,396,544	31,241,544	3,310,000	2,391,600	5,701,600	18,043,292	18,899,852	
2029	21,990,000	6,479,685	28,469,685	3,445,000	2,256,500	5,701,500	16,958,641	17,212,544	
2030	20,890,000	5,618,469	26,508,469	3,275,000	2,122,100	5,397,100	15,250,352	16,655,217	
2031	20,210,000	4,781,280	24,991,280	3,400,000	1,988,600	5,388,600	15,043,338	15,336,542	60.11%
2032	20,475,000	3,982,313	24,457,313	3,545,000	1,849,700	5,394,700	14,520,520	15,331,492	
2033	20,050,000	3,211,155	23,261,155	3,690,000	1,705,000	5,395,000	13,472,824	15,183,331	
2034	19,440,000	2,489,064	21,929,064	3,840,000	1,554,400	5,394,400	12,719,970	14,603,494	
2035	16,930,000	1,911,565	18,841,565	4,000,000	1,397,600	5,397,600	10,893,431	13,345,734	
2036	17,425,000	1,427,590	18,852,590	4,155,000	1,234,500	5,389,500	10,892,281	13,349,809	84.36%
2037	15,920,000	954,498	16,874,498	4,335,000	1,064,700	5,399,700	10,472,343	11,801,855	
2038	11,375,000	568,834	11,943,834	4,510,000	887,800	5,397,800	9,591,046	7,750,588	
2039	9,215,000	291,775	9,506,775	4,695,000	703,700	5,398,700	8,227,913	6,677,563	
2040	4,580,000	124,488	4,704,488	4,880,000	512,200	5,392,200	5,734,569	4,362,119	
2041	3,370,000	37,913	3,407,913	5,085,000	312,900	5,397,900	4,465,525	4,340,288	98.87%
2042	-	-	-	5,280,000	105,600	5,385,600	2,254,200	3,131,400	100.00%
	<u>\$ 392,165,000</u>	<u>\$ 109,065,977</u>	<u>\$ 501,230,977</u>	<u>\$ 76,110,000</u>	<u>\$ 33,925,427</u>	<u>\$ 110,035,427</u>	<u>\$ 298,005,396</u>	<u>\$ 313,261,008</u>	

(1) Average life of the Certificates – 11.144 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. Preliminary, subject to change.

TABLE 9 - INTEREST AND SINKING FUND BUDGET PROJECTION

Total Net Tax Supported Debt Service Requirements, Fiscal Year Ending September 30, 2022 ⁽¹⁾		\$	23,037,501
Interest and Sinking Fund, September 30, 2021	\$ 8,221,266		
Budgeted Interest and Sinking Fund Tax Levy	22,033,833		
Budgeted Investment Earnings	50,000		
Budgeted Transfers	466,164		30,771,263
Estimated Balance, September 30, 2022		\$	7,733,762

(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	Landfill	Total Self-Supporting Debt Service
2022	\$ 7,420,917	\$ 7,118,685	\$ 6,671,727	\$ 323,300	\$ 21,534,629
2023	7,907,355	7,719,115	6,869,497	321,550	22,817,517
2024	7,557,990	7,697,375	6,903,632	329,050	22,488,047
2025	7,254,505	7,440,730	6,934,409	330,675	21,960,320
2026	6,996,059	7,431,834	6,576,014	331,550	21,335,458
2027	5,788,854	7,215,051	5,993,602	331,675	19,329,183
2028	5,633,694	6,854,793	5,230,405	324,400	18,043,292
2029	5,179,193	6,695,244	4,754,329	329,875	16,958,641
2030	4,310,325	6,697,080	4,242,947	-	15,250,352
2031	4,132,956	6,687,160	4,223,222	-	15,043,338
2032	3,812,946	6,697,673	4,009,901	-	14,520,520
2033	3,314,249	6,324,688	3,833,888	-	13,472,824
2034	2,718,324	6,169,384	3,832,263	-	12,719,970
2035	2,114,321	5,390,499	3,388,611	-	10,893,431
2036	2,112,204	5,390,613	3,389,465	-	10,892,281
2037	2,118,011	5,390,859	2,963,472	-	10,472,343
2038	2,116,066	5,060,878	2,414,102	-	9,591,046
2039	1,684,578	4,373,222	2,170,113	-	8,227,913
2040	1,684,422	2,738,591	1,311,556	-	5,734,569
2041	1,682,244	1,642,319	1,140,963	-	4,465,525
2042	714,000	938,400	601,800	-	2,254,200
	<u>\$ 86,253,215</u>	<u>\$ 121,674,190</u>	<u>\$ 87,455,916</u>	<u>\$ 2,622,075</u>	<u>\$ 298,005,396</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

In 2016, the City entered into a three year operating lease for office space. The most recent amendment to this lease provides for the lease termination in December 2021. Rent cost for fiscal year 2021-22 was \$18,937. After termination of this lease, the City has no other other financial obligations.

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, 2020 valuation and measurement date are as follows:

Inactive employees or beneficiaries currently receiving benefits	529
Inactive employees entitled to but not yet receiving benefits	611
Active employees	912
Total	<u>2,052</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 \$8,071,335.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2020, 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, 2020 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, 2020 valuation were based on the results of actuarial experience studies of TMRS over the four year period from December 31, 2024 to December 31, 2018. 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 12/31/2019	\$ 317,147,554	\$ 286,425,125	\$ 30,722,429
Changes for the year:			
Service Cost	9,309,839	-	9,309,839
Interest (on the Total Pension Liability)	21,264,550	-	21,264,550
Change of benefit terms	(1,018,313)	-	(1,018,313)
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	8,018,511	(8,018,511)
Contributions - employee	-	4,186,606	(4,186,606)
Net investment income (loss)	-	21,739,618	(21,739,618)
Benefit payments, including refunds of employee contributions;	(13,544,199)	(13,544,199)	-
Administrative expenses	-	(140,683)	140,683
Other	-	(5,489)	5,489
Net changes	16,011,877	20,254,364	(4,242,487)
Ending Balance at 12/31/2020	\$ 333,159,431	\$ 306,679,489	\$ 26,479,942

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	\$ 75,924,715	\$ 26,479,943	\$ (13,823,169)

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, 2021, the City recognized pension expense of \$4,404,008.

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

At September 30, 2021, 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	\$ 241,806	\$ 999,666
Changes in assumptions	509,686	-
Difference between projected and actual earnings	-	8,110,597
Contributions subsequent to the measurement date	6,267,651	-
Total	<u>\$ 7,019,143</u>	<u>\$ 9,110,263</u>

Deferred outflows of resources, of \$6,267,651 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, 2021 and recognized in the City's financial statements as of September 30, 2022.

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
2022	\$ (2,910,865)
2023	67,124
2024	(4,897,187)
2025	(617,843)
2026	-
Thereafter	-
	<u>\$ (8,358,771)</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, 2021 membership consisted of the following:

	Medical and/or Dental Benefits	Life Insurance Benefits
Retirees and Retiree Spouses	64	188
Active Employees	891	891
	<u>955</u>	<u>1,079</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, 2021, the City's average contribution rate was 1.0 percent of covered-employee payroll. The City's contributions to the plan for fiscal year 2021 was \$2,303,247 which meets the actuarially determined contribution of \$320,784.

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:

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

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, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 13.6 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, 2021.

Reserves

The OPEB plan has no reserves recorded at September 30, 2021.

Net OPEB Liability

The components of the net OPEB liability of the City at September 30, 2021 based on the December 31, 2020 measurement and actuarial valuation date, were as follows:

Total OPEB liability - ending	\$ 6,626,605
Plan fiduciary net position - ending	(4,596,514)
Net OPEB liability - ending	<u>2,030,091</u>
Plan fiduciary net position as a percentage of total OPEB liability	69.36%

Changes in the Net OPEB Liability

For the year ended September 30, 2021, the City recognized reduction in the OPEB liability of \$732,298. 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, 2019	\$ 5,367,543	\$ 4,069,750	\$ 1,297,793
Changes for the year:			
Service cost	162,147	-	162,147
Interest	355,125	-	355,125
Differences between expected and actual experience	323,235	-	323,235
Changes of assumptions of other inputs	1,331,492	-	1,331,492
Contributions-employer	-	912,937	(912,937)
Net investment income	-	526,764	(526,764)
Benefit payments, including refunds of employee contributions	(912,937)	(912,937)	-
Net changes	1,259,062	526,764	732,298
Balances as of December 31, 2020	<u>\$ 6,626,605</u>	<u>\$ 4,596,514</u>	<u>\$ 2,030,091</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	8.00% in FY22 decreasing 0.50% per year to a rate of 4.75 for FYE 2029 and later years

Mortality rates were based on the Pub-2010 Public Safety Employee mortality table for males and Pub-2010 General Employee mortality table for females and Ultimate MP Projection scale projected generationally from the year 2021. 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. Retirees and Retiree Spouses, the 2019 Municipal Retirees of Texas mortality tables with Ultimate MP Projection Scale projected generationally from the year 2019. Disabled Retirees, the 2019 Municipal Retirees of Texas mortality tables with a 3-year set forward for females and a 4-year set forward for males, minimum mortality rates at all ages of 3% for females and 3.5% for males, and ultimate MP projection Scale projected generationally from the year 2019.

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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	\$ 2,544,681	\$ 2,030,091	\$ 1,565,999

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 (6.00 percent) or 1-percentage-point higher (8.0 percent) than the current discount rate:

	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	\$ 1,485,751	\$ 2,030,091	\$ 2,664,467

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

For the fiscal year ended September 30, 2021, the City recognized OPEB expense/(income) of \$444,335. At September 30, 2021, 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	\$ 331,803	\$ 723,307
Changes in actual assumptions	1,135,972	2,773,954
Difference between projected and actual earning on OPEB plan investments	-	286,424
Contributions subsequent to the measurement date	2,097,354	-
Total	<u>\$ 3,565,129</u>	<u>\$ 3,783,685</u>

Deferred outflows of resources, of \$2,097,354 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, 2021 and recognized in the City's financial statements as of September 30, 2022. 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
2022	\$ (676,723)
2023	(676,327)
2024	(734,215)
2025	(283,293)
2026	(85,621)
Thereafter	140,269
	<u>\$ (2,315,910)</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, 2021 the trust's balance was \$4,596,514.

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FINANCIAL INFORMATION

TABLE 12 - GENERAL FUND REVENUES AND EXPENDITURE HISTORY

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Revenues:					
Taxes	\$ 68,484,636	\$ 62,576,440	\$ 59,745,768	\$ 56,329,528	\$ 53,749,315
Licenses & Permits	2,617,660	1,978,515	1,633,241	1,772,959	2,127,142
Intergovernmental	6,138,879	1,117,729	585,506	910,169	828,510
Charges for Services	4,850,627	3,654,911	3,753,297	3,940,837	3,863,744
Fines, Forfeits and Penalties	2,421,960	2,955,723	3,544,994	3,211,536	2,917,735
Investment Income	78,929	264,215	757,250	449,880	241,880
Rents & Royalties	579,416	100,409	184,543	219,538	284,351
Contributions	9,992	251	17,905	7,361	7,580
Other	427,898	1,808,677	957,825	642,547	775,114
Total Revenues	\$ 85,609,997	\$ 74,456,870	\$ 71,180,329	\$ 67,484,355	\$ 64,795,371
Expenditures:					
General Government	\$ 9,784,872	\$ 7,629,456	\$ 8,481,683	\$ 6,165,016	\$ 6,228,021
Fiscal Services	4,535,506	4,424,965	3,993,584	3,954,488	3,815,223
Police Department	23,841,799	23,798,584	24,299,928	22,631,648	21,372,560
Fire Department	20,238,097	19,957,114	19,888,536	19,624,919	17,001,580
Planning & Development Services	3,906,537	4,112,986	4,180,089	3,740,969	3,741,263
Parks and Recreation	7,775,598	7,569,136	9,350,892	9,129,079	8,621,075
Information Technology	5,634,704	5,463,764	4,591,351	4,488,885	4,600,556
Public Works	7,257,706	8,512,549	9,348,645	9,575,300	8,151,055
Library Services	1,205,559	1,207,017	1,186,313	1,118,522	1,097,876
Contributions	1,568,126	1,623,437	1,467,695	1,380,580	1,280,215
Other	-	-	-	-	-
Capital Improvement Projects	1,932,363	1,557,074	289,042	319,406	988,435
Total Expenditures	\$ 87,680,867	\$ 85,856,082	\$ 87,077,758	\$ 82,128,812	\$ 76,897,859
Other Financing Sources (Uses):					
Sale of General Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ 47,478
Operating Transfers In	23,628,416	22,015,275	19,427,607	19,245,943	18,347,351
Operating Transfers Out	(7,462,207)	(3,234,568)	(1,960,180)	(3,031,702)	(2,911,020)
Total Other Financing Sources (Uses)	\$ 16,166,209	\$ 18,780,707	\$ 17,467,427	\$ 16,214,241	\$ 15,483,809
Net Change in Fund Balance	\$ 14,095,339	\$ 7,381,495	\$ 1,569,998	\$ 1,569,784	\$ 3,381,321
Fund Balance, Beginning of Year	35,742,062	28,360,567	26,790,569	22,514,523	19,133,202
Prior Period Adjustment	(1,517,309)	-	-	2,706,262	-
Fund Balance, End of Year	\$ 48,320,092	\$ 35,742,062	\$ 28,360,567	\$ 26,790,569	\$ 22,514,523

7

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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 9/30	Total Collected ⁽¹⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽²⁾
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	34,003,428	64.77%	0.35	273
2022	21,740,334 ⁽³⁾	39.81%	0.21	174

(1) Provided by the City.

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

(3) Collections as of May 11, 2022.

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 2021-2022 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 include ten wells, with a firm capacity of 34 million gallons per day. The water is delivered to the distribution system by 14 miles of large diameter parallel pipelines 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.

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 October 1, 2021. 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 \$0.014 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)	\$0.1079 per kWh
	kWh (November through April)	\$0.1033 per kWh
	Tax	1.50%
	Transmission Delivery Adjustment (TDA) ..	\$0.014 per kWh
Master Metered Multiple Dwelling Units .	Service Charge	\$100.00 per month per master meter
	plus:	
	kWh (May through October)	\$0.1079 per kWh
	kWh (November through April)	\$0.1033 per kWh
	Tax	1.50%
	TDA	\$0.014 per kWh
Small Commercial (1-10 KW demand).....	Service Charge.....	\$9.00 per month
	plus:	
	First 1,000 kWh	\$0.1254 per kWh

	Over 1,000 kWh	\$0.0938 per kWh
	Tax	8.25%
	TDA	\$0.014 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.....	\$0.0639 per KW
	Minimum Monthly Charge	\$181.00
	Tax	8.25%
	TDA	\$0.014 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.....	\$0.0613 per KW
	Minimum Monthly Charge	\$3,195.00
	Tax	8.25%
	TDA	\$0.014 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)	\$0.0592 per KW
	Minimum Monthly	\$15,034.85
	Tax.....	8.25%
	TDA.....	\$0.014 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
adder:

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

TABLE 14 - HISTORICAL UTILITY USERS (UNITS SERVED)

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Water Avg. Monthly Consumption (MGW)	381,256	361,040	369,689	383,830	382,020
Wastewater Avg. Daily Treatment (000's gal.)	9,430	7,500	8,239	7,468	7,436
Electric Avg. Monthly Consumption (KWH)	71,670,181	70,516,104	70,995,416	72,239,944	69,814,277

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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	18,193,840	2.11%
HEB Grocery	Retail	12,524,280	1.45%
Biotechnologies Texas LLC	Medical	12,254,720	1.42%
CSISD	Schools	10,780,640	1.25%
City of College Station	Municipality	9,533,871	1.11%
CHI St. Joseph Health - College Station	Hospital	7,857,040	0.91%
Wal-Mart	Retail	7,438,080	0.86%
Dealer Computer Services Inc	Retail	4,417,600	0.51%
Sterling A&M High Rise LLC	Apartment Complex	4,047,520	0.47%
Kroger Company	Retail	3,912,320	0.45%
		<u>90,959,911</u>	<u>10.55%</u>

TABLE 16 - CONDENSED STATEMENT OF OPERATIONS

	For Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Revenues:					
Electric	\$ 102,794,575	\$ 100,369,952	\$ 102,443,382	\$ 102,511,712	\$ 99,179,570
Water and Wastewater	37,512,695	37,628,189	34,313,203	33,602,131	31,333,922
Interest	216,542	1,322,832	2,654,945	1,262,551	697,655
Other	4,508,068	4,400,186	3,558,330	2,520,335	3,179,821
Total Revenues	<u>\$ 145,031,880</u>	<u>\$ 143,721,159</u>	<u>\$ 142,969,860</u>	<u>\$ 139,896,729</u>	<u>\$ 134,390,968</u>
Expenses:					
Total Expenses	<u>\$ 133,786,264</u>	<u>\$ 80,521,607</u>	<u>\$ 81,725,180</u>	<u>\$ 77,828,073</u>	<u>\$ 78,766,516</u>
Net Available for Debt Service	<u>\$ 11,245,616</u>	<u>\$ 63,199,552</u>	<u>\$ 61,244,680</u>	<u>\$ 62,068,656</u>	<u>\$ 55,624,452</u>
Water Average Montly Consumption (MGW)	381,256	361,040	369,689	383,830	382,020
Wastewater Average Daily Treatment (000's gal.)	9,430	7,500	8,239	7,468	7,436
Electric Average Monthly Consumption (KWH)	71,670,181	70,516,104	70,995,416	72,239,944	69,814,277

TABLE 17 – VALUE OF THE SYSTEM

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Utility Systems	\$ 685,380,672	\$ 656,481,245	\$ 617,910,408	\$ 579,717,873	\$ 553,774,054
Construction in Progress	74,758,797	60,688,724	45,129,947	46,447,061	30,240,705
	<u>\$ 760,139,469</u>	<u>\$ 717,169,969</u>	<u>\$ 663,040,355</u>	<u>\$ 626,164,934</u>	<u>\$ 584,014,759</u>
Less: Accumulated Depreciation	301,465,663	282,503,564	263,680,722	246,243,993	229,374,628
Net System Value	<u>\$ 458,673,806</u>	<u>\$ 434,666,405</u>	<u>\$ 399,359,633</u>	<u>\$ 379,920,941</u>	<u>\$ 354,640,131</u>

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TABLE 18 – CITY’S EQUITY IN THE SYSTEM

Resources	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Net System Value	\$ 458,673,806	\$ 434,666,405	\$ 399,359,633	\$ 379,920,941	\$ 354,640,131
Current Assets	92,857,877	137,070,915	116,643,763	102,382,543	70,636,223
Restricted Assets	33,795,202	17,826,724	36,743,001	11,296,693	30,149,917
Other Resources	-	-	-	-	-
Deferred Charges	3,111,022	3,460,814	6,485,373	3,506,226	5,197,104
Total	\$ 588,437,907	\$ 593,024,858	\$ 559,231,770	\$ 497,106,403	\$ 460,623,375
Obligations					
Current Liabilities	\$ 14,547,777	\$ 16,876,003	\$ 14,711,183	\$ 12,467,547	\$ 10,681,761
Current Liabilities Payable from					
Restricted Assets	20,860,751	19,656,598	18,432,091	15,872,611	15,887,617
General Obligation Debt	46,376,401	44,570,802	45,850,605	52,738,157	59,325,710
Certificates of Obligation	152,211,425	133,490,618	126,583,979	91,642,717	77,282,370
Revenue Bond Debt	-	-	-	-	-
Other Debt ⁽¹⁾	8,558,478	8,633,818	10,773,356	8,016,706	8,899,938
Total Liabilities	\$ 242,554,832	\$ 223,227,839	\$ 216,351,214	\$ 180,737,738	\$ 172,077,396
City's Equity in System	\$ 345,883,075	\$ 369,797,019	\$ 342,880,556	\$ 316,368,665	\$ 288,545,979
Percentage of Equity in System	58.78%	62.36%	61.31%	63.64%	62.64%

(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 9/30/2021
2013 ⁽²⁾	10,230,000	7,030,000
2013 ⁽¹⁾⁽³⁾	20,760,000	2,250,000
2014 ⁽²⁾	34,005,000	17,435,000
2014 ⁽¹⁾⁽³⁾	35,865,000	5,435,000
2016 ⁽²⁾	25,720,000	5,685,000
2016 ⁽¹⁾⁽³⁾	40,890,000	13,730,000
2017 ⁽²⁾	57,725,000	10,595,000
2017 ⁽¹⁾⁽³⁾	29,800,000	9,205,000
2018 ⁽²⁾	37,380,000	17,340,000
2019 ⁽²⁾	74,510,000	35,705,000
2020 ⁽²⁾	21,055,000	18,560,000
2020 ⁽¹⁾	15,355,000	5,295,000
2020A ⁽¹⁾	16,930,000	12,848,512
2021 ⁽²⁾	55,395,000	32,840,000
	<u>\$ 475,620,000</u>	<u>\$ 193,953,512</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 May 11, 2022, the City's investable funds were invested in the following categories:

Investment Type	Book Value	Market Value
Cash	\$ 5,167,632	\$ 5,167,632
Local Government Investment Pool	34,479,678	34,479,678
Money Market Mutual Fund	269,922,353	269,922,353
Investments - Agencies	10,000,000	9,922,850
	<u>\$ 319,569,663</u>	<u>\$ 319,492,513</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 2022. 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 2022. 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 are 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 on 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 Underwriters a complete transcript of proceedings incident to the authorization and issuance of the Certificates, including the approving legal opinion of the Attorney General of the State of Texas to the effect that the Initial Certificate is a valid and binding obligation of the City, and based upon examination of such transcript of proceedings, the approving legal opinion of Bond Counsel to the effect that the Certificates issued in compliance with the provisions of the Ordinance are valid and legally binding obligations of the City. A form of such opinion is attached hereto as Appendix C. Though it represents the Financial Advisor and the Underwriters from time to time in matters unrelated to the issuance of the Certificates, Bond Counsel has been engaged by the City and only represents the City in connection with the issuance of the Certificates. Bond Counsel did not take part in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Certificates and the Ordinance in the Official Statement under the captions "THE CERTIFICATES" (except for the last sentence of the subcaption "Tax Rate Limitation" and the subcaptions "Book-Entry-Only System," "Remedies" and "Sources and Uses of Certificate Proceeds"), "TAX MATTERS" and "CONTINUING DISCLOSURE OF INFORMATION" (except for the subcaption "Compliance with Prior Undertakings") and the subcaptions "Registration and Qualification of Certificates for Sale", "Legal Investments and Eligibility to Secure Public Funds in Texas", and "Legal Matters" (except for the last two sentences of the first paragraph) under the caption "Other Information", and such firm is of the opinion that the information relating to the Certificates and the Ordinance contained therein fairly and accurately describe the provisions thereof. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of the Certificates are 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. Certain legal matters will be passed upon for the Underwriters by _____, Texas, counsel to the Underwriters. The legal fees to be paid to Underwriter's counsel for services rendered in connection with the issuance of the Certificates are contingent on the sale and delivery of the Certificates.

The 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.

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.

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.

UNDERWRITING

The Underwriters have agreed, subject to certain conditions, to purchase the Certificates from the City, at a price equal to the initial offering prices to the public shown on page 2 of this Official Statement, less an underwriting discount of \$_____. The Underwriters will be obligated to purchase all of the Certificates if any Certificates are purchased.

The Certificates to be offered to the public may be offered and sold to certain dealers (including the Underwriters and other dealers depositing Certificates into investment trusts) at prices lower than the public offering prices of such Certificates, and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

MISCELLANEOUS

The financial data and other information contained herein have been obtained from the City's 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.

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

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, relatively 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 147 full time police officers and 76 support personnel. The department has 71 police patrol vehicles. The fire department consists of 158 full time fire fighters and 8 support personnel. There are six stations and a total of 8 engines, 7 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 19 educational campuses for pre-kindergarten through high school. The School District has a student enrollment in excess of 13,500 and employs close to 2,000 people. On November 3, 2021 the voters passed a 3 of 4 bond proposition for the School District that includes campus renovations and equipment/infrastructure updating.

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 74,000 enrolled students.

HEALTH CARE

CHI St. Joseph Health College Station Hospital, is a 200,000 square foot community healthcare provider located on 25 acres within the city limits of College Station. The hospital is a 167-bed facility and is a licensed Level III Trauma unit. CHI St. Joseph Health College Station 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 at a place of healing, caring and connection for patients and families in the community

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 College Station Medical District 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. 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 1,867 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, 2 splash pad, 60 miles of walking trails, 2 municipal cemeteries and the Ringer Library.

POPULATION

	Official U.S. Census ⁽¹⁾					
	1970	1980	1990	2000	2010	2020
City of College Station	17,676	37,272	52,456	67,890	93,857	120,511
Brazos County	57,978	93,588	121,862	152,415	194,851	233,849

(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 approximately 74,000 students, with more than 528,000 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 RELLIS 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 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 fourth in the nation in average attendance for the 2021 season with average attendance of 98,407 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.

MAJOR AREA EMPLOYERS

<u>Firm Name</u>	<u>Product</u>	<u>Number of Employees</u>
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
Ply Gem Windows	Manufacturing	500-999
Baylor Scott & White	Health Service	500-999
Fujifilm Diosynth Biotechnologies	Biotechnology	500-999

Source: Brazos Valley Economic Development Corp.

The City of College Station has a diverse, growing employment base comprised of a broad range of industry sectors including education, hospitality, professional services, healthcare, and biotechnology. For 2022, the U-Haul Growth Index ranked College Station the #1 growth market in Texas and the Milken Institute ranked College Station the 4th best performing small city in Texas.

College Station is home to Texas A&M University, one of the country's largest public universities and is also the headquarters for the Texas A&M University System, a statewide network comprised of 11 universities and eight state agencies. Texas A&M University boasts more than \$1 billion in annual R&D expenditures and offers opportunities for local businesses to utilize the University's talent pipeline, subject matter experts, research centers, institutes and agencies.

In addition to the impact of the Texas A&M University System, the city also is home to emerging life science and information technology sectors with major employers including FUJIFILM Diosynth Biotechnologies, Matica Biotechnology, Lynntech, Reynolds and Reynolds, and StataCorp. Additionally, the area serves as a medical hub for the region anchored by Baylor Scott & White Medical Center and St. Joseph Health College Station Hospital.

The City has multiple dedicated business parks to support the ongoing recruitment of primary industry employers including Midtown Business Park (252 acres), Business Center at College Station (200 acres), Texas A&M Research Park (350 acres), and Lake Walk / BioCorridor (160 acres).

LABOR STATISTICS

College Station

Year	Labor Force	Total Employment	Unemployment	Rate
2018	59,579	57,857	1,722	2.9%
2019	60,856	59,162	1,694	2.8%
2020	59,868	56,907	2,961	4.9%
2021	62,380	59,980	2,400	3.8%
2022	64,182	62,238	1,944	3.0%

Brazos County

Year	Labor Force	Total Employment	Unemployment	Rate
2018	115,352	112,032	3,320	2.9%
2019	117,312	114,136	3,176	2.7%
2020	116,321	110,128	6,193	5.3%
2021	121,046	116,075	4,971	4.1%
2022	124,300	120,445	3,855	3.1%

Source: Texas Workforce Commission.

(1) Average as of April 2022.

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 2022, the estimated population of College Station was 124,866. 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
2021	778	218,422,222	89	186,326,238	2,224	66,261,099	3,091	471,009,559

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 2020 census population of 233,849, an increase of 20% since 2010. 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

CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS
BRAZOS COUNTY
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 said City convened in a regular meeting on July 14, 2022 at the regular meeting location and the roll was called of the duly constituted officers and members of said City Council, to wit:

Karl Mooney, Mayor
John Crompton, Place 2 Councilman
Elizabeth Cunha; Place 4 Councilwoman
Dennis Maloney, Place 6 Councilman

Bob Brick, Place 1 Councilman
Linda Harvell, Place 3 Councilwoman
John Nichols, Place 5 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

AN ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF COLLEGE STATION, TEXAS CERTIFICATES OF OBLIGATION, SERIES 2022"; 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 be adopted and, after due discussion, said motion, carrying with it the adoption of said Ordinance, prevailed and carried by the following vote:

AYES: _____ NOES: _____ ABSTAIN: _____

2. That a true, full and correct copy of the aforesaid Ordinance adopted at the Meeting 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 adoption 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 for adoption 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.

3. That the Mayor of said City has approved and hereby approves the aforesaid Ordinance; that the Mayor and the City Secretary of said City have duly signed said Ordinance; and that the Mayor and the City Secretary of said City hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of said Ordinance for all purposes.

SIGNED AND SEALED ON JULY 14, 2022.

Tanya D. Smith
City Secretary

Karl Mooney
Mayor

(CITY SEAL)

ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF COLLEGE STATION, TEXAS CERTIFICATES OF OBLIGATION, SERIES 2022"; 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 May 24, 2022 and May 31, 2022;

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 2022, 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 2022", are hereby authorized to be issued and delivered in the principal amount not to exceed \$78,000,000 for the following public purposes: (i) streets and roads including related drainage, landscaping, signalization, lighting, pedestrian improvements and signage related thereto; (ii) designing, constructing, equipping and installing parks and recreation equipment and park improvements for Texas Independence Ballpark at Midtown; (iii) information technology and communication equipment; (iv) facilities and equipment maintenance facility relocation and improvements; (v) improvements and extensions to the City's combined waterworks, sewer and electric systems including distribution, transmission, system lines, lift stations, pumps, storage tanks, metering, wells, plant improvements, and acquisition of interests in land for such purposes; and (vi) 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 \$78,000,000;

(ii) the true interest cost of the Certificates shall not exceed 5.000%;

(iii) the final maturity of the Certificates shall not exceed February 15, 2042;

(iv) the delegation made hereby shall expire if not exercised by the Pricing Officer on or prior to July 14, 2023; 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 "2022 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 2022. 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 2022. 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 2022 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 JULY 14, 2022.

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 2022	PRINCIPAL AMOUNT \$[]
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<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>DELIVERY DATE</u>	<u>CUSIP NO.</u>
	%	[-], 2022	

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 February 15, 20[-], 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 February 15, 20[-], 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 [-], 2022, 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) designing, constructing, equipping and installing parks and recreation equipment and park improvements for Texas Independence Ballpark at Midtown; (iii) information technology and communication equipment; (iv) facilities and equipment maintenance facility relocation and improvements; (v) improvements and extensions to the City's combined waterworks, sewer and electric systems including distribution, transmission, system lines, lift stations, pumps, storage tanks, metering,

wells, plant improvements, and acquisition of interests in land for such purposes; and (vi) 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.

_____ Xxxxx	_____ xxxxx
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>
[-]	[-]	[-]

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 February 15, 20[-] 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

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)

\$76,110,000*
CERTIFICATES OF OBLIGATION, SERIES 2022

Dated Date: Date of Delivery
Interest Accrual Date: Date of Delivery

Due: February 15, as shown on page 2

PAYMENT TERMS. . . Interest on the \$76,110,000* City of College Station, Texas Certificates of Obligation, Series 2022 (the “Certificates”) will accrue from the date of delivery, and will be payable February 15 and August 15 of each year commencing February 15, 2023 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 July 14, 2022 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) designing, constructing, equipping and installing parks and recreation equipment and park improvements to Texas Independence Ballpark at Midtown; (iii) information technology and communication equipment; (iv) facilities and equipment maintenance facility relocation and improvements; (v) improvements and extensions to the City’s combined waterworks, sewer and electric systems including distribution, transmission, system lines, lift stations, pumps, storage tanks, metering, wells, plant improvements, and acquisition of interests in land for such purposes; and (vi) 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 2

LEGALITY. . . The Certificates are offered for delivery, when issued, and received by the Underwriters (the “Underwriters”) 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. Certain legal matters will be passed upon for the Underwriters by _____, Texas, counsel for the Underwriters.

DELIVERY. . . It is expected that the Certificates will be available for delivery through the services of DTC on or about August 11, 2022.

TBD

* Preliminary, subject to change.

MATURITY SCHEDULE*

\$76,110,000*
Certificates of Obligation, Series 2022

Due Feb. 15	Principal	Interest Rate	Yield	CUSIP ⁽¹⁾
2023	\$ 2,680,000			
2024	2,820,000			
2025	2,935,000			
2026	3,050,000			
2027	3,180,000			
2028	3,310,000			
2029	3,445,000			
2030	3,275,000			
2031	3,400,000			
2032	3,545,000			
2033	3,690,000			
2034	3,840,000			
2035	4,000,000			
2036	4,155,000			
2037	4,335,000			
2038	4,510,000			
2039	4,695,000			
2040	4,880,000			
2041	5,085,000			
2042	5,280,000			

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2022 CUSIP Global Services. All rights reserved. CUSIP data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers are provided for convenience of reference only.

OPTIONAL REDEMPTION . . . The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2032, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2031, 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 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 Underwriters 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 Underwriters 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 UNDERWRITERS 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.

TABLE OF CONTENTS

MATURITY SCHEDULE*	2
OFFICIAL STATEMENT SUMMARY	5
SELECTED FINANCIAL INFORMATION	6
GENERAL FUND CONSOLIDATED STATEMENT SUMMARY	6
UTILITY SYSTEM CONDENSED STATEMENT OF OPERATIONS	7
CITY OFFICIALS, STAFF AND CONSULTANTS	7
ELECTED OFFICIALS	7
SELECTED ADMINISTRATIVE STAFF	8
CONSULTANTS AND ADVISORS	8
INTRODUCTION	9
THE CERTIFICATES	9
TAX INFORMATION	13
TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT	19
TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY	20
TABLE 3 - VALUATION AND GENERAL OBLIGATION DEBT HISTORY	21
TABLE 4 - TAX RATE, LEVY AND COLLECTION HISTORY	21
TABLE 5 - TEN LARGEST TAXPAYERS	21
TABLE 6 - TAX ADEQUACY	22
TABLE 7 - ESTIMATED OVERLAPPING DEBT	22
DEBT INFORMATION	23
TABLE 8 - PRO-FORMA AD VALOREM TAX DEBT SERVICE REQUIREMENTS	23
TABLE 9 - INTEREST AND SINKING FUND BUDGET PROJECTION	24
TABLE 10 - SELF-SUPPORTING DEBT	24
TABLE 11 - AUTHORIZED BUT UNISSUED TAX BONDS. ANTICIPATED ISSUANCE OF GENERAL OBLIGATION DEBT	24
OTHER OBLIGATIONS	25
PENSION FUND	25
OTHER POST-EMPLOYMENT BENEFITS	28
FINANCIAL INFORMATION	33
TABLE 12 - GENERAL FUND REVENUES AND EXPENDITURE HISTORY	33
TABLE 13 - MUNICIPAL SALES TAX HISTORY	34
FINANCIAL POLICIES	34

THE COMBINED UTILITY SYSTEM	35
WATERWORKS SYSTEM	35
WASTEWATER SYSTEM	36
ELECTRIC SUPPLY SOURCE	36
WIND WATT RATES	37
TABLE 14 - HISTORICAL UTILITY USERS	37
TABLE 15 - TEN LARGEST UTILITY CUSTOMERS	38
TABLE 16 - CONDENSED STATEMENT OF OPERATIONS	38
TABLE 17 - VALUE OF THE SYSTEM	38
TABLE 18 - CITY'S EQUITY IN THE SYSTEM	39
TABLE 19 - UTILITY REVENUE BOND AND SYSTEM SUPPORTED GENERAL OBLIGATION DEBT SERVICE	39
INVESTMENTS	40
LEGAL INVESTMENTS	40
INVESTMENT POLICIES	41
ADDITIONAL PROVISIONS	41
CITY'S INVESTMENT POLICY	42
TABLE 20 - CURRENT INVESTMENTS	42
TAX MATTERS	42
CONTINUING DISCLOSURE OF INFORMATION	44
OTHER INFORMATION	46
RATINGS	46
LITIGATION	46
REGISTRATION AND QUALIFICATION OF CERTIFICATES FOR SALE	46
LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS	46
AUTHENTICITY OF FINANCIAL DATA AND OTHER INFORMATION	47
FINANCIAL ADVISOR	47
INFECTIOUS DISEASE OUTLOOK (COVID- 19)	47
FORWARD-LOOKING STATEMENTS	48
MISCELLANEOUS	48

APPENDICES

GENERAL INFORMATION REGARDING THE CITY	A
EXCERPTS FROM THE ANNUAL FINANCIAL REPORT	B
FORMS OF OPINIONS OF BOND COUNSEL	C

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 \$76,110,000* City of College Station, Texas Certificates of Obligation, Series 2022. The Certificates are issued as serial certificates maturing on February 15 in each of the years 2023-2042, inclusive (see “THE CERTIFICATES - General Description”).
- 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, 2023 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, 2032, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2031, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see “THE CERTIFICATES – Optional 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) designing, constructing, equipping and installing parks and recreation equipment and park improvements to Texas Independence Ballpark at Midtown; (iii) information technology and communication equipment; (iv) facilities and equipment maintenance facility relocation and improvements; (v) improvements and extensions to the City’s combined waterworks, sewer and electric systems including distribution, transmission, system lines, lift stations, pumps, storage tanks, metering, wells, plant improvements, and acquisition of interests in land for such purposes; and (vi) professional services rendered in relation to such projects and the issuance costs of the Certificates
- RATINGS** The presently outstanding tax supported debt of the City is 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 a contract rating 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
2018	117,841	\$ 8,902,090,555	\$ 75,543	\$ 175,400,000	\$ 1,488	1.97%	99.17%
2019	121,150	9,487,074,377	78,308	197,690,000	1,632	2.08%	99.22%
2020	122,949	9,979,431,357	81,167	183,525,000	1,493	1.84%	98.78%
2021	124,710	10,079,470,032	80,823	194,901,488	1,563	1.93%	99.27%
2022	124,866	10,483,884,379	83,961	226,498,586 ⁽⁴⁾	1,814 ⁽⁴⁾	2.16% ⁽⁴⁾	91.58% ⁽⁵⁾

(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) Projected, includes the Certificates.

(5) Collections as of May 11, 2022. 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.

GENERAL FUND CONSOLIDATED STATEMENT SUMMARY

	For Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Beginning Balance	\$ 35,742,062	\$ 28,360,567	\$ 26,790,569	\$ 22,514,523	\$ 19,133,202
Total Revenue	85,609,997	74,456,870	71,180,329	67,484,355	64,795,371
Total Expenditures	87,680,867	85,856,082	87,077,758	82,128,812	76,897,859
Other Financing Sources	16,166,209	18,780,707	17,467,427	16,214,241	15,483,809
Prior Period Adjustment	(1,517,309)	-	-	2,706,262	-
Ending Balance	\$ 48,320,092	\$ 35,742,062	\$ 28,360,567	\$ 26,790,569	\$ 22,514,523

(Remainder of page intentionally left blank)

UTILITY SYSTEM CONDENSED STATEMENT OF OPERATIONS

	For Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Revenues:					
Electric	\$ 102,794,575	\$ 100,369,952	\$ 102,443,382	\$ 102,511,712	\$ 99,179,570
Water and Wastewater	37,512,695	37,628,189	34,313,203	33,602,131	31,333,922
Interest	216,542	1,322,832	2,654,945	1,262,551	697,655
Other	4,508,068	4,400,186	3,558,330	2,520,335	3,179,821
Total Revenues	\$ 145,031,880	\$ 143,721,159	\$ 142,969,860	\$ 139,896,729	\$ 134,390,968
Expenses:					
Total Expenses	\$ 133,786,264	\$ 80,521,607	\$ 81,725,180	\$ 77,828,073	\$ 78,766,516
Net Available for Debt Service	\$ 11,245,616	\$ 63,199,552	\$ 61,244,680	\$ 62,068,656	\$ 55,624,452
Water Average Montly Consumption (MGW)	381,256	361,040	369,689	383,830	382,020
Wastewater Average Daily Treatment (000's gal.)	9,430	7,500	8,239	7,468	7,436
Electric Average Monthly Consumption (KWH)	71,670,181	70,516,104	70,995,416	72,239,944	69,814,277

CITY OFFICIALS, STAFF AND CONSULTANTS

ELECTED OFFICIALS

Name	Position	Length of Service	Term Expiration	Occupation
Karl P. Mooney	Mayor	5.5 Years	November 2022	Texas A&M University Administrator
Bob Brick	Council Member 1	4.5 Years	November 2022	Research Scientist
John Crompton	Council Member 2	2.5 Years	November 2022	Professor
Linda Harvell	Council Member 3	5.5 Years	November 2024	Business Owner
Elizabeth Cunha	Council Member 4	1.5 Years	November 2024	Education
John Nichols	Council Member 5	4.5 Years	November 2024	Retired Professor
Dennis Maloney	Council Member 6	2.5 Years	November 2024	Business Owner

Note: After November 2022 elections for Mayor, Place 1 and Place 2, these positions will serve for 4 year terms. The City will also move to even numbered years for council elections after this date. After the November 2024 elections for Places 4 and 6, these positions will serve 4 year terms resulting in all council positions then serving 4 year terms moving forward.

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SELECTED ADMINISTRATIVE STAFF

Name	Position	Length of Service to the City (in Years)
Bryan Woods	City Manager	3.5 ⁽¹⁾
Jeff Capps	Deputy City Manager	29.0 ⁽²⁾
Jeff Kersten	Assistant City Manager, CFO	31.0 ⁽³⁾
Jennifer Prochazka	Assistant City Manager	22.0 ⁽⁴⁾
Carla Robinson	City Attorney	21.0 ⁽⁵⁾
Tanya D. Smith	City Secretary	14.0 ⁽⁶⁾
Ty Elliott	Internal Auditor	15.0
Mary Ellen Leonard	Director of Finance	6.0
Gary Mechler	Director of Water Services	4.0 ⁽⁷⁾
Timothy Crabb	Director of Electric Utility	15.0 ⁽⁸⁾
Samuel Rivera	Chief Information Officer	3.0 ⁽⁹⁾
Stephen Wright	Director of Parks and Recreation	1.5 ⁽¹⁰⁾
Michael Ostrowski	Director of Planning and Development Services	1.5 ⁽¹¹⁾
Emily Fisher	Director of Public Works	9.0 ⁽¹²⁾
Alison Pond	Director of Human Resources	13.5
Colin Killian	Interim, Public Communications Director	12.0

(1) New hire as City Manager in December 2018.

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

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

(4) Assistant City Manager since 2020, previously served as Planning and Development Services Director.

(5) Will be retiring on June 15, 2022. City Council will appoint a new City Attorney after this date.

(6) Appointed City Secretary in July 2017; previously served as Deputy City Secretary since 2008.

(7) New hire Director of Water Services in August 2018.

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

(9) New hire as Assistant Director of Information Technology in July 2019. Appointed CIO in December 2021.

(10) New hire as Director of Parks and Recreation in December 2020.

(11) New hire as Director of Planning and Development in December 2020.

(12) Director of Public Works since 2022; previously served as CIP Manager.

CONSULTANTS AND ADVISORS

AuditorsBKD CPAs & Advisors
Houston, Texas

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

Financial AdvisorHilltop Securities Inc.
Houston, Texas

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OFFICIAL STATEMENT
RELATING TO
CITY OF COLLEGE STATION, TEXAS
(a Home-Rule City located in Brazos County, Texas)
\$76,110,000*
CERTIFICATES OF OBLIGATION, SERIES 2022

INTRODUCTION

This Official Statement, which includes the cover pages and Appendices hereto, provides certain information regarding the issuance of the \$76,110,000* City of College Station, Texas Certificates of Obligation, Series 2022 (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 July 14, 2022.

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 2021. 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 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 Underwriters 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, 2023 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, 2032, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2031, 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 of 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 Underwriters 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 Underwriters 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 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 Underwriters.

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 Underwriters. 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 does 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 be 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	
Underwriter's Discount	
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 percent 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

2021/2022 Market Valuation Established by Brazos Central Appraisal District (excluding exempt property)		\$ 10,987,702,891
Less Exemptions/Reductions at 100% Market Value:		
Productivity Loss	\$ 121,548,326	
Over 65 Homestead Exemptions	113,599,953	
Cap Loss	11,743,761	
Pollution Control	237,143	
Member Armed Service Surviving Spouse	716,365	
Solar	211,277	
Freeport	23,206,798	
Disabled Veteran	64,125,255	
Homestead	167,851,107	
First Responders Surviving Spouse	578,527	503,818,512
2021/2022 Taxable Assessed Valuation		<u>\$ 10,483,884,379 ⁽¹⁾</u>
Debt Payable from Ad Valorem Taxes (as of 6/1/2022)		
Certificates of Obligation, Series 2013	\$ 6,560,000	
General Obligation Improvement and Refunding Bonds, Series 2013	8,815,000	
Certificates of Obligation, Series 2014	20,935,000	
General Obligation Improvement and Refunding Bonds, Series 2014	16,825,000	
Certificates of Obligation, Series 2016	17,970,000	
General Obligation Improvement and Refunding Bonds, Series 2016	26,855,000	
General Obligation Improvement and Refunding Bonds, Series 2017	25,510,000	
Certificates of Obligation, Series 2017	45,315,000	
Certificates of Obligation, Series 2018	30,155,000	
Certificates of Obligation, Series 2019	65,540,000	
Certificates of Obligation, Series 2020	19,445,000	
General Obligation Refunding Bonds, Series 2020	13,145,000	
General Obligation Refunding Bonds, Series 2020A	14,110,000	
Certificates of Obligation, Series 2021	51,390,000	
The Certificates ⁽²⁾	<u>76,110,000</u>	<u>438,680,000</u>
Less: Self Supporting Debt ⁽³⁾		\$ 212,181,414
Less: Interest and Sinking Fund as of 5/1/2022		<u>9,356,390</u>
Net Debt Payable from Ad Valorem Taxes ⁽⁴⁾		<u>\$ 217,142,196</u>
Ratio of Net Debt Payable from Ad Valorem Taxes to Taxable Assessed Valuation ⁽⁴⁾		2.07%
2022 Estimated Population - 124,866		
Per Capita Taxable Assessed Valuation - \$83,961		
Per Capita Net Funded Debt - \$1,739		

- (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." Preliminary, subject to change.
- (4) Net of Interest and Sinking Fund as of May 1, 2022.

TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY

Category	Taxable Appraised Value, Fiscal Year Ending September 30,					
	2022		2021		2020	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 6,149,791,788	55.97%	\$ 5,811,512,587	55.20%	\$ 5,654,665,682	54.26%
Real, Residential, Multi-Family	2,205,779,501	20.07%	2,152,451,222	20.44%	2,165,512,093	20.78%
Real, Vacant Lots/Tracts	192,135,685	1.75%	176,239,728	1.67%	170,205,829	1.63%
Real, Acreage (Land Only)	122,899,435	1.12%	107,408,833	1.02%	111,699,300	1.07%
Real, Farm and Ranch Improvements	74,092,458	0.67%	70,754,199	0.67%	73,131,172	0.70%
Real, Commercial/Industrial	1,704,356,374	15.51%	1,675,685,747	15.92%	1,722,395,856	16.53%
Real, Oil, Gas & Other Mineral Reserves	2,362,709	0.02%	5,628,541	0.05%	7,641,206	0.07%
Real and Tangible Personal, Utilities	50,984,103	0.46%	41,370,586	0.39%	41,354,350	0.40%
Tangible Personal, Business	434,294,250	3.95%	413,595,878	3.93%	415,420,441	3.99%
Tangible Personal, Other	2,278,571	0.02%	2,317,808	0.02%	2,384,330	0.02%
Real Property Inventory	27,019,742	0.25%	43,992,153	0.42%	37,101,583	0.36%
Special Inventory	21,708,275	0.20%	27,647,427	0.26%	19,926,390	0.19%
Total Appraised Value Before Exemptions	\$ 10,987,702,891	100.00%	\$ 10,528,604,709	100.00%	\$ 10,421,438,232	100.00%
Less: Total Exemptions/Reductions	503,818,512		449,134,677		442,006,875	
Taxable Assessed Value	<u>\$ 10,483,884,379</u>		<u>\$ 10,079,470,032</u>		<u>\$ 9,979,431,357</u>	

Category	Taxable Appraised Value, Fiscal Year Ending September 30,			
	2019		2018	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 5,420,353,263	54.67%	\$ 4,891,101,082	53.32%
Real, Residential, Multi-Family	2,014,388,746	20.32%	1,951,938,574	21.28%
Real, Vacant Lots/Tracts	181,379,036	1.83%	166,018,722	1.81%
Real, Acreage (Land Only)	107,486,185	1.08%	117,980,979	1.29%
Real, Farm and Ranch Improvements	92,572,477	0.93%	95,828,034	1.04%
Real, Commercial/Industrial	1,612,617,746	16.27%	1,497,083,484	16.32%
Real, Oil, Gas & Other Mineral Reserves	12,619,033	0.13%	4,375,082	0.05%
Real and Tangible Personal, Utilities	40,945,210	0.41%	40,806,430	0.44%
Tangible Personal, Business	389,192,346	3.93%	360,514,767	3.93%
Tangible Personal, Other	2,441,400	0.02%	2,449,980	0.03%
Real Property Inventory	23,400,278	0.24%	31,155,861	0.34%
Special Inventory	16,814,030	0.17%	13,855,490	0.15%
Total Appraised Value Before Exemptions	\$ 9,914,209,750	100.00%	\$ 9,173,108,485	100.00%
Less: Total Exemptions/Reductions	427,135,373		271,017,930	
Taxable Assessed Value	<u>\$ 9,487,074,377</u>		<u>\$ 8,902,090,555</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
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	194,901,488	1.93%	1,563
2022	124,866	10,483,884,379	83,961	226,498,586 ⁽⁴⁾	2.16% ⁽⁴⁾	1,814 ⁽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.

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
2018	\$ 0.4975	\$ 0.2772	\$ 0.2203	\$ 43,300,209	98.90%	99.17%
2019	0.5058	0.2855	0.2203	46,985,167	99.22%	99.22%
2020	0.5346	0.3132	0.2214	52,020,670	98.78% ⁽¹⁾	98.78% ⁽¹⁾
2021	0.5346	0.3182	0.2164	52,501,620	99.27% ⁽¹⁾	99.27% ⁽¹⁾
2022	0.5346	0.3182	0.2164	54,614,467	91.58% ⁽²⁾	91.58% ⁽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 May 11, 2022. 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, 2022.

TABLE 5 - TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2022 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Fujifilm Diosynth Biotechnologies Texas LLC	Technology	\$ 118,007,167	1.13%
Sterling-A&M High Rise LLC	Apartment Buildings	62,231,467	0.59%
CPP College Station I LLC	Real Estate	60,789,498	0.58%
The Standard at College Station LLC	Apartment Buildings	60,417,818	0.58%
Northpoint Crossing Residential I Owner LLC	Real Estate	51,802,000	0.49%
Northpoint Crossing Residential II Owner LLC	Real Estate	51,802,000	0.49%
Culpepper Family LP	Real Estate	51,242,354	0.49%
Israel Weinberg	Commercial	51,009,683	0.49%
SW Meadows Point LP	Apartment Buildings	48,315,144	0.46%
Century Square Commercial Venture LLC	Real Estate	46,632,821	0.44%
		<u>\$ 602,249,952</u>	<u>5.74%</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).....	\$ 24,245,688 ⁽¹⁾
\$0.23361 Tax Rate at 99% Collection Produces	\$ 24,246,488
Net Average Tax Supported Principal and Interest Requirements (2022-2042).....	\$ 14,917,191 ⁽¹⁾
\$0.14373 Tax Rate at 99% Collection Produces	\$ 14,917,802

(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.

	2021/22 Taxable Assessed Value	2022 Tax Rate	Total Net Tax Debt as of 6/1/2022	Estimated % Applicable	City's Overlapping Tax Debt as of 6/1/2022
City of College Station	\$ 10,483,884,379 ⁽¹⁾	0.5346	\$ 217,142,196 ⁽²⁾	100.00%	\$ 217,142,196
Rock Prairie Management District #2	45,109,685	0.5000	2,500,000	100.00%	2,500,000
Brazos County	21,749,577,815	0.4940	81,300,000	48.31%	39,276,030
Bryan ISD	9,646,098,790	1.2270	267,705,000	3.26%	8,727,183
College Station ISD	11,323,889,383	1.2150	361,330,000	88.32%	319,126,656
Total Direct and Overlapping Funded Tax Debt					\$ 586,772,065
Ratio of Direct and Overlapping Funded Tax Debt to Taxable Assessed Valuation					5.597%
Per Capita Overlapping Funded Tax Debt					\$ 4,699

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.

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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			
2022	\$ 29,595,000	\$ 14,977,130	\$ 44,572,130	\$ -	\$ -	\$ -	\$ 21,534,629	\$ 23,037,501	
2023	27,775,000	13,583,579	41,358,579	2,680,000	3,024,627	5,704,627	22,817,517	24,245,688	
2024	28,385,000	12,278,499	40,663,499	2,820,000	2,880,800	5,700,800	22,488,047	23,876,252	
2025	27,750,000	10,942,606	38,692,606	2,935,000	2,765,700	5,700,700	21,960,320	22,432,986	
2026	27,815,000	9,603,036	37,418,036	3,050,000	2,646,000	5,696,000	21,335,458	21,778,578	32.63%
2027	25,130,000	8,405,959	33,535,959	3,180,000	2,521,400	5,701,400	19,329,183	19,908,177	
2028	23,845,000	7,396,544	31,241,544	3,310,000	2,391,600	5,701,600	18,043,292	18,899,852	
2029	21,990,000	6,479,685	28,469,685	3,445,000	2,256,500	5,701,500	16,958,641	17,212,544	
2030	20,890,000	5,618,469	26,508,469	3,275,000	2,122,100	5,397,100	15,250,352	16,655,217	
2031	20,210,000	4,781,280	24,991,280	3,400,000	1,988,600	5,388,600	15,043,338	15,336,542	60.11%
2032	20,475,000	3,982,313	24,457,313	3,545,000	1,849,700	5,394,700	14,520,520	15,331,492	
2033	20,050,000	3,211,155	23,261,155	3,690,000	1,705,000	5,395,000	13,472,824	15,183,331	
2034	19,440,000	2,489,064	21,929,064	3,840,000	1,554,400	5,394,400	12,719,970	14,603,494	
2035	16,930,000	1,911,565	18,841,565	4,000,000	1,397,600	5,397,600	10,893,431	13,345,734	
2036	17,425,000	1,427,590	18,852,590	4,155,000	1,234,500	5,389,500	10,892,281	13,349,809	84.36%
2037	15,920,000	954,498	16,874,498	4,335,000	1,064,700	5,399,700	10,472,343	11,801,855	
2038	11,375,000	568,834	11,943,834	4,510,000	887,800	5,397,800	9,591,046	7,750,588	
2039	9,215,000	291,775	9,506,775	4,695,000	703,700	5,398,700	8,227,913	6,677,563	
2040	4,580,000	124,488	4,704,488	4,880,000	512,200	5,392,200	5,734,569	4,362,119	
2041	3,370,000	37,913	3,407,913	5,085,000	312,900	5,397,900	4,465,525	4,340,288	98.87%
2042	-	-	-	5,280,000	105,600	5,385,600	2,254,200	3,131,400	100.00%
	<u>\$ 392,165,000</u>	<u>\$ 109,065,977</u>	<u>\$ 501,230,977</u>	<u>\$ 76,110,000</u>	<u>\$ 33,925,427</u>	<u>\$ 110,035,427</u>	<u>\$ 298,005,396</u>	<u>\$ 313,261,008</u>	

(1) Average life of the Certificates – 11.144 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. Preliminary, subject to change.

TABLE 9 - INTEREST AND SINKING FUND BUDGET PROJECTION

Total Net Tax Supported Debt Service Requirements, Fiscal Year Ending September 30, 2022 ⁽¹⁾		\$	23,037,501
Interest and Sinking Fund, September 30, 2021	\$ 8,221,266		
Budgeted Interest and Sinking Fund Tax Levy	22,033,833		
Budgeted Investment Earnings	50,000		
Budgeted Transfers	466,164		30,771,263
Estimated Balance, September 30, 2022		\$	7,733,762

(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	Landfill	Total Self-Supporting Debt Service
2022	\$ 7,420,917	\$ 7,118,685	\$ 6,671,727	\$ 323,300	\$ 21,534,629
2023	7,907,355	7,719,115	6,869,497	321,550	22,817,517
2024	7,557,990	7,697,375	6,903,632	329,050	22,488,047
2025	7,254,505	7,440,730	6,934,409	330,675	21,960,320
2026	6,996,059	7,431,834	6,576,014	331,550	21,335,458
2027	5,788,854	7,215,051	5,993,602	331,675	19,329,183
2028	5,633,694	6,854,793	5,230,405	324,400	18,043,292
2029	5,179,193	6,695,244	4,754,329	329,875	16,958,641
2030	4,310,325	6,697,080	4,242,947	-	15,250,352
2031	4,132,956	6,687,160	4,223,222	-	15,043,338
2032	3,812,946	6,697,673	4,009,901	-	14,520,520
2033	3,314,249	6,324,688	3,833,888	-	13,472,824
2034	2,718,324	6,169,384	3,832,263	-	12,719,970
2035	2,114,321	5,390,499	3,388,611	-	10,893,431
2036	2,112,204	5,390,613	3,389,465	-	10,892,281
2037	2,118,011	5,390,859	2,963,472	-	10,472,343
2038	2,116,066	5,060,878	2,414,102	-	9,591,046
2039	1,684,578	4,373,222	2,170,113	-	8,227,913
2040	1,684,422	2,738,591	1,311,556	-	5,734,569
2041	1,682,244	1,642,319	1,140,963	-	4,465,525
2042	714,000	938,400	601,800	-	2,254,200
	<u>\$ 86,253,215</u>	<u>\$ 121,674,190</u>	<u>\$ 87,455,916</u>	<u>\$ 2,622,075</u>	<u>\$ 298,005,396</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

In 2016, the City entered into a three year operating lease for office space. The most recent amendment to this lease provides for the lease termination in December 2021. Rent cost for fiscal year 2021-22 was \$18,937. After termination of this lease, the City has no other other financial obligations.

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, 2020 valuation and measurement date are as follows:

Inactive employees or beneficiaries currently receiving benefits	529
Inactive employees entitled to but not yet receiving benefits	611
Active employees	912
Total	<u>2,052</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 \$8,071,335.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2020, 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, 2020 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, 2020 valuation were based on the results of actuarial experience studies of TMRS over the four year period from December 31, 2024 to December 31, 2018. 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 12/31/2019	\$ 317,147,554	\$ 286,425,125	\$ 30,722,429
Changes for the year:			
Service Cost	9,309,839	-	9,309,839
Interest (on the Total Pension Liability)	21,264,550	-	21,264,550
Change of benefit terms	(1,018,313)	-	(1,018,313)
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	8,018,511	(8,018,511)
Contributions - employee	-	4,186,606	(4,186,606)
Net investment income (loss)	-	21,739,618	(21,739,618)
Benefit payments, including refunds of employee contributions;	(13,544,199)	(13,544,199)	-
Administrative expenses	-	(140,683)	140,683
Other	-	(5,489)	5,489
Net changes	16,011,877	20,254,364	(4,242,487)
Ending Balance at 12/31/2020	\$ 333,159,431	\$ 306,679,489	\$ 26,479,942

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	\$ 75,924,715	\$ 26,479,943	\$ (13,823,169)

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, 2021, the City recognized pension expense of \$4,404,008.

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

At September 30, 2021, 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	\$ 241,806	\$ 999,666
Changes in assumptions	509,686	-
Difference between projected and actual earnings	-	8,110,597
Contributions subsequent to the measurement date	6,267,651	-
Total	<u>\$ 7,019,143</u>	<u>\$ 9,110,263</u>

Deferred outflows of resources, of \$6,267,651 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, 2021 and recognized in the City's financial statements as of September 30, 2022.

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
2022	\$ (2,910,865)
2023	67,124
2024	(4,897,187)
2025	(617,843)
2026	-
Thereafter	-
	<u>\$ (8,358,771)</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, 2021 membership consisted of the following:

	Medical and/or Dental Benefits	Life Insurance Benefits
Retirees and Retiree Spouses	64	188
Active Employees	891	891
	<u>955</u>	<u>1,079</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, 2021, the City's average contribution rate was 1.0 percent of covered-employee payroll. The City's contributions to the plan for fiscal year 2021 was \$2,303,247 which meets the actuarially determined contribution of \$320,784.

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:

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

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, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 13.6 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, 2021.

Reserves

The OPEB plan has no reserves recorded at September 30, 2021.

Net OPEB Liability

The components of the net OPEB liability of the City at September 30, 2021 based on the December 31, 2020 measurement and actuarial valuation date, were as follows:

Total OPEB liability - ending	\$ 6,626,605
Plan fiduciary net position - ending	(4,596,514)
Net OPEB liability - ending	<u>2,030,091</u>
Plan fiduciary net position as a percentage of total OPEB liability	69.36%

Changes in the Net OPEB Liability

For the year ended September 30, 2021, the City recognized reduction in the OPEB liability of \$732,298. 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, 2019	\$ 5,367,543	\$ 4,069,750	\$ 1,297,793
Changes for the year:			
Service cost	162,147	-	162,147
Interest	355,125	-	355,125
Differences between expected and actual experience	323,235	-	323,235
Changes of assumptions of other inputs	1,331,492	-	1,331,492
Contributions-employer	-	912,937	(912,937)
Net investment income	-	526,764	(526,764)
Benefit payments, including refunds of employee contributions	(912,937)	(912,937)	-
Net changes	1,259,062	526,764	732,298
Balances as of December 31, 2020	<u>\$ 6,626,605</u>	<u>\$ 4,596,514</u>	<u>\$ 2,030,091</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	8.00% in FY22 decreasing 0.50% per year to a rate of 4.75 for FYE 2029 and later years

Mortality rates were based on the Pub-2010 Public Safety Employee mortality table for males and Pub-2010 General Employee mortality table for females and Ultimate MP Projection scale projected generationally from the year 2021. 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. Retirees and Retiree Spouses, the 2019 Municipal Retirees of Texas mortality tables with Ultimate MP Projection Scale projected generationally from the year 2019. Disabled Retirees, the 2019 Municipal Retirees of Texas mortality tables with a 3-year set forward for females and a 4-year set forward for males, minimum mortality rates at all ages of 3% for females and 3.5% for males, and ultimate MP projection Scale projected generationally from the year 2019.

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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	\$ 2,544,681	\$ 2,030,091	\$ 1,565,999

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 (6.00 percent) or 1-percentage-point higher (8.0 percent) than the current discount rate:

	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	\$ 1,485,751	\$ 2,030,091	\$ 2,664,467

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

For the fiscal year ended September 30, 2021, the City recognized OPEB expense/(income) of \$444,335. At September 30, 2021, 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	\$ 331,803	\$ 723,307
Changes in actual assumptions	1,135,972	2,773,954
Difference between projected and actual earning on OPEB plan investments	-	286,424
Contributions subsequent to the measurement date	2,097,354	-
Total	<u>\$ 3,565,129</u>	<u>\$ 3,783,685</u>

Deferred outflows of resources, of \$2,097,354 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, 2021 and recognized in the City's financial statements as of September 30, 2022. 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
2022	\$ (676,723)
2023	(676,327)
2024	(734,215)
2025	(283,293)
2026	(85,621)
Thereafter	140,269
	<u>\$ (2,315,910)</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, 2021 the trust's balance was \$4,596,514.

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FINANCIAL INFORMATION

TABLE 12 - GENERAL FUND REVENUES AND EXPENDITURE HISTORY

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Revenues:					
Taxes	\$ 68,484,636	\$ 62,576,440	\$ 59,745,768	\$ 56,329,528	\$ 53,749,315
Licenses & Permits	2,617,660	1,978,515	1,633,241	1,772,959	2,127,142
Intergovernmental	6,138,879	1,117,729	585,506	910,169	828,510
Charges for Services	4,850,627	3,654,911	3,753,297	3,940,837	3,863,744
Fines, Forfeits and Penalties	2,421,960	2,955,723	3,544,994	3,211,536	2,917,735
Investment Income	78,929	264,215	757,250	449,880	241,880
Rents & Royalties	579,416	100,409	184,543	219,538	284,351
Contributions	9,992	251	17,905	7,361	7,580
Other	427,898	1,808,677	957,825	642,547	775,114
Total Revenues	<u>\$ 85,609,997</u>	<u>\$ 74,456,870</u>	<u>\$ 71,180,329</u>	<u>\$ 67,484,355</u>	<u>\$ 64,795,371</u>
Expenditures:					
General Government	\$ 9,784,872	\$ 7,629,456	\$ 8,481,683	\$ 6,165,016	\$ 6,228,021
Fiscal Services	4,535,506	4,424,965	3,993,584	3,954,488	3,815,223
Police Department	23,841,799	23,798,584	24,299,928	22,631,648	21,372,560
Fire Department	20,238,097	19,957,114	19,888,536	19,624,919	17,001,580
Planning & Development Services	3,906,537	4,112,986	4,180,089	3,740,969	3,741,263
Parks and Recreation	7,775,598	7,569,136	9,350,892	9,129,079	8,621,075
Information Technology	5,634,704	5,463,764	4,591,351	4,488,885	4,600,556
Public Works	7,257,706	8,512,549	9,348,645	9,575,300	8,151,055
Library Services	1,205,559	1,207,017	1,186,313	1,118,522	1,097,876
Contributions	1,568,126	1,623,437	1,467,695	1,380,580	1,280,215
Other	-	-	-	-	-
Capital Improvement Projects	1,932,363	1,557,074	289,042	319,406	988,435
Total Expenditures	<u>\$ 87,680,867</u>	<u>\$ 85,856,082</u>	<u>\$ 87,077,758</u>	<u>\$ 82,128,812</u>	<u>\$ 76,897,859</u>
Other Financing Sources (Uses):					
Sale of General Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ 47,478
Operating Transfers In	23,628,416	22,015,275	19,427,607	19,245,943	18,347,351
Operating Transfers Out	(7,462,207)	(3,234,568)	(1,960,180)	(3,031,702)	(2,911,020)
Total Other Financing Sources (Uses)	<u>\$ 16,166,209</u>	<u>\$ 18,780,707</u>	<u>\$ 17,467,427</u>	<u>\$ 16,214,241</u>	<u>\$ 15,483,809</u>
Net Change in Fund Balance	\$ 14,095,339	\$ 7,381,495	\$ 1,569,998	\$ 1,569,784	\$ 3,381,321
Fund Balance, Beginning of Year	<u>35,742,062</u>	<u>28,360,567</u>	<u>26,790,569</u>	<u>22,514,523</u>	<u>19,133,202</u>
Prior Period Adjustment	<u>(1,517,309)</u>	<u>-</u>	<u>-</u>	<u>2,706,262</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 48,320,092</u></u>	<u><u>\$ 35,742,062</u></u>	<u><u>\$ 28,360,567</u></u>	<u><u>\$ 26,790,569</u></u>	<u><u>\$ 22,514,523</u></u>

7

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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 9/30	Total Collected ⁽¹⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽²⁾
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	34,003,428	64.77%	0.35	273
2022	21,740,334 ⁽³⁾	39.81%	0.21	174

(1) Provided by the City.

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

(3) Collections as of May 11, 2022.

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 2021-2022 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 include ten wells, with a firm capacity of 34 million gallons per day. The water is delivered to the distribution system by 14 miles of large diameter parallel pipelines 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.

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 October 1, 2021. 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 \$0.014 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)	\$0.1079 per kWh
	kWh (November through April)	\$0.1033 per kWh
	Tax	1.50%
	Transmission Delivery Adjustment (TDA) ..	\$0.014 per kWh
Master Metered Multiple Dwelling Units .	Service Charge	\$100.00 per month per master meter
	plus:	
	kWh (May through October)	\$0.1079 per kWh
	kWh (November through April)	\$0.1033 per kWh
	Tax	1.50%
	TDA	\$0.014 per kWh
Small Commercial (1-10 KW demand).....	Service Charge.....	\$9.00 per month
	plus:	
	First 1,000 kWh	\$0.1254 per kWh

	Over 1,000 kWh	\$0.0938 per kWh
	Tax	8.25%
	TDA	\$0.014 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.....	\$0.0639 per KW
	Minimum Monthly Charge	\$181.00
	Tax	8.25%
	TDA	\$0.014 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.....	\$0.0613 per KW
	Minimum Monthly Charge	\$3,195.00
	Tax	8.25%
	TDA	\$0.014 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)	\$0.0592 per KW
	Minimum Monthly	\$15,034.85
	Tax.....	8.25%
	TDA.....	\$0.014 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
adder:

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

TABLE 14 - HISTORICAL UTILITY USERS (UNITS SERVED)

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Water Avg. Monthly Consumption (MGW)	381,256	361,040	369,689	383,830	382,020
Wastewater Avg. Daily Treatment (000's gal.)	9,430	7,500	8,239	7,468	7,436
Electric Avg. Monthly Consumption (KWH)	71,670,181	70,516,104	70,995,416	72,239,944	69,814,277

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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	18,193,840	2.11%
HEB Grocery	Retail	12,524,280	1.45%
Biotechnologies Texas LLC	Medical	12,254,720	1.42%
CSISD	Schools	10,780,640	1.25%
City of College Station	Municipality	9,533,871	1.11%
CHI St. Joseph Health - College Station	Hospital	7,857,040	0.91%
Wal-Mart	Retail	7,438,080	0.86%
Dealer Computer Services Inc	Retail	4,417,600	0.51%
Sterling A&M High Rise LLC	Apartment Complex	4,047,520	0.47%
Kroger Company	Retail	3,912,320	0.45%
		<u>90,959,911</u>	<u>10.55%</u>

TABLE 16 - CONDENSED STATEMENT OF OPERATIONS

	For Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Revenues:					
Electric	\$ 102,794,575	\$ 100,369,952	\$ 102,443,382	\$ 102,511,712	\$ 99,179,570
Water and Wastewater	37,512,695	37,628,189	34,313,203	33,602,131	31,333,922
Interest	216,542	1,322,832	2,654,945	1,262,551	697,655
Other	4,508,068	4,400,186	3,558,330	2,520,335	3,179,821
Total Revenues	<u>\$ 145,031,880</u>	<u>\$ 143,721,159</u>	<u>\$ 142,969,860</u>	<u>\$ 139,896,729</u>	<u>\$ 134,390,968</u>
Expenses:					
Total Expenses	<u>\$ 133,786,264</u>	<u>\$ 80,521,607</u>	<u>\$ 81,725,180</u>	<u>\$ 77,828,073</u>	<u>\$ 78,766,516</u>
Net Available for Debt Service	<u>\$ 11,245,616</u>	<u>\$ 63,199,552</u>	<u>\$ 61,244,680</u>	<u>\$ 62,068,656</u>	<u>\$ 55,624,452</u>
Water Average Montly Consumption (MGW)	381,256	361,040	369,689	383,830	382,020
Wastewater Average Daily Treatment (000's gal.)	9,430	7,500	8,239	7,468	7,436
Electric Average Monthly Consumption (KWH)	71,670,181	70,516,104	70,995,416	72,239,944	69,814,277

TABLE 17 – VALUE OF THE SYSTEM

	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Utility Systems	\$ 685,380,672	\$ 656,481,245	\$ 617,910,408	\$ 579,717,873	\$ 553,774,054
Construction in Progress	74,758,797	60,688,724	45,129,947	46,447,061	30,240,705
	<u>\$ 760,139,469</u>	<u>\$ 717,169,969</u>	<u>\$ 663,040,355</u>	<u>\$ 626,164,934</u>	<u>\$ 584,014,759</u>
Less: Accumulated Depreciation	301,465,663	282,503,564	263,680,722	246,243,993	229,374,628
Net System Value	<u>\$ 458,673,806</u>	<u>\$ 434,666,405</u>	<u>\$ 399,359,633</u>	<u>\$ 379,920,941</u>	<u>\$ 354,640,131</u>

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TABLE 18 – CITY’S EQUITY IN THE SYSTEM

Resources	Fiscal Year Ended September 30,				
	2021	2020	2019	2018	2017
Net System Value	\$ 458,673,806	\$ 434,666,405	\$ 399,359,633	\$ 379,920,941	\$ 354,640,131
Current Assets	92,857,877	137,070,915	116,643,763	102,382,543	70,636,223
Restricted Assets	33,795,202	17,826,724	36,743,001	11,296,693	30,149,917
Other Resources	-	-	-	-	-
Deferred Charges	3,111,022	3,460,814	6,485,373	3,506,226	5,197,104
Total	\$ 588,437,907	\$ 593,024,858	\$ 559,231,770	\$ 497,106,403	\$ 460,623,375
Obligations					
Current Liabilities	\$ 14,547,777	\$ 16,876,003	\$ 14,711,183	\$ 12,467,547	\$ 10,681,761
Current Liabilities Payable from					
Restricted Assets	20,860,751	19,656,598	18,432,091	15,872,611	15,887,617
General Obligation Debt	46,376,401	44,570,802	45,850,605	52,738,157	59,325,710
Certificates of Obligation	152,211,425	133,490,618	126,583,979	91,642,717	77,282,370
Revenue Bond Debt	-	-	-	-	-
Other Debt ⁽¹⁾	8,558,478	8,633,818	10,773,356	8,016,706	8,899,938
Total Liabilities	\$ 242,554,832	\$ 223,227,839	\$ 216,351,214	\$ 180,737,738	\$ 172,077,396
City's Equity in System	\$ 345,883,075	\$ 369,797,019	\$ 342,880,556	\$ 316,368,665	\$ 288,545,979
Percentage of Equity in System	58.78%	62.36%	61.31%	63.64%	62.64%

(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 9/30/2021
2013 ⁽²⁾	10,230,000	7,030,000
2013 ⁽¹⁾⁽³⁾	20,760,000	2,250,000
2014 ⁽²⁾	34,005,000	17,435,000
2014 ⁽¹⁾⁽³⁾	35,865,000	5,435,000
2016 ⁽²⁾	25,720,000	5,685,000
2016 ⁽¹⁾⁽³⁾	40,890,000	13,730,000
2017 ⁽²⁾	57,725,000	10,595,000
2017 ⁽¹⁾⁽³⁾	29,800,000	9,205,000
2018 ⁽²⁾	37,380,000	17,340,000
2019 ⁽²⁾	74,510,000	35,705,000
2020 ⁽²⁾	21,055,000	18,560,000
2020 ⁽¹⁾	15,355,000	5,295,000
2020A ⁽¹⁾	16,930,000	12,848,512
2021 ⁽²⁾	55,395,000	32,840,000
	<u>\$ 475,620,000</u>	<u>\$ 193,953,512</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 May 11, 2022, the City's investable funds were invested in the following categories:

Investment Type	Book Value	Market Value
Cash	\$ 5,167,632	\$ 5,167,632
Local Government Investment Pool	34,479,678	34,479,678
Money Market Mutual Fund	269,922,353	269,922,353
Investments - Agencies	10,000,000	9,922,850
	<u>\$ 319,569,663</u>	<u>\$ 319,492,513</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 2022. 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 2022. 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 are 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 on 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 Underwriters a complete transcript of proceedings incident to the authorization and issuance of the Certificates, including the approving legal opinion of the Attorney General of the State of Texas to the effect that the Initial Certificate is a valid and binding obligation of the City, and based upon examination of such transcript of proceedings, the approving legal opinion of Bond Counsel to the effect that the Certificates issued in compliance with the provisions of the Ordinance are valid and legally binding obligations of the City. A form of such opinion is attached hereto as Appendix C. Though it represents the Financial Advisor and the Underwriters from time to time in matters unrelated to the issuance of the Certificates, Bond Counsel has been engaged by the City and only represents the City in connection with the issuance of the Certificates. Bond Counsel did not take part in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Certificates and the Ordinance in the Official Statement under the captions "THE CERTIFICATES" (except for the last sentence of the subcaption "Tax Rate Limitation" and the subcaptions "Book-Entry-Only System," "Remedies" and "Sources and Uses of Certificate Proceeds"), "TAX MATTERS" and "CONTINUING DISCLOSURE OF INFORMATION" (except for the subcaption "Compliance with Prior Undertakings") and the subcaptions "Registration and Qualification of Certificates for Sale", "Legal Investments and Eligibility to Secure Public Funds in Texas", and "Legal Matters" (except for the last two sentences of the first paragraph) under the caption "Other Information", and such firm is of the opinion that the information relating to the Certificates and the Ordinance contained therein fairly and accurately describe the provisions thereof. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of the Certificates are 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. Certain legal matters will be passed upon for the Underwriters by _____, Texas, counsel to the Underwriters. The legal fees to be paid to Underwriter's counsel for services rendered in connection with the issuance of the Certificates are contingent on the sale and delivery of the Certificates.

The 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.

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.

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.

UNDERWRITING

The Underwriters have agreed, subject to certain conditions, to purchase the Certificates from the City, at a price equal to the initial offering prices to the public shown on page 2 of this Official Statement, less an underwriting discount of \$_____. The Underwriters will be obligated to purchase all of the Certificates if any Certificates are purchased.

The Certificates to be offered to the public may be offered and sold to certain dealers (including the Underwriters and other dealers depositing Certificates into investment trusts) at prices lower than the public offering prices of such Certificates, and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

MISCELLANEOUS

The financial data and other information contained herein have been obtained from the City's 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.

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

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, relatively 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 147 full time police officers and 76 support personnel. The department has 71 police patrol vehicles. The fire department consists of 158 full time fire fighters and 8 support personnel. There are six stations and a total of 8 engines, 7 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 19 educational campuses for pre-kindergarten through high school. The School District has a student enrollment in excess of 13,500 and employs close to 2,000 people. On November 3, 2021 the voters passed a 3 of 4 bond proposition for the School District that includes campus renovations and equipment/infrastructure updating.

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 74,000 enrolled students.

HEALTH CARE

CHI St. Joseph Health College Station Hospital, is a 200,000 square foot community healthcare provider located on 25 acres within the city limits of College Station. The hospital is a 167-bed facility and is a licensed Level III Trauma unit. CHI St. Joseph Health College Station 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 at a place of healing, caring and connection for patients and families in the community

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 College Station Medical District 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. 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 1,867 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, 2 splash pad, 60 miles of walking trails, 2 municipal cemeteries and the Ringer Library.

POPULATION

	Official U.S. Census ⁽¹⁾					
	1970	1980	1990	2000	2010	2020
City of College Station	17,676	37,272	52,456	67,890	93,857	120,511
Brazos County	57,978	93,588	121,862	152,415	194,851	233,849

(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 approximately 74,000 students, with more than 528,000 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 RELLIS 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 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 fourth in the nation in average attendance for the 2021 season with average attendance of 98,407 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.

MAJOR AREA EMPLOYERS

<u>Firm Name</u>	<u>Product</u>	<u>Number of Employees</u>
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
Ply Gem Windows	Manufacturing	500-999
Baylor Scott & White	Health Service	500-999
Fujifilm Diosynth Biotechnologies	Biotechnology	500-999

Source: Brazos Valley Economic Development Corp.

The City of College Station has a diverse, growing employment base comprised of a broad range of industry sectors including education, hospitality, professional services, healthcare, and biotechnology. For 2022, the U-Haul Growth Index ranked College Station the #1 growth market in Texas and the Milken Institute ranked College Station the 4th best performing small city in Texas.

College Station is home to Texas A&M University, one of the country's largest public universities and is also the headquarters for the Texas A&M University System, a statewide network comprised of 11 universities and eight state agencies. Texas A&M University boasts more than \$1 billion in annual R&D expenditures and offers opportunities for local businesses to utilize the University's talent pipeline, subject matter experts, research centers, institutes and agencies.

In addition to the impact of the Texas A&M University System, the city also is home to emerging life science and information technology sectors with major employers including FUJIFILM Diosynth Biotechnologies, Matica Biotechnology, Lynntech, Reynolds and Reynolds, and StataCorp. Additionally, the area serves as a medical hub for the region anchored by Baylor Scott & White Medical Center and St. Joseph Health College Station Hospital.

The City has multiple dedicated business parks to support the ongoing recruitment of primary industry employers including Midtown Business Park (252 acres), Business Center at College Station (200 acres), Texas A&M Research Park (350 acres), and Lake Walk / BioCorridor (160 acres).

LABOR STATISTICS

College Station

Year	Labor Force	Total Employment	Unemployment	Rate
2018	59,579	57,857	1,722	2.9%
2019	60,856	59,162	1,694	2.8%
2020	59,868	56,907	2,961	4.9%
2021	62,380	59,980	2,400	3.8%
2022	64,182	62,238	1,944	3.0%

Brazos County

Year	Labor Force	Total Employment	Unemployment	Rate
2018	115,352	112,032	3,320	2.9%
2019	117,312	114,136	3,176	2.7%
2020	116,321	110,128	6,193	5.3%
2021	121,046	116,075	4,971	4.1%
2022	124,300	120,445	3,855	3.1%

Source: Texas Workforce Commission.

(1) Average as of April 2022.

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 2022, the estimated population of College Station was 124,866. 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
2021	778	218,422,222	89	186,326,238	2,224	66,261,099	3,091	471,009,559

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 2020 census population of 233,849, an increase of 20% since 2010. 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

July 14, 2022

Item No. 8.2.

Presentation and Public Hearing for the PY 2022 Annual Action Plan,, FY 2023 Community Development Budget, and 2020 - 2024 Consolidated Plan

Sponsor: Debbie Eller, Director of Community Services

Reviewed By CBC: City Council

Agenda Caption:Public Hearing, presentation, discussion, and possible action regarding a presentation of the proposed Program Year 2023 Annual Action Plan, Fiscal Year 2023 Community Development Budget, and Substantial Amendment to the 2020 - 2024 Consolidated Plan.

Relationship to Strategic Goals:

Good Governance, Financial Sustainability, Core Services & Infrastructure, Neighborhood Integrity, Diverse & Growing Economy, Improving Mobility, Sustainable City

Recommendation(s): Staff recommends Council receive a presentation, provide feedback regarding the proposed plan, budget, and Substantial Amendment and hold a Public Hearing.

Summary: Community development programming for the City of College Station is currently directed by the 2020 - 2024 Consolidated Plan. The U. S. Department of Housing and Urban Development requires each grantee to develop a Consolidated plan that includes a community needs assessment, housing market analysis, housing conditions analysis, and specific goals and objectives to establish a unified vision for actions that will be carried out for the five years.

The City is required to submit a one-year Annual Action Plan describing projects, activities, and budget to be funded with the community development grants received. Annual Action Plan activities must correspond to the 5-Year Consolidated Plan. The total grant funds available next year are \$2,750,490 in Community Development Block Grant (CDBG) funds and \$994,311 in HOME Investment Partnership Program Grant (HOME) funds. These amounts include carry-over funds from previous years and new year allocation amounts of \$1,181,121 in CDBG and \$505,465 in HOME funding. Program Year 2022 funding will be available on 10/1/2022.

CDBG and HOME funds may only be used to: (1) benefit low- and moderate-income persons; (2) aid in the elimination of slum and blighting influences; and/or (3) meet an urgent community need. Further, CDBG funds may be used to meet local needs through a wide range of community development activities, while HOME funds may only be used for affordable housing activities.

The Program Year 2022 Annual Action Plan, that includes the Fiscal Year 2023 Community Development budget, must be delivered to HUD no later than August 16, 2022. Therefore, this information is a separate process from the Council's consideration of the overall City budget.

A Public Hearing was held on February 22nd to obtain citizen input concerning goals and objectives, community needs, and fair housing to allow staff to develop the plan. Staff will seek comments regarding the proposed plan and budget through a Public Hearing on Tuesday, July 12th at 6:30 PM at City Hall in the Bush 4141 Conference Room. Staff will present the proposed plan and budget to City Council at the July 14th meeting and include a Public Hearing so that the public will have the opportunity to provide comments regarding the proposed plan.

A public notice was included in The Eagle and La Voz advertising the meetings, the opportunity to review and comment on the plan and budget. The plan will be made available for review electronically on the Community Development web page and copies of the plan are located at the Community Services office, City Secretary's office, and at the Larry J. Ringer Public Library. A 30-day public comment period will be held from June 30th through July 29th.

Historically, the City has utilized these funds for a variety of programs and activities, including: affordable housing assistance programs (homebuyer assistance, security deposit assistance, rehabilitation, and minor repair); funding for direct services to low-income families through non-profit programs; demolition; economic development, infrastructure improvements to parks, streets, grant administration, and public facilities in areas within the city that are primarily low-to-moderate-income areas of the city.

Concurrently, the City is seeking a Substantial Amendment to the 2020-2024 Consolidated Plan to add the Need of Slum/Blight and the goal of Slum/Blight Demolition. This action is required for the ability to provide CDBG funds to address spot slum/blight conditions in College Station in the Program Year 2022 Action Plan. The public notices for the proposed plan and budget included the necessary language and ability for the public to comment regarding the Substantial Amendment.

Budget & Financial Summary: FY2023 Community Development Budget

CDBG: \$2,591,082 - Carryover - \$1,409,961+ PY2022 Allocation - \$1,181,121

HOME: \$991,311 - Carryover - \$409,162 + PY2022 Allocation - \$505,465

Total: \$3,585,393

Attachments:

1. Attachment 1 - FY 2023 Proposed Community Development Budget
2. Attachment 3 - FY 2023 Plan Development Process Summary
3. Attachment 2 - FY 2023 CDBG Public Service Funding
4. Attachment 4 - FY 2023 Income Limits
5. Attachment 5 - 2020-2024 Community Development Goals
6. Attachment 6 - Community Development Project Descriptions
7. Attachment 7 - Map of LMI Income Areas 2019

Attachment 2: FY 2023 Proposed Community Development Budget

PROJECT	CDBG & HOME CARRY-OVER	CDBG & HOME NEW ALLOCATIONS	CDBG & HOME TOTAL PROPOSED
Owner-Occupied Rehabilitation (Minor Repair & Owner-Occupied Rehab)	\$31,538	\$50,000	\$81,538
Rehabilitation Administration	\$34,154	\$46,333	\$80,487
Slum/Blight Demolition	\$105,424	\$0	\$105,424
Acquisition/Rehabilitation	\$571,705	\$779,496	\$1,351,201
Acquisition/New Construction (Habitat for Humanity)	\$456,705	\$0	\$456,705
Rental Rehabilitation (LULAC Oak Hill)	\$24,393	\$171,819	\$196,212
Homebuyer Assistance	\$180,312	\$50,000 \$79,684**	\$309,996
CHDO (Elder Aid	\$2,744	\$39,863	\$42,607
Tenant Based Rental Assistance – Deposits	\$7,406	\$25,000	\$32,406
Public Service Agency (See Attachment 3)	\$320,533*	\$137,305	\$457,838
Public Facility	\$234,470*	\$100,000	\$334,470
Economic Development	\$0	\$0	\$0
Grant Administration	\$14,147	\$286,770	\$300,917
Recaptured Funds/ Program Income		CDBG HOME	\$0 \$79,684**
Total Community Development Budget			\$3,744,801

*Carry-over funds represent 4th quarter Public Services Agency payments for FY 2022

**FY2022 payments from Reconstruction loan and Homebuyer Recaptured Funds to be utilized for Homebuyer Assistance

Attachment 3: Annual Action Plan and Budget Development Process Summary, FY 2023

Event	Date
Community Needs Survey	Mar. & Apr.
Pre-proposal workshop for agencies	Oct. 14, 2021
JRFRC proposals due	Dec. 3, 2021
Public hearing on Annual Action Plan and Budget	Feb. 22, 2022
JRFRC Meetings	Jan. 27, 2022 Feb. 10, 2022 Feb. 24, 2022 Mar. 03, 2022 Mar. 31, 2022 Apr. 07, 2022 Apr. 21, 2022 May 13, 2022
JRFRC Vendor Selection	May 13, 2022
Public Notice	June 28, 2022
30-Day Public Comment Period begins	June 30, 2022
Public hearing regarding Proposed PY2022 (FY2023) Annual Action Plan, and Community Development Budget at the Lincoln Recreation Center	July 12, 2022
First presentation of Consolidated Plan and Budget to City Council / 2 nd public hearing regarding Proposed PY2022 (2023) Annual Action Plan	July 14, 2022
30-Day Public Comment Period ends	July 29, 2022
Request council approval by consent agenda of PY2022 (FY2023) Annual Action Plan, and FY2023 Community Development Budget	Aug. 11, 2022
Due to HUD no later than	Aug. 16, 2022

Attachment 4: FY 2023 CDBG Public Service Funding Summary & Recommendations

Agency	Program	Requested	Recommended Funding	Funded Items	Client #'s /Cost per Client	Funding City
A Home Base for Transitioning Foster Youth dba Unlimited Potential, Inc.	Unlimited Potential	\$40,000	\$33,884	Salary for Youth Self-Sufficiency Specialist	40 \$847.10	Bryan
Brazos Maternal & Child Health Clinic, Inc.	The Prenatal Clinic	\$40,000	\$33,884	Medical Supplies used for Patient Care	460 \$73.66	CS
Big Brothers Big Sisters of the Brazos Valley	Workplace Mentoring Program	\$40,000	\$39,863	¾ FTE Staff Position Program Director	210 \$189.82	CS
Mental Health Mental Retardation Authority of Brazos Valley	Mary Lake Peer Support Center	\$40,000	\$39,863	Therapist Tech II Salary, Utilities, Cell Phone, Auto Maintenance	64 \$613.28	CS
Family Promise of Bryan-College Station	Counseling and Case Management	\$40,000	\$39,863	Case Management	160 \$249.14	CS
Catholic Charities of Central Texas	BV Financial Stability Program	\$40,000	\$39,863	Direct Client Assistance	500 \$79.73	CS - \$8,695 Bryan - \$31,168
Unity Partners dba Project Unity	Poverty Reduction Initiative	\$40,000	\$31,175	Partial Salary for two (2) Family Support Facilitators, Partial Fringe for two (2) Family Support Facilitators	425 \$73.35	Bryan
City of College Station Lincoln Recreation Center	Summer Program	\$15,000	\$15,000	Staff & Program Expenses	165 \$90.91	CS
Total	College Station: \$177,168				Bryan: \$96,227	

2022 MEDIAN INCOME LIMITS

City of College Station

Community Development

This list supersedes all other lists of prior dates.

Household	60%	80%
1	\$32,340	\$43,050
2	\$36,960	\$49,200
3	\$41,580	\$55,350
4	\$46,140	\$61,500
5	\$49,860	\$66,450
6	\$53,580	\$71,350
7	\$57,240	\$76,300
8	\$60,960	\$81,200

The left column (Household) refers to the number of people in the home. The two columns on the right refer to the maximum combined income allowed per year by HUD guidelines in order to qualify for a Community Development program at 60% and 80% of the Area Median Income (AMI). Effective 6/1/2022

Source: [Income Limits](#) | HUD USER

Attachment 6: PY 2020-2024 Community Development Goals

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Rental Housing - Rehabilitation	2020	2024	Affordable Housing	City-wide	Rental Housing Special Needs	CDBG: \$1,000,000 HOME: \$575,000	Rental units Acquired and Rehabilitated: 20 Household Housing Unit
2	Rental Housing - Construction	2020	2024	Affordable Housing	City-wide	Rental Housing Special Needs	HOME: \$500,000	Rental units constructed: 10 Household Housing Unit
3	Owner Housing - Rehabilitation/Reconstruction	2020	2024	Affordable Housing	City-wide	Owner-Occupied Housing	CDBG: \$500,000 HOME: \$250,000	Homeowner Housing Rehabilitated: 15 Household Housing Unit
4	Owner Housing - Demolition	2020	2024	Affordable Housing Non-Housing Community Development	City-wide	Owner-Occupied Housing Public Facilities & Infrastructure	CDBG: \$125,000	Buildings Demolished: 4 Buildings
5	Homeownership - Down Payment Assistance	2020	2024	Affordable Housing	City-wide	Homeownership	HOME: \$1,000,000	Direct Financial Assistance to Homebuyers: 25 Households Assisted
6	Homeownership - Financial Literacy	2020	2024	Affordable Housing	City-wide	Homeownership		Other: 375 Other
7	Homeownership - Construction	2020	2024	Affordable Housing	City-wide	Owner-Occupied Housing Homeownership	CDBG: \$500,000	Homeowner Housing Added: 4 Household Housing Unit
8	Homelessness - TBRA Security Deposits	2020	2024	Homeless	City-wide	Rental Housing Homelessness Special Needs	HOME: \$175,000	Tenant-based rental assistance / Rapid Rehousing: 375 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
9	Homelessness - Outreach and Assessment	2020	2024	Homeless Non-Homeless Special Needs Non-Housing Community Development	City-wide	Homelessness Special Needs Public Services	CDBG: \$50,000	Other: 20 Other
10	Homelessness - Services	2020	2024	Homeless	City-wide	Homelessness Public Services	CDBG: \$100,000	Public service activities other than Low/Moderate Income Housing Benefit: 1200 Persons Assisted
11	Special Needs - Services	2020	2024	Non-Homeless Special Needs	City-wide	Special Needs Public Services	CDBG: \$100,000	Public service activities other than Low/Moderate Income Housing Benefit: 1100 Persons Assisted
12	Public Services	2020	2024	Non-Housing Community Development	City-wide	Public Services	CDBG: \$625,000	Public service activities other than Low/Moderate Income Housing Benefit: 10,000 Persons Assisted
13	Public Facilities	2020	2024	Non-Housing Community Development	City-wide	Public Facilities & Infrastructure	CDBG: \$1,500,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 10,000 Persons Assisted
14	Economic Development – Business & Job Development	2020	2024	Non-Housing Community Development	City-wide	Economic Development	CDBG: \$500,000	Jobs created/retained: 25 Jobs

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
15	Disaster Response	2020	2024	Rental Housing Special Needs Public Services Economic Development Program Administration and Compliance Homelessness	City-wide	Homelessness Special Needs Public Services	\$500,000	Public service activities other than Low/Moderate Income Housing Benefit: 600 Persons Assisted
16	Slum and Blight – Demolition	2020	2024	Affordable Housing Non-Housing Community Development	City-wide	Public Facilities & Infrastructure / Spot Slum and Blight	\$100,000	

Goal Descriptions

1	Goal Name	Rental Housing - Rehabilitation
	Goal Description	Encourage and facilitate the rehabilitation of rental units.
2	Goal Name	Rental Housing - Construction
	Goal Description	Encourage and facilitate the construction of new affordable rental units through nonprofit or for-profit partners. Additional sources of funds include tax credits through the State of Texas and private funds.
3	Goal Name	Owner Housing - Rehabilitation/Reconstruction
	Goal Description	Encourage and facilitate maintenance of residential units by low- and moderate-income homeowners through minor repair grants (CDBG) and residential rehabilitation or reconstruction loans (HOME).

4	Goal Name	Owner Housing - Demolition
	Goal Description	Encourage and facilitate the removal of dilapidated residential structures and/or address community emergencies.
5	Goal Name	Homeownership - Down Payment Assistance
	Goal Description	Encourage and support programs and projects that provide financial assistance to low- and moderate-income households purchasing existing or new affordable homes.
6	Goal Name	Homeownership - Financial Literacy
	Goal Description	Encourage and support programs and projects that provide education and counseling to lower-income homeowners and prospective homebuyers.
7	Goal Name	Homeownership - Construction
	Goal Description	Encourage and support programs and projects that construct new housing units for low-and moderate-income homebuyers.
8	Goal Name	Homelessness - TBRA Security Deposits
	Goal Description	Preventing homelessness through the provision of assistance for low-income households to secure and sustain safe, decent affordable housing. This is a coordinated effort among affordable housing providers and the City to provide security deposit assistance to eligible households.
9	Goal Name	Homelessness - Outreach and Assessment
	Goal Description	Fostering coordination, collaboration, and increased resources to assess community needs, available services, and service gaps. This information may be used to target and improve service provision.
10	Goal Name	Homelessness - Services
	Goal Description	Assist homeless persons in meeting health and human service needs; provide training and counseling opportunities to help with the transition to self-sufficiency. This goal will be met through public service provision.
11	Goal Name	Special Needs - Services
	Goal Description	Encourage and facilitate organizations that provide social and/or housing services to special needs populations.

12	Goal Name	Public Services
	Goal Description	Encourage and support nonprofit providers of homeless/AIDS patient programs, senior services, services for persons with disabilities, legal services, youth services, transportation services, substance abuse services, services for victims of domestic violence, employment training, crime awareness, fair housing, tenant/landlord counseling, child care services, health services, abused and neglected children services, mental health services, screening for lead based paint/lead hazards, subsistence payments, homebuyer downpayment assistance, rental housing subsidies, security deposits, housing counseling, neighborhood clean-ups, food banks, housing information and referral, housing counseling to support homebuyer downpayment assistance, or other public services to deliver programs to low- and moderate-income families and individuals.
13	Goal Name	Public Facilities
	Goal Description	Rehabilitation and expansion of street infrastructure, sidewalks, other infrastructure, including water and sewer lines and flood drain improvements, or park facilities including green space, neighborhood parks, and recreation facilities in primarily low- to moderate-income areas.
14	Goal Name	Economic Development – Business & Job Development
	Goal Description	Rehabilitate and/or develop new spaces for businesses to better realize job creation or support and expand community-wide training and employment activities targeting low-and moderate-income households.
15	Goal Name	Disaster Response
		Addressing the needs of families and individuals affected by the response or effect of a local, state, or federal disaster declaration, such as a pandemic or natural disaster.
16	Goal Name	Slum and Blight - Demolition
	Goal Description	Encourage and facilitate activities in an urban renewal area or the prevention or elimination of slum and blight on an area or spot basis.

Attachment 8: Community Development Project Descriptions

Acquisition/Rehabilitation:

CDBG and HOME funds may be used to support the acquisition of property for the development of affordable housing units for sale or rent by income-eligible and otherwise qualified households. This can include vacant land for new construction, or existing housing units, often combined with rehabilitation.

Demolition:

CDBG funds will be used for clearance, demolition, and removal of dilapidated structures that have been deemed uninhabitable in accordance with City codes, including the movement of structure to other sites and the elimination of slum and blight. Funds will also be used for program delivery costs including staff salaries and benefits.

Homebuyer Assistance:

Down payment and closing cost assistance provided to eligible, qualified homebuyers through deferred no interest loans, which include a shared equity component, with HOME funds.

Community Housing Development Organization:

HOME funds will be made available to an eligible CHDO for the acquisition, development and construction of affordable housing units or the rehabilitation of existing housing units.

New Construction:

Leveraged Development and Non-Profit Partners:

HOME funds will be used to facilitate the development of new affordable housing or the renovation of existing housing for low-income residents. Activities may include the acquisition of land, soft costs, or construction of single-family or multi-family units.

Rental Rehabilitation:

HOME funds will be matched with private funds to rehabilitate rental properties that will maintain affordable rents for low-income households for a specified period of time following the completion of the project. Projects will be selected based on the following priorities: bringing the unit up to City Codes and HUD standards, upgrade systems, energy conservation upgrades, exterior repairs, and other upgrades that increase marketability.

Tenant Based Rental Assistance:

Using HOME funds, CD staff will administer a security deposit assistance program for low-income individuals and families who will reside in housing units located in a HTC property located in College Station. Current properties include The Haven Apartments, The Heritage at Dartmouth, and Santour Court. Other eligible properties include Terrace Pines Apartments and Villas of Rock Prairie. CD staff will work with the Housing Choice Voucher Program to provide security deposit assistance to qualified voucher holders securing housing in College Station. CD Staff will also work with BVCAP, Twin City Mission, and Family Promise, which offers affordable rental units to lower-income households in College Station or assists homeless individual and families to secure housing.

Public Services:

15% of the City's CDBG fund allocation will be used in partnership with CDBG funds from the City of Bryan to fund non-profit social service agencies in the community. The Joint Relief Funding Review Committee, a Citizen Committee comprised of three members from the City of College Station and three from the City of Bryan, review program proposals from area nonprofits and recommend funding amounts based on their review. Funds are awarded to nonprofit programs who serve primarily low- and moderate-income residents of College Station and Bryan.

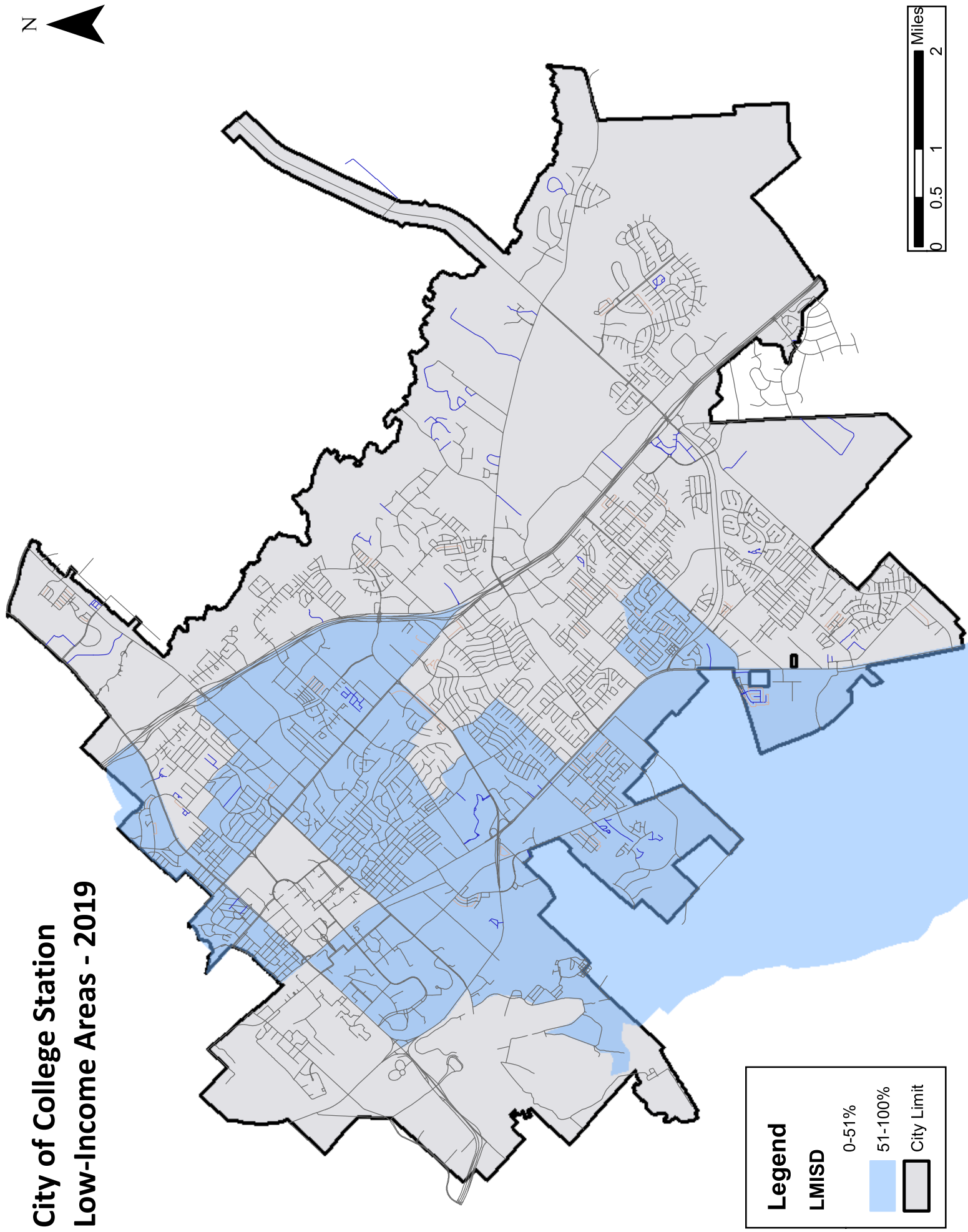
Public Facility:

Funds will be used to design, engineer, construct, or rehabilitate streets, sidewalks, parks, water and wastewater utilities, or other infrastructure improvements in College Station.

Program Administration:

HOME and CDBG funds will be used for management, planning and administration of the City's PY 2021 CDBG, HOME and other eligible grant programs for LMI citizens. Staff will provide capacity building and technical assistance as needed to citizens, builders, developers, and service providers. Funds from the administrative budget are made available to Project Unity to provide planning and reporting support to CD staff and coordinate a variety of community meetings to address the needs of low- and moderate-income residents, available services, and resources among local service providers. The City will utilize administrative funds to provide education to the community regarding Federal Fair Housing laws and affirmatively further fair housing in College Station.

City of College Station Low-Income Areas - 2019



July 14, 2022
Item No. 8.3.
400 Technology Parkway PDD Rezoning

Sponsor: Anthony Armstrong

Reviewed By CBC: Planning & Zoning Commission

Agenda Caption: Public Hearing, presentation, discussion, and possible action regarding an ordinance amending Appendix A, “Unified Development Ordinance, “Article 4, Zoning Districts,” Section 4.2 “Official Zoning Map,” of the Code of Ordinances of the City of College Station, Texas, by changing the zoning district boundary from R&D Research and Development to PDD Planned Development District for approximately 6.74 acres located at 400 Technology Parkway, generally located at the end of Technology Parkway east of State Highway 6 South.

Relationship to Strategic Goals:

Diverse & Growing Economy

Recommendation(s): The Planning and Zoning Commission heard this item at their June 16, 2022 meeting and voted unanimously to recommend approval. Staff also recommends approval of the rezoning.

Summary: This request is to change the existing zoning from R&D Research and Development to PDD Planned Development District with a base zoning of SC Suburban Commercial and associated Concept Plan on approximately 6.74 acres. The applicant is requesting to add an allowed use to the property of “consumer, small-scale aerial distribution”, while at the same time removing drive through/windows and fuel sales from the allowed uses. The applicant provided additional limitations to vehicle trips and the outdoor operation area, as well as several landscape buffers. The base zoning proposal of SC Suburban Commercial is in compliance with the Comprehensive Plan.

REZONING REVIEW CRITERIA

1.) Whether the proposal is consistent with the Comprehensive Plan:

The Comprehensive Plan Future Land Use and Character Map designates the subject as Neighborhood Commercial. The Comprehensive Plan generally describes the Neighborhood Commercial land use designation as follows:

Neighborhood Commercial – Areas of commercial activities that cater primarily to nearby residents. These areas tend to be smaller format than General Commercial and located adjacent to major roads along the fringe of residential areas. Design of these structures is compatible in size, architecture, and lot coverage with surrounding residential uses.

The proposed use of the property is defined as “consumer, small-scale aerial distribution”; which means the use of drones or similar devices weighing less than 100 pounds on takeoff, including everything that is on board or otherwise attached to the drone, to enable the receipt, storage, and distribution of packages by air. Distribution of consumer packages by land must be limited to 5 trips per day. The small-scale limitation of the use keeps the proposed use in compliance with the intent of Neighborhood Commercial’s smaller format, and service is intended to directly serve homeowners and residents within the surrounding neighborhoods. The property does not have direct access to

State Highway 6, but it is within 500 feet of the future 2 Lane Minor Collector of Pavilion Avenue, lending the area to the smaller format of commercial use as compared to the General Commercial along the highway itself.

The proposed lot coverage of the property is also in compatibility with the surrounding residential uses. The closest properties are zoned as GS General Suburban and allowed a lot coverage of 55%, while the proposed concept plan will not exceed 40% of the property being covered. Additionally, the existing buildings on the property will remain in their current footprint.

2.) Whether the uses permitted by the proposed zoning district will be appropriate in the context of the surrounding area:

The property takes its only access from Technology Parkway. The use will have very limited vehicle traffic consisting nearly entirely of employees. The consumer, small-scale aerial distribution use being added operates during daylight, which is compatible with the intention of SC Suburban Commercial uses. Adjacent properties are zoned R&D Research and Development to the east, west, and south. The adjacent R&D properties along the entire south/southeast boundary is a detention and greenbelt area that are not buildable lots and are not part of the rezoning request. This will provide a significant existing vegetative buffer ranging from approximately 250-450 feet. There is a large vacant tract owned by the College Station Independent School District to the north that provides a significant buffer between the subject property and the Foxfire neighborhood to the north. The school district was contacted about the proposed rezoning and use of the property and they did not express any concerns at this time. Every adjacent property to the proposed and existing development is undeveloped land. The property is accessed through GC General Commercial-zoned properties currently developed as auto-dealerships, lending this tucked away location to be a less intense commercial use. The PDD's land uses are appropriate in the context of the area.

3.) Whether the property to be rezoned is physically suitable for the proposed zoning district:

The size and location of the subject property is suitable for the proposed use of the property and any other SC Suburban Commercial land uses. The property has three existing buildings, approximately 8,000 sf, 9,600 sf, and 14,400 sf in size. Drives, access, and parking are all existing and provided for on the property. The only additional improvements to be made on the property are in the area noted "Operating Area" on the attached concept plan, and the additional landscape buffers being provided on the west and east sides of the property.

4.) Whether there is available water, sanitary sewer, storm water, and transportation facilities generally suitable and adequate for uses permitted by the proposed zoning district:

The existing water and wastewater infrastructure is adequate to support the needs of the proposed uses. Detention is required as part of development in the City of College Station and the previously mentioned detention area to the southwest has been built to provide detention for this lot. The subject property has frontage and existing access to Technology Parkway, a private street. The City's Thoroughfare Plan has the Pavilion Avenue extension within close proximity of the property and will eventually give it an additional location off of State Highway 6 to directly access the property. Currently access is still from State Highway 6 via a private access easement from the driveways for the auto-dealerships off of the frontage road or from their driveway and rear access drive off of Sebesta Road. A traffic impact analysis was not required for the proposed request as the anticipated traffic volume falls below the threshold of 150 trips in the peak hour that would require a TIA to be

performed. A TIA letter provided estimates of no more than 55 vehicle trips in the PM peak hour per the ITE Manual.

5.) The marketability of the property:

The proposed modifications to the existing PDD and Concept Plan will increase the marketability of the property by permitting the additional requested use on the property.

REVIEW OF CONCEPT PLAN

The Concept Plan provides an illustration of the layout of the existing building and drive/parking areas as well as the proposed operation area and buffer areas.

In proposing a PDD, an applicant may also request variations to the general platting and site development standards provided that those variations are outweighed by demonstrated community benefits of the proposed development. The Unified Development Ordinance provides the following review criteria as the basis for reviewing PDD Concept Plans:

1. The proposal will constitute an environment of sustained stability and will be in harmony with the character of the surrounding area;
2. The proposal is in conformity with the policies, goals, and objectives of the Comprehensive Plan, and any subsequently adopted Plans, and will be consistent with the intent and purpose of this Section;
3. The proposal is compatible with existing or permitted uses on abutting sites and will not adversely affect adjacent development;
4. Every dwelling unit need not front on a public street but shall have access to a public street directly or via a court, walkway, public area, or area owned by a homeowners association;
5. The development includes provision of adequate public improvements, including, but not limited to, parks, schools, and other public facilities;
6. The development will not be detrimental to the public health, safety, welfare, or materially injurious to properties or improvements in the vicinity; and
7. The development will not adversely affect the safety and convenience of vehicular, bicycle, or pedestrian circulation in the vicinity, including traffic reasonably expected to be generated by the proposed use and other uses reasonably anticipated in the area considering existing zoning and land uses in the area.

Purpose, Intent and Community Benefits:

The proposed Planned Development District for this property outlines the purpose, intent, and community benefit of the proposed development, which is to provide consumer, small-scale aerial distribution to serve consumers in the surrounding area and community. The operating area on the property of the drones will be limited to the area identified on the Concept Plan. Additionally, it is worth noting that the proposed use is subject to regulation by the Federal Aviation Administration (FAA) as well.

The developer has held multiple neighborhood meetings in order to help share the intent and scope of the project with adjacent neighborhood HOAs in the area. The following HOAs contacts on file with the City were initially contacted directly by the developer and were also mailed notices by the City of the rezoning request: Emerald Forest HOA, Sandstone HOA, Foxfire HOA, Amber Lake HOA, Shadowcrest HOA, Stonebridge HOA, Chadwick HOA, and Woodcreek HOA. Of those HOAs the developer held a meeting with the Shadowcrest HOA. They also held meetings with Emerald Forest,

Foxfire, Amber Lake, and Sandstone HOAs in which City staff was in attendance. At these meetings the developer provided a detailed description of the proposed use of consumer, small-scale distribution and answered any questions from the various HOA representatives about the proposed use and discussed concerns. Generally, there were concerns regarding privacy, safety, and noise. The developer addressed these concerns and other questions, and generally the HOA representatives were satisfied with the responses.

While the base zoning district of SC Suburban Commercial allows for all uses within that zoning district, the applicant is proposing to remove the use of drive through/windows and fuel sales as permitted uses on the property as they have been stated as potential conflicts with residential uses. The applicant has also proposed additional protection on the existing natural buffer that is on the southwest side of the property which extends into the property upwards of 60 feet. They have also proposed buffering on both the west and east sides of the property to further buffer the operational area.

Base Zoning and Meritorious Modifications:

The proposed Planned Development District will have a base zoning of SC Suburban Commercial.

At the time of site plan, the project will need to meet all applicable site development standards and platting requirements of the Unified Development Ordinance for the base zoning district, except where meritorious modifications are granted with the PDD zoning. The applicant is requesting the following modification of adding the allowed use of “consumer, small-scale aerial distribution” to the permitted uses on the property. Consumer, small-scale aerial distribution is defined as: *the use of drones or similar devices weighing less than 100 pounds on takeoff, including everything that is on board or otherwise attached to the drone, to enable the receipt, storage, and distribution of packages by air. Distribution of consumer packages by land must be limited to 5 trips per day.*

Budget & Financial Summary: N/A

Attachments:

1. Ordinance
2. Vicinity, Aerial, and Small Area Map
3. Background Information
4. Applicant's Supporting Information
5. Existing Future Land Use Map
6. Rezoning Map
7. Concept Plan
8. Modifications and Benefits

ORDINANCE NO. _____

AN ORDINANCE AMENDING APPENDIX A “UNIFIED DEVELOPMENT ORDINANCE,” ARTICLE 4 “ZONING DISTRICTS,” SECTION 4.2, “OFFICIAL ZONING MAP” OF THE CODE OF ORDINANCES OF THE CITY OF COLLEGE STATION, TEXAS, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING APPROXIMATELY 6.74 ACRES OF LAND LOCATED AT 400 TECHNOLOGY WAY FROM R&D RESEARCH AND DEVELOPMENT TO PDD PLANNED DEVELOPMENT DISTRICT; 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 Appendix A “Unified Development Ordinance,” Article 4 “Zoning Districts,” Section 4.2 “Official Zoning Map” of the Code of Ordinances of the City of College Station, Texas, be amended as set out in **Exhibit “A”, Exhibit “B”, Exhibit “C”, and Exhibit “D”** 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 14th day of July, 2022.

ATTEST:

APPROVED:

City Secretary

Mayor

APPROVED:

City Attorney

Exhibit A – Property Description

That Appendix A “Unified Development Ordinance,” Article 4 “Zoning Districts,” Section 4.2, “Official Zoning Map” of the Code of Ordinances of the City of College Station, Texas, is hereby amended as follows:

The following property as defined as Block 1, Lot 20 of the Technology Business Park Phase I Subdivision is rezoned from R&D Research and Development to PDD Planned Development District:

[illegible]

Exhibit B – Zoning Map

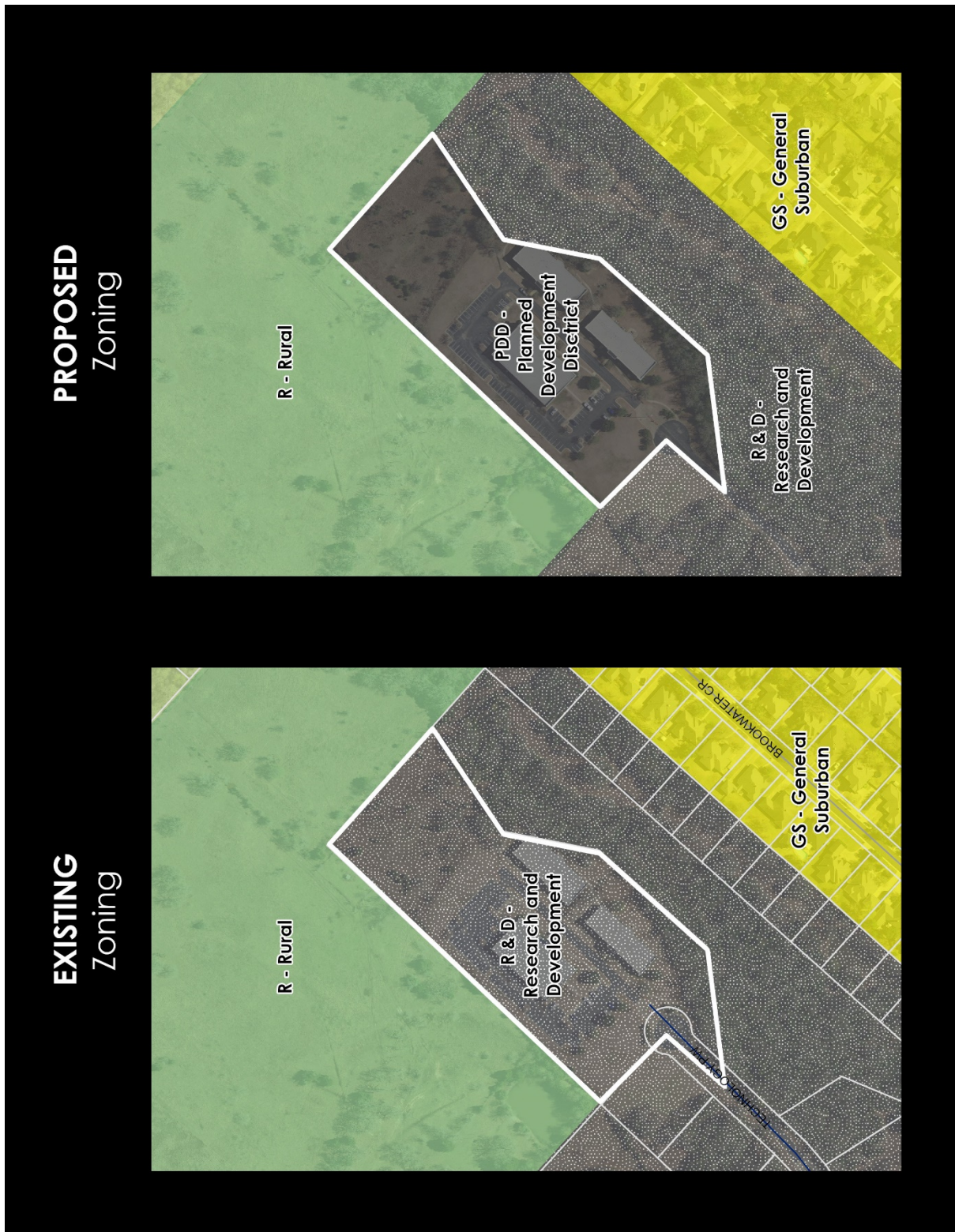


Exhibit C – Meritorious Modifications and Community Benefits

Purpose, Intent and Community Benefits:

The proposed Planned Development District for this property outlines the purpose, intent, and community benefit of the proposed development which is to promote and encourage innovative development that is sensitive to surrounding land uses and natural environment.

Base Zoning and Meritorious Modifications

At the time of site plan, the project will need to meet all applicable site development standards and platting requirements of the Unified Development Ordinance for the SC Suburban Commercial zoning district, except where meritorious modifications are granted with the PDD zoning. The applicant is requesting the following meritorious modification:

- Adding the allowed use of “consumer, small-scale aerial distribution” which shall be defined as the use of drones or similar devices weighing less than 100 pounds on takeoff, including everything that is on board or otherwise attached to the drone, to enable the receipt, storage, and distribution of packages by air. Distribution of consumer packages by land must be limited to 5 trips per day.

Community Benefits:

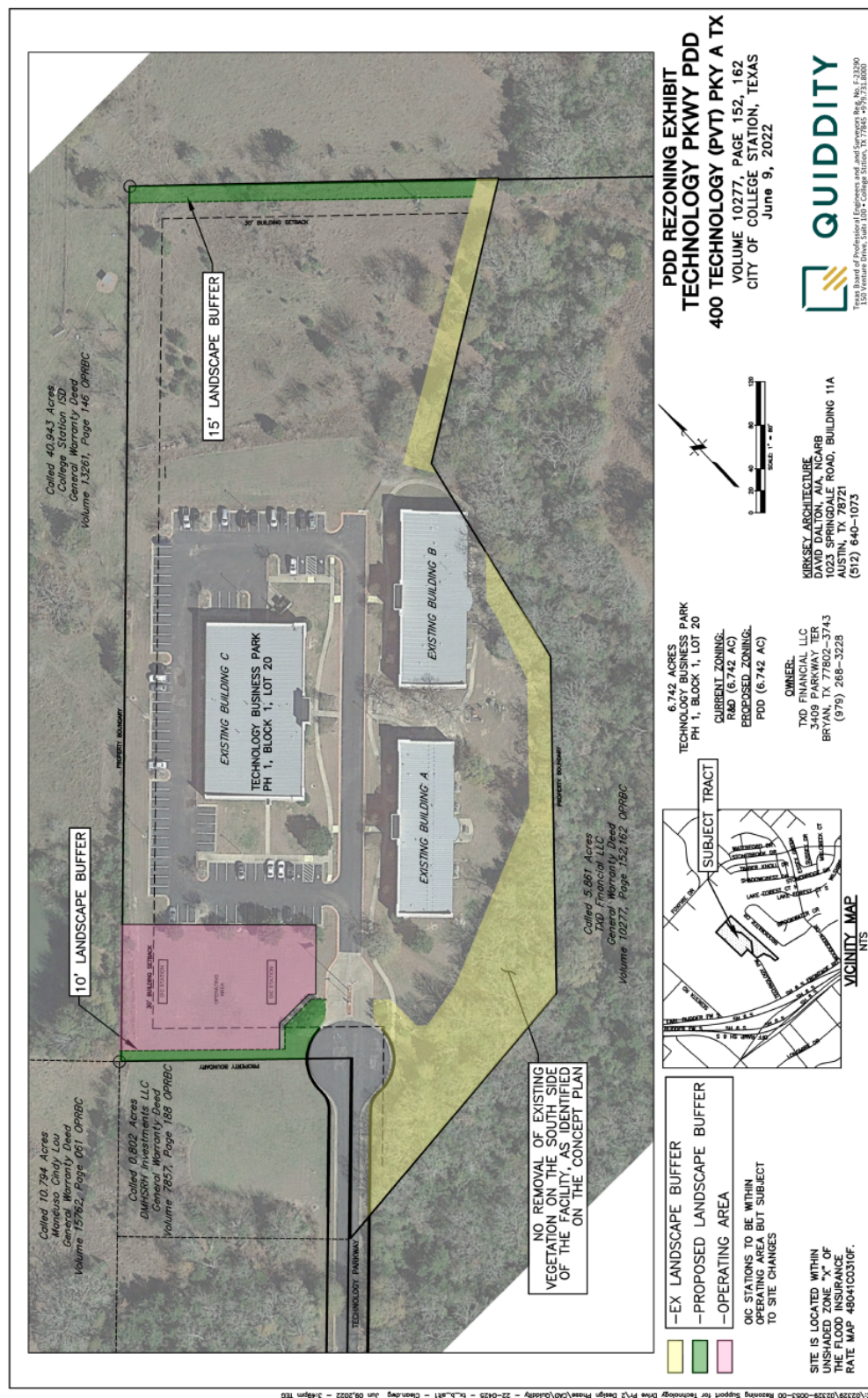
The applicant offers the following as community benefits:

- To remove fuel sales and drive through/windows as a permitted use.

The City requires the additional community benefits:

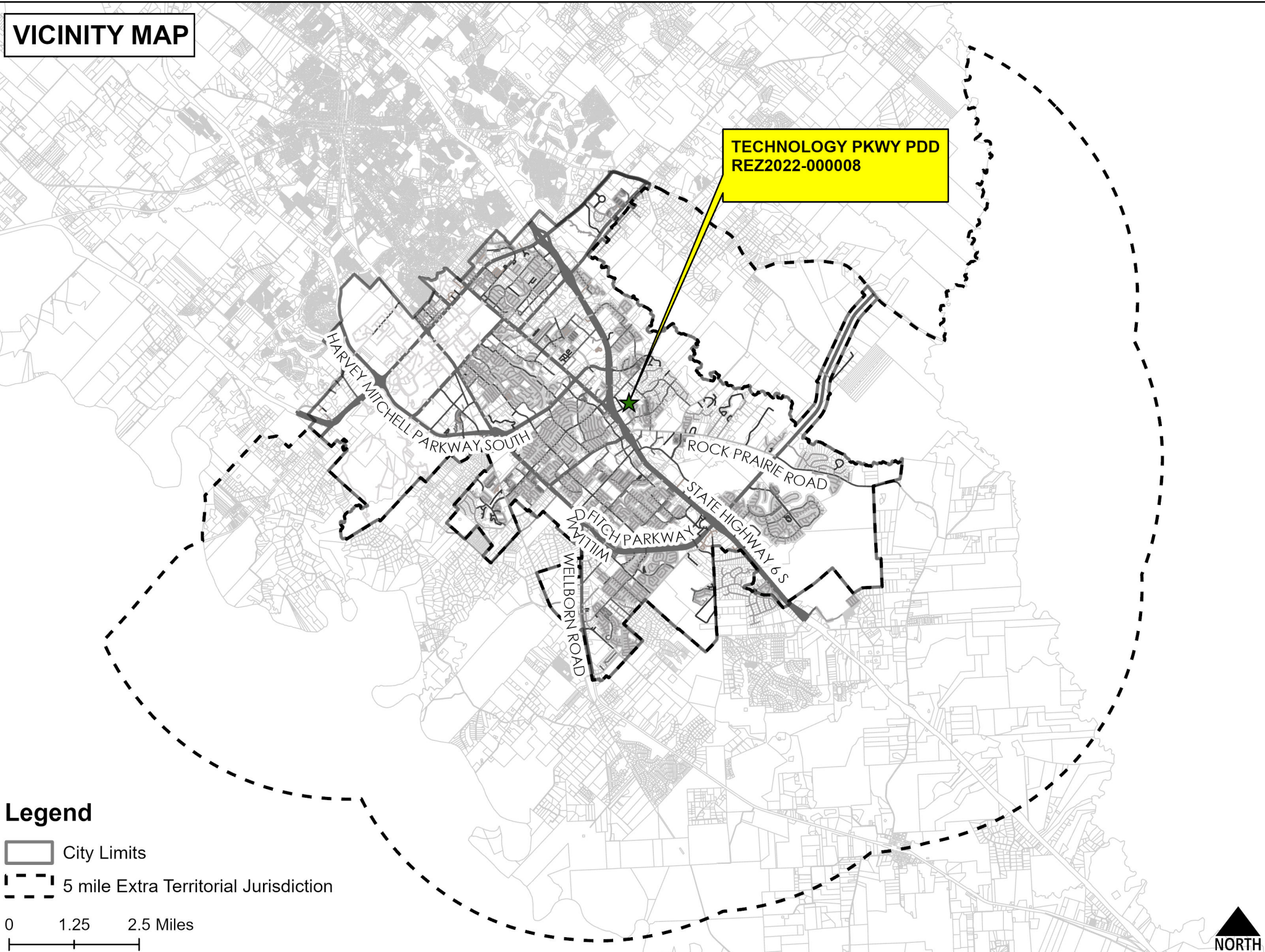
- Per Exhibit D, the attached concept plan lays out the two areas of additional buffer plantings and displays the existing natural buffer on site to be protected per the PDD.

Exhibit D – Concept Plan



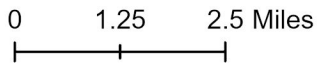
VICINITY MAP

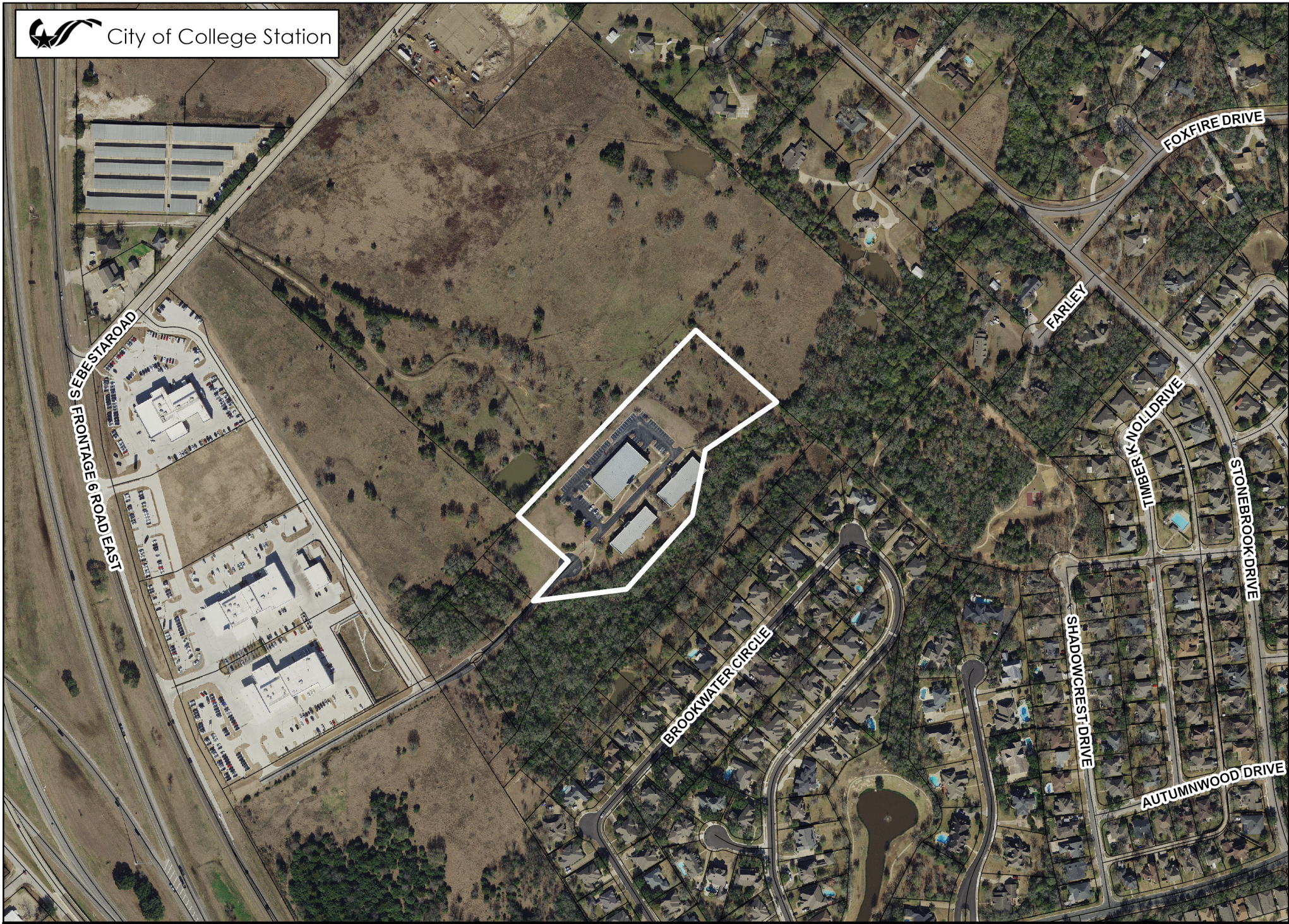
TECHNOLOGY PKWY PDD
REZ2022-000008



Legend

- City Limits
- 5 mile Extra Territorial Jurisdiction



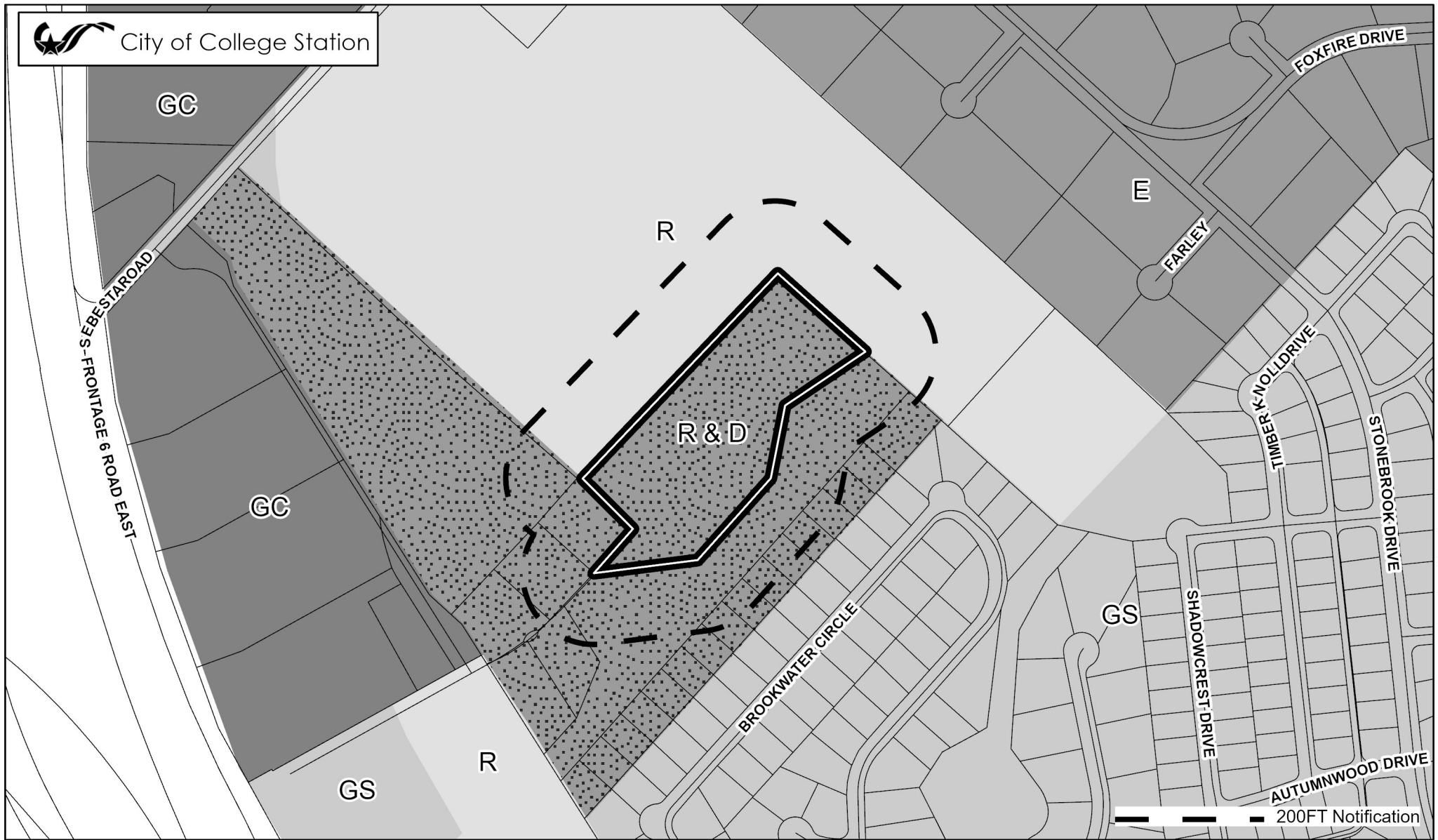


0 380 760 Feet

TECHNOLOGY PKWY PDD

Case:
REZ2022-000008

REZONING



ZONING DISTRICTS (In Grayscale)

<u>Residential</u>	MF	Multi-Family
R Rural	MU	Mixed-Use
WE Wellborn Estate	MHP	Manufactured Home Pk.
E Estate		
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



0 380 760 Feet

TECHNOLOGY PKWY PDD

Case:
REZ2022-000008

REZONING

BACKGROUND INFORMATION

NOTIFICATIONS

Advertised Commission Hearing Date: June 16, 2022
Advertised Council Hearing Date: July 14, 2022

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:

Emerald Forest HOA, Sandstone HOA, Foxfire HOA, Amber Lake HOA, Shadowcrest HOA, Stonebridge HOA, Chadwick HOA and Woodcreek HOA

Property owner notices mailed: 13

Contacts in support: See staff report regarding neighborhood meetings
Contacts in opposition: See staff report regarding neighborhood meetings
Inquiry contacts: None at the time of this report

ADJACENT LAND USES

Direction	Comprehensive Plan	Zoning	Land Use
North	Suburban Residential	R Rural	Undeveloped
South	Natural & Open Areas	R&D Research and Development	Common Area Greenbelt/Detention
East	Natural & Open Areas	R&D Research and Development	Common Area Greenbelt/Detention
West	Neighborhood Commercial	R&D Research and Development	Undeveloped

DEVELOPMENT HISTORY

Annexed: September 1977
Zoning: A-O Agricultural Open (1977)
R&D Research and Development (1996)
Final Plat: Technology Business Park Phase 1, Block 1, Lot 20
Site Development: Texas Digital Systems - Corporate Headquarters (1997)



REZONING PDD APPLICATION SUPPORTING INFORMATION

Name of Project: TECHNOLOGY PKWY PDD

Address: 400 TECHNOLOGY PKWY

Legal Description: TECHNOLOGY BUSINESS PARK PH 1, BLOCK 1, LOT 20

Total Acreage: 6.74

Applicant: JONES & CARTER

Property Owner: TXD FINANCIAL LLC

List the changed or changing conditions in the area or in the City which make this zone change necessary.

Continued city growth and technology development

Indicate whether or not this zone change is in accordance with the Comprehensive Plan. If it is not, explain why the Plan is incorrect.

In accordance

How will this zone change be compatible with the present zoning and conforming uses of nearby property and with the character of the neighborhood?

suitable for technology commercial area.

Explain the suitability of the property for uses permitted by the rezoning district requested.

property will be utilized for technology driven field.

Explain the suitability of the property for uses permitted by the current zoning district.

property will be utilized for technology driven field.

Explain the marketability of the property for uses permitted by the current zoning district.

suitable for technology commercial area.

List any other reasons to support this zone change.

Economic growth and highlight of city of college station.

Maximum Building Height.

29'

Proposed Drainage.

Existing infrastructure

Variations Sought.

see attached.

Community Benefits.

See attached.

Sustained Stability.

yes

Conformity.

yes

Compatibility with use.

yes

Access to Streets.

Private

Public Improvements.

None

Public Health.

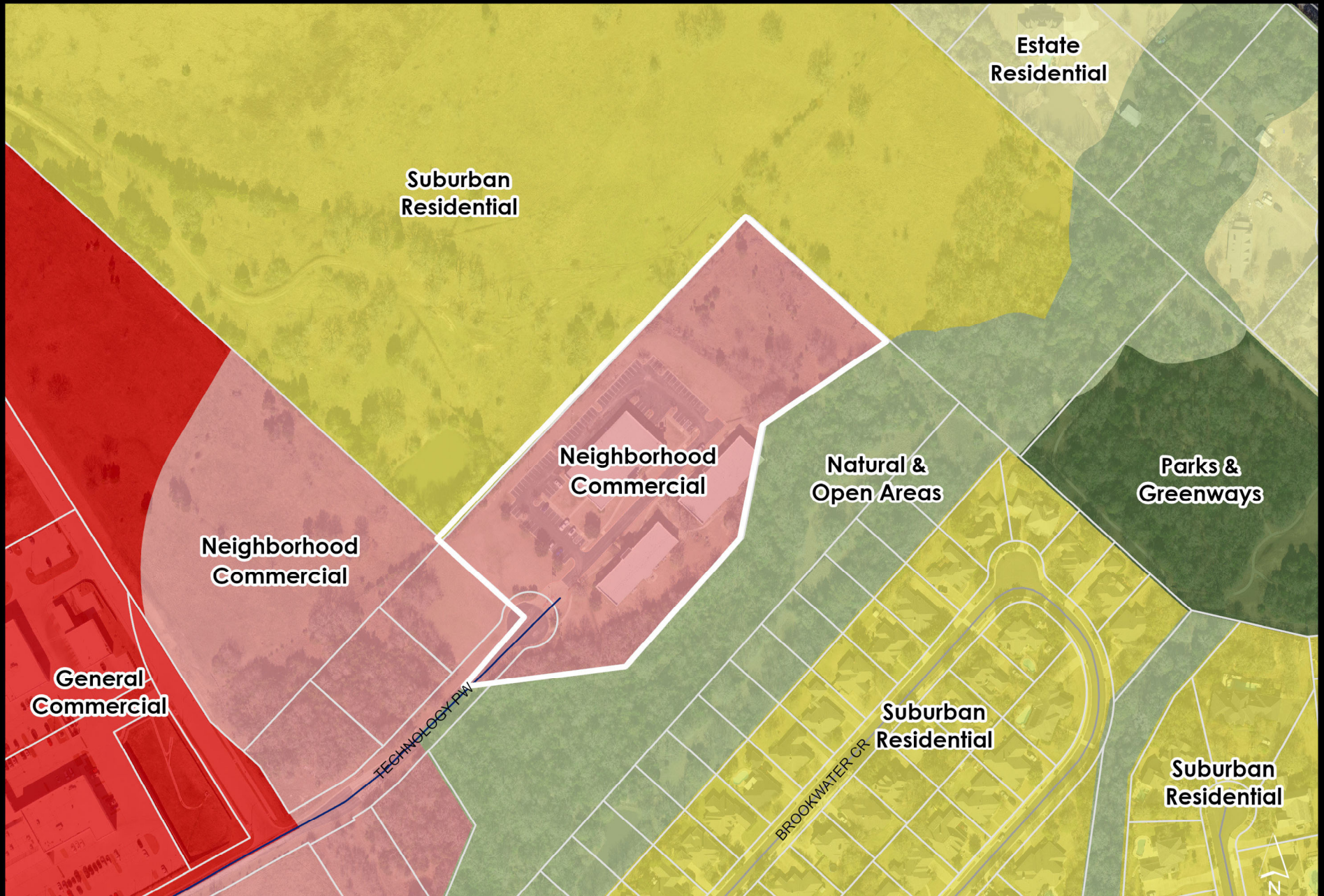
see attached

Safety.

see attached

EXISTING

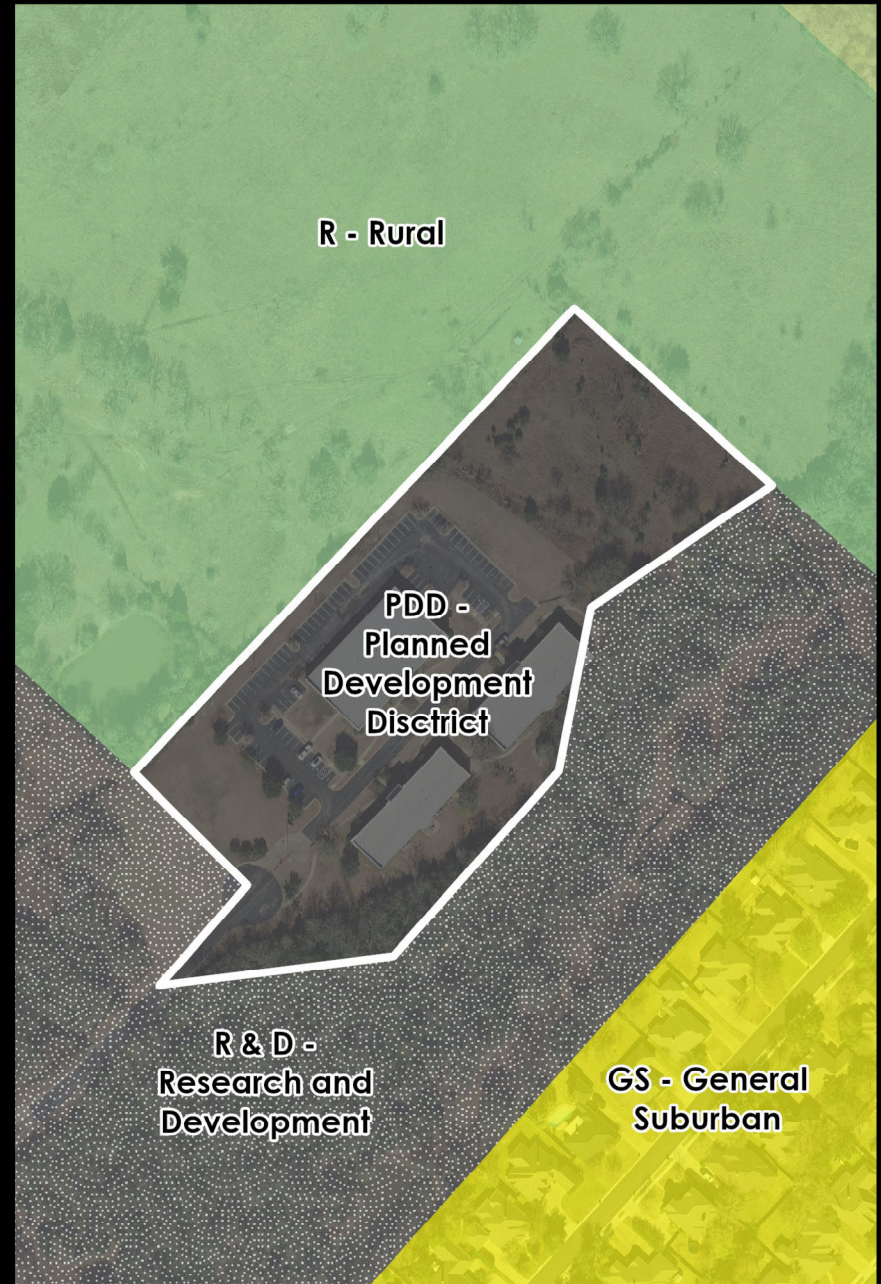
Future Land Use



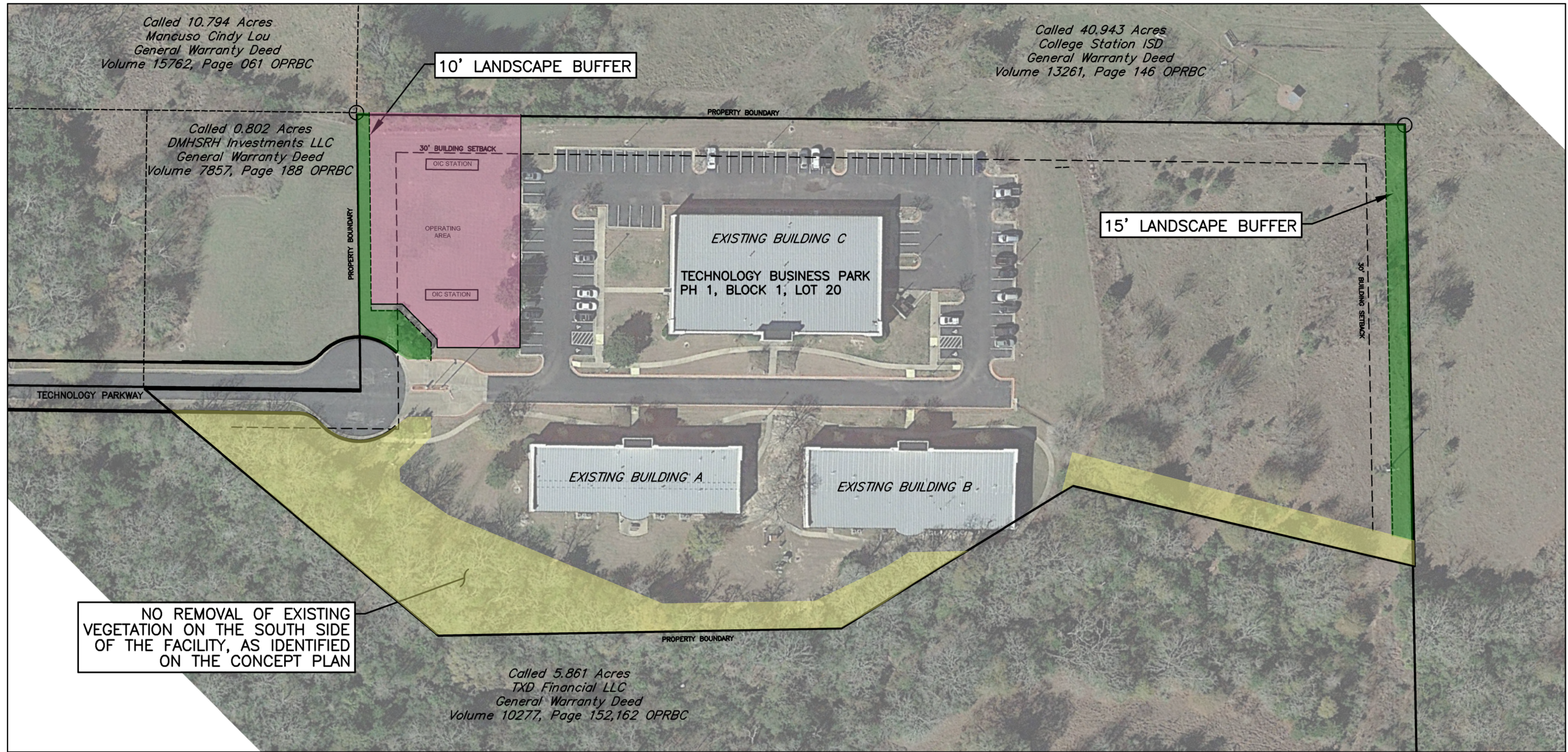
EXISTING Zoning



PROPOSED Zoning



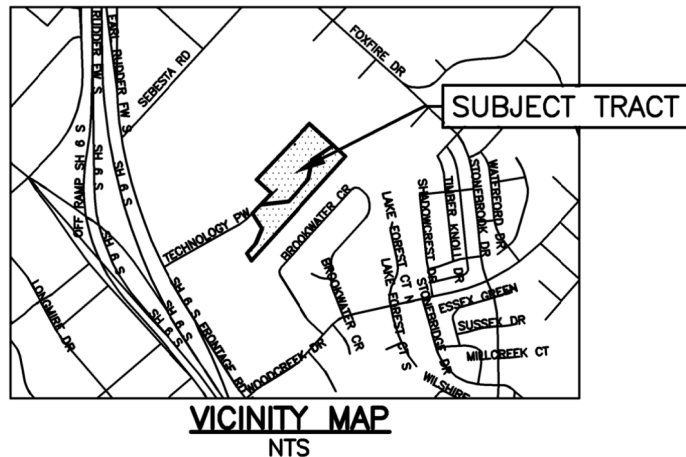
K:\02329\02329-0053-00 Rezoning Support for Technology Drive P\2 Design Phase\CAD\Quiddity - 22-0425 - tx_b_sit1 - Clean.dwg Jun 09,2022 - 3:49pm TEG



- EX LANDSCAPE BUFFER
- PROPOSED LANDSCAPE BUFFER
- OPERATING AREA

OIC STATIONS TO BE WITHIN
OPERATING AREA BUT SUBJECT
TO SITE CHANGES

SITE IS LOCATED WITHIN
UNSHADED ZONE "X" OF
THE FLOOD INSURANCE
RATE MAP 48041C0310F.

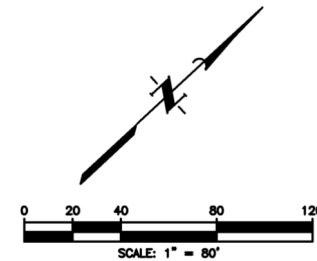


6.742 ACRES
TECHNOLOGY BUSINESS PARK
PH 1, BLOCK 1, LOT 20

CURRENT ZONING:
R&D (6.742 AC)
PROPOSED ZONING:
PDD (6.742 AC)

OWNER:
TXD FINANCIAL LLC
3409 PARKWAY TER
BRYAN, TX 77802-3743
(979) 268-3228

KIRKSEY ARCHITECTURE
DAVID DALTON, AIA, NCARB
1023 SPRINGDALE ROAD, BUILDING 11A
AUSTIN, TX 78721
(512) 640-1073



**PDD REZONING EXHIBIT
TECHNOLOGY PKWY PDD
400 TECHNOLOGY (PVT) PKY A TX**
VOLUME 10277, PAGE 152, 162
CITY OF COLLEGE STATION, TEXAS
June 9, 2022

QUIDDITY
Texas Board of Professional Engineers and Surveyors Reg. No. F-23290
150 Venture Drive, Suite 100 • College Station, TX 77845 • 979.731.8000

Technology Drive Rezoning Narrative:

- Base zoning of Suburban Commercial (fact sheet attached)
- Propose the removal of drive through/window uses from permitted uses
- Add use: “consumer, small-scale aerial distribution”; definition: Means the use of drones or similar devices weighing less than 100 pounds on takeoff, including everything that is on board or otherwise attached to the drone, to enable the receipt, storage, and distribution of packages by air. Distribution of consumer packages by land must be limited to 5 trips per day.
- The operating area for the drones on the property must be limited to the area identified on the Concept Plan.
- Add stipulation that peak hour trip generation will be less than 150 trips per peak hour, or a TIA will be required for the site.

Community Benefits:

- Consistent with comprehensive plan (R&D to Suburban Commercial)
- Removal of permitted uses that may conflict with residential uses when located directly adjacent.
- Establishment of additional landscaping buffers for the operational area (west side of property) and additional landscape screening to the east side of the facility – as shown on the concept plan.
- Continued protection of the existing natural buffer between the current facility and the existing development to the South

July 14, 2022
Item No. 8.4.

Sponsor: Bryan Woods, City Manager

Reviewed By CBC: City Council

Agenda Caption:Public Hearing, presentation, discussion, and possible action to consider the naming of Lick Creek Nature Center.

Relationship to Strategic Goals:

Recommendation(s):

Summary:

Budget & Financial Summary:

Attachments:

None

July 14, 2022

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, Bond Citizens Advisory 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