



College Station, TX

Meeting Agenda City Council

1101 Texas Ave, College Station, TX 77840

Internet: www.microsoft.com/microsoft-teams/join-a-meeting

Meeting ID: 287 987 474 175 | Passcode: gZw5cS

Phone: 469-480-7460 | Phone Conference: 168 564 318#

July 24, 2025

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 Agenda.

Executive Session is closed to the public and will be held in the 1938 Executive Conference Room. The City Council may according to the Texas Open Meetings Act adjourn the Open Meeting during the Consent, Workshop or Regular Agendas and return into Executive Session to seek legal advice from the City Attorney regarding any item on the Workshop, Consent or Regular Agendas under Chapter 551, Texas Government Code.

2.1. 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:

- a. Shana Elliott and Lawrence Kalke v. City of College Station, et al., Cause No. 22-001122-CV-85, in the 85th District Court, Brazos County, Texas.
- b. The City of College Station v. The Public Utility Commission of Texas, Cause No. D-1-GN-24-005680 in the 200th District Court, Travis County, Texas.
- c. Texas A&M University System v. BVGCD, et al, Cause No. 24-002626-CV-472, in the 472nd District Court, Brazos County.
- d. Legal advice related to a development agreement regarding 1,667 acres southwest of I&GN Road in the City's Extraterritorial Jurisdiction.

2.2. 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. Approximately 300 acres generally located at Corporate Parkway and Midtown Drive in the Midtown Business Park.

2.3. 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. Council Self-Evaluation

2.4. Economic Incentive Negotiations {Gov't Code Section 551.087};

Possible action. The City Council may deliberate on commercial or financial information that the City Council has received from a business prospect that the City Council seeks to have locate, stay or expand in or near the city which the City Council in conducting economic development negotiations may deliberate on an offer of financial or other incentives for a business prospect. After executive session discussion, any final action or vote taken will be in public. The following subject(s) maybe discussed:

- a. Funding Agreement with Greater Brazos Partnership for services related to Plug and Play.

3. The Open Meeting will Reconvene No Earlier than 6:00 PM from Executive Session and City Council will take action, if any.**4. Pledge of Allegiance, Invocation, and Consider Absence Request.**Speaker Protocol

An individual who desires to address the City Council regarding any agenda item other than those items posted for Executive Session must register with the City Secretary two (2) hours before 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. Comments should not personally attack other speakers, Council or staff. Each speaker's remarks are limited to three (3) minutes. Any speaker addressing the Council using a translator may speak for six (6) minutes. The speaker's microphone will mute when the allotted time expires and the speaker must leave the podium.

5. Presentation - Proclamations, Awards, and Recognitions.**5.1. Presentation of a proclamation recognizing July 2025 as "Smart Irrigation Month."**

Sponsors: Jennifer Nation

Attachments: 1. 25 Smart Irrigation Month

6. 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.

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:

- July 7, 2025 Special Meeting
- July 10, 2025 Council Meeting

Sponsors: Tanya Smith

- Attachments:
1. SPM070725 DRAFT Minutes
 2. CCM071025 DRAFT Minutes

7.2. Presentation, discussion, and possible action on a construction contract with Terra Bella Construction for \$259,398.52 plus the City's contingency amount of \$25,939.85 for a total appropriation of \$285,338.37 for Drainage Repairs to Frost Drive, Driftwood Drive, Huntington Drive, and Southwood Forest.

Sponsors: Pete Caler

- Attachments:
1. 25-067 Tabulation
 2. Drainage Repairs Contract

7.3. Presentation, discussion, and possible action on a Design Contract with Colliers Engineering & Design for the Citywide Sidewalks and Shared-use Paths Project design for \$849,049.39.

Sponsors: Jennifer Cain

- Attachments:
1. Citywide Sidewalks Design
 2. Citywide Sidewalks Map

7.4. Presentation, discussion, and possible action regarding a resolution adopting the 2025-2029 Consolidated Plan.

Sponsors: Raney Whitwell

- Attachments:
1. Attachment 1- FY 2025 Plan Development Process Summary
 2. Attachment 2 - 2025-2029 Community Development Goals
 3. Attachment 3 - Resolution Approving 2025 - 2029 Consolidated Plan

7.5. Presentation, discussion, and possible action regarding a resolution adopting the FY 2026 Annual Action Plan and FY 2026 Community Development Budget.

Sponsors: Raney Whitwell

- Attachments:
1. Attachment 1 -FY 2025 Community Development Budget
 2. Attachment 2 - Resolution Approving FY 2026 Annual Action Plan and Budget

7.6. Presentation, discussion, and possible action regarding a resolution amending the Community Development Program Guidelines.

Sponsors: David Brower

- Attachments:
1. Guideline Update Summary
 2. Down Payment Assistance Program Gap Analysis
 3. Attachment 1 - Updated Guidelines
 4. Resolution Approving Amendments to Housing Program Guidelines

7.7. Presentation, discussion, and possible action on a construction contract with Elliott Construction, LLC for the 18-Inch wastewater line repair at Harvey Road and Carters Creek project for \$118,012.50 plus the City's contingency amount of \$20,000 for a total appropriation of \$138,012.50. Approval of this item grants authority for the City Manager to authorize project expenditures, including the City's contingency amount.

Sponsors: Gary Mechler

Attachments: 1. Project Location Map
2. Routing Sheet and Construction Contract

- 7.8. Presentation, discussion, and possible action on delegating authority to the City Manager to execute a Facility Use Agreement and other related contracts with Texas A&M University for the 2025 TAAF Summer Games of Texas for an amount not to exceed \$250,000.

Sponsors: Gene Ballew

Attachments: None

8. Workshop Agenda.

- 8.1. Presentation, discussion, and possible action regarding the Fiscal Year 2026 BVSWMMA, Inc. budget.

Sponsors: Pete Caler

Attachments: 1. FYE2026 BVSWMMA Budget

- 8.2. Presentation, discussion, and possible action on the second phase of the Convention Center Feasibility Study

Sponsors: Jeremiah Cook

Attachments: 1. Convention Center Feasibility Phase 1 Summary

- 8.3. Presentation, discussion, and possible action regarding a presentation of the Veterans Park and Athletic Complex (VPAC) Master Plan.

Sponsors: Kelsey Heiden

Attachments: None

- 8.4. Presentation, discussion, and possible action regarding a presentation on the conceptual plan for the Veterans Park and Athletic Complex (VPAC) Baseball Fields Project.

Sponsors: Kelsey Heiden

Attachments: None

9. Regular Agenda.

- 9.1. Public Hearing, presentation, discussion, and possible action on the City of College Station FY2025- 2026 Proposed Budget.

Sponsors: Mary Ellen Leonard

Attachments: None

- 9.2. Presentation, discussion, and possible action on an ordinance authorizing the issuance of general obligation bonds; delegating the authority to certain city officials to execute certain documents relating to the sale of the bonds; approving and authorizing an official statement and instruments and procedures relating to said bonds; and enacting other provisions relating to the subject.

Sponsors: Michael DeHaven

Attachments: 1. Ordinance (GO Bonds Series 2025) (ver 1)
2. POS-College Station GO-CO Series 2025
3. 2025 Debt Issue - Final

- 9.3. Presentation, discussion, and possible action on an ordinance authorizing the issuance of certificates of obligation; delegating the authority to certain city officials to execute certain documents relating to the sale of the certificates; approving and authorizing an official statement

and instruments and procedures relating to said certificates; and enacting other provisions relating to the subject.

Sponsors: Michael DeHaven

Attachments: 1. Ordinance (CO Series 2025) (ver 1)

9.4. Presentation, discussion, and possible action regarding a Letter of Intent (LOI) with the Brazos Valley Bombers.

Sponsors: Bryan Woods

Attachments: 1. LOI - Bombers

10. Items of Community Interest and Council Calendar.

Items of Community Interest and Council Calendar: The Council may discuss upcoming events and 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 18, 2025 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 24, 2025
Item No. 5.1.
Smart Irrigation Month Proclamation

Sponsor: Jennifer Nation

Reviewed By CBC: City Council

Agenda Caption: Presentation of a proclamation recognizing July 2025 as "Smart Irrigation Month."

Relationship to Strategic Goals:
N/A

Recommendation(s): N/A

Summary: N/A

Budget & Financial Summary: N/A

Attachments:

1. 25 Smart Irrigation Month



Proclamation

WHEREAS, the City Council of the City of College Station, Texas, recognizes that water is a finite natural resource vital to human life; and our most valuable natural resource; and

WHEREAS, well-maintained green spaces are important to the health and well-being of communities and individuals; and

WHEREAS, appropriate irrigation technology, combined with best practices, can significantly reduce water usage and runoff while creating healthy lawns, landscaping, and sports turf; and

WHEREAS, appropriate irrigation technology, combined with best practices, can significantly improve water-use efficiency and reduce runoff, while achieving greater agricultural yields per acre foot of water used; and

WHEREAS, appropriate irrigation technology, combined with best practices, can significantly improve water-use efficiency and reduce runoff, while achieving greater agricultural yields per acre foot of water used; and

WHEREAS, July is a peak month for the use of water for irrigation; and

WHEREAS, the College Station Water Services Department encourages citizens to install smart irrigation controllers for substantial water savings through our rebate program; and sign up for irrigation recommendations through the Brazos Valley WaterSmart program.

NOW, THEREFORE, be it resolved that by virtue of the authority vested in me, John P. Nichols, Mayor of College Station, do hereby proclaim July 2024 as

Smart Irrigation Month

and recognizes the advances in irrigation technology and practices to help raise healthy plants and increase crop yields while using water more efficiently and encourages adoption of smart irrigation practices to further improve water use efficiency.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Seal of College Station to be affixed this July 24, 2025.


John P. Nichols
Mayor

Attest:


Tanya Smith
City Secretary

July 24, 2025
Item No. 7.1.
July 7th & 10th Meeting Minutes (Special & Regular)

Sponsor: Tanya Smith, City Secretary

Reviewed By CBC: City Council

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

- July 7, 2025 Special Meeting
- July 10, 2025 Council Meeting

Relationship to Strategic Goals:

- Good Governance

Recommendation(s): Recommends Approval.

Summary: N/A

Budget & Financial Summary: None

Attachments:

1. SPM070725 DRAFT Minutes
2. CCM071025 DRAFT Minutes

MINUTES OF THE CITY COUNCIL SPECIAL MEETING
IN-PERSON WITH TELECONFERENCE PARTICIPATION
CITY OF COLLEGE STATION
JULY 7, 2025

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

John P. Nichols, Mayor

Council:

Mark Smith, Mayor ProTem
William Wright
David White
Melissa McIlhaney
Bob Yancy
Scott Shafer

City Staff:

Bryan Woods, City Manager
Jeff Capps, Deputy City Manager
Leslie Whitten, Deputy 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 Special Meeting of the College Station City Council was called to order by Mayor Nichols via In-Person and Teleconference at 4:00 p.m. on Monday, July 7, 2025, in the Council Chambers of the City of College Station City Hall, 1101 Texas Avenue, College Station, Texas 77840.

2. SPECIAL ITEMS

2.1. Presentation, discussion, and possible action on the FY 2025-2026 Proposed Budget.

Mary Ellen Leonard, Director of Finance, discussed the FY26 budget, addressing federal legislative changes, state funding changes, Texas A&M growth slowdown, consumer confidence shifts, increased cooperation from Texas A&M for public safety, and moderate regional development. The budget also considers service expectations in public safety, water resources, quality of life, and infrastructure. Additionally, the Five-Year Forecasting Model evaluates the fiscal impact of recurring costs, capital investment, revenue changes, and general fund balance management.

Mrs. Leonard presented an overview of the proposed FY 2025-2026 budget, noting that a budget workshop meeting is scheduled for July 16th to review the proposed budget of \$474,225,698. This amount includes \$390,078,560 for the operations and maintenance budget and \$84,147,138 for the capital budget. Compared to FY25, the operating and maintenance budget increased by approximately 6.26%, while the capital budget increased by 51.74% and the total net budget decreased by 12.42%.

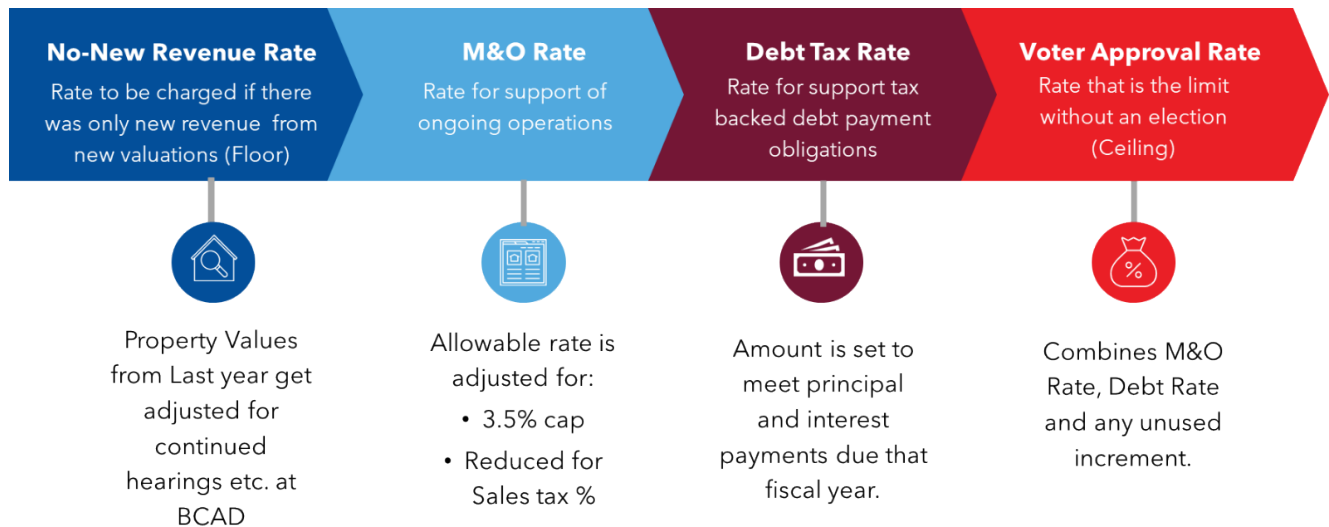
FY26 Proposed Net Budget Summary	
Fund Type	Proposed Net Budget
Governmental Funds	\$165,545,044
Enterprise Funds	195,015,464
Special Revenue Funds	29,518,052
Subtotal O&M	\$390,078,560
Subtotal Capital	\$84,147,138
Total Proposed Net Budget	\$474,225,698

Mrs. Leonard provided a summary of the preliminary taxable values, tax rate calculations, and factors influencing no-new revenue and voter approval rates.

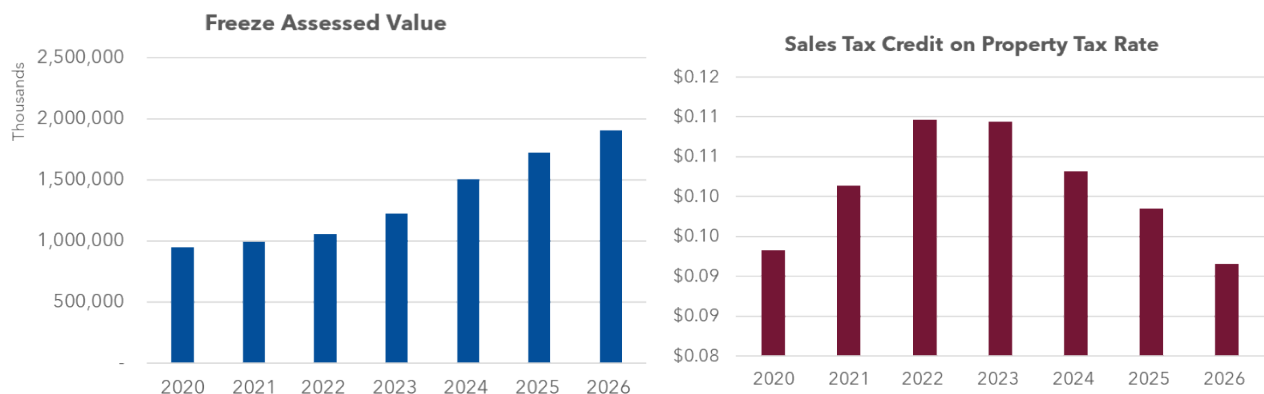
Preliminary Taxable Values

- Net Taxable Value up 15%
- New Value contributed 3.0%
- Year over Year (YoY) category increases:
 - ✓ Single Family Residential – 4.5%
 - ✓ Multi Family – 31.0%
 - ✓ Commercial – 21.9%
- Average Taxable Residence value went from \$397,019 to \$421,798 or an increase of 6.24%
- The taxable increase on a homesteaded residence is limited by law to 10%

Tax Rate Calculations



Factors Affecting No-New Revenue & Voter Approval Rates

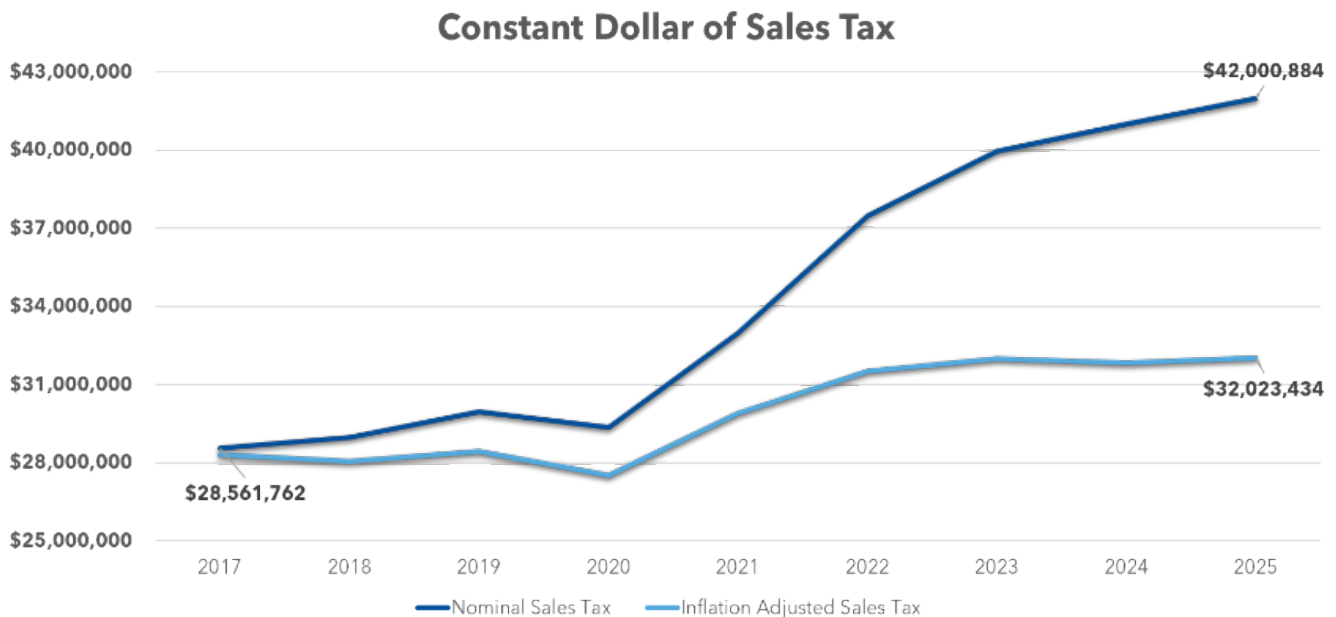


- Assessed frozen valuations have increased by 100.5% since 2020.
- Frozen valuations are not considered in NNR Calculation.
- Credit on Voter Approval Rate for a portion of sales tax collected has decreased since 2023 by 17.5%.
- Less of a credit raises the voter approval rate.

Mrs. Leonard noted a proposed 5.0% tax rate decrease to \$0.487430. The O&M rate would drop by \$0.0168832 and the debt rate by \$0.0087730. Despite these drops, O&M revenue is expected to increase by approximately \$3.0 million due to growth in valuations and new additions to the tax rate. Each cent on the property tax rate equals about \$1.2 million in recurring revenue. Since 2017, sales tax revenue has nominally risen by 47.1%, with a real increase in purchasing power of 12.1% over eight years (1.5% per year).

	Approved FY25	Change	Proposed FY26
Debt Service Fund	21.1441	(0.8773)	20.2668
General Fund	30.1645	(1.6883)	28.4762
Total	51.3086	(2.5656)	48.7430
Estimated No New Revenue Rate	49.9960		46.7434
Estimated Voter Approval Rate	52.1442		48.8940

The FY25 year-end sales tax estimate shows a 0.67% YoY rise, factoring in a sales tax audit and a football game. The budget-to-actual sales tax increase for FY25 is roughly 2%. The FY26 budget projects a 1% rise or \$417,000 more than the FY25 estimate, excluding one-time events.



She went on to state that under the proposed rates, the average utility bill for a single-family home will increase by \$2.97. Fee Ordinance:

- No rate increases for Electric, Water, or Wastewater.

- ✓ Decreases in the Transmission Delivery Adjustment (TDA) fee as well as a slight solar credit change reflected in Electric.
- Increase of 3.0% for fees tied to the Consumer Price Index – All Urban Consumers (CPI-U).
 - ✓ Fees tied to the CPI-U include Planning, Drainage and Roadway Maintenance.
- Changes in CPI Index for Solid Waste from the CPI-U to the CPI-Water/Sewer/Trash:
 - ✓ The CPI-WST increased by 5.0%
 - ✓ Certain specific Solid Waste fees proposed to increase an additional 5.0%
- Tourism revised the deposit for the use of 1207 Event Space.
- Parks revised summer camp fees from per session to per week.

The Hotel Occupancy Tax for FY25 is estimated to increase by 5.6%, with a 3% increase in the budget. For FY26, a 0.5% growth in Hotel Tax is assumed to be due to not including major football opponents.

Mrs. Leonard presented the compensation and benefits strategies, interim staffing additions, proposed future staffing plans, and FY25 Vacancy Rates and FY Hiring Strategy. The FY26 Base Changes will include restructuring Community Services following the retirement of both the Director and Assistant Director. Personnel have been reassigned by the General Government to the Planning and Fire departments, with their positions remaining at Northgate.

Pay & Benefits Strategy

- 3% across-board pay scale increase for all employees plus a 1% market adjustment for existing non-step employees.
- 3% across-the-board pay scale increase for public safety.
- Annual step increases for eligible public safety personnel.
- Merit / other pay pool for top-performing non-step employees and specific adjustments.
- Employee healthcare premiums remain flat for the sixth consecutive year.
- No increase in City-paid healthcare premiums.

FY25 Interim Staffing Additions

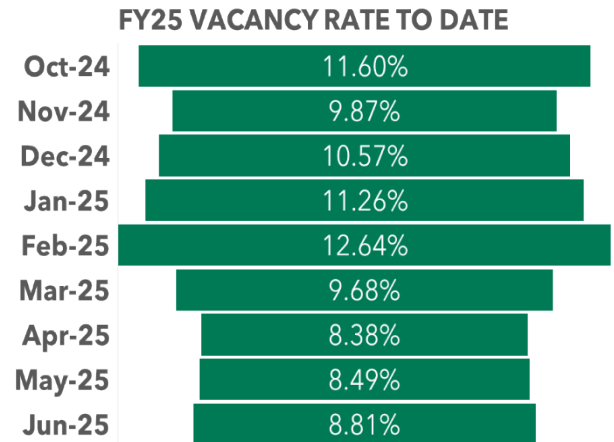
FUND/DEPARTMENT	FY25 Approved Budget	FY25 Changes	FY25 Revised Budget
General Fund			
Police	236.00	2.00	238.00
Fire	174.00	12.00	186.00
All Other Governmental Staff	339.00	-	339.00
TOTAL General Fund	749.00	14.00	763.00
Solid Waste Fund	47.00	1.00	48.00
Northgate Fund	8.00	1.00	9.00
All Other Utility or Special Fund Staff	267.50	-	267.50
TOTAL Utility / Special Fund Staff	322.50	2.00	324.50
GRAND TOTAL ALL FUNDS	1,071.50	16.00	1,087.50

FY26 Proposed Staffing Additions

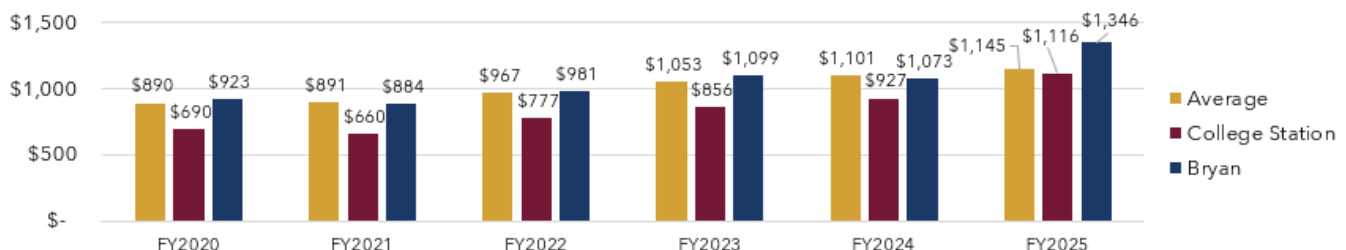
FUND/DEPARTMENT	FY25 Revised Budget	FY26 Base Budget Changes	FY26 Proposed Base Budget	FY26 SLAs	FY26 Proposed Budget
General Fund					
Police	238.00	-	238.00	6.00	244.00
Fire	186.00	8.00	194.00	12.00	206.00
Planning and Development Services	46.00	1.50	47.50	1.00	48.50
Fiscal Services	54.25	0.50	54.75	-	54.75
General Government	69.00	(10.50)	58.50	1.00	59.50
All other Governmental Staff	169.75	-	169.75	-	169.75
TOTAL General Fund	763.00	(0.50)	762.50	20.00	782.50
Solid Waste Fund	48.00	-	48.00	1.00	49.00
Community Development Fund	3.50	(1.00)	2.50	-	2.50
Drainage Fund	20.00	-	20.00	2.00	22.00
Court Security Fund	0.50	(0.50)	-	-	-
All Other Utility or Special Fund Staff	252.50	-	251.00	-	251.00
TOTAL Utility / Special Fund Staff	324.50	(1.50)		3.00	326.00
GRAND TOTAL ALL FUNDS	1,087.50	(2.00)	1,085.50	23.00	1,108.50

FY25 Vacancy Rates & FY26 Hiring Strategy

- Vacancy Rate Definition: The percentage of approved (budgeted) positions that are currently unfilled at a given point in time.
- Fiscal and Budgetary Policy Statements Revisions:
 - ✓ Clarifying the Operating Budget vacancy policy of 3.0%
 - ✓ Adding language to the appropriations section defining an over hire process
 - ✓ Over hire process intended for additional Police Officers in FY26 if existing departmental vacancy rate meets policy.
 - ✓ Departmental vacancy rates will be continuously reviewed in FY26.



Mrs. Leonard explained that FY26 Operational Cost Management reductions include \$200K in fixed/contractual savings and \$400K in departmental savings. The chart presented compares per capita budgeted expenditure on the general funds of 26 comparable cities. Most cities have similar revenue sources, with ad valorem, sales tax, and fees comparable to College Station. Typically, College Station falls below average in this measure, while Bryan is above it. The FY2021 decline reflects budget cuts due to the COVID pandemic.



She went on to present the General Fund Five Year Forecast, noting that one cent on the tax rate provides \$1.1 million and the following known factors and assumptions:

- One SAFER grant ends out in FY28.
- Sales tax growth was assumed to be 2% to 2.7%.
- *FY26 includes a reserve for future recurring expenses of \$1,100,000 that is released in FY27.

General Fund Five Year Forecast

	FY26	FY27	FY28	FY29	FY30
Beginning Fund Balance	\$96,690	\$92,310	\$93,390	\$94,250	\$95,840
Total Recurring Revenues	125,480	128,790	132,060	134,190	137,350
Total Recurring Expenses*	125,180	128,770	132,480	133,690	135,960
In Balance (Out of Balance)	300	20	(420)	500	1,390

Out of the \$92.3 million General Fund Balance, approximately 78% is allocated according to policy, staff recommendations, or discretionary assignments by the Council, amounting to \$71,979.

Required/Policy

- Required 20% Reserve (Fiscal Policy): \$25,647
- Federal Opioid Abatement: \$168

Staff Recommendation

- Future Operational Reserve (Public Safety): \$1,100
- Additional reserve for Bond Rating: \$6,964
- State Highway 6 Relocation Costs: \$550
- Matching Grant Dollars Allocation: \$1,000
- Additional Economic Incentives: \$2,000
- Special Elections: \$100
- Parks TPWD Grant: \$750
- Grant Uncertainty: \$5,000

Discretionary

- Future Vehicles: \$1,500
- Baseball Field Capital Reserve: \$10,000
- Future Projects: \$17,200
- Local music statue, depending upon the amount, would come from Council requests or unassigned.

Mrs. Leonard concluded the presentation with an overview of the FY26 Capital Strategy, Future Debt Issuances Forecast, estimation of Governmental Debt Capacity, and Five-Year O&M Forecasts for the Electric, Water, Wastewater, and HOT Funds. Funded capital projects are detailed in the capital project schedules within the proposed book. All future debt issuances and capital projects for governmental purposes can be completed without increasing the existing tax rate. Utility projects are prioritized based on infrastructure needs. She also noted the following:

- The Electric Fund does not have a planned rate increase.
- The Water and Wastewater Funds may require future rate increases depending on debt service requirements.
- Debt capacity is carefully managed and reviewed multiple times annually.
- General Government debt is structured to maintain approximately \$20 million of debt capacity annually through FY31.
- The city has reserved \$9.7 million from real estate gains for future capital infrastructure.
- The next General Obligation (GO) Bond issuance process will commence in FY27.

Transfers and Payments

Electric Transfers (Sources) Uses

- Cash for Capital
- Interdepartmental utility billing/fixed costs
- Shared services such as HR, IT, Finance, Legal
- Debt Service
- Risk Mitigation Fund – targeted at \$35 million for events like Uri; FY25 Balance is \$14 million
- General Fund payment for ownership of \$10 million (8.3 cents on the tax rate)

Water Transfers (Sources) Uses

- Debt Service – increasing from \$7 million in FY26 to \$11 million in FY27 and \$13 million in FY28 due to new water wells
- Cash for Capital decreases as debt service increases
- Potential rates increase in FY28 due to debt service and capital requirements
- Shared services such as HR, IT, Finance, Legal, utility billing, fixed costs
- Risk Mitigation Fund – targeted at \$2.6 million, with no additional transfers in FY26; fund target is \$3 million

Wastewater Transfers (Sources) Uses

- Cash for Capital of \$8.5 million decreases as debt service increases
- Debt Service – increasing from \$6 million, net of impact fees, in FY26 to \$10 million in FY28
- Shared services such as HR, IT, Finance, Legal, utility billing, fixed costs
- Risk Mitigation Fund – starting at \$400K and increasing \$100K per year up to \$3 million

Additional Information

- The revenue forecast varies based on the proposed home Aggie Football schedule.
- Non-Operating Expenditures & Transfers includes capital improvements for Veterans in FY26.
- Revised transfer amounts for baseball fields from HOT are now more accurate.

In summary, the city's financial strategies and forecasts are designed to ensure sustainable growth and infrastructure development while maintaining fiscal responsibility.

5.2. Presentation, discussion, and possible action on calling a public hearing on the City of College Station FY 2025-2026 Proposed Budget for Thursday, July 24, 2025 at 6:00 PM in the City Hall Council Chambers.

Mary Ellen Leonard, Director of Finance, informed the Council that state law requires a public hearing notice on the budget at least 10 days before the meeting. After the hearing, the Council can adjust items without increasing the total budget.

Staff recommend scheduling a public hearing on the City of College Station FY 2025-2026 Proposed Budget for Thursday, July 24, 2025, at 6:00 PM in the City Hall Council Chambers.

MOTION: Upon a motion made by Councilmember White and a second by Councilmember Yancy, the City Council voted seven (7) for and none (0) opposed, to set a Public Hearing on the proposed FY25 budget for the City of College Station at a regular council meeting on Thursday July 24, 2025, at 6:00 pm in the City Council Chambers. The motion carried unanimously.

6. Adjournment.

There being no further business, Mayor Nichols adjourned the Special Meeting of the City Council at 5:36 p.m. on Monday, July 7, 2025.

John P. Nichols, Mayor

ATTEST:

Tanya Smith, City Secretary

MINUTES OF THE CITY COUNCIL MEETING
IN-PERSON WITH TELECONFERENCE PARTICIPATION
CITY OF COLLEGE STATION
JULY 10, 2025

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

John Nichols, Mayor

Council:

Mark Smith, Mayor ProTem
William Wright
David White
Melissa McIlhaney
Bob Yancy
Scott Shafer

City Staff:

Bryan Woods, City Manager
Jeff Capps, Deputy City Manager
Leslie Whitten, Deputy 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 Nichols via In-Person and Teleconference at 4:02 p.m. on July 10, 2025, in the Council Chambers of the City of College Station City Hall, 1101 Texas Avenue, College Station, Texas 77840.

2. Executive Session Agenda.

In accordance with the Texas Government Code §551.071-Consultation with Attorney, §551.074-Personnel, and the College Station City Council convened into Executive Session at 4:02 p.m. on July 10, 2025, to continue discussing matters pertaining to:

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

- Shana Elliott and Lawrence Kalke v. City of College Station, et al., Cause No. 22-001122-CV-85, in the 85th District Court, Brazos County, Texas; and
- The City of College Station v. The Public Utility Commission of Texas, Cause No. D-1-GN-24-005680 in the 200th District Court, Travis County, Texas; and
- Texas A&M University System v. BVGCD, et al, Cause No. 24-002626-CV-472, in the 472nd District Court, Brazos County.

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

- Approximately 300 acres generally located at Corporate Parkway and Midtown Drive in the Midtown Business Park.

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

- City Manager
- Council Self-Evaluation

3. The Open Meeting Will Reconvene No Earlier than 6:00 PM from Executive Session and City Council will take action, if any.

Executive Session recessed at 6:19 p.m.

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

Invocation by Rev. Ben Hailey, a Chaplain with the College Station Police Department.

5. PRESENTATION - PROCLAMATIONS, AWARDS, AND RECOGNITIONS.

5.1. Presentation of a proclamation recognizing July 10, 2025 as "Texas Crime Prevention Association Day."

Mayor Nichols presented a proclamation to Kristi Hosea, TCPA 2025 Conference Coordinator; Dee Donovan-Murph, Central Texas Crime Prevention Association President; Vickie Stonaker, Texas Crime Prevention Association President; and Deputy Nathan Dennis, Brazos County Sheriff's Office, recognizing July 10, 2025, as "Texas Crime Prevention Association Day."

5.2. Presentation proclaiming the week of July 13-19, 2025 as "Aggie Real Estate Network Week."

Mayor Nichols presented a proclamation to Dr. Charles Gilliland, recognizing July 13-19, 2025, as "Aggie Real Estate Network Week."

5.3. Presentation of a proclamation recognizing July as "Parks and Recreation Month."

Mayor Nichols presented a proclamation to Kelsey Heiden, Parks Director, and members of Parks Staff recognizing July 2025 as "Parks and Recreation Month."

5.4. Presentation of a proclamation celebrating the 25th Anniversary of the Brazos Valley Veterans Memorial.

Mayor Nichols presented a proclamation to Steve Beachy and the Brazos Valley Veterans Association, celebrating the 25th Anniversary of the Brazos Valley Veterans Memorial.

6. Hear Visitors Comments.

Anna Lowary, College Station, spoke to the Council about the Midtown area and the impact of tax the recent tax increases, suggesting creating connectivity from Town Lake to Midtown Drive may help spur development and ease future increases. She also called for more social opportunities at the Meyer Senior Center, as she feels current activities are overcrowded and hinder socializing.

Nicolette English, College Station, addressed the Council, urging progress on the Midtown signage and re-branding the water tower to help spur development and avoid future increases in MUD taxes.

Shelby Behm, College Station, addressed the Council expressing concerns that the \$20 million outlay the city has already made in Midtown could be wasted without additional investment. She proposed placing a new recreation center in the area as a symbol of the city's commitment to future development.

Susan Ferreri, College Station, spoke to Council about what she feels is increased water flow in the Bee Creek area over the past four years which she believes has damaged her retaining wall and caused neighborhood flooding and declining property values due to new uphill construction. She urged the City Council to examine the water flow problem and consider an independent engineering study for a solution.

Cheryl Wenck, College Station, urged the Council to conduct an independent study of Bee Creek's flooding issues in Emerald Forest, involving homeowners directly. She stated that comprehensive engineering studies must integrate scientific analysis and local input for effective flood mitigation strategies, particularly when development may worsen the problem.

Arvind Mahajan, College Station, spoke to the Council regarding persistent flooding issues in Emerald Forest. He mentioned that these issues have progressively worsened, reaching his home's foundation and garage last year.

Laura Burris, College Station, addressed the Council about her property which is adjacent to the Bee Creek floodplain and has been prone to flooding for 24 years. She stated that recent improvements seem ineffective in managing the additional water runoff caused by development and urged the city to address this issue.

Fredrick Wenck, College Station, addressed the Council about the increasing rainwater flow into Bee Creek, which has caused issues in Emerald Forest and highlighted the rise in silt buildup, erosion, and overgrowth in the creek bed. He believes that the future highway expansions could increase runoff and proposed that an independent drainage engineering consultant study the area.

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.

No items were pulled for clarification.

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

- **June 26, 2025 Council Meeting**

7.2. Presentation, discussion, and possible action on a professional services contract amendment with The Arkitex Studio, Inc., not-to-exceed \$150,060 for additional design services for the Texas Independence Park at Midtown Project.

7.3. Presentation, discussion, and possible action on a contract for crossing guard services with All City Management Services, Inc, not to exceed \$141,147.90.

7.4. Presentation, discussion, and possible action on approval of a real estate contract for the purchase of a public utility, public access, and landscape easement for \$106,455 from CS MF24 I, LLC for the Marion Pugh Rehab Project.

7.5. Presentation, discussion, and possible action on approval of a real estate contract for the purchase of a public utility, public access, and landscape easement for \$104,606 from College Station Treehouse, Ltd. for the Marion Pugh Rehab Project.

7.6. Presentation, discussion, and possible action regarding the City's Indefinite Delivery/Indefinite Quantity (IDIQ) for real estate services.

7.7. Presentation, discussion, and possible action regarding a resolution consenting to the issuance of bonds by the Brazos County Municipal Utility District No. 1 in an amount not exceed \$14,500,000 for road improvements.

7.8. Presentation, discussion, and possible action regarding approval of a resolution accepting \$500,000 in Community Development Block Grant Mitigation funding from the Texas General Land Office and distributed through the Brazos Valley Council of Governments and committing General Funds in the amount of \$8,175 and Community Development Block Grant Entitlement in the amount of \$69,063.22 funds.

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

8. WORKSHOP ITEMS

8.1. Presentation, discussion, and possible action on the FY 2025-2026 Proposed Budget Outside Agency requests.

Mary Ellen Leonard, Finance Director, presented \$3.6M in funding requests from outside agencies as outlined in the proposed FY25-26 budget. Funding sources include the General Fund, Community Development Fund, Hotel Tax Fund, and Solid Waste Fund. Contract Partners, recognized for their economic impact and community services, are Brazos Valley Economic Development Corporation (BVEDC) and Arts Council of the Brazos Valley (ACBV). Department Budget Agencies support the goals of specific City Departments.

OUTSIDE AGENCY FUNDING

Contractual or Legal Obligations

AGENCY	FUNDED BY	FY25 Funding	FY26 Request	Difference FY25-FY26	FY26 Proposed %
Greater Brazos Partnership*	General	350,000	350,000	-	0%
Brazos County Central Appraisal District	General	859,858	988,837	128,979	15%

* Does not include \$250,000 for Plug & Play

Brazos County Health District Funding

AGENCY	FUNDED BY	FY25 Funding	FY26 Request	Difference FY25-FY26	FY26 Proposed %
Brazos County Health District	General	478,029	478,029	-	0%

Council Discretionary Funding – Solid Waste Fund

AGENCY	FUNDED BY	FY25 Funding	FY26 Request	Difference FY25-FY26	FY26 Proposed %
Keep Brazos Beautiful	Solid Waste	48,230	49,230	1,000	2%

Council Discretionary Funding – General and Hotel Tax Fund

AGENCY	FUNDED BY	FY25 Funding	FY26 Request	Difference FY25-FY26	FY26 Proposed %
Arts Center - Ops & Local Marketing	General	35,000	35,000	-	0%
Arts Center - Affiliate Grants & Affiliate Mktg	Hotel Tax	375,000	453,750	78,750	21%
Arts Center - Operations Support	Hotel Tax	79,033	95,629	16,596	21%
Arts Center - Tourism Mktg	Hotel Tax	44,000	53,240	9,240	21%
Arts Center - Public Art	Hotel Tax	62,920	76,133	13,213	21%
	Requested	595,953	713,752	117,799	19.76%

Council Discretionary Funding – General Fund

AGENCY	FUNDED BY	FY25 Funding	FY26 Request	Difference FY25-FY26	FY26 Proposed %
Aggieland Humane Society	General	303,600	349,140	45,540	15%
Amber Alert Network Brazos Valley	General	5,000	5,000	-	0%
Bryan College Station Chamber of Commerce	General	25,000	25,000	-	0%
Brazos Transit District	General	334,000	400,800	66,800	20%

Council Discretionary Funding – HOT Funds

AGENCY	FUNDED BY	FY25 Funding	FY26 Request	Difference FY25-FY26	FY26 Proposed %
Veterans Memorial	Hotel Tax	30,000	30,000	-	0%

FY26 Outside Agencies

AGENCY	FUNDED BY	FY25 Funding	FY26 Request	Difference FY25-FY26	FY26 Proposed %
Aggieland Humane Society	General	303,600	349,140	45,540	15%
Amber Alert Network Brazos Valley	General	5,000	5,000	-	0%
Arts Center - Ops & Local Marketing	General	35,000	35,000	-	0%
Brazos Central Appraisal District	General	859,858	988,837	128,979	15%
Brazos County Health District	General	478,029	478,029	-	0%
Greater Brazos Valley Partnership	General	350,000	350,000	-	0%
Bryan College Station Chamber of Commerce	General	25,000	25,000	-	0%
Brazos Transit District	General	334,000	400,800	66,800	20%
	General Total	2,390,487	2,631,806	241,319	
Arts Center - Affiliate Grants & Affiliate Mktg	Hotel Tax	375,000	453,750	78,750	21%
Arts Center - Operations Support	Hotel Tax	79,033	95,629	16,596	21%
Arts Center - Tourism Mktg	Hotel Tax	44,000	53,240	9,240	21%
Arts Center - Public Art	Hotel Tax	62,920	76,133	13,213	21%
Veterans Memorial	Hotel Tax	30,000	30,000	-	0%
	Hotel Tax Total	590,953	708,752	117,799	
Keep Brazos Beautiful	Solid Waste	48,230	49,230	1,000	2%
	Grand Total	3,029,670	3,389,788	360,118	
				11.89%	

The Council agreed to continue discussions regarding Outside Agency funding through the Budget process.

Mayor Nichols recessed the Council Meeting at 8:39 p.m.

The Council Meeting was reconvened at 8:48 p.m.

8.2. Presentation, discussion, and possible action regarding a neighborhood parking update.

Jennifer Prochazka, Assistant City Manager, stated that this item is a follow up to the presentation from late April that was related to potential solutions to neighborhood parking issues that we've seen as a symptom or an impact of unplanned over occupancy in areas where the infrastructure may not have been built or be sufficient to support it at this time.

Street Parking Options

- Remove street parking
 - ✓ Pedestrian and bicycle safety
 - ✓ Limits visitors
- Limit overnight street parking (Example: 2am – 5am)
 - ✓ Reduces “permanent” parking
 - ✓ Limits overnight visitors
- Residential parking permit program*
 - ✓ Resident benefit
 - ✓ Administratively challenging
- Overnight parking permit program*
 - ✓ Resident benefit
 - ✓ Administratively challenging

Mrs. Prochazka explained that the approach selected could be tailed to the area of town and its needs. She outlined considerations such as full or partial removal, time frame for restrictions, exceptions for special events (game days), and defining geographic by considering things such as proximity to the university, comprehensive plan, zoning, neighborhood, or street type

A consensus of Council directed staff to engage stakeholder groups and design and conduct a public survey to gather input on full or partial parking removal, time frames, days of the week for parking restrictions, and perspective geographic areas in close proximity to campus.

8.3. Presentation, discussion, and possible action regarding the Greater Northgate Small Area Plan Engagement Report.

Anthony Armstrong, Planning and Development Director, reported that from January to April 2025, community stakeholders provided input through seven public meetings, two online platforms, and a walking tour. This effort resulted in over 275 map-based comments, hundreds of quotes, and more than 50 action recommendations. City staff facilitated engagement, analyzed feedback, and converted ideas into actionable steps. The city used social media, blog posts, and the “What’s Up College Station?” video series to inform residents and encourage participation. Local media also covered the process, enhancing public awareness. Key themes about community aspirations for the Greater Northgate Area emerged from stakeholder meetings, online feedback, workshops, and surveys. Perspectives, common priorities, and challenges were identified, and the stakeholder committee selected the action items included in the report. Mr. Armstrong also noted that a new staff position, Northgate District Manager, has been created to better address concerns and co-ordinate efforts.

KEY THEMES ACROSS ALL INPUT SOURCES

Theme	Community Feedback Summary
Transit & Connectivity	Calls for improved east-west pedestrian and bike connections, better crossings across University and College Ave, and interest in a local trolley system.
Walkability & Safety	High concern about narrow sidewalks, dangerous crossings, scooter conflict, and poor lighting. Support for underpasses, wider sidewalks, better lighting, and traffic calming.
Land Use & Scale	Desire to limit building height in some parts of the district and to diversify the mix of uses – including retail, entertainment, and residential that serves more than just students.
Historic Character	Stakeholders value Northgate's unique culture and history. There is strong interest in protecting iconic businesses, maintaining traditional architecture, and resisting over-modernization.
Retail & Experience	Clear demand for more local-serving businesses – grocery stores, cafes, bookstores – and not just bars. Participants want day-to-night vibrancy.
Public Realm & Identity	Strong support for more shade trees, public art, signage, and places to gather. Participants emphasized making Northgate feel like a cohesive and welcoming district.
Parking & Circulation	Feedback reflected mixed views. Some support reducing surface parking to improve the pedestrian environment; others want better wayfinding, structured parking, or dynamic pricing models for public parking.

9. REGULAR ITEMS

9.1. Public Hearing, presentation, discussion, and possible action regarding a Development Agreement with Brazos Valley TDC, LLC for 49.5 acres located on the east side of Arrington Road in the City's extraterritorial jurisdiction.

Jennifer Prochazka, Assistant City Manager, outlined the proposed development of 49.5 acres off Arrington Road in the ETJ. It will feature single-family homes on lots under 1-acre, rural roads and trails, modified subdivision standards, city wastewater service, and private parkland. Before approval of the preliminary plan requires landowners to petition the City for voluntary annexation.

At approximately 10:39 p.m., Mayor Nichols opened the Public Hearing.

There being no further comments, the Public Hearing was closed at 10:40 p.m.

MOTION: Upon a motion made by Councilmember Wright and a second by Councilmember McIlhaney, the City Council voted seven (7) for and none (0) opposed, to approve a Development Agreement with Brazos Valley TDC, LLC for 49.5 acres located on the east side of Arrington Road in the City's extraterritorial jurisdiction. The motion carried unanimously.

9.2. Public Hearing, presentation, discussion, and possible action regarding the 2025-2029 Consolidated Plan, FY 2026 Annual Action Plan and FY 2026 Community Development Budget.

Raney Whitwell, Community Development Analyst, stated that the city must submit an Annual Action Plan each year to outline projects and budgets funded by community development grants. The plan must align with the 5-Year Consolidated Plan. For the upcoming year, \$1,229,672 in CDBG funds and \$475,718 in HOME funds are available. These funds are designated for benefiting low- and

moderate-income individuals, eliminating slums and blight, or addressing urgent community needs. CDBG funds cover a range of community activities, while HOME funds focus on affordable housing initiatives. The Consolidated Plan, Annual Action Plan, and budget must be submitted to HUD by August 16, 2025. Adopting the Plan also establishes a Community Development Program as per Texas Local Government Code and authorizes the City Manager to sign the necessary documents for HUD grants for 2025. Historically, these funds have supported programs such as affordable housing assistance, services for low-income families, demolition, economic development, infrastructure improvements, and public facilities in low-to-moderate income areas.

At approximately 10:50 p.m., Mayor Nichols opened the Public Hearing.

There being no further comments, the Public Hearing was closed at 10:50 p.m.

10. Items of Community Interest and Council Calendar: The Council may discuss upcoming events and 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.

Mayor Nichols reported on the I Heart America Celebration.

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)

Councilmember Smith reported on a recent BVSWMMA board meeting.

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 Yancy requested a future item on a drainage study.

13. Adjournment.

There being no further business, Mayor Nichols adjourned the meeting of the City Council at 11:00 p.m. on Thursday, July 10, 2025.

John P. Nichols, Mayor

ATTEST:

Tanya Smith, City Secretary

July 24, 2025

Item No. 7.2.

Drainage Repairs to Frost, Driftwood, Huntington, and Southwood Forest

Sponsor: Pete Caler, Assistant Director of Public Works

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on a construction contract with Terra Bella Construction for \$259,398.52 plus the City's contingency amount of \$25,939.85 for a total appropriation of \$285,338.37 for Drainage Repairs to Frost Drive, Driftwood Drive, Huntington Drive, and Southwood Forest.

Relationship to Strategic Goals:

1. Core Services and Infrastructure

Recommendation(s): Staff recommend awarding the contract to Terra Bella Construction.

Summary: During routine and post-storm drainage inspections, infrastructure has been identified as deficient and in need of replacement. This contract is for the replacement of drainage infrastructure on Frost Drive, Driftwood Drive, Huntington Drive, and a retaining wall in the Southwood Forest neighborhood. On June 10th, 2025, Invitation to Bid 25-067 was opened with six bids received. Terra Bella Construction was the lowest responsible bidder with a bid of \$259,398.52.

Budget & Financial Summary: Funds are available in the Drainage Utility Fund.

Attachments:

1. 25-067 Tabulation
2. Drainage Repairs Contract (Vendor Signed)



City of College Station - Purchasing Division
Bid Tabulation for #25-067
"Drainage Repairs"
Open Date: Tuesday, June 10, 2025 @ 2:00 p.m.

				AFFINITY BCS, LLC		BRAZOS PAVING, INC.		D&S CONTRACTING, INC.		RUBIOS SOLUTIONS, INC.		SJ&J CONSTRUCTION, LLC		TERRA BELLA CONSTRUCTION	
ITEM	QTY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
CATEGORY															
1	1	LS	Remove and replace 24" culvert pipe with 24" HDPE pipe (8800-8802 Driftwood)	\$30,000.00	\$30,000.00	\$43,690.00	\$43,690.00	\$40,155.00	\$40,155.00	\$55,000.00	\$55,000.00	\$30,000.00	\$30,000.00	\$18,269.74	\$18,269.74
2	1	LS	Remove and replace two (2) 72" corrugated steel culverts with two (2) 72" Coated Steel Corrugated Pipe (1405-1409 Frost Dr.)	\$75,000.00	\$75,000.00	\$67,105.00	\$67,105.00	\$84,000.00	\$84,000.00	\$115,000.00	\$115,000.00	\$65,500.00	\$65,500.00	\$56,390.58	\$56,390.58
3	1	LS	Remove and replace three (3) 36" corrugated stell culverts with three (3) 36" HDPE pipes (2700-1005 Huntington Dr.)	\$40,000.00	\$40,000.00	\$98,650.00	\$98,650.00	\$81,000.00	\$81,000.00	\$110,000.00	\$110,000.00	\$76,800.00	\$76,800.00	\$46,878.89	\$46,878.89
4	1	LS	Demolish and replace concrete channel wall 77 ft North of Carmel Place and channel wall 208 ft South of Carmel Place with a 6 inch additional wall height increase	\$150,000.00	\$150,000.00	\$61,285.00	\$61,285.00	\$51,000.00	\$51,000.00	\$155,000.00	\$155,000.00	\$121,700.00	\$121,700.00	\$85,420.54	\$85,420.54
5	1	LS	Detailed Access Plan For Residents (Frost Circle Only)	\$5,000.00	\$5,000.00	\$6,500.00	\$6,500.00	\$10,000.00	\$10,000.00	\$2,000.00	\$2,000.00	\$12,000.00	\$12,000.00	\$2,381.50	\$2,381.50
6	1	LS	Mobilization, traffic control, permits, environmental compliance and final engineering inspection with hydraulic testing	\$30,000.00	\$30,000.00	\$60,000.00	\$60,000.00	\$14,000.00	\$14,000.00	\$52,000.00	\$52,000.00	\$90,000.00	\$90,000.00	\$50,057.27	\$50,057.27
CATEGORY - TOTAL				\$330,000.00		\$337,230.00		\$280,155.00		\$489,000.00		\$396,000.00		\$259,398.52	
SUBSTANTIAL COMPLETION TIME				90 Days		90 Days		90 Days		90 Days		90 Days		90 Days	

Affinity BCS, LLC; D&S Contracting, Inc.; and SJ&J Construction LLC did not submit their Frost Dr Resident Access Plan



CONTRACT & AGREEMENT ROUTING FORM

CONTRACT#: 25300579 PROJECT #: SD1701 BID/RFP/RFQ#: 25-067

Project Name / Contract Description: Drainage Repair Projects - Frost Dr, Huntington Dr, Driftwood Dr, and Southwood Forest

Name of Contractor: Terra Bella Construction

CONTRACT TOTAL VALUE: \$ 259,398.52

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)

ITB 25-067 opened on June 10th, 2025 with six bids received. Funding is available in the Drainage Maintenance budget.

Drainage Repairs - Frost Dr, Huntington Dr, and Southwood Forest

Funding Account: 39129971-6561

(If required)*

CRC Approval Date*: N/A **Council Approval Date*:** 7/24/2025 **Agenda Item No*:**

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

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

SIGNATURES RECOMMENDING APPROVAL

Emily Fisher
DEPARTMENT DIRECTOR/ADMINISTERING CONTRACT

7/10/2025
DATE

Jim Carter
ASST CITY MGR – CFO

7/10/2025
DATE

John A. Haislet
LEGAL DEPARTMENT

7/10/2025
DATE

APPROVED & EXECUTED

CITY MANAGER

DATE

N/A

MAYOR (if applicable)

DATE

N/A

CITY SECRETARY (if applicable)

DATE

**CITY OF COLLEGE STATION
STANDARD FORM OF CONSTRUCTION AGREEMENT**

This Agreement is entered into by and between the City of College Station, a Texas home-rule municipal corporation (the "City") and Terra Bella Construction (the "Contractor") for the construction and/or installation of the following:
as described in ITB 25-067 Drainage Repairs.

1. DEFINITIONS

1.01 Calendar Day. The term "calendar day" shall mean any day of the week or month, no days being excepted.

1.02 City. The term "City" shall mean and be understood as referring to the City of College Station, Texas.

1.03 City's Consultant. The term "City's Consultant" or "Consultant" shall mean and be understood as referring to the City's design professional(s) for the Project.

1.04 City's Representative. The term "City's Representative" or "Representative" shall mean and be understood as referring to the City Manager or his delegate or delegates, including a project management firm if applicable, who shall act as City's agent.

1.05 Contingency Amount. The term "Contingency Amount" shall mean and be understood as referring to the amount established and appropriated by the City, to be used exclusively by the City and in the City's sole discretion, to pay City-authorized costs associated with Change Orders and other related expenses for this Project. The Contractor agrees that the Contingency Amount, if any, is established by and is for the sole use of the City, that the Contingency Amount is not included in the Contract Amount, and that the Contractor has no right to use or receive any Contingency Amount unless authorized by the City in a written and duly authorized change order. The City's Contingency Amount is: Twenty-Five Thousand Nine Hundred Thirty-Nine and 85 /100 Dollars (\$25,939.85).

1.06 Contract Amount. The term "Contract Amount" shall mean the amount of Contractor's lump sum base bid proposal, together with all alternates, as accepted by the City in accordance with the Contractor's Proposal. In the case of a unit price contract, Contract Amount shall mean the sum of the product of all unit prices multiplied by the respective estimated final quantities of work, for all base bid and alternates, as accepted by the City. Except in the event of a duly authorized change order approved by the City as provided in this Agreement, and in consideration of the Contractor's final completion of all Work in conformity with this Agreement, the City shall pay the Contractor an amount not to exceed: Two Hundred Fifty-Nine Thousand Three Hundred Ninety-Eight and 52 /100 Dollars (\$259,398.52).

1.07 Contract Documents. The term "Contract Documents" shall mean those documents listed in Section 2.01.

1.08 Contractor. The term "Contractor" shall mean the person(s), partnership, or corporation who has agreed to perform the Work contemplated in this Agreement and the other Contract Documents.

1.09 Contractor's Proposal. The term "Contractor's Proposal" shall mean the document provided by the Contractor in response to, and shall include all information required by the City's Request for Proposal/Invitation to Bid for the Project.

1.10 Extra Work. The term "Extra Work" shall mean and include work that is **not** covered or contemplated by the Contract Documents but that may be required by City's Representative and approved by the City in writing *prior* to the work being done by the Contractor.

1.11 Final Completion. The term "Final Completion" shall mean that all the Work has been completed, all final punch list items have been inspected and satisfactorily completed, all payments to materialmen and subcontractors have been made, all documentation and warranties have been submitted, and all closeout documents have been executed and approved by the City.

1.12 Hazardous Substance. The term "Hazardous Substance" shall mean and include any element, constituent, chemical, substance, compound, or mixture, which is defined as a hazardous substance by any local, state or federal law, rule, ordinance, by-law, or regulation pertaining to environmental regulation, contamination, clean-up or disclosure, including, without limitation, The Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), The Resource Conservation and Recovery Act ("RCRA"), The Toxic Substances Control Act ("TSCA"), The Clean Water Act ("CWA"), The Clean Air Act ("CAA"), and the Marine Protection Research and Sanctuaries Act ("MPRSA"), The Occupational Safety and Health Act ("OSHA"), The Superfund Amendments and Reauthorization Act of 1986 ("SARA"), or other state superlien or environmental clean-up or disclosure statutes including all state and local counterparts of such laws (all such laws, rules and regulations being referred to collectively as "Environmental Laws").

1.13 Environmental Laws. The term "Environmental laws" shall mean collectively, any local, state or federal law, rule, ordinance, by-law, or regulation pertaining to environmental regulation, contamination, clean-up or disclosure, including, without limitation, The Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), The Resource Conservation and Recovery Act ("RCRA"), The Toxic Substances Control Act ("TSCA"), The Clean Water Act ("CWA"), The Clean Air Act ("CAA"), and the Marine Protection Research and Sanctuaries Act ("MPRSA"), The Occupational Safety and Health Act ("OSHA"), The Superfund Amendments and Reauthorization Act of 1986 ("SARA"), or other state superlien or environmental clean-up or disclosure statutes including all state and local counterparts of such laws.

1.14 Interpretation of Phrases. Whenever the words "directed", "permitted", "designated", "required", "considered necessary", "prescribed", or words of like import are used, it is understood that the direction, requirement, permission, order, designation, or prescription of City's Representative is intended. Similarly, the words "approved", "acceptable", "satisfactory", or words of like import shall mean approved by, accepted by, or satisfactory to City's Representative.

1.15 Nonconforming work. The term "nonconforming work" shall mean Work or any part thereof that is rejected by City's Representative as not conforming with the Contract Documents.

1.16 Parties. The "parties" are the City and the Contractor.

1.17 Project. The term "Project" shall mean the construction of an improvement to real property where the Work comprises either whole or a part of such construction and which may include construction by the City or separate contractors.

1.18 Project Manager. The term "Project Manager" shall mean the Contractor's Project Manager. The Project Manager shall assist the City in performing various administrative and oversight duties relating to the Work, subject to limitations in authority that must be verified by Contractor.

1.19 Subcontractor. The term "subcontractor" shall mean and include only those hired by and having a direct contract with Contractor for performance of work on the Project. The City shall have no responsibility to any subcontractor employed by a Contractor for performance of work on the Project, and all subcontractors shall look exclusively to the Contractor for any payments due.

1.20 Substantially Completed. The term "Substantially Completed" means that in the opinion of the City's Representative the Project, including all systems and improvements, is in a condition to serve its intended purpose but still may require minor miscellaneous work and adjustment. Final payment of the Agreement Price, including retainage, however, shall be withheld until Final Completion and acceptance of the Work by the City. Acceptance by the City shall not impair or waive any warranty obligation of Contractor.

1.21 Work. The term "Work" as used in this Agreement shall mean the construction and services required by the Contract Documents and Exhibits, including any duly authorized change orders, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by the Contractor to fulfill its obligations. The Work may constitute the whole or a part of the Project. The Work includes but is not limited to all labor, parts, supplies, skill, supervision, transportation, services, and other facilities and all other items needed to produce, construct, and fully complete the Project.

1.22 Working Day. A "working day" means any day not including Saturdays, Sundays, or legal holidays.

2. CONTRACT DOCUMENTS

2.01 The Contract Documents and their priority shall be as follows:

- (a) This signed Agreement.
- (b) Addendum to this Agreement.
- (c) General Conditions, as may be applicable.
- (d) Special Conditions, as may be applicable.
- (e) Specifications, including the technical specifications set out at BCS Unified Design Guidelines ("Specifications").
- (f) Plans.
- (g) Instructions to Bidders and any other notices to Bidders or Contractor.
- (h) Performance bond, Payment bonds, Bid bonds and Special bonds.
- (i) Contractor's Proposal.

2.02 Where applicable, the Contractor will be furnished three (3) sets of plans, specifications, and related Contract Documents for its use during construction. Plans and Specifications provided for use during construction shall be furnished directly to the Contractor only.

2.03 The Contractor shall distribute copies of the Plans and Specifications to suppliers and subcontractors as necessary. The Contractor shall keep one (1) copy of the Plans and Specifications accessible at the work site with the latest revisions noted thereon. For proper execution of the Work contemplated by this Agreement, additional sets of drawings, plans and specifications may be purchased by the Contractor.

2.04 All drawings, specifications, and copies thereof furnished by the City shall not be re-used on other work, and with the exception of one (1) copy of the signed Contract Documents, all documents, including sets of the Plans and Specifications and "as built" drawings, are to be returned to the City on request at the completion of the Work. All Contract Documents, models, mockups, or other representations are the property of the City.

2.05 In the event of inconsistencies within or between parts of the Contract Documents, the Contractor shall (1) provide the better quality or greater quantity of Work, or (2) comply with the more stringent requirement, either or both in accordance with the City's interpretation. The terms and conditions of this Section 2.05, however, shall not relieve the Contractor of any of the obligations set forth in Sections 8.01. and 8.02 of this Agreement.

3. AWARD OF CONTRACT

3.01 Upon the notice of intent to award of the contract by the City, the parties shall execute this Agreement, and the Contractor shall deliver to City's Representative all documents, bonds, and certificates of insurance required herein.

3.02 Time is of the essence of this Agreement. Accordingly, the Contractor shall be prepared to perform the Work in the most expedient and efficient possible manner in order to complete the Work by the times specified in this Agreement for Substantial Completion and Final Completion. In addition, the Contractor's work on the Project shall be commenced on the date to be specified in the City's written notice to proceed. **The notice to proceed may not be given, nor may any Work be commenced, until this Agreement is fully executed and complete, including all required exhibits and other attachments, particularly those required under Sections 27 and 28 (Insurance & Bonds).**

4. CITY'S REPRESENTATIVE

4.01 The Contractor shall forward all communications, written or oral, to the City through the City's Representative.

4.02 The City's Representative may periodically review and inspect the Work of the Contractor.

4.03 The City's Representative shall appoint, from time to time, such subordinate supervisors or inspectors as City's Representative may deem proper to inspect the Work performed under this Agreement and ensure that said Work is performed in accordance with the Plans and Specifications.

4.04 The City's Representative shall interpret questions concerning the Contract Documents. The City's inspector has authority to reject any of the Work for failure to comply with the Contract Documents and/or applicable laws.

4.05 Should the Contractor object to any orders by any subordinate supervisor or inspector, the Contractor may, within two (2) days from receipt of such order, make written appeal to City's Representative for his decision.

5. INDEPENDENT CONTRACTOR

5.01 In all activities or services performed hereunder, the Contractor is an independent contractor and not an agent or employee of the City. The Contractor, as an independent contractor, shall be responsible for the final product contemplated under this Agreement. Except for materials furnished by the City, the Contractor shall supply all materials, equipment and labor required for the execution of the Work. The Contractor shall have ultimate control over the execution of the Work under this Agreement. The Contractor shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees and subcontractors, and the City shall have no control of or supervision over the employees of the Contractor or any of the Contractor's subcontractors except to the limited extent provided for in this Agreement.

5.02 Standard of Care. The Work shall be performed in a good and workmanlike manner, and in accordance with this Agreement, and all applicable laws, codes, and regulations. The construction of the Project is subject to amendments and adjustments to the Contract required by any applicable changes in regulations or requested or approved by in writing by the City. If at any time during the progress of the Work the Contractor becomes aware of any errors or omissions in the Plans or Specifications for this Project or that the Agreement deviates from applicable legal requirements, Contractor shall promptly provide written notice thereof to the City. The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention.

5.03 The Contractor shall retain personal control and shall give its personal attention to the faithful prosecution and completion of the Work and fulfillment of this Agreement. The Contractor shall be responsible for and have control over construction means, methods, techniques, sequences and procedures, and for coordinating all portions of the Work. The subletting of any portion or feature of the Work or materials required in the performance of this Agreement shall not relieve the Contractor from its obligations to the City under this Agreement. The Contractor shall appoint and keep on the Project site during the progress of the Work, including at all times subcontractors are present at the Project site, a competent English speaking Project Manager and/or superintendent and any necessary assistants, all satisfactory to City's Representative, to act as the Contractor's representative and to supervise its employees and subcontractors. All directions given to the Project Manager and/or superintendent shall be binding as if given to the Contractor. Adequate supervision by competent and reasonable representatives of the Contractor is essential to the proper performance of the Work, and lack of such supervision shall be grounds for suspending the operations of the Contractor and is a breach of this Agreement.

5.04 Unless otherwise stipulated, the Contractor shall provide and pay for all labor, materials, tools, equipment, transportation, facilities, and drawings, including engineering, and any other services necessary or reasonably incidental to the performance of the Work by the Contractor. Any additional work, material, or equipment needed to meet the intent of this provision shall be supplied by the Contractor *without* claim for additional payment, even though not specifically mentioned herein.

5.05 Any injury or damage to the Contractor or the Project caused by an act of God, natural cause, a party or entity not privy to this Agreement, or other force majeure shall be assumed and borne by the Contractor.

6. DISORDERLY EMPLOYEES

The Contractor agrees to employ only orderly and competent employees skillful in the performance of the type of work required, and agrees that whenever City's Representative shall inform the Contractor in writing that any person or persons on the Project are, in his opinion, incompetent, unfaithful, or disorderly, such person or person shall be discharged from the Project and shall not again be re-employed on the site or the Project without City's Representative's written permission.

7. HOURS OF WORK

The Contractor may work Monday through Friday from 7 a.m. to 6 p.m., exclusive of Saturdays, Sundays, or legal holidays. The Contractor may work overtime, weekends, and holidays only when approved in advance by the City's Representative. The time for Substantial Completion shall not be affected in any way by inclusion of this section or by the City's consent or lack of consent to work outside of the times specified in this Agreement.

8. NATURE OF THE WORK

8.01 It is understood and agreed that the Contractor has, by careful examination, studied and compared the Plans and other Contract Documents, satisfied itself as to the nature and location of the Work, the conditions of

the ground and soil, the nature of any structures, the character, quality, and quantity of the material to be utilized, the character of equipment and facilities needed for and during the prosecution of the Work, the time needed to complete the Work, Contractor's ability to meet all deadlines and schedules required by this Agreement, the general and local conditions, including but not limited to weather, and all other matters that in any way affect the Work under this Agreement. These obligations are for the purpose of facilitating construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, any errors, inconsistencies or omissions discovered, or which reasonably should have been discovered by the Contractor shall be reported promptly to the City as a request for information in such form as the City may require. However, the Contractor shall not perform any act or do any Work that places the safety of persons at risk or potentially damages materials or equipment used in the Project, and the Contractor shall do nothing that would render any test or tests erroneous.

8.02 Any design errors or omissions noted by the Contractor shall be reported promptly to the City, but it is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional unless otherwise specifically provided in the Contract Documents. Any nonconformity discovered by or which reasonably should have been discovered or made known to the Contractor shall be reported promptly to the City.

8.03 If the Contractor fails to perform the obligations of Sections 8.01. and 8.02., the Contractor shall pay such costs and damages to the City as would have been avoided if the Contractor had performed such obligations. The Contractor shall not be liable to the City for damages resulting from errors, inconsistencies or omissions in the Contract Documents or for differences between field measurements or conditions and the Contract Documents unless the Contractor recognized or reasonably should have recognized such error, inconsistency, omission or difference and knowingly failed to report it to the City.

9. POST-AGREEMENT AWARD MEETINGS

9.01 Prior to the commencement of the Work, the parties shall meet and attend a post-agreement award meeting at the time and place determined by City's Representative. At the post-agreement award meeting, the parties shall meet, discuss, and finalize all schedules, including commencement date, and/or specifications submitted for review. No later than ten (10) days prior to the post-agreement award meeting, the Contractor shall submit to City's Representative the following documents:

(a) Schedule for performance of the Work ("Construction Schedule"). Project Schedule contemplated, including the starting and ending date, as well as an indication of the completion of stages of Work hereunder. Such document, once approved by the City and, if applicable, the City's Consultant shall be incorporated into this Agreement as a Contract Document and attached hereto as **Exhibit E**. If not accepted, the Construction Schedule shall be promptly revised by the Contractor in accordance with the recommendations of the City and Consultant and resubmitted for acceptance. The Construction Schedule shall not be modified except by written change order. Additional days or changes to the number of days in the Construction Schedule shall also be by written change order. After a written change order is approved and fully executed by all parties, the Contractor shall submit an updated Construction Schedule that reflects changes authorized by approved change orders. The Construction Schedule shall not exceed time limits current under the Contract Documents, shall be submitted with each pay application, shall be related to the entire Project to the extent required by the Contract Documents, and shall provide for expeditious and practicable execution of the Work.

(b) The names and addresses of all proposed subcontractors in writing.

- (c) Schedules of the starting and ending dates of subcontractors and the scope of Work contemplated for subcontractors.
- (d) Name, local office, phone number and addresses and, home phone numbers for the Contractor and its Project Superintendent/Manager.
- (e) For construction projects, four (4) copies of all shop and/or setting drawings or schedules for the submission thereof, including PDF/electronic versions and CAD files.
- (f) Where applicable, materials procurement schedules and material supplier names, addresses and phone numbers.

9.02 The City's Representative, within five (5) working days after the initial post-agreement award conference or any other meetings, may submit minutes of the meeting to the Contractor. The Contractor shall thereafter have five (5) working days to review the minutes and make its objections, changes, or reductions thereto in writing. The Contractor shall thereafter sign the minutes and promptly return them to City's Representative. Where there is disagreement, City's Representative will make the final determination.

10. PROGRESS OF WORK

10.01 The Construction Schedule shall be in a detailed precedence-style critical path method ("CPM") or primavera-type format satisfactory to the City and the Consultant. The Construction Schedule shall also (i) provide a graphic representation of all activities and events that will occur during performance of the Work; (ii) identify each phase of construction and occupancy; and (iii) set forth dates that are critical in ensuring the timely and orderly completion of the Work in accordance with the requirements of the Contract Documents (hereinafter referred to as "Milestone Dates"). If not accepted, the Construction Schedule shall be promptly revised by the Contractor in accordance with the recommendations of the City and Consultant and resubmitted for acceptance.

10.02 Further, the parties shall be subject to the following:

- (a) The Contractor shall submit a Construction Schedule and schedule of values at the initial post-agreement award meeting and subsequent meetings.
- (b) City's Representative shall be entitled to make objections to the Contractor's Construction Schedule submitted herein. The Contractor shall promptly resubmit a revised Construction Schedule to City's Representative.
- (c) The Project Superintendent/Manager shall coordinate its activities with City's Representative. If required by the City, the Contractor shall provide a weekly schedule of planned activities, which may be reviewed on a daily basis.
- (d) The Contractor shall submit, at such time as may reasonably be requested by City's Representative, additional schedules that shall list the order in which the Contractor proposes to carry on the Work with dates at which the Contractor will start the several parts of the Work and the estimated dates of completion of the several parts.
- (e) The Contractor shall attend additional meetings called by City's Representative upon twenty-four (24) hours written notice unless otherwise agreed in writing by the parties.

(f) When the City is having other work done, either by agreement or by its own force, City's Representative may direct the time and manner of work done under this Agreement so that conflicts will be avoided and the various work being done by and for the City shall be coordinated.

(g) In the event that it is determined by the City that the progress of the Work is not in accordance with the approved Construction Schedule, the City may so inform the Contractor and require the Contractor to take such action as is necessary to insure completion of the Project within the time specified.

10.03 The process of approving the Construction Schedule and updates to the Construction Schedule shall not constitute a warranty by the City that any non-Contractor milestones or activities will occur as set out in the Construction Schedule. Approval of the Construction Schedule does not constitute a commitment by the City to furnish any City-furnished information or material any earlier than the City would otherwise be obligated to furnish that information or material under the Contract Documents. Failure of the Work to proceed in the sequence scheduled by Contractor shall not alone serve as the basis for a claim for additional compensation or time. In the event there is interference with the Work which is beyond its control, Contractor shall attempt to reschedule the Work in a manner that will hold the additional time and costs beyond its control to a minimum. The Contractor shall monitor the progress of the Work for conformance with the requirements of the Construction Schedule and shall promptly advise the City of any delays or potential delays. In the event the Construction Schedule indicates any delays, the Contractor shall propose an affirmative plan to correct the delay. In no event shall any adjustment to the Construction Schedule constitute an adjustment in the Contract Time, any Milestone Date or the Contract Sum unless any such adjustment is agreed to by the City and authorized pursuant to Change Order.

10.04 The Contractor shall also prepare a submittal schedule promptly after being awarded the Contract and thereafter as necessary to maintain a current submittal schedule, and shall submit the schedule(s) for the Consultant's approval. The Consultant's approval shall not unreasonably be delayed or withheld. The submittal schedule shall (i) be coordinated with the Contractor's Construction Schedule; and (ii) allow the Consultant reasonable time to review submittals. If the Contractor fails to submit a submittal schedule, the Contractor shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of submittals.

10.05 In the event the City determines that the performance of the Work, as of a Milestone Date or otherwise, has not progressed or reached the level of completion required by the Contract Documents, the City shall have the right to order the Contractor to take corrective measures necessary to expedite the progress of construction, including, without limitation, (i) working additional shifts or overtime; (ii) supplying additional manpower, equipment, and facilities; and (iii) other similar measures (hereinafter referred to collectively as "Extraordinary Measures"). Such Extraordinary Measures shall continue until the progress of the Work complies with the stage of completion required by the Contract Documents. The City's right to require Extraordinary Measures is solely for the purpose of ensuring the Contractor's compliance with the Construction Schedule.

(a) The Contractor shall not be entitled to an adjustment in the Contract Sum in connection with Extraordinary Measures required by the City under or pursuant to this Subsection.

(b) The City may exercise the rights furnished the City under or pursuant to this Subsection as frequently as the City deems necessary to ensure that the Contractor's performance of the Work will comply with any Milestone Date or completion date set forth in the Contract Documents.

10.06 Work Stoppage. If in the judgment of either the City or City's Representative any of the Work or materials furnished is not in strict accordance with this Agreement or any portion of the Work is being performed

so as to create a hazardous condition, they may, in their sole discretion, order the Work of the Contractor or any subcontractor wholly or partially stopped until any objectionable person, work, or material is removed from the premises. Such stoppage or suspension shall neither invalidate any of the Contractor's performance obligations under this Agreement, including the time of performance and deadlines therefore, nor will any extra charge be allowed the Contractor by reason of such stoppage or suspension.

11. SITE CONDITIONS AND MANAGEMENT

11.01 Where the Contractor is working around or in existing structures, it shall verify conditions at the site, including but not limited to, door openings and passages. Any items constructed or manufactured off-site or outside of buildings shall be done so that they are not too bulky for existing facilities. The Contractor shall provide special apparatus as required to handle any such items. All special handling equipment charges shall be at the Contractor's expense. Further, Contractor shall include in its price for the Work, all labor, materials, equipment and/or engineering services required to protect the adjacent properties and/or structures from damage due to performance of the Work.

11.02 The Contractor shall be responsible for all power, light, and water required to perform the Work.

11.03 Throughout the progress of the Work, the Contractor shall keep the working area free from debris of all types, and remove from premises all rubbish, resulting from any work being done by him. At the completion of the Work, the Contractor shall leave the premises in a clean and finished condition. Any failure to do so may be remedied and charged back to the Contractor.

11.04 Layout of Work. Except as specifically provided herein, the Contractor shall lay out all Work in a manner acceptable to City's Representative in accordance with applicable City of College Station codes and ordinances. City's Representative will review the Contractor's layout of all structures and any other layout work done by the Contractor at the construction meeting, or at the Contractor's request, but this review does not relieve the Contractor of the responsibility of accurately locating all Work in accordance with the Plans and Specifications.

11.05 Lines and Grades. All lines and grades shall be furnished by the Contractor. Benchmarks and control stakes have been provided by the City's Representative. All benchmarks and control stakes shall be carefully preserved by the Contractor. In case of destruction or removal of the same by the Contractor, its subcontractors, or employees, such stakes, marks, etc. shall be replaced by the Contractor at the Contractor's expense. If the Contractor fails to do so, the City may do so and charge back the Contractor. Additional construction staking as needed for the Work, including lines and grades, shall be the sole responsibility of the Contractor, and the Contractor shall receive no extra time or compensation therefor.

11.06 The Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as any information furnished by the City, shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Contractor shall promptly report to the City and the Consultant any errors, inconsistencies or omissions discovered by or made known to the Contractor. It is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional, unless otherwise specifically provided in the Contract Documents. Contractor acknowledges the City does not represent nor warrant the accuracy or completeness of information provided by the City related to existing conditions and locations of existing utilities and services. Such information if provided, is provided to the Contractor as a matter of convenience and does not substitute for the Contractor using due diligence to reasonably observe and or to

access space to determine errors, inconsistencies or omissions. In all cases of interconnection of the Work with existing conditions, Contractor shall verify at the site all dimensions relating to such existing conditions.

11.07 Contractor's Structures. The building or locating of structures or the erection of tents or other forms of protection will be permitted only at such places as City's Representative shall permit. The Contractor shall not damage the property where such structures are allowed and shall at all times maintain sanitary conditions in and about such structures in a manner satisfactory to the City. The City may charge the Contractor for any damage or injury to the City, its property, or third persons as a result of the location or use of such structures.

11.08 The Contractor and any entity over whom the Contractor has control shall not erect any sign on the Project site without the prior written consent of the City.

11.09 City may have other work related to the Project performed at the Project site during the time the Work is performed. Contractor should schedule its Work to coordinate with the work of other contractors and utilities with the understanding that some of that work may be performed at times other than as set out in the Contract Documents or as otherwise anticipated. City will endeavor to have such other work performed so as not to unduly interfere with Contractor's performance when Contractor notifies City of specific reasonable needs well in advance of those needs and where it is possible to do so. In the event of substantial delay caused by another contractor or a utility, after advance notice of its needs by Contractor, Contractor will be entitled to make a claim for an extension of time as provided herein.

11.10 When two or more contractors, including Contractor, are employed on related or adjacent work or obtain materials from the same material source, or when work must be completed by one contractor before another can begin, each shall conduct his operations in such a manner as not to cause any unnecessary delay or hindrance to the other. Each contractor, including Contractor if applicable, shall be responsible to the other for all damage to work, to persons, or to property caused to the other by his operations, and for loss caused the other due to unreasonable or unjustified delays or failure to finish the work or portions thereof, or furnish materials within the time requested. Should Contractor cause damage to the work or property of any separate contractor at the Project site, or should any claim arising out of Contractor's separate contractor at the Project site, or should any claim arising out of Contractor's performance of the Work be made by any separate contractor against Contractor, City or other consultants, or any other person, Contractor shall promptly attempt to settle with such other contractor by agreement, or to otherwise resolve the dispute. **Contractor shall, to the fullest extent permitted by applicable laws, indemnify and hold City harmless from and against all claims, damages, losses and expenses (including, but not limited to, fees of architects, attorneys and other professionals and court costs) arising directly, indirectly or consequentially out of any action, legal or equitable, brought by any separate contractor against City to the extent based on a claim arising out of Contractor's negligence.**

12. MATERIALS

12.01 Materials or work described in words that when so applied have well-known technical or trade meaning shall be held to refer to such recognized standards. All work shall be done and all materials furnished in strict conformity with this Agreement, the other Contract Documents, and recognized industry standards. When specific products, systems or items of equipment are referred to in the Contract Documents, any ancillary devices necessary for connecting the products, systems or items of equipment shall also be provided. When standards, codes, manufacturer's instructions and guarantees are required by the Contract Documents, the current edition at the time of Contract execution shall apply, unless another edition is specified in the Contract Documents. References to standards, codes, manufacturer's instructions and guarantees shall apply in full, except (1) they do not supersede more stringent standards set out in the Contract Documents, and (2) any exclusions or waivers that are inconsistent with the Contract Documents do not apply.

12.02 All materials shall be approved by the City prior to purchase by the Contractor. Unless otherwise specified herein, the Contractor shall purchase all materials and equipment outright and shall not subject the materials and equipment utilized in the Project to any conditional sales agreement, bailment, lease, or other agreement reserving unto seller any right, title, or interest therein. Title to all materials, but not risk of loss, shall pass to the City upon delivery to the Project.

12.03 Where the City deems it necessary to supply materials, it may furnish to the Contractor the list of materials set forth in the attached "List of City Furnished Materials". Upon receipt of said materials, the Contractor shall immediately furnish to the City a written receipt. Moreover, the Contractor shall, on behalf of the City, accept delivery of the materials set forth in the attached "List of Materials Ordered by the City". Under such circumstances, the Contractor shall promptly forward to the City for payment the supplier's invoice together with the Contractor's receipt in writing for such materials.

(a) Upon acceptance of the materials furnished or ordered by the City, the Contractor warrants that it shall properly handle, transport, store and safeguard the materials.

(b) Further, the Contractor shall repair, repaint or replace any and all materials or any part thereof damaged or stolen while in its possession. Such materials are considered to be in the Contractor's possession from the moment the Contractor either accepts delivery of the materials or signs a receipt accepting delivery of said materials until the Project is accepted by the City's Representative.

(c) Before transporting any of the materials furnished or ordered by the City, the Contractor shall establish to the City's satisfaction that it has obtained insurance against losses, theft, damage, equal to or greater than the amounts spent by the City in securing said materials. It shall be incumbent upon the Contractor to verify the cost of materials.

(d) The City shall not be obligated to furnish materials in excess of the quantities, size, kind, and type set forth in the attached List of City Furnished Materials and List of Materials Ordered by the City. If the City furnishes, and the Contractor accepts, materials in excess thereof, the values of such excess materials shall be their actual cost as stated by the City.

(e) Upon delivery, the Contractor shall promptly receive, unload, transport, and handle all materials and equipment on the List of Materials Ordered by the City at its expense and shall be responsible for all shipping costs.

12.04 Materials and supplies shall be new and of good quality. Upon request, the Contractor shall supply proof of quality and manufacturer. No refurbished, reconditioned, or other previously utilized materials or supplies will be used without the prior signed authorization of City's Representative. The Contractor may utilize substitutes of equal quality and function only upon the prior written authorization of the City's Representative. The City's Representative may require documentation as to quality and function, including manufacturer's specifications, to insure that the proposed substitute is equal to the required material or supply. The City's Representative shall have sole discretion over the use of substitute materials and supplies. Contractor shall bear the risk of any delay in performance caused by submitting substitutions.

12.05 Only materials and equipment which are to be used directly in the Work shall be brought to and stored on the Project site by the Contractor. After equipment is no longer required for the Work, it shall be promptly removed from the Project site. Protection of construction material and equipment stored at the Project site from weather, theft, damage and all other perils is solely the responsibility of the Contractor.

12.06 Shop Drawings are drawings, diagrams, schedules and other data specially prepared for the Work by the Contractor or a subcontractor, sub-subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

12.07 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

12.08 Samples are physical examples that illustrate materials, equipment or workmanship and establish standards by which the Work will be judged.

12.09 Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents. Their purpose is to demonstrate the way by which the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents for those portions of the Work for which the Contract Documents require submittals.

12.10 The Contractor shall review for compliance with the Contract Documents, approve and submit to the City's Consultant Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents in accordance with the submittal schedule approved by the City's Consultant or, in the absence of an approved submittal schedule, with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the City or of separate contractors.

12.11 By submitting Shop Drawings, Product Data, Samples and similar submittals, the Contractor represents to the City and City's Consultant that the Contractor has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction criteria related thereto, or will do so and (3) checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

12.12 The Contractor shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been approved by the City's Consultant.

12.13 The Work shall be in accordance with approved submittals except that the Contractor shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the City's Consultant's approval of Shop Drawings, Product Data, Samples or similar submittals unless the Contractor has specifically informed the City's Consultant in writing of such deviation at the time of submittal and (1) the City's Consultant has given written approval to the specific deviation as a minor change in the Work, or (2) a Change Order or Construction Change Directive has been issued authorizing the deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples or similar submittals by the City's Consultant's approval thereof.

12.14 The Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples or similar submittals, to revisions other than those requested by the City's Consultant on previous submittals. In the absence of such written notice, the City's Consultant's approval of a resubmission shall not apply to such revisions.

12.15 Contractor shall be liable for and the City may withhold from Contractor's payments any amount of additional fees charged by City's Consultant for excessive resubmittal review.

13. ENTRY, OBSERVATION, TESTING & POSSESSION

13.01 The City reserves the right to enter the Project site or sites by such employee(s) or agent(s) as it may elect for the purpose of inspecting the work. The City further reserves the right to enter the Project site or sites for the purpose of performing such collateral work as the City may desire.

13.02 The City's Representative shall have the right, at all reasonable times, to observe and test the work. The Contractor shall make necessary arrangements and provide proper facilities and access for such observation and testing at any location where the Work or any part thereof is in preparation or progress. The Contractor shall ascertain the scope of any observation that may be contemplated by City's Representative and shall give ample notice as to the time each part of the Work will be ready for observation.

13.03 The City's Representative may require Contractor to remove, dismantle, or uncover completed work. If the work is not in accordance with the Plans, Specifications, or other Contract Documents, the Contractor shall pay the costs of repair and restoration of the work required to be removed, dismantled, or uncovered. Unless Contractor is obligated to provide advance notice of inspection, prior to covering up the work, and fails to do so, if said work is in accordance with the -Plans, -Specifications, and other Contract Documents, the City shall pay the costs of repair and restoration of the work.

13.04 City shall have the right to take possession of and use any completed or partially completed portions of the Project prior to the time for completing the entire Project or such portions which may not have expired. The parties agree and understand that possession and use shall not constitute an acceptance of any work not completed in accordance with this Agreement. Further, insurance changes required to keep Contractor's insurance in effect shall be the responsibility of Contractor.

14. REJECTED WORK

14.01 All work deemed not in conformity with this Agreement as determined by the City in its sole discretion, may be rejected by the City. City's Representative may reject any work found to be defective or not in accordance with the Contract Documents, regardless of the stage of the work's completion or the time or place of discovery of such defects or inconsistencies and regardless of whether City's Representative has previously accepted the work through oversight or otherwise. Neither observations nor inspections, tests, or approvals made by City's Representative, or other persons authorized under this Agreement to make such observations, inspections, tests, or approvals, shall relieve the Contractor from the obligation to perform the Work in accordance with the requirements of this Agreement and the other Contract Documents.

14.02 If the work or any part thereof is rejected by the City, it shall be deemed by City's Representative as not in conformity with this Agreement. Any remedial action required, as set forth herein, shall be at the Contractor's expense, as follows:

(a) The Contractor may be required, at the City's option, after notice from City's Representative, to remedy such work so that it shall be in full compliance with this Agreement. All rejected work or materials shall be immediately replaced in order to conform with this Agreement.

(b) If the City deems it inexpedient to correct work damaged or not done in accordance with this Agreement, an equitable deduction from the agreed sum may be made by the City at the City's sole discretion.

14.03 If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a ten-day period after receipt of written notice from the City to commence and continue correction of such default or neglect with diligence and promptness, the City may, without prejudice to other remedies the City may have, correct such deficiencies. In such case an appropriate Change Order shall be issued deducting from payments then or thereafter due the Contractor the reasonable cost of correcting such deficiencies, including City's expenses and compensation for the City's Consultant's additional services made necessary by such default, neglect or failure. If payments then or thereafter due the Contractor are not sufficient to cover such amounts, the Contractor shall pay the difference to the City.

15. SUBCONTRACTING & SUBCONTRACTORS

15.01 The Contractor agrees that it will retain personal control and will give its personal attention to the fulfillment of this Agreement. The Contractor further agrees that subletting of any portion or feature of the Work or materials required in the performance of this Agreement shall not relieve the Contractor from its full obligation to the City as provided by this Agreement.

15.02 Subcontractors must be approved by City's Representative prior to hiring or beginning any work on the Project. If City's Representative judges any subcontractor to be failing to perform the Work in strict accordance with the drawings and specifications, the Contractor, after due notice, shall discharge the same, but this shall in no way release the Contractor from its obligations and responsibility under this Agreement. Every subcontractor shall be bound by the terms and provisions of this Agreement and the Contract Documents as far as applicable to their work. Contractor's subcontract agreement shall provide that subcontractors shall assume toward the Contractor all the obligations and responsibilities, including the responsibility for safety of the subcontractor's Work, which the Contractor, by these Documents, assumes toward the City and Consultant. The Contractor shall be fully responsible to the City for the acts and omissions of its subcontractors. Nothing contained herein shall create any contractual or employment relations between any subcontractor and the City.

16. PAYMENT

16.01 The City stipulates that it is an exempt organization as defined by the Limited Sales, Excise and Use Tax Act and, as such, is exempt from the payment of the sales tax on materials and supplies used in the performance of this Agreement. The Contractor shall issue exemption certificates to its suppliers and subcontractors in lieu of said sales tax for all such materials and supplies, and said exemption certificates must comply with the State Comptroller's Ruling No. 95-0.07 and shall be subject to the provision of the State Comptroller's Ruling No. 95-0.09, effective October 1, 1969.

16.02 Progress Payment Applications. The Contractor shall submit applications for payment as provided for herein. Applications for payment will be processed by City's Representative. Before the first Application for Payment, the Contractor shall submit to the City a schedule of values allocated to various portions of the Work, prepared in such form and supported by such data to substantiate its accuracy as the City may require ("Schedule of Values"). The Schedule of Values shall not overvalue early job activities and shall follow the trade divisions of the Specifications so far as possible. Modifications must be approved by City. This schedule, unless objected to by the City, shall be incorporated into this Agreement as a Contract Document and attached hereto as **Exhibit F**. The Schedule of Values shall be used as a basis for reviewing the Contractor's Applications for Payment. On or before the 15th day of each month, the Contractor shall submit to City's Representative, for approval or modification, an updated Project Schedule and a statement, backed by the Schedule of Values, showing as completely as practicable the total value of the actual work performed by the Contractor and accepted by the City up to and including the last day of the *preceding* month. The statement shall also include the value of all materials

not previously submitted for payment which have been delivered to the site but have not yet been incorporated into the Work.

16.03 Progress Payments. On or before the **30th** calendar day following the City's receipt of a progress payment application made in conformity with Section 16.02, the City shall pay to the Contractor the approved amount of the progress payment based on the Contractor's applications for payment, and the recommendation and approval of City's Representative. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage of Work completed by the Contractor and approved by the City, but in each case less the aggregate of payments previously made, less retainage, and less amounts as City's Representative shall determine and the City may withhold in accordance with this Agreement. Upon Final Completion, including the delivery of all close out documents, such as "as built" drawings, warranties, guarantees, required additional materials, releases, operation and maintenance manuals, and acceptance of the Work in accordance with this Agreement, the City shall pay the remainder of the balance due under this Agreement, less any sums withheld under other terms of this Agreement and less the retainage, which shall be retained for a period of thirty (30) calendar days from the date of Final Completion. Acceptance of retainage by Contractor shall constitute a Waiver and Release of all claims by Contractor.

☒ **16.04 Retainage.** From each approved statement, the City shall retain until final payment, ten percent (10%), where the full contract amount is less than \$400,000.00, and five percent (5%), where the full contract amount is \$400,000.00 or more. The City may also retain from each approved statement any other sums authorized under the terms of this Agreement.

OR:

☐ **16.04 Retainage.** This section has been removed. No retainage will be deducted.

16.05 If the actual amount of work to be done and the materials to be furnished differ from estimates and where the basis for payment is the unit price method, then payment shall be for the actual amount of accepted work done and materials furnished on the Project.

16.06 Reduction in the scope or quantity of work on unit price items shall merely reduce the number of units. In the event that materials have been delivered prior to notice of such reduction, the City will have the option either to pay freight & transportation costs and any re-stocking charges actually incurred by the Contractor or to purchase the materials. The Contractor shall never be entitled to anticipated or lost profits on the deleted or reduced portion of a job, whether bid on a unit price or lump sum basis.

16.07 The Contractor shall have the sole obligation to pay any and all charges or fees and give all notices necessary to and incidental to the lawful prosecution of the Work hereunder. The Contractor shall not and shall have no authority whatsoever to obligate the City to make any payments to another party nor make any promises or representation of any nature on behalf of the City, without the specific written approval of the City.

16.08 The Contractor shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the City may direct, but the Contractor shall not be required to employ persons or entities to whom the Contractor has reasonable objection.

16.09 Unless otherwise provided in the Contract Documents:

- (a) Allowances shall cover the cost to the Contractor of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;
- (b) Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit and other expenses contemplated for stated allowance amounts shall be included in the Contract Amount but not in the allowances; and
- (c) Whenever costs are more than or less than allowances, the Contract Amount shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 16.9(a) and (2) changes in the Contractor's costs under Section 16.9(b).

16.10 Suspension of Payments. The City, at any time, may suspend monthly progress payments on the Work if it determines that the projected liquidated damages may exceed retainage. The City, at any time, may suspend monthly progress payments if it believes that the Contractor will not complete the Work due to actual default or that the Contractor has represented or done some act that indicates that it will not complete the Work in accordance with this Agreement or within the time period submitted in its bid. Provided, however, City is in no way obligated to Contractor's surety to withhold payment pursuant to the provisions of this Section.

16.11 Withhold Funds. Regardless of any bond, the City may, on account of subsequently discovered evidence and in addition to the retainage withheld under Section 16.04, withhold funds or nullify all or part of any acceptance or certificate to such extent as may be necessary to protect itself from loss on account of any of the following, or as otherwise provided in this Agreement:

- (a) Defective work other than defects in design provided to Contractor by a person other than Contractor's agents, contractors, fabricators, or suppliers, or its consultants, of any tier for non-critical infrastructure.
- (b) Failure to timely disclose in writing to the City of a known defect, inaccuracy, inadequacy, or insufficiency in the plans, specifications or other design documents.
- (c) Claims made or reasonable evidence indicating probable filing of claims by unpaid vendors or other third parties.
- (d) Failure of the Contractor to make prompt payments to subcontractors for labor or material or materialmen.
- (e) Claims made or reasonable evidence indicating claims will be made for damage to another by the Contractor.
- (f) Claims made or reasonable evidence indicating claims will be made for damage to third parties, including adjacent property owners.
- (g) Claims made or reasonable evidence indicating claims will be made for unremedied damage to property owned by the City.
- (h) City's determination of an amount of liquidated damages.
- (i) Charges made for repairs to the Contractor's defective work or repairs made by the City to correct damage to other property.
- (j) Other amounts authorized under this Agreement or under any other agreement made between City and Contractor.
- (k) Corrections of mistakes, errors and overpayments in relation to prior pay applications and payments.

Provided, however, City is in no way obligated to Contractor's surety to withhold payment pursuant to the provisions of this Section.

16.12 Virtual Payment Method. For increased payment and financial information security, the Contractor must use the City's approved virtual payment card system or digital payment system for all payments, storing, and modifications of financial information used for City payments to the Contractor. Any related reasonable fees paid by the Contractor for use of the virtual payment card system or digital payment system may be passed through to the City.

17. EXTRA WORK CHARGES

17.01 No changes shall be made, nor will bills for changes, alterations, modifications, deviations, and extra orders be recognized or paid for except upon the written order from authorized personnel of the City.

17.02 City Manager Approval. When the original contract amount plus all change orders is **One Hundred Thousand Dollars (\$100,000)** or less, the City Manager or his designee may approve the written change order in accordance with 17.03 below, provided the change order does not increase the total amount set forth in the Contract to more than **One Hundred Thousand Dollars (\$100,000)**. For such contracts, when a change order results in a total contract amount that exceeds **One Hundred Thousand Dollars (\$100,000)**, the City Council of the City must approve such change order prior to commencement of the services or work.

☒ **17.03** For "Extra Work", as defined in this Agreement and authorized through written change orders, and pursuant to Section 252.048(d) of the Texas Local Government Code, the original Contract price may not be increased by more than **twenty-five percent (25%)**. Written change orders that do not exceed **twenty-five percent (25%)** of the original Contract Amount may be made or approved by the City Manager or his delegate if the change order is equal to or less than **Fifty Thousand Dollars (\$50,000.00)**. Changes in excess of **Fifty Thousand Dollars (\$50,000.00)** must be approved by the City Council prior to commencement of the services or work. **Any requests by the Contractor for a change to the Contract Amount shall be made prior to the beginning of the work covered by the proposed change or the right to payment for Extra Work shall be waived.** No course of conduct or dealings between the parties, nor implied acceptance of alterations or additions to the Work or changes to the Contract Schedule shall be the basis for any claim for an increase in compensation or change in time. Any cost incurred by Contractor in connection with any Extra Work shall be included in Contractor's requested change order and Contractor's failure to include any such cost shall act to Waive and Release any claim for such non-included cost.

OR:

☐ **17.03** For construction contracts funded in whole or in part by Certificates of Obligations, for "Extra Work," as defined in this Agreement and authorized through written change orders, and pursuant to Section 271.060 of the Texas Local Government Code, a contract with an original contract price of \$1 million or more may not be increased by more than **twenty-five percent (25%)**. If a change order for a construction contract funded in whole or in part with certificates of obligation that has an original price of less than \$1 million increases the Contract Amount to \$1 million or more, subsequent change orders may not increase the revised Contract Amount by more than **twenty-five percent (25%)**. Written change orders may be made or approved by the City Manager or his delegate if the change order is equal to or less than **Fifty Thousand Dollars (\$50,000.00)**. Changes in excess of **Fifty Thousand Dollars (\$50,000.00)** must be approved by the City Council prior to commencement of the services or work. **Any requests by the Contractor for a change to the Contract Amount shall be made prior to the beginning of the work covered by the proposed change or the right to payment for Extra Work shall be waived.** No course of conduct or dealings between the parties, nor implied acceptance of alterations or additions to the Work or changes to the Contract Schedule shall be the basis for any claim for an increase in compensation or change in time. Any cost incurred by Contractor in connection with any Extra Work shall be

included in Contractor's requested change order and Contractor's failure to include any such cost shall act to Waive and Release any claim for such non-included cost.

17.04 The Contractor shall complete all Work as specified or indicated in the Contract Documents. The Contractor shall complete all Extra Work in connection therewith. All work and materials shall be in strict conformity with the specifications. The Substantial Completion of the Work shall not excuse the Contractor from performing all the Work undertaken, whether of a minor or major nature, and thereby completing the Project in accordance with the Contract Documents. In the event that the Contractor fails to perform the Work as required for Substantial Completion or Final Completion, the City may contract with a third party to complete the Work and the Contractor shall assume and pay the costs of the performance of the Work as contracted.

(a) It is agreed that the Contractor shall perform all Extra Work under the direction of City's Representative when presented with a written work order signed by City.

(b) **No claim for Extra Work of any kind will be allowed unless ordered in writing by the City.** In case any orders or instructions appear to the Contractor to involve Extra Work for which it should receive compensation or an adjustment in the construction time, it shall make written request to City's Representative for a written order from City authorizing such Extra Work.

(c) Should a difference of opinion arise as to what does or does not constitute Extra Work, or as to the payment therefor, and the City insists upon its performance, then the Contractor shall proceed with the Work after making written requests for written orders in a change order and shall keep adequate and accurate account of the actual field costs therefor, as provided under Method C.

(d) It is also agreed that the compensation to be paid to the Contractor for performing Extra Work shall be determined by one or more of the following methods:

Method A - By agreed unit prices, or

Method B - By agreed lump sum, or

Method C - If neither Method A nor Method B is agreed upon before the Extra Work is commenced, then the Contractor shall be paid the actual field cost (as defined in subsection (g) below) of the Work.

(e) **Method A - Unit Prices.** The Contractor agrees to perform Extra Work for the unit prices in the Contractor's Proposal. The Contractor also agrees and warrants that when it is necessary to construct units not shown in the Contract Documents, it shall construct such units for a price arrived at as follows:

(1) The cost of materials shall be determined by the invoices;

(2) The cost of labor shall be the reasonable cost thereof, as determined by the City, but in no event shall it exceed an amount determined by calculating the ratio of the total labor costs to the total costs to the total material costs in the section of the Proposal involved, and multiplying the cost of materials for the unit in question by this ratio. Provided, however, that the ratio shall be calculated for only those units that are similar to the new unit for which a price is to be determined.

(f) **Method B - Lump Sum.** The lump sum shall be reasonably close to the amount for similar work previously done or combinations of similar units. Invoices for materials used shall be provided in support of the agreed lump sum.

(g) **Method C - Actual Field Costs.** The actual field cost is hereby defined to include the cost of all applicable workmen and laborers, as well as materials, supplies, teams, trucks, rentals on machinery and equipment, for the time actually employed or used for such Extra Work, plus actual transportation charges necessarily incurred, together with other costs reasonably incurred directly on account of such Extra Work, including social security, old age benefits, maintenance bonds, public liability, property damage, workers' compensation, and all other insurance as may be required by law or ordinances or required and agreed to by the City or City's Representative. City's Representative may direct the form in which accounts of the actual field costs shall be kept and records of these accounts shall be made available to City's Representative. Unless otherwise agreed upon, the prices for the use of machinery and equipment shall be determined by using one hundred percent (100%), unless otherwise specified, of the latest schedule of equipment and ownership expenses adopted by the Associated General Contractors of America. Where practical, the terms and prices for the use of machinery and equipment shall be incorporated in the written Extra Work order. Actual field costs shall not exceed the prevailing market price therefor within reasonable tolerances as determined by City's Representative. The amount due to Contractor for costs other than actual field costs shall be calculated in accordance with the following standards:

- (1) No indirect or consequential damages will be allowed.
- (2) All damages must be directly and specifically shown to be caused by a proven wrong. No recovery shall be based on a comparison by planned expenditures to total actual expenditures or on estimated losses of labor efficiency, or on a comparison of planned man loading to actual man loading, or any other analysis that is used to show damages indirectly.
- (3) Damages are limited to extra costs specifically shown to have been directly caused by a proven wrong.
- (4) The maximum daily limit on any recovery for delay shall be the amount established by the Contractor for job overhead costs, defined in the pay applications, divided by the total number of days specified for completion called for in the original Contract. Absent an overhead amount in the Schedule of Values, the amount estimated by Contractor for job overhead cost shall be used.

18. TIME OF COMPLETION

18.01 The date of beginning, the time for Substantial Completion and Final Completion of Work as specified in this Agreement are of the essence of this Agreement.

18.02 The Work embraced by this Agreement shall be commenced on the date specified in the notice to proceed. Said notice to proceed may be given orally or set by the City's Representative at the post-award conference.

18.03 The Work shall be Substantially Completed within the time bid, which shall run from the date when the notice to proceed is given by City's Representative. The Contractor bid calendar days for the time within which it shall reach Substantial Completion of the Project.

18.04 The Work shall reach Final Completion and be ready for final payment within **thirty (30) calendar days** from the date of Substantial Completion.

19. SUBSTANTIAL COMPLETION

19.01 The Contractor shall notify City's Representative when, in the Contractor's opinion, the Contract is Substantially Completed. Within ten (10) calendar days after the Contractor has given City's Representative written notice that the Work has been Substantially Completed, City's Representative shall inspect the Work for the preparation of a final punch list.

(a) If City's Representative and the City find that the Work is not Substantially Completed, then they shall so notify the Contractor who shall then complete the Work. City's Representative shall not be required to provide a list of unfinished work.

(b) If the City Representative and City find that the Work is Substantially Completed, the City shall issue to the Contractor its certificate of Substantial Completion.

19.02 The Substantial Completion of the Work shall not excuse the Contractor from performing all of the Work, whether of a minor or major nature, necessary for Final Completion and thereby completing the Project in accordance with the Contract Documents.

20. FINAL COMPLETION

20.01 Contractor shall notify the City's Representative when it believes that the Work has reached Final Completion as defined in this Agreement. If the City's Representative and the City accept and deems such Work Finally Complete, then Contractor shall be so notified and certificates of completion and acceptance, as provided herein, shall be issued. A complete itemized statement of this Agreement account, certified by the City's Representative as correct, shall then be prepared and delivered to Contractor. Contractor or City, as the case may be, shall pay the balance due as reflected by said statement within thirty (30) calendar days.

20.02 The Contractor shall procure all required certificates of acceptance or completions issued by state, municipal, or other authorities and submit the same to the City. The City may withhold any payments due under this Agreement until the necessary certificates are procured and delivered.

20.03 Neither the final payment nor any acceptance nor certificate nor any provision of this Agreement shall relieve the Contractor of any responsibility for faulty workmanship or materials. At the option of the City, the Contractor shall remedy any such defects and pay for any damage to other work which may appear after final acceptance of the Work.

21. DELAYS

21.01 The Contractor, in undertaking to complete the Work within the times herein fixed, has taken into consideration and made allowance for all hindrances and delays incident to such Work, whether growing out of delays in securing material or workmen or delays arising from inclement weather or otherwise.

21.02 The City may, in its sole discretion, delay the Work during inclement weather in order to preserve the Project, insure safety of work forces, and the preservation of materials and equipment. In such event and upon a written request from the Contractor, the City may grant an extension of time pursuant to Section 22 to offset for such stoppage of the Work.

21.03 No payment or compensation of any kind shall be made to the Contractor for damages because of hindrance or delay in the progress of the Work, unless such delays (i) are caused by the actual interference, fraud, bad faith or misrepresentation by the City or its agents, (ii) extend for an unreasonable length of time; or (iii) were not contemplated by the parties at the time of contracting. In the event of any delay entitling Contractor to an

increase in Contract Amount, except when due to City's intentional interference or fraud, Contractor's recovery shall be limited as outlined in Section 21.04 below. The City's reasonable exercise of any of its rights or remedies under the Contract, regardless of the extent or frequency, shall not under any circumstances be construed as interference with the Contractor's performance of the Work.

21.04 In the event of delays resulting from changes ordered in the Work by the City or other delays caused by the City or for the City's convenience, the Contractor may apply to the City for recovery of incidental damages resulting from increased storage costs or other costs necessary to protect the value of the Work. In no event shall any consequential or other damages be allowed or any other charges or claims be made by the Contractor for hindrances or delays resulting from any other cause.

22. EXTENSIONS OF TIME

22.01 The Contractor has submitted its proposal in full recognition of the time required for the completion of this Project, taking into consideration all factors including, but not limited to the average climatic range and industrial conditions. The Contractor has considered the liquidated damage provision of this Agreement and understands and agrees that it shall not be entitled to, nor will it request, an extension of time for either Substantial Completion or Final Completion, except when the Work has been delayed by one or more of the following:

- (a) An act or neglect of the City, the City's Representative, employees of the City, or other contractors employed by the City;
- (b) By changes ordered in the Work, or reductions thereto approved in writing;
- (c) By "rain days" (days with rainfall in excess of one-tenth of an inch) during the term of this Agreement that exceed the average number of rain days for such term for this locality, both as determined by the National Weather Service Forecast Office for Easterwood Airport in College Station, Texas (KCLL/CLL); or
- (d) By other causes that the City and the Contractor agree may reasonably justify delay and that were beyond the Contractor's reasonable control and ability to estimate, predict, or avoid, such as delays caused by unforeseen labor disputes, fire, natural disasters, acts of war, and other rare and unpredictable events. This term does **not** include normal delays incident to the delivery of materials, tools, or labor that reasonably could have been predicted and/or accounted for in the Contractor's Proposal or decision to bid.

22.02 If one or more of the foregoing conditions is present, the Contractor may apply in writing for an extension of time, within thirty (30) days of the occurrence of the event causing the delay, submitting therewith all written justification as may be required by the City's Representative. Within ten (10) calendar days after receipt of a written request for an extension of time, which is supported by all requested documentation, the City shall, in writing and in its sole discretion, grant or deny the request. Under no circumstances shall any extension of time by the City be valid and binding unless it is in writing and in conformity with the other terms of this Agreement.

23. LIQUIDATED DAMAGES

23.01 The time for the Substantial and Final Completion of the Work described herein are reasonable times for the completion of each, taking into consideration all conditions, including but not limited to the average climatic conditions and usual industrial conditions prevailing in this locality. The amount of liquidated damages for the Contractor's failure to meet the deadlines for Substantial and/or Final Completion are fixed and agreed on by the Contractor because of the impracticability and extreme difficulty in fixing and ascertaining the actual damages

that the City would in such an event sustain. The amounts to be charged are agreed to be damages the City would sustain and shall be retained by the City from current periodic estimates for payment or from final payment.

23.02 As a result of the difficulty in estimation, calculation and ascertainment of City's damages due to a failure of Contractor to achieve timely completion of the Work, if the Contractor should neglect, fail, or refuse to either Substantially Complete or Finally Complete the Work within the time herein specified, or any proper extension thereof granted by the City's Representative pursuant to the terms of Section 22 of this Agreement, then the Contractor does hereby agree as part of the consideration for the awarding of this Agreement that the City may permanently withhold from the Contractor's total compensation the sum of Two Hundred and NO /100 DOLLARS (\$ 200.00) for each and every calendar day that the Contractor shall be in default after the time stipulated for Substantial Completion and/or Final Completion, not as a penalty, but as liquidated damages for the breach of this Agreement. It being specifically understood that the assessment of liquidated damages may be made for any failure to meet either or both of the deadlines specified for Substantial Completion and/or Final Completion.

24. CHARGES FOR INJURY OR REPAIR

24.01 The Contractor shall be liable for any damages incurred or repairs made necessary by reason of its work and/or caused by it. Repairs of any kind required by the City will be made and charged to the Contractor by the City.

24.02 The Contractor shall take the necessary precautions to protect any areas adjacent to its Work.

24.03 The Work specified consists of all work, materials, and labor required by the City to repair any damage to the property of the City, including but not limited to structures, roadways, curbs, parking areas, and sidewalks.

25. WARRANTY

25.01 Upon issuance of a certificate of Final Completion, the Contractor warrants for a period of one (1) year as follows:

The Contractor warrants that all materials provided to the City under this Agreement shall be new unless otherwise approved in advance by City's Representative, and all work will be of good quality, free from faults and defects (other than defects from third parties as set out in Chapter 59 Texas Business and Commerce Code relating to non-critical infrastructure), and in conformance with this Agreement, the other Contract Documents, and recognized industry standards .

25.02 All work not conforming to these requirements, including but not limited to unapproved substitutions, may be considered defective.

25.03 This warranty is in addition to any rights or warranties expressed or implied by law and in addition to any consumer protection claims arising from misrepresentations by the Contractor.

25.04 Where more than a one (1) year warranty is specified for individual products, work, or materials, the longer warranty shall govern.

25.05 This warranty obligation shall be covered by any performance or payment bonds tendered in compliance with this Agreement.

25.06 Defective Work Discovered During Warranty Period. If any of the Work is found or determined to be either defective, including obvious defects under warranty as set forth in this Section 25, or otherwise not in accordance with this Agreement within one (1) year after the date of the issuance of a certificate of Final Completion of the Work or a designated portion thereof, whichever is longer, or within one (1) year after acceptance by the City of designated equipment, or within such longer period of time as may be prescribed by law or by the terms of any applicable special warranty required by this Agreement, the Contractor shall promptly, upon receipt of written notice by the City, correct the defective work at no cost to the City.

25.07 The obligation to correct any defective work shall survive the termination of this Agreement. The guarantee to correct the defective work shall not constitute the exclusive remedy of City, nor shall other remedies be limited to the terms of either the warranty or the guarantee.

25.08 If within ten (10) calendar days after the City has notified the Contractor of a defect, failure, or abnormality in the Work, the Contractor has not started to make the necessary corrections or adjustments, the City is hereby authorized to make the corrections or adjustments, or to order the Work to be done by a third party. The cost of the work shall be paid by the Contractor or its surety.

25.09 The cost of all materials, parts, labor, transportation, supervision, special instruments, and supplies required for the replacement or repair of parts and for correction of defects shall be paid by the Contractor or by the surety.

25.10 The guarantee shall be extended to cover all repairs and replacements furnished, and the term of the guarantee for each repair or replacement shall be one (1) year after the installation or completion. The one (1) year warranty shall cover all Work, equipment, and materials that are part of this Project, whether or not a warranty is specified in the individual section of the Contract Documents that prescribe that particular aspect of the Work.

26. PAYMENT OF EMPLOYEES, SUBCONTRACTORS & SUPPLIERS

26.01 Wage Rates. Pursuant to Section 2258.023(a) of the Texas Government Code, wage rates paid by the Contractor and any subcontractor on this Project shall be not less than the general prevailing rate of per diem wages for work of a similar character in this locality as specified in the schedule of general prevailing rates of per diem wages attached hereto as Exhibit A.

26.02 Statutory Penalty. Pursuant to Section 2258.023(b) of the Texas Government Code, if the Contractor or any subcontractor violates the requirements of Section 26.01, the Contractor or subcontractor as the case may be shall pay the City **sixty dollars (\$60.00)** for each worker employed for each calendar day or part of the day that the worker is paid less than the stipulated wage rates.

26.03 The Contractor and each subcontractors shall pay all of their employees engaged in work on the Project in full (less mandatory legal deductions) in cash or by check readily cashable, without discount, no less than once each week.

26.04 No later than the seventh (7th) calendar day following the payment of wages, the Contractor must file with City's Representative a certified, sworn, legible copy of such payroll. This shall contain the name of each employee, their classification, the number of hours worked on each day, rate of pay, and net pay. The affidavit

shall state that the copy is a true and correct copy of such payroll and that no rebates or deductions (except as shown) have been made or will be made in the future from the wages therein shown.

26.05 Payment of Subcontractors. The Contractor shall be solely and exclusively responsible for compensating any of the Contractor's employees, subcontractors, materialmen and/or suppliers of any type or nature whatsoever and for insuring that no claims or liens of any type arising out of or incidental to the performance of any services performed pursuant to this Agreement are filed against any property owned by the City. In the event a statutory lien notice is sent to the City, the Contractor shall, where no payment bond covers the Work, upon written notice from the City, immediately obtain a bond at its expense and hold the City harmless from any losses that may result from the filing or enforcement of any said lien notice. In the event that the Contractor defaults in the provision of the bond, the City may withhold such funds as are necessary to assure the payment of such claim until litigation determines to whom payment shall be made.

26.06 Affidavit of Bills Paid. Prior to Final Acceptance of the Project, the Contractor shall provide a notarized affidavit stating that all bills for labor, materials, and incidentals incurred have been paid in full, that any claims from manufacturers, materialmen, and subcontractors have been released, and that there are no claims pending of which the Contractor has been notified.

27. INSURANCE

27.01 The Contractor shall procure and maintain at its sole cost and expense for the duration 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 Work hereunder by the Contractor, its agents, representatives, volunteers, employees or subcontractors. The policies, coverages, limits and endorsements required are as set forth below.

During the term of this Agreement Contractor's insurance policies shall meet the minimum requirements of this section.

27.02 Types. Contractor shall have the following types of insurance:

- (a) Commercial General Liability.
- (b) Business Automobile Liability.
- (c) Excess Liability – required for contract amounts exceeding \$1,000,000.
- (d) Builder's Risk – provides coverage for contractor's labor and materials for a project during construction that involves a structure such as a building or garage, builder's risk policy shall be written on "all risks" form.
- (e) Workers' Compensation/ Employer's Liability.

27.03 General Requirements Applicable to All Policies. The following General requirements applicable to all policies shall apply:

- (a) Only licensed Insurance Carriers authorized to do business in the State of Texas will be accepted.
- (b) Deductibles shall be listed on the Certificate of Insurance and are acceptable only on a per occurrence basis for property damage only.
- (c) "Claims Made" policies are not accepted.
- (d) Coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the City of College Station.

- (e) The City of College Station, its agents, officials, employees and volunteers, are to be named as “Additional Insured” to the Commercial General, Umbrella and Business Automobile Liability policies. The coverage shall contain no special limitations on the scope of protection afforded to the City, its agents, officials, employees or volunteers.

27.04 Commercial General Liability. The following Commercial General Liability requirements shall apply:

- (a) General Liability insurance shall be written by a carrier rated “A:VIII” or better in accordance with the current A.M. Best Key Rating Guide.
- (b) Limit of \$1,000,000.00 per occurrence for bodily injury and property damage with an annual aggregate limit of \$2,000,000.00 which limits shall be endorsed to be per Project.
- (c) Coverage shall be at least as broad as ISO form GC 00 01.
- (d) No coverage shall be excluded from the standard policy without notification of individual exclusions being attached for the City’s review and acceptance.
- (e) The coverage shall not exclude the following: premises/operations with separate aggregate; independent contracts; products/completed operations; contractual liability (insuring the indemnity provided herein) Host Liquor Liability, Personal & Advertising Liability; and Explosion, Collapse, and Underground coverage.

27.05 Business Automobile Liability. The following Business Automobile Liability requirements shall apply:

- (a) Business Automobile Liability insurance shall be written by a carrier rated “A:VIII” or better in accordance with the current A.M. Best Key Rating Guide.
- (b) Minimum Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage.
- (c) The Business Auto Policy must show Symbol 1 in the Covered Autos Portion of the liability section in Item 2 of the declarations page.
- (d) The coverage shall include owned autos, leased or rented autos, non-owned autos, any autos and hired autos.
- (e) Pollution Liability coverage shall be provided by endorsement MCS-90, with a limit of \$1,000,000.00, where such exposures exist.

27.06 Excess Liability. The following Excess Liability requirements shall apply:

Unless otherwise agreed in writing, excess liability coverage following the form of the underlying coverage with a minimum limit of \$5,000,000.00 or the total value of the Agreement, whichever is greater, per occurrence/aggregate when combined with the lowest primary liability coverage, is required for contracts exceeding \$1,000,000 in total value.

27.07 Additional Insured.

Those policies set forth in Sections 27.04, 27.05, and 27.06 shall contain an endorsement listing the City as Additional Insured and further providing that the Contractor's policies are primary to any self-insurance or insurance policies procured by the City. The additional insured endorsement shall be in a form acceptable to the City. Waiver of subrogation in a form acceptable to the City shall be provided in favor of the City on all policies obtained by the Contractor in compliance with the terms of this Agreement. Contractor shall be responsible for all deductibles which may exist on any policies obtained in compliance with the terms of this Agreement. All coverage for subcontractors shall be subject to the requirements stated herein. All Certificates of Insurance and endorsements shall be furnished to the City's Representative at the time of execution of this Agreement, attached hereto as Exhibit C, and approved by the City before Work commences.

27.08 Builder's Risk

Until the Work is completed and accepted by the City, the Contractor shall purchase and maintain builder's risk insurance upon the entire Work at the Project site to the full insurable value thereof, including any increases in value due to duly authorized change orders to the Work and Project. The builder's risk insurance shall also cover portions of the Work stored off site after written approval of the City of the value established in the approval, and also portions of the Work in transit. This insurance shall include the interests of the City, the Contractor, subcontractors and sub-subcontractors in the Work and shall insure against the perils of fire, wind, storm, hail, lightning and extended coverage including flood and earthquake and shall include all-risk insurance for physical loss or damage, including, without duplication of coverage, theft, vandalism and malicious mischief. The insurance shall cover reasonable compensation for City's Consultant's services and expenses required as a result of an insured loss. This must be an all-risk policy incorporating the following language:

Permission is given for the Project insured hereunder to become occupied, the insurance remaining in full force and effect until such time as the Project has been accepted by the City, all as currently approved by the Texas Board of Insurance Commissioners

When permissible by law, the Certificate of Insurance must include the names of the insured Contractor and the City. The deductible under the policy, including that for flood shall not exceed \$100,000.00 without the written approval of the City.

27.09 Workers' Compensation/Employer's Liability Insurance. The following Workers' Compensation Insurance requirements shall apply.

- (a) Pursuant to the requirements set forth in Title 28, Section 110.110 of the Texas Administrative Code, all employees of the Contractor, all employees of any and all subcontractors, and all other persons providing services on the Project must be covered by a workers' compensation insurance policy: either directly through their employer's policy (the Contractor's or subcontractor's policy) or through an executed coverage agreement on an approved Texas Department of Insurance Division of Workers' Compensation (DWC) form. Accordingly, if a subcontractor does not have his or her own policy and a coverage agreement is used, contractors and subcontractors must use that portion of the form whereby the hiring contractor agrees to provide coverage to the employees of the subcontractor. The portion of the form that would otherwise allow them not to provide coverage for the employees of an independent contractor may not be used.
- (b) Workers' Compensation/ Employer's Liability insurance shall include the following terms:
 - 1. Employer's Liability minimum limits of \$1,000,000.00 for each accident/each disease/each

employee are required.

2. "Texas Waiver of Our Right to Recover From Others Endorsement, WC 42 03 04" shall be included in this policy.
3. 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.

- (c) Pursuant to the explicit terms of Title 28, Section 110.110(c) (7) of the Texas Administrative Code, the bid specifications, this Agreement, and all subcontracts on this Project must include the following terms and conditions in the following language, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:

"A. Definitions:

Certificate of coverage ("certificate") – An original certificate of insurance, a certificate of authority to self-insure issued by the Division of Workers' Compensation, or a coverage agreement (DWC-81, DWC-83, or DWC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.

Duration of the project - includes the time from the beginning of the Work on the project until the Contractor's/person's Work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractors" in § 406.096 [of the Texas Labor Code]) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent Contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

B. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.

C. The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.

D. If the coverage period shown on the Contractor's current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been

extended.

E. The Contractor shall obtain from each person providing services on a project, and provide to the governmental entity:

(1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and

(2) no later than seven calendar days after receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.

F. The Contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.

G. The Contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the Contractor knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.

H. The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the Division of Workers' Compensation, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.

I. The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:

(1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;

(2) provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;

(3) provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;

(4) obtain from each other person with whom it contracts, and provide to the Contractor:

(a) A certificate of coverage, prior to the other person beginning work on the project; and

(b) A new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate

of coverage ends during the duration of the project;

(5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;

(6) notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and

(7) Contractually require each person with whom it contracts to perform as required by Sections (a) - (g), with the certificates of coverage to be provided to the person for whom they are providing services.

J. By signing this Agreement, or providing, or causing to be provided a certificate of coverage, the Contractor is representing to the governmental entity that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project; that the coverage will be based on proper reporting of classification codes and payroll amounts; and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the Commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.

K. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor that entitles the governmental entity to declare the Agreement void if the Contractor does not remedy the breach within ten calendar days after receipt of notice of breach from the governmental entity."

27.09 Certificates of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent on the most current State of Texas Department of Insurance-approved form, and shall contain the following provisions and warranties:

- (a)** The company is authorized to do business in the State of Texas.
- (b)** The insurance policies provided by the insurance company are underwritten on forms that have been provided by the Department of Insurance or ISO.
- (c)** Original endorsements affecting coverage required by this section shall be furnished with the certificates of insurance.

28. BOND PROVISIONS

28.01 Pursuant to Section 2253.021 of the Texas Government Code, for all public works contracts with governmental entities, a payment bond is required if the Contract Amount exceeds \$50,000, and a performance bond is required if the Contract Amount exceeds \$100,000. Below those amounts, the City *may* require payment and/or performance bonds. In the event a performance or payment bond or both is required either by law or in the City's discretion, such bonds shall be executed in accordance with all requirements of Chapter 3503 of the Texas Insurance Code, all other applicable law, and the following:

(a) The Contractor shall execute performance and payment bonds for the full Contract Amount and, if required by Contractor's surety to cover increases in the dollar amounts or amount of Work that is increased by a duly authorized change order, Contractor shall secure performance and payment bond riders to increase the dollar amounts and coverages of the performance and payment bonds.

(b) The bond surety shall be authorized under the laws of the State of Texas to provide a performance and payment bond and shall have attached proof of authorization of the surety to act in the performance and payment of bonds.

(c) The Contractor shall provide original, sealed, and complete counterparts of the executed bonds in the forms required by the Contract Documents, which are attached as Exhibit B, together with valid original powers of attorney, **at the time of execution of this Agreement by Contractor and prior** to the commencement of work. Copies of the executed bonds shall be attached hereto as **Exhibit B**.

(d) The performance and payment bonds, and any subsequently issued bond riders, shall remain in effect for a period of one (1) year after Final Completion of the Work and shall be extended for any warranty work to cover the warranty period.

(e) If at any time during the execution of this Agreement in the required period thereafter, the bond or bonds become invalid or ineffective for any reason, the Contractor shall promptly supply within ten (10) days such other bond or bonds, which bond or bonds shall assure performance or payment as required.

28.02 The Contractor may make such changes and alterations as the City may require in the Work or any part thereof without affecting the validity of this Agreement and any accompanying bond. If such changes or alterations diminish the quantity of the work to be done, they shall not constitute the basis for any claim for damages or anticipated profits. If the City makes changes or alterations that render useless any work already done or material already used in said work, then the City shall compensate the Contractor for any material or labor so used, and for any actual loss occasioned by such change due to actual expenses incurred in preparation for the Work as originally planned, in accordance with the provisions of Article 17.

29. SURETY

29.01 If the Contractor has abandoned the Project or the City has terminated the Contract for cause and the Contractor's Surety, after notice demanding completion is sent, fails to commence the completion of the Work in compliance with this Agreement, then the City at its option may provide for completion of the Work in either of the following manners:

(a) The City may employ such force of men and use of instruments, machinery, equipment, tools, materials, and supplies as said the City may deem necessary to complete the Work and charge the expense of such labor, machinery, equipment, tools, materials, and supplies to the Contractor, and the expense so charged shall be deducted and paid by the City out of such monies as may be due or that may thereafter at any time become due to the Contractor and Surety.

(b) The City may, after notice published as required by law, accept sealed bids and let this Agreement for the completion of the Work under substantially the same terms and conditions that are provided in this Agreement. In case of any increase in cost to the City under the new agreement as compared to what would have been the cost under this Agreement, such increase together with all of the City's damages due to Contractor's abandonment and/or default, including liquidated damages, as provided pursuant to Section 38, entitled "TERMINATION FOR CAUSE" shall be charged to the Contractor and the surety

shall be and remain bound therefor. However, should the cost to complete such new agreement prove to be less than that which would have been the cost to complete the Work under this Agreement, the Contractor shall be credited therewith after all deductions are made in accordance with this Agreement.

29.02 Should the cost to complete the Work exceed the Contract Amount and the Contractor fails to pay the amount due to the City within the time designated and there remains any machinery, equipment, tools, materials, or supplies on the Project site, notice thereof, together with an itemized list of such equipment and materials, shall be mailed to the Contractor at its respective address designated in this Agreement; provided, however, that actual written notice given in any manner shall satisfy this condition. After mailing, or otherwise giving such notice, such property shall be held at the risk of the Contractor subject only to the duty of City's Representative to exercise ordinary care to protect such property. After fifteen (15) calendar days from the date of said notice, City's Representative may sell such machinery, equipment, tools, materials, or supplies and apply the net sum derived from such sale to the credit of the Contractor. Such sale may be made at either public or private sale, with or without notice, as City's Representative may elect. City's Representative shall release any machinery, equipment, tools, materials, or supplies which remain on the job site and belong to persons other than the Contractor to their proper owners.

29.03 In the event the account shows that the cost to complete the Work is less than that which would have been the cost to City had the Work been completed by the Contractor under the terms of this Agreement, or when the Contractor shall pay the balance shown to be due by them to the City, then all machinery, equipment, tools, materials, or supplies left on the Project site shall be turned over to the Contractor.

30. COMPLIANCE WITH LAW

30.01 The Contractor's work and materials shall comply with all state and federal laws, municipal ordinances, regulations, codes, and directions of inspectors appointed by proper authorities having jurisdiction.

30.02 The Contractor shall perform and require all subcontractors to perform the Work in accordance with applicable laws, codes, ordinances, and regulations of the State of Texas and the United States and in compliance with OSHA and other laws as they apply to its employees. In the event any of the conditions of the specifications violate the code for any industry, then such code conditions shall prevail.

30.03 The Contractor shall follow all applicable state and federal laws, municipal ordinances, and guidelines concerning soil erosion and sediment control throughout the Project and warranty term.

31. SAFETY PRECAUTIONS

31.01 All safety measures, policies and precautions at the site are a part of the construction techniques and processes for which the Contractor shall be solely responsible. The Contractor is solely responsible for handling and use of hazardous materials or waste, and informing employees of any such hazardous materials or waste. The Contractor shall provide copies of all hazardous materials and waste data sheets to the College Station Fire Department marked "Attn.: Assistant Chief".

31.02 The Contractor has the sole obligation to protect or warn any individual of potential hazards created by the performance of the Work set forth herein. The Contractor shall, at its own expense, take such precautionary measures for the protection of persons, property, and the Work as may be necessary.

31.03 The Contractor shall be held responsible for all damages to property, personal injuries and/or death due to failure of safety devices of any type or nature that may be required to protect or warn any individual of potential

hazards created by the performance of the Work set forth herein; and when any property damage is incurred, the damaged portion shall immediately be replaced or compensated for by the Contractor at its own cost and expense.

31.04 Contractor agrees that it shall not transport to, use, generate, dispose of, or install at the Project site any Hazardous Substance (as defined in this Agreement, except in accordance with applicable Environmental Laws. Further, in performing the Work, Contractor shall not cause any release of Hazardous Substances into, or contamination of, the environment, including the soil, the atmosphere, any water course or ground water, except in accordance with applicable Environmental Laws (as defined in this Agreement). **In the event Contractor engages in any of the activities prohibited in this Section 31.04 to the fullest extent permitted by law, Contractor hereby indemnifies and holds City and all of its respective officials, agents and employees harmless from and against any and all claims, damages, losses, causes of action, suits and liabilities of every kind, including, but not limited to, expenses of litigation, court costs, punitive damages and attorneys' fees, arising out of, incidental to or resulting from the activities prohibited in this section 31.04.**

31.05 In the event Contractor encounters on the Project site any Hazardous Substance, or what Contractor may reasonably believe to be a Hazardous Substance, and which is being introduced to the Work, or exists on the Project site, in a manner violative of any applicable Environmental Laws, Contractor shall immediately stop work in the area affected and report the condition to City in writing. The Work in the affected area shall not thereafter be resumed except by written authorization of City if in fact a Hazardous Substance has been encountered and has not been rendered harmless. In the event Contractor fails to stop the Work upon encountering a Hazardous Substance at the Project site, **to the fullest extent permitted by law, Contractor hereby indemnifies and holds City and all of its officials, agents and employees harmless from and against any and all claims, damages, losses, causes of action, suits and liabilities of every kind, including, but not limited to, expenses of litigation, court costs, punitive damages and attorneys' fees, arising out of, incidental to or resulting from Contractor's failure to stop the Work.**

31.06 City and Contractor may enter into a separate agreement and/or Change Order for Contractor to remediate and/or render harmless the Hazardous Substance, but Contractor shall not be required to remediate and/or render harmless the Hazardous Substance absent such agreement. Contractor shall not be required to resume work in any area affected by the Hazardous Substance until such time as the Hazardous Substance has been remediated and/or rendered harmless.

31.07 It is the Contractor's responsibility to comply with all Environmental Laws (as defined in this Agreement) based on the law in effect at the time its services are rendered and to comply with any amendments to those laws for all services rendered after the effective date of any such amendments.

32. TRENCH SAFETY

The Contractor must comply with Texas law regarding trench excavation exceeding five feet in depth and in accordance with the following items:

32.01 The Contractor must comply with the requirements of Subchapter 756 of the Tex. Health & Safety Code Ann. §756.022-023, and the requirements of 29 C.F.R., Subpart P – Excavations (sections 1926.650 et. seq.) of the Occupational Safety and Health Administration Standards, as amended.

32.02 The Contractor must include a separate pay item for trench safety complying with trench safety requirements, stating a unit price per linear foot of trench safety systems, as measured along the centerline of trench including manholes and other line structures.

32.03 Before beginning work on this project, the Contractor must submit to the City a complete trench safety program that complies with state and federal regulations. It is the sole duty, responsibility and prerogative of the Contractor, not the City, to determine the specific applicability of the designed trench safety systems to each field condition encountered on the project.

32.04 The Contractor must provide the City the name of the “competent person” required by OSHA standards to perform the trench safety inspections. The Contractor must make daily inspections to ensure that the systems comply with all applicable laws and regulations, and must maintain a permanent record of daily inspections available for examination by the City or other government authority.

32.05 If evidence of possible cave-ins or slides is apparent, the Contractor must cease all work in the trench and surrounding area until the necessary precautions have been taken by the Contractor to safeguard personnel entering the trench.

33. INDEMNITY

33.01 CONTRACTOR SHALL PROTECT, DEFEND, HOLD HARMLESS AND INDEMNIFY THE CITY FROM ANY AND ALL CLAIMS, DEMANDS, EXPENSES, LIABILITY OR CAUSES OF ACTION FOR INJURY TO ANY PERSON, INCLUDING DEATH, AND FOR DAMAGE TO ANY PROPERTY, TANGIBLE OR INTANGIBLE, OR FOR ANY BREACH OF CONTRACT ARISING OUT OF OR IN ANY MANNER CONNECTED WITH THE WORK DONE BY ANY PERSON UNDER THE CONTRACT DOCUMENTS. IT IS THE INTENT OF THE PARTIES THAT THIS PROVISION SHALL EXTEND TO, AND INCLUDE, ANY AND ALL CLAIMS, CAUSES OF ACTION OR LIABILITY CAUSED BY THE CONCURRENT, JOINT AND/OR CONTRIBUTORY NEGLIGENCE OF THE CITY, AN ALLEGED BREACH OF AN EXPRESS OR IMPLIED WARRANTY BY THE CITY OR WHICH ARISES OUT OF ANY THEORY OF STRICT OR PRODUCTS LIABILITY.

33.02 The indemnification contained in Section 33.01 shall include but not be limited to the following specific instances:

- (a) The City is damaged due to the act, omission, mistake, fault or default of the Contractor.**
- (b) In the event of any claims for payment for goods or services brought by any material suppliers, mechanics, laborers, or other subcontractors.**
- (c) In the event of any and all injuries to or claims of adjacent property owners caused by the Contractor, its agents, employees, and representatives.**
- (d) In the event of any damage to the floor, walls, etc., caused by the Contractor's personnel or equipment during installation.**
- (e) The removal of all debris related to the Work.**
- (f) The acts and omissions of the subcontractors it hired.**
- (g) The Contractor's failure to comply with applicable federal, state, or local regulations, that touch upon or concern the maintenance of a safe and protected working environment and the safe use and operation of machinery and equipment in that working environment, no matter where fault or responsibility lies.**

33.03 The indemnification obligations of the Contractor under this section shall not extend to include the liability of any professional engineer, the architect, their consultants, and agents or employees of any of them arising out of (1) the preparation or approval of maps, drawings, opinions, reports, surveys, Change Orders, designs or specifications, or (2) the giving of or the failure to give directions or instructions by the professional engineer, the architect, their consultants, and agents and employees of any of them, provided such giving or failure to give is the primary cause of the injury or damage.

33.04 It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligation under Section 33.01, such legal limitations are made a part of the indemnification obligation and shall operate to amend the indemnification obligation to the minimum extent necessary to bring the provision into conformity with the requirements of such limitations, and as so modified, the indemnification obligation shall continue in full force and effect.

33.05 The indemnity provisions provided herein shall survive the termination or expiration of this Agreement.

33.06 The indemnification obligations under this section shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor under workers compensation acts, disability benefit acts or other employee benefit acts. There shall be no additional indemnification other than as set forth in this section. All other provisions regarding the same subject matter shall be declared void and of no effect.

34. RELEASE

34.01 The Contractor assumes full responsibility for the Work to be performed hereunder, and hereby releases, relinquishes, and discharges the City, its officers, agents, 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 (whether employees of either party or other third parties) and any loss of or damage to any property (whether property of either of the parties hereto, their employees, or of third parties) that is caused by or alleged to be caused by, arising out of, or in connection with the Contractor's Work 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 in the event of injury, death, property damage, or loss suffered by the Contractor, any subcontractor, or any person or organization directly or indirectly employed by any of them to perform or furnish work on the Project, this release shall apply regardless of whether such injury, death, loss, or damage was caused in whole or in part by the negligence of the City. There shall be no additional release or hold harmless provision other than as set forth in this section. All other provisions regarding the same subject matter shall be declared void and of no effect.

35. PERMITS AND LICENSES

35.01 The Contractor shall secure and pay for all necessary permits and licenses, governmental fees, and inspections necessary for the proper execution and completion of the Work. During this Agreement term and/or period during which the Contractor is working, it shall give all notices and comply with all laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of the Work.

36. ROYALTIES AND LICENSING FEES

36.01 THE CONTRACTOR SHALL PAY ALL ROYALTIES AND LICENSING FEES. THE CONTRACTOR SHALL HOLD THE CITY HARMLESS AND INDEMNIFY THE CITY FROM THE PAYMENT OF ANY ROYALTIES, DAMAGES, LOSSES OR EXPENSES INCLUDING ATTORNEY'S FEES FOR SUITS, CLAIMS OR OTHERWISE, GROWING OUT OF INFRINGEMENT OR ALLEGED INFRINGEMENT OF PATENTS, MATERIALS AND METHODS USED IN THE PROJECT. IT SHALL DEFEND ALL SUITS OR CLAIMS FOR INFRINGEMENT OF ANY PATENT RIGHTS. FURTHER, IF THE CONTRACTOR HAS REASON TO BELIEVE THAT THE DESIGN, SERVICE, PROCESS, OR PRODUCT SPECIFIED IS AN INFRINGEMENT OF A PATENT, IT SHALL PROMPTLY GIVE SUCH INFORMATION TO CITY'S REPRESENTATIVE.

37. BREACH OF CONTRACT & DAMAGES

37.01 The City shall have the right to declare the Contractor in breach of this Agreement for cause when the City determines that this Agreement is not being performed according to its understanding of the intent and meaning of this Agreement. Such breach shall not in any way invalidate, abrogate, or terminate the Contractor's obligations under this Agreement.

37.02 Without prejudice to any other legal or equitable right or remedy that the City would otherwise possess hereunder or as a matter of law, the City upon giving the Contractor five (5) calendar days prior written notice shall be entitled to damages for breach of contract, upon but not limited to the following occurrences:

- (a) If the Contractor shall fail to remedy any default after written notice thereof from City's Representative, as City's Representative shall direct; or
- (b) If the Contractor shall fail for any reason other than the failure by City's Representative to make payments called upon when due; or
- (c) If the Contractor commits a substantial default under any of the terms, provisions, conditions, or covenants contained in this Agreement.

38. TERMINATION FOR CAUSE

38.01 At any time, and without prejudice to any other legal or equitable right or remedy that the City would otherwise possess hereunder or as a matter of law, the City upon giving the Contractor five (5) calendar days prior written notice shall be entitled to terminate this Agreement in its entirety for any of the following:

- (a) If the Contractor becomes insolvent, commits any act of bankruptcy, makes a general assignment for the benefit of creditors, or becomes the subject of any proceeding commenced under any statute or law for the relief of debtors and, after notice, fails to provide adequate assurance that it can remedy all of its defaults; or
- (b) If a receiver, trustee, or liquidator of any of the property or income of the Contractor is appointed; or
- (c) If the Contractor fails to prosecute the Work or any part thereof with diligence necessary to insure its progress and completion as prescribed by the time schedules; or
- (d) If the Contractor fails to remedy any default within ten (10) calendar days after written notice thereof from City's Representative, as City's Representative shall direct; or

- (e) If the Contractor fails for any reason other than the failure by City's Representative to make payments called upon when due; or
- (f) If the Contractor abandons the Work.
- (g) If the Contractor commits a material default under any of the terms, provisions, conditions, or covenants contained in this Agreement.

39. TERMINATION FOR CONVENIENCE

39.01 The performance of the Work may be terminated at any time in whole or, from time to time, in part, by the City for its convenience. Any such termination shall be effected by delivery to the Contractor of a written notice (notice of termination) specifying the extent to which performance of the Work is terminated, and the date upon which termination becomes effective.

39.02 In the event of termination for convenience, the Contractor shall only be paid the reasonable value of the Work performed prior to the effective date of the termination notice and shall be further subject to any claim the City may have against the Contractor under other provisions of this Agreement or as a matter of law. In the event of termination for convenience, Contractor Waives and Releases any claim for lost profit, other than profit on Work performed prior to the effective date of such termination.

40. RIGHT TO COMPLETE

40.01 If this Agreement is terminated for cause, the City shall have the right but shall not be obligated to complete the Work itself or by others; and to this end, the City shall be entitled to take possession of and use such equipment, without rental obligation therefor, and materials as may be on the job site, and to exercise all rights, options, and privileges of the Contractor under its subcontracts, purchase orders, or otherwise; and the Contractor shall promptly assign such rights, options, and privileges to City. If the City elects to complete the Work itself or by others, pursuant to the foregoing, then the Contractor and/or Contractor's surety will reimburse City for all costs incurred by the City (including, without limitation, applicable, general, administrative expenses, field overhead, the cost of necessary equipment, materials, field labor, additional fees paid to architects, engineers, attorneys or others to assist the City in connection with the termination and liquidated damages) in completing and/or correcting work by the Contractor that fails to meet any requirement of this Agreement or the other Contract Documents.

41. CLOSE OUT

41.01 After receipt of a notice of termination, whether for cause or convenience, unless otherwise directed by City's Representative, the Contractor shall, in good faith and to the best of its ability, do all things necessary in the light of such notice to assure the efficient and proper closeout of the terminated work (including the protection of City's property). Among other things, the Contractor shall, except as otherwise directed or approved by City's Representative, do the following:

- (a) Stop the work on the date and to the extent specified in the notice of termination;
- (b) Place no further orders or subcontracts for services, equipment, or materials, except as may be necessary for completion of such portion of the Work as is not terminated;

(c) Terminate all orders and subcontracts to the extent that they relate to the performance of the Work terminated by the notice of termination;

(d) Assign to City's Representative, in the manner and to the extent directed by it, all of the right, title, and interest of the Contractor under the orders or subcontracts so terminated; in which case, City's Representative shall have the right to settle or pay any or all claims arising out of the termination of such orders and subcontracts;

(e) With the approval of City's Representative, settle all outstanding liabilities and all claims arising out of such termination, orders, and subcontracts;

(f) Deliver to City's Representative, when directed by City's Representative, all documents and all property, which if the Work had been completed, Contractor would have been required to account for or deliver to City's Representative, and transfer title to such property to City's Representative to the extent not already transferred.

42. TERMINATION CONVERSION

42.01 Upon determination of Court of competent jurisdiction that termination of the Contractor pursuant to Section 38 was wrongful and/or otherwise improper, such termination will be deemed converted to a termination for convenience pursuant to Section 39 and Contractor's remedy for such termination shall be limited to the recovery of the payments permitted for termination for convenience as set forth in Section 39.

43. HIRING

43.01 During the term of this Agreement and for a period of one (1) year thereafter, the Contractor agrees not to solicit for hire any employee or employees of the City that were associated with work specified under this Agreement. In the event that this provision is breached by the Contractor, the Contractor agrees to pay the City damages in the amount equal to twelve (12) months of the employee's total compensation plus any legal expenses associated with enforcement of this provision.

44. ASSIGNMENT

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

45. EFFECTIVE DATE

45.01 This Agreement goes into effect when duly approved by all the parties hereto and is contingent upon Contractor obtaining the bonds required herein.

46. OTHER TERMS

46.01 Invalidity. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties shall use their best efforts to replace

the respective provision or provisions of this Agreement with legal terms and conditions approximating the original intent of the parties.

46.02 Prioritization. Contractor and City agree that City is a political subdivision of the State of Texas and is thus subject to certain laws. Because of this there may be documents or portions thereof added by Contractor to this Agreement as exhibits that conflict with such laws, or that conflict with the terms and conditions herein excluding the additions by Contractor. In either case, the applicable law or the applicable provision of this Agreement excluding such conflicting addition by Contractor shall prevail. The parties understand this section comprises part of this Agreement without necessity of additional consideration.

46.03 Written Notice. Unless otherwise specified, written notice shall be deemed to have been duly served if delivered in person to the individual or to a member of the firm or to any officer of the corporation for whom it is intended or if it is delivered or sent certified mail to the last business address as listed herein. Each party will have the right to change its business address by at least thirty (30) calendar days written notice to the other parties in writing of such change.

46.04 Entire Agreement. It is understood that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements, or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent or employee of the City, either before or after the execution of this Agreement, shall affect or modify any of the terms or obligations hereunder.

46.05 Amendment. No amendment to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of both parties.

46.06 Mediation. After receipt of a written notice of a claim, the City may elect to refer the matter to the City's Consultant, City's Representative or another party for review. Contractor will attend meetings called to review and discuss the claims and mitigation of the problem, and shall furnish any reasonable factual backup for the claim requested. The City may also elect to defer consideration of the claim until the Work is completed, in which case the same review options shall be available to the City at the completion of the Work. At any stage, the City, at its sole discretion, is entitled to refer a claim to mediation under the Construction Industry Mediation Rules of the American Arbitration Association, and, if this referral is made, Contractor will take part in the mediation process. The filing, mediation or rejection of a claim does not entitle Contractor to stop performance of the Work. The Contractor shall proceed diligently with performance of the Contract during the pendency of any claim, excepting termination or under City's direction to stop the Work. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. The parties shall share the Mediator's fee and any filing fees equally and the Mediation shall be held in College Station, Texas.

46.07 Arbitration. In the event of a dispute and upon the mutual written consent of both parties, the parties may agree to arbitration without waiving any of their other rights hereunder.

46.08 Choice of Law and Place of Performance. This Agreement has been made under and shall be governed by the laws of the State of Texas. Performance and all matters related thereto shall be in Brazos County, Texas, United States of America.

46.09 Authority to do business. The Contractor represents that it has a certificate of authority, authorizing it to do business in the State of Texas, a registered agent and registered office during the duration of this Agreement.

46.10 Authority to Contract. Each party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective corporations.

46.11 Waiver. Failure of any party, at any time, to enforce a provision of this Agreement shall in no way constitute a waiver of that provision nor in any way affect the validity of this Agreement, any part hereof, or the right of the City thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

46.12 Headings, Gender, Number. The article headings are used in this Agreement for convenience and reference purposes only and are not intended to define, limit, or describe the scope or intent of any provision of this Agreement and shall have no meaning or effect upon its interpretation. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

46.13 Agreement Read. The parties acknowledge that they have had opportunity to consult with counsel of their choice, have read, understand and intend to be bound by the terms and conditions of this Agreement.

46.14 Multiple Originals. It is understood and agreed that this Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

46.15 Notice of Indemnification. City and Contractor hereby acknowledge and agree that this Agreement contains certain indemnification obligations and covenants.

46.16 Verification No Boycott. To the extent applicable, this Contract is subject to the following:

- (a) Boycott Israel. If this Contract is for goods and services subject to § 2270.002 Texas Government Code, Contractor verifies that it (i) does not boycott Israel; and (ii) will not boycott Israel during the term of this Contract;
- (b) Boycott Firearms. If this Contract is for goods and services subject to § 2274.002 Texas Government Code, Contractor verifies that it (i) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (ii) will not discriminate during the term of the contract against a firearm entity or firearm trade association; and
- (c) Boycott Energy Companies. Subject to § 2274.002 Texas Government Code Contractor herein verifies that it (i) does not boycott energy companies; and (ii) will not boycott energy companies during the term of this Contract.

46.17 Fraud Reporting. To reduce the risk of fraud and to protect the Contractor's financial information from fraud, the Contractor must report to the City in writing at VendorInvoiceEntry@cstx.gov if the Contractor reasonably suspects or knows if any of their financial information has been subject to fraudulent activity or suspected fraudulent activity.

List of Exhibits

- A. Wage Rates
- B. Performance & Payment Bonds
- C. Certificates of Insurance
- D. Plans & Specifications
- E. Construction Schedule
- F. Schedule of Values

TERRA BELLA CONSTRUCTION

By: Rene Chaho

Printed Name: Rene Chaho

Title: CEO

Date: 7/9/2025

CITY OF COLLEGE STATION

By: _____

City Manager

Date: _____

APPROVED:

John A. Haislet

City Attorney

Date: 7/10/2025

Jim Costa

Assistant City Manager/CFO

Date: 7/10/2025

EXHIBIT A
DAVIS BACON WAGE RATES

"General Decision Number: TX20250007 01/03/2025

Superseded General Decision Number: TX20240007

State: Texas

Construction Types: Heavy and Highway

Counties: Atascosa, Bandera, Bastrop, Bell, Bexar, Brazos, Burleson, Caldwell, Comal, Coryell, Guadalupe, Hays, Kendall, Lampasas, McLennan, Medina, Robertson, Travis, Williamson and Wilson Counties in Texas.

HEAVY (excluding tunnels and dams, not to be used for work on Sewage or Water Treatment Plants or Lift / Pump Stations in Bell, Coryell, McClellon and Williamson Counties) and HIGHWAY Construction Projects

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(1).

If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:		. Executive Order 14026 generally applies to the contract. The contractor must pay all covered workers at least \$17.75 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2025.	
If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:		. Executive Order 13658 generally applies to the contract. The contractor must pay all covered workers at least \$13.30 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2025.	

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at <http://www.dol.gov/whd/govcontracts>.

Modification Number Publication Date
0 01/03/2025

SUTX2011-006 08/03/2011

	Rates	Fringes
CEMENT MASON/CONCRETE		
FINISHER (Paving and Structures).....	\$ 12.56	**
ELECTRICIAN.....		
	\$ 26.35	
FORM BUILDER/FORM SETTER		
Paving & Curb.....	\$ 12.94	**
Structures.....	\$ 12.87	**
LABORER		
Asphalt Raker.....	\$ 12.12	**
Flagger.....	\$ 9.45	**
Laborer, Common.....	\$ 10.50	**
Laborer, Utility.....	\$ 12.27	**
Pipelayer.....	\$ 12.79	**
Work Zone Barricade		
Servicer.....	\$ 11.85	**
PAINTER (Structures).....		
	\$ 18.34	
POWER EQUIPMENT OPERATOR:		
Agricultural Tractor.....	\$ 12.69	**
Asphalt Distributor.....	\$ 15.55	**
Asphalt Paving Machine.....	\$ 14.36	**
Boom Truck.....	\$ 18.36	
Broom or Sweeper.....	\$ 11.04	**
Concrete Pavement		
Finishing Machine.....	\$ 15.48	**
Crane, Hydraulic 80 tons		
or less.....	\$ 18.36	
Crane, Lattice Boom 80		
tons or less.....	\$ 15.87	**

Crane, Lattice Boom over
80 tons.....\$ 19.38
Crawler Tractor.....\$ 15.67 **
Directional Drilling
Locator.....\$ 11.67 **
Directional Drilling
Operator.....\$ 17.24 **
Excavator 50,000 lbs or
Less.....\$ 12.88 **
Excavator over 50,000 lbs...\$ 17.71 **
Foundation Drill, Truck
Mounted.....\$ 16.93 **
Front End Loader, 3 CY or
Less.....\$ 13.04 **
Front End Loader, Over 3 CY.\$ 13.21 **
Loader/Backhoe.....\$ 14.12 **
Mechanic.....\$ 17.10 **
Milling Machine.....\$ 14.18 **
Motor Grader, Fine Grade....\$ 18.51
Motor Grader, Rough.....\$ 14.63 **
Pavement Marking Machine...\$ 19.17
Reclaimer/Pulverizer.....\$ 12.88 **
Roller, Asphalt.....\$ 12.78 **
Roller, Other.....\$ 10.50 **
Scraper.....\$ 12.27 **
Spreader Box.....\$ 14.04 **
Trenching Machine, Heavy....\$ 18.48

Servicer.....\$ 14.51 **

Steel Worker

Reinforcing.....\$ 14.00 **
Structural.....\$ 19.29

TRAFFIC SIGNALIZATION:

Traffic Signal Installation

Traffic Signal/Light Pole
Worker.....\$ 16.00 **

TRUCK DRIVER

Lowboy-Float.....\$ 15.66 **
Off Road Hauler.....\$ 11.88 **
Single Axle.....\$ 11.79 **
Single or Tandem Axle Dump
Truck.....\$ 11.68 **
Tandem Axle Tractor w/Semi
Trailer.....\$ 12.81 **

WELDER.....\$ 15.97 **

WELDERS - Receive rate prescribed for craft performing
operation to which welding is incidental.

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**** Workers in this classification may be entitled to a higher minimum wage under Executive Order 14026 (\$17.75) or 13658 (\$13.30). Please see the Note at the top of the wage determination for more information. Please also note that the minimum wage requirements of Executive Order 14026 are not currently being enforced as to any contract or subcontract to which the states of Texas, Louisiana, or Mississippi, including their agencies, are a party.**

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at <https://www.dol.gov/agencies/whd/government-contracts>.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (iii)).

The body of each wage determination lists the classifications and wage rates that have been found to be prevailing for the type(s) of construction and geographic area covered by the wage determination. The classifications are listed in alphabetical order under rate identifiers indicating whether the particular rate is a union rate (current union negotiated rate), a survey rate, a weighted union average rate, a state adopted rate, or a supplemental classification rate.

Union Rate Identifiers

A four-letter identifier beginning with characters other than ""SU"", ""UAVG"", ?SA?, or ?SC? denotes that a union rate was prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2024. PLUM is an identifier of the union whose collectively bargained rate prevailed in the survey for

this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. The date, 07/01/2024 in the example, is the effective date of the most current negotiated rate.

Union prevailing wage rates are updated to reflect all changes over time that are reported to WHD in the rates in the collective bargaining agreement (CBA) governing the classification.

Union Average Rate Identifiers

The UAVG identifier indicates that no single rate prevailed for those classifications, but that 100% of the data reported for the classifications reflected union rates. EXAMPLE: UAVG-OH-0010 01/01/2024. UAVG indicates that the rate is a weighted union average rate. OH indicates the State of Ohio. The next number, 0010 in the example, is an internal number used in producing the wage determination. The date, 01/01/2024 in the example, indicates the date the wage determination was updated to reflect the most current union average rate.

A UAVG rate will be updated once a year, usually in January, to reflect a weighted average of the current rates in the collective bargaining agreements on which the rate is based.

Survey Rate Identifiers

The ""SU"" identifier indicates that either a single non-union rate prevailed (as defined in 29 CFR 1.2) for this classification in the survey or that the rate was derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As a weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SUFL2022-007 6/27/2024. SU indicates the rate is a single non-union prevailing rate or a weighted average of survey data for that classification. FL indicates the State of Florida. 2022 is the year of the survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. The date, 6/27/2024 in the example, indicates the survey completion date for the classifications and rates under that identifier.

?SU? wage rates typically remain in effect until a new survey is conducted. However, the Wage and Hour Division (WHD) has the discretion to update such rates under 29 CFR 1.6(c)(1).

State Adopted Rate Identifiers

The ""SA"" identifier indicates that the classifications and

prevailing wage rates set by a state (or local) government were adopted under 29 C.F.R 1.3(g)-(h). Example: SAME2023-007 01/03/2024. SA reflects that the rates are state adopted. ME refers to the State of Maine. 2023 is the year during which the state completed the survey on which the listed classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. The date, 01/03/2024 in the example, reflects the date on which the classifications and rates under the ?SA? identifier took effect under state law in the state from which the rates were adopted.

WAGE DETERMINATION APPEALS PROCESS

1) Has there been an initial decision in the matter? This can be:

- a) a survey underlying a wage determination
- b) an existing published wage determination
- c) an initial WHD letter setting forth a position on a wage determination matter
- d) an initial conformance (additional classification and rate) determination

On survey related matters, initial contact, including requests for summaries of surveys, should be directed to the WHD Branch of Wage Surveys. Requests can be submitted via email to davisbaconinfo@dol.gov or by mail to:

Branch of Wage Surveys
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

Regarding any other wage determination matter such as conformance decisions, requests for initial decisions should be directed to the WHD Branch of Construction Wage Determinations. Requests can be submitted via email to BCWD-Office@dol.gov or by mail to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2) If an initial decision has been issued, then any interested party (those affected by the action) that disagrees with the decision can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Requests for review and reconsideration can be submitted via

email to dba.reconsideration@dol.gov or by mail to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210.

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END OF GENERAL DECISION"

1. Payment greater than prevailing wage rate as listed within this document not prohibited per Texas Government Code, Chapter 2258, Prevailing Wage Rates, Subchapter A. General Provisions.
2. Not less than the following hourly rates shall be paid for the various classifications of work required by this project. Workers in classifications where rates are not identified shall be paid not less than the general prevailing rate of "laborer" for the various classifications of work therein listed.
3. The hourly rate for legal holiday and overtime work shall not be less than one and one-half (1 & 1/2) times the base hourly rate.
4. The rates listed are journeyman rates. Helpers may be used on the project and may be compensated at a rate determined mutually by the worker and employer, commensurate with the experience and skill of the worker but not at a rate less than 60% of the journeyman's wage as shown. Apprentices (enrolled in a federally certified apprentice program) may be used at the percentage rates of the journeyman scale stipulated in their apprenticeship agreement. At no time shall a journeyman supervise more than two (2) apprentices or helpers. All apprentices or helpers shall be under the direct supervision of a journeyman working as a crew.
5. Except for Heavy/Highway Construction, building construction wage rates shall be paid to all workers except those workers engaged in site work and construction beyond five feet of buildings.

EXHIBIT B
PERFORMANCE AND PAYMENT BONDS

PERFORMANCE BOND

Bond No. 67523771

THE STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

THE COUNTY OF BRAZOS

§

§

THAT WE, Terra Bella Construction, LLC, as Principal, hereinafter called "Contractor" and the other subscriber hereto WESTERN SURETY COMPANY, as Surety, do hereby acknowledge ourselves to be held and firmly bound to the City of College Station, a municipal corporation, in the sum of Two Hundred Fifty-Nine Thousand Three Hundred Ninety-Eight and 52 /100 Dollars (\$259,398.52) for the payment of which sum, well and truly to be made to the City of College Station and its successors, the said Contractor and Surety do bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

WHEREAS, the Contractor has on or about this day executed a Contract in writing with the City of College Station for ITB 25-067 Drainage Repairs

all of such Work to be done as set out in full in said Contract Documents therein referred to and adopted by the City Council, all of which are made a part of this instrument as fully and completely as if set out in full herein.

NOW THEREFORE, if the said Contractor shall faithfully and strictly perform Contract in all its terms, provisions, and stipulations in accordance with its true meaning and effect, and in accordance with the Contract Documents referred to therein and shall comply strictly with each and every provision of the Contract, including all warranties and indemnities therein and with this bond, then this obligation shall become null and void and shall have no further force and effect; otherwise the same is to remain in full force and effect.

It is further understood and agreed that the Surety does hereby relieve the City of College Station or its representatives from the exercise of any diligence whatever in securing compliance on the part of the Contractor with the terms of the Contract, including the making of payments thereunder and, having fully considered its Principal's competence to perform the Contract in the underwriting of this Performance Bond, the Surety hereby waives any notice to it of any default, or delay by the Contractor in the performance of his Contract and agrees that it, the Surety, shall be bound to take notice of and shall be held to have knowledge of all acts or omissions of the Contractor in all matters pertaining to the Contract. The Surety understands and agrees that the provision in the Contract that the City of College Station shall retain certain amounts due the Contractor until the expiration of thirty (30) days from the acceptance of the Work is intended for the City's benefit, and the City of College Station shall have the right to pay or withhold such retained amounts or any other amount owing under the Contract without changing or affecting the liability of the Surety hereon in any degree.

It is further expressly agreed by Surety that the City of College Station or its representatives are at liberty at any time, without notice to the Surety, to make any change in the Contract Documents and in the Work to be

done thereunder, as provided in the Contract, and in the terms and conditions thereof, or to make any change in, addition to, or deduction from the Work to be done thereunder; and that such changes, if made, shall not in any way vitiate the obligation in this bond and undertaking or release the Surety therefrom. Surety, for value received, stipulates and agrees that any change in Contract Time or Contract Sum shall not in anywise affect its obligation on this bond and it does hereby waive notice of any such change in Contract Time or Contract Sum.

It is further expressly agreed and understood that the Contractor and Surety will fully indemnify and hold harmless the City of College Station from any liability, loss, cost, expense, or damage arising out of or in connection with the Work done by the Contractor under the Contract. In the event that the City of College Station shall bring any suit or other proceeding at law on the Contract or this bond or both, the Contractor and Surety agree to pay to the City the actual amounts of attorneys' fees incurred by the city in connection with such suit.

This bond and all obligations created hereunder shall be performable in Brazos County, Texas. This bond is given in compliance with the provisions of Chapter 2253 of the Texas Government Code, as amended, which is incorporated herein by this reference. However, all of the express provisions hereof shall be applicable whether or not within the scope of said statute.

Notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third day following deposit in a United State Postal Service post office or receptacle, with proper postage affixed (certified mail, return receipt requested), addressed to the respective other party at the address prescribed in the Contract Documents, or at such other address as the receiving party may hereafter prescribe by written notice to the sending party. A copy of surety agent's "Power of Attorney" must be attached hereto.

IN WITNESS THEREOF, the said Contractor and Surety have signed and sealed this instrument on the respective dates written below their signatures and have attached current Power of Attorney.

FOR THE CONTRACTOR:

ATTEST & SEAL: (if a corporation) (SEAL)
WITNESS: (if not a corporation)

(Name of Contractor)

Terra Bella Construction, LLC

By: Gravino Medrano

By: [Signature]

Name: Gravino Medrano

Name: Paul Chano

Title: Project Manager

Title: CEO

Date: 7/24/2025

Date: 7/24/2025

FOR THE SURETY:

ATTEST/WITNESS (SEAL)

WESTERN SURETY COMPANY
(Full Name of Surety)

By: [Signature]

151 N. Franklin, 17th Floor, Chicago, IL 60606

Name: Alexandro Penz

(Address of Surety for Notice)

Title: Witness

Date: 7/24/25

By: Geoff Munn

Name: GEOFFREY M MUNN

Title: ATTORNEY IN FACT

Date: July 24, 2025

FOR THE CITY:

REVIEWED:

THE FOREGOING BOND IS ACCEPTED ON
BEHALF OF THE CITY OF COLLEGE
STATION, TEXAS:

John A. Haislet 7/10/2025
City Attorney

City Manager

NOTE: Date of bonds must be on or after the date of execution by City.

TEXAS STATUTORY PAYMENT BOND

Bond No. 67523771

THE STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

THE COUNTY OF BRAZOS

§

§

THAT WE, Terra Bella Construction, LLC, as Principal, hereinafter called "Principal" and the other subscriber hereto WESTERN SURETY COMPANY, a corporation organized and existing under the laws of the State of South Dakota, licensed to business in the State of Texas and admitted to write bonds, as Surety, herein after called "Surety", do hereby acknowledge ourselves to be held and firmly bound to the City of College Station, a municipal corporation, in the sum of Two Hundred Fifty-Nine Thousand Three Hundred Ninety-Eight and 52 /100 Dollars (\$259,398.52) for payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns jointly and severally.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

WHEREAS, Principal has entered into a certain contract with the City of College Station, dated the 24 day of July, 2025, for ITB 25-067 Drainage Repairs

referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW THEREFORE, the condition of this obligation is such that if Principal shall pay all claimants supplying labor and material to him or a subcontractor in the prosecution of the Work provided for in said contract, then, this obligation shall be null and void; otherwise to remain in full force and effect;

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Chapter 2253 of the Texas Government Code and all liabilities on this bond shall be determined in accordance with the provisions, conditions and limitations of said Code to the same extent as if it were copied at length herein.

Surety, for value received, stipulates and agrees that any change in Contract Time or Contract Sum shall not in anywise affect its obligation on this bond, and it does hereby waive notice of any such change in Contract Time or Contract Sum. A copy of surety agent's "Power of Attorney" must be attached hereto.

IN WITNESS THEREOF, the said Principal and Surety have signed and sealed this instrument on the respective dates written below their signatures.

FOR THE CONTRACTOR:

ATTEST & SEAL: (if a corporation) (SEAL)
WITNESS: (if not a corporation)

(Name of Contractor)
Terra Bella Construction, LLC

By: Gavino Medrano

By: [Signature]

Name: Gavino Medrano

Name: ROSE CHATHO

Title: Project Manager

Title: CEO

Date: 7/24/2025

Date: 7/24/2025

FOR THE SURETY:

ATTEST/WITNESS (SEAL)

(Full Name of Surety)

By: [Signature]

WESTERN SURETY COMPANY

Name: Alejandro Peña

151 N. Franklin, 17th Floor, Chicago, IL 60606

Title: Witness

(Address of Surety for Notice)

Date: 07/24/25

By: [Signature]

Name: GEOFFREY M MUNN

Title: ATTORNEY IN FACT

Date: July 24, 2025

FOR THE CITY:

REVIEWED:

**THE FOREGOING BOND IS ACCEPTED ON
BEHALF OF THE CITY OF COLLEGE
STATION, TEXAS:**

John A. Haislet 7/10/2025
City Attorney

City Manager

NOTE: Date of bonds must be on or after the date of execution by City.

Western Surety Company

POWER OF ATTORNEY - CERTIFIED COPY

Bond No. 67523771

Know All Men By These Presents, that WESTERN SURETY COMPANY, a corporation duly organized and existing under the laws of the State of South Dakota, and having its principal office in Sioux Falls, South Dakota (the "Company"), does by these presents make, constitute and appoint GEOFFREY M. MUNN

its true and lawful attorney(s)-in-fact, with full power and authority hereby conferred, to execute, acknowledge and deliver for and on its behalf as Surety, bonds for:

Principal: Terra Bella Construction, LLC

Obligee: CITY OF COLLEGE STATION

Amount: \$1,000,000.00

and to bind the Company thereby as fully and to the same extent as if such bonds were signed by the Vice President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said attorney(s)-in-fact may do within the above stated limitations. Said appointment is made under and by authority of the following bylaw of Western Surety Company which remains in full force and effect.

"Section 7. All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

This Power of Attorney may be signed by digital signature and sealed by a digital or otherwise electronic-formatted corporate seal under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 27th day of April, 2022:

"RESOLVED: That it is in the best interest of the Company to periodically ratify and confirm any corporate documents signed by digital signatures and to ratify and confirm the use of a digital or otherwise electronic-formatted corporate seal, each to be considered the act and deed of the Company."

If Bond No. 67523771 is not issued on or before midnight of October 31st, 2025, all authority conferred in this Power of Attorney shall expire and terminate.

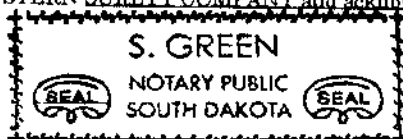
In Witness Whereof Western Surety Company has caused these presents to be signed by its Vice President, Larry Kasten, and its corporate seal to be affixed this 24th day of July, 2025.

STATE OF SOUTH DAKOTA
COUNTY OF MINNEHAHA

WESTERN SURETY COMPANY

Larry Kasten
Larry Kasten, Vice President

On this 16th day of June, in the year 2025, before me, a notary public, personally appeared Larry Kasten, who being to me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of WESTERN SURETY COMPANY and acknowledged said instrument to be the voluntary act and deed of said corporation.



My Commission Expires February 12, 2027

I, the undersigned officer of Western Surety Company, a stock corporation of the State of South Dakota, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable, and furthermore, that Section 7 of the bylaws of the Company as set forth in the Power of Attorney is now in force.

In testimony whereof, I have hereunto set my hand and seal of Western Surety Company this 16th day of June, 2025.

WESTERN SURETY COMPANY

Larry Kasten
Larry Kasten, Vice President

To validate bond authenticity, go to www.cnasurety.com > Owner/Obligee Services > Validate Bond Coverage.

Form F5308-5-2023

Have a complaint or need help?

If you have a problem with a claim or your premium, call your insurance company or HMO first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company or HMO. If you don't, you may lose your right to appeal.

Western Surety Company, Surety Bonding Company of America or Universal Surety of America

To get information or file a complaint with your insurance company or HMO:

Call: Customer Service at **1-605-336-0850**

Toll-free: **1-800-331-6053**

Email: uwservices@cnasurety.com

Mail: P.O. Box 5077, Sioux Falls, SD 57117-5077

The Texas Department of Insurance

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: www.tdi.texas.gov

Email: ConsumerProtection@tdi.texas.gov

Mail: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030

Tiene una queja o necesita ayuda?

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros o HMO. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros o HMO. Si no lo hace, podría perder su derecho para apelar.

Western Surety Company, Surety Bonding Company of America or Universal Surety of America

Para obtener información o para presentar una queja ante su compañía de seguros o HMO:

Llame a: Servicio al Cliente al **1-605-336-0850**

Teléfono gratuito: **1-800-331-6053**

Correo electrónico: uwservices@cnasurety.com

Dirección postal: P.O. Box 5077, Sioux Falls, SD 57117-5077

El Departamento de Seguros de Texas

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439

Presente una queja en: www.tdi.texas.gov

Correo electrónico: ConsumerProtection@tdi.texas.gov

Dirección postal: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030

State of Texas

Claim Notice Endorsement

To be attached to and form a part of Bond No. 67523771

In accordance with Section 2253.021(f) of the Texas Government Code and Section 53.202(6) of the Texas Property Code any notice of claim to the named surety under this bond(s) should be sent to:

CNA Surety, Surety Claims
151 North Franklin, 17th Floor
Chicago, IL 60606
Toll-free: 1-877-672-6115
claims@cnasurety.com

EXHIBIT C
CERTIFICATES OF INSURANCE AND ENDORSEMENTS



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/16/2025

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 Service Insurance Group, Inc. PO Box 5753 3840 Corporate Center Dr Bryan TX 77805-5753	CONTACT NAME: Kacey Bourke	FAX (A/C, No): (979)774-3955	
	PHONE (A/C, No, Ext): (979)774-3900	E-MAIL ADDRESS: kacey@serviceinsgroup.com	
INSURED Terra Bella Construction, LLC 3515 Longmire Drive Suite B #207 College Station TX 77845-	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Texas Mutual Ins Co		22945
	INSURER B: Liberty Mutual Ins Co		12696
	INSURER C: Underwriters at Lloyd's of London		15792
	INSURER D: Mercury Insurance Co		27553
	INSURER E: Amherst Specialty Insurance Company		17565
INSURER F:			

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
E	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ Blknt Contractual ☒ XCU GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PRO-JECT ☐ LOC OTHER:	X	X	AH02RSC250000023 00	01/13/2025	01/13/2026	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 Per Project \$ 10,000,000
D	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☒ SCHEDULED AUTOS ☒ NON-OWNED AUTOS ONLY	X	X	BA420000024616	04/12/2025	04/12/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
E	UMBRELLA LIAB ☒ OCCUR ☒ EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$	X	X	AH04RSC250000323 00	01/13/2025	01/13/2026	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☒ Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	X	N/A	0002052956	09/29/2024	09/29/2025	☒ 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
B	Rented/Leased Equipment; ACV			BMO 26 62206928	01/13/2025	01/13/2026	Rented Equipment 500,000/1,000
C	Installation Floater Professional Liability			B0621PTERR009425	01/13/2025	01/13/2026	250,000/100,000 jobsite \$1,000 1,000,000 per claim 1,000,000 agg

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
The General Liability and Auto Liability policies include a blanket automatic additional insured endorsement that provides additional insured status to the certificate holder only when there is a written contract between the Named Insured and the certificate holder that requires such status. The General Liability, Auto Liability and Workers Compensation policies include a blanket waiver of subrogation endorsement only as required by written contract. The General Liability policy contains a special endorsement with "Primary and Non-Contributory" wording. Umbrella is follow form. Should any of the above described policies be cancelled before the expiration date, the issuing insurer will endeavor to mail 30 days written notice (10 days notice if due to non payment) to the certificate holder named below, but failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents or representatives.

CERTIFICATE HOLDER City of College Station Purchasing Division - City Hall PO Box 9960 1101 Texas Avenue College Station, TX 77842-	CANCELLATION AI 011060 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
---	---

Fax: () 764-3496

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EXHIBIT D
PLANS AND SPECIFICATIONS

If the plans and specifications from the RFP/CSP are not physically inserted here, then they are fully incorporated into this contract by reference.

ITB 25-067 ARE INCORPORATED BY REFERENCE INTO THIS CONTRACT

EXHIBIT E
CONSTRUCTION SCHEDULE

SUBSTANTIAL COMPLETION IS 90 DAYS FROM NOTICE TO PROCEED

EXHIBIT F
SCHEDULE OF VALUES

July 24, 2025

Item No. 7.3.

City-wide Sidewalks and Shared Use Paths Project Design Contract

Sponsor: Jennifer Cain, Director Capital Projects

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on a Design Contract with Colliers Engineering & Design for the Citywide Sidewalks and Shared-use Paths Project design for \$849,049.39.

Relationship to Strategic Goals:

Core Services and Infrastructure

Recommendation(s): Staff recommends approval.

Summary: This project includes the city-wide sidewalk extensions and connections of high priority sidewalks near College Station ISD schools and the Texas A&M University Campus. The project also includes the Bee Creek Tributary B shared use path extension, the Bee Creek Trail shared use path extension, and the Spring Creek Trail Phase 4 shared use path.

The City of College Station received 5 Statements of Qualifications (SOQ). After the review process, 2 firms were interviewed. Colliers Engineering & Design was selected as the most qualified firm for the project.

Budget & Financial Summary: A combined budget of \$5,750,000 is included for these projects in the Streets Capital Improvement Projects Fund. A combined total of \$6,271.83 has been expended or committed to date, leaving a combined balance of \$5,743,728.17 for this design contract and future costs.

Attachments:

1. Citywide Sidewalks Design Vendor Signed Contract
2. Citywide Sidewalks Map



CONTRACT & AGREEMENT ROUTING FORM

CONTRACT#: 25300583 PROJECT #: ST2502-2505 BID/RFP/RFQ#: RFQ 25-028

Project Name / Contract Description: Sidewalks and Shared Use Paths

Name of Contractor: Colliers Engineering & Design

CONTRACT TOTAL VALUE: \$ 849,049.39

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)

Received 5 Statements of Qualifications for AE Design Services. Colliers Engineering & Design was found to be the most qualified.

A combined budget of \$5,750,000 is included for these projects in the Streets Capital Improvement Projects Fund. A combined total of \$6,271.83 has been expended or committed to date,

leaving a combined balance of \$5,743,728.17 for the contract and future expenses.

(If required)*

CRC Approval Date*: 6/10/25 Council Approval Date*: 7/24/25 Agenda Item No*:

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

Insurance Certificates: DDV Performance Bond: N/A Payment Bond: N/A Info Tech: N/A

SIGNATURES RECOMMENDING APPROVAL

Jennifer Cain
DEPARTMENT DIRECTOR/ADMINISTERING CONTRACT

7/1/2025
DATE

ASST CITY MGR – CFO

DATE

LEGAL DEPARTMENT

DATE

APPROVED & EXECUTED

CITY MANAGER

DATE

N/A

MAYOR (if applicable)

DATE

N/A

CITY SECRETARY (if applicable)

DATE

**CITY OF COLLEGE STATION
ARCHITECTS & ENGINEERING PROFESSIONAL SERVICES CONTRACT
WITH CONSTRUCTION**

This Contract is between the **City of College Station**, a Texas home-rule municipal corporation, (the “City”) and Colliers Engineering & Design, Inc, a New Jersey corporation (the “Consultant”), whereby the Consultant agrees to provide the City with certain professional services as described herein and the City agrees to pay the Consultant for those services.

**ARTICLE I
SCOPE OF SERVICES**

1.01 In consideration of the compensation stated in paragraph 2.01 below, the Consultant agrees to provide the City with the professional services as described in **Exhibit “A”**, the Scope of Services, which is incorporated herein by reference for all purposes, and which services may be more generally described as follows (the “Project”):

Sidewalk and Shared used Paths Project # ST2502, ST2503, ST2504, ST2505.

**ARTICLE II
PAYMENT**

2.01 In consideration of the Consultant’s provision of the professional services in compliance with all terms and conditions of this Contract, the City shall pay the Consultant according to the terms set forth in **Exhibit “B”**. Except in the event of a duly authorized change order, approved by the City as provided in this Contract, the total cost of all professional services provided under this Contract may not exceed Eight Hundred Forty-Nine Thousand Forty-Nine and 39/100 Dollars (\$849,049.39).

2.02 Virtual Payment Method. For increased payment and financial information security, the Contractor must use the City’s approved virtual payment card system or digital payment system for all payments, storing, and modifications of financial information used for City payments to the Contractor. Any related reasonable fees paid by the Contractor for use of the virtual payment card system or digital payment system may be passed through to the City.

**ARTICLE III
TIME OF PERFORMANCE AND CONSTRUCTION COST**

3.01 The Consultant shall perform all professional services necessary for the complete design and construction documentation of the Project within the times set forth below and in Section 3.02. Consultant expressly agrees that such times are as expeditious as is prudent considering the ordinary professional skill and care of a competent engineer or architect. Furthermore, the Consultant shall perform with the professional skill and care ordinarily provided by competent engineers or architects practicing in the same or similar locality and under the same or similar circumstances and professional license.

- (a) Conceptual Design: see below **calendar days** after the authorization to commence planning.

(b) Preliminary Design: see below **calendar days** after authorization to commence PPD.

(c) Final Design: see below **calendar days** after authorization to commence final design.

3.02 All design work and other professional services provided under this Contract must be completed by the following date(s):

Design Days - Schedule

Survey and 30% Documents- 119 days

60% Documents- 56 days

90% Documents- 42 days

100% Documents- 28 days

Bid Documents- 28 days

3.03 Time is of the essence of this Contract. The Consultant shall be prepared to provide the professional services in the most expedient and efficient manner possible and with adequate resources and manpower in order to complete the work by the times specified. Promptly after the execution of this Contract, the Consultant shall prepare and submit for the City to approve in writing, a detailed schedule for the performance of the Consultant's services to meet the City's project milestone dates, which are included in this Contract. The Consultant's schedule shall include allowances for periods of time required for the City's review and for approval of submissions by authorities having jurisdiction over the Project. The time limits established by this schedule over which Consultant has absolute control shall not be exceeded without written approval from the City. Consultant may request in writing an extension of the contract time due to delays beyond their control. In the event that a deadline provided in this Contract is not met by the Consultant, Consultant shall provide the City with a written narrative setting forth in a reasonable degree of detail a plan of recovery to overcome or mitigate the delay which may include (i) employing additional people, or (ii) accelerating the work by working longer hours on any portion of the Project that is deemed by the City to be behind schedule ("Recovery Plan"). With the City's approval, Consultant shall execute the Recovery Plan at no additional cost to the City.

(a) **Liquidated Damages.**

(1) The time for the completion of all Work described in this Agreement are reasonable times for the completion of each task by the agreed upon days or dates, taking into consideration all conditions, including but not limited to the usual industry conditions prevailing in this locality. The amount of liquidated damages for the Consultant's failure to meet contractual deadlines specifically set forth in the Consultant's scope of services and schedule are fixed and agreed on by the Consultant because of the impracticability and extreme difficulty in fixing and ascertaining the actual damages that the City would in such an event sustain. The amounts to be charged are agreed to be damages the City would sustain and shall be deducted by the City from current amounts owed to Consultant for payment or from final payment.

(2) As a result of the difficulty in estimation, calculation and ascertainment of City's damages due to a failure of Consultant to achieve timely completion of

the Work, if the Consultant should neglect, or fail, or refuse to complete the Work within the times specified in the Consultant's scope of services and schedule, or any proper extension thereof granted by the City's Representative pursuant to this Agreement, then the Consultant does hereby agree as part of the consideration for the awarding of this Agreement that the City may permanently withhold from the Consultant's total compensation the sum of **TWO HUNDRED FIFTY and 00/100 DOLLARS (\$250.00)** for each and every calendar day that the Consultant shall be in default after the time(s) stipulated completion of the task(s) in question, not as a penalty, but as liquidated damages for the breach of this Agreement. It being specifically understood that the assessment of liquidated damages may be made for any failure to meet any of the deadlines specified in the Consultant's scope of services and schedule for completion in this Agreement.

3.04 The Consultant's services consist of all of the services required to be performed by Consultant, Consultant's employees and Consultant's sub-consultants under the terms of this Contract. Such services include normal civil, structural, mechanical and electrical engineering services, plumbing, food service, acoustical and landscape services, and any other design services that are normally or customarily furnished and reasonably necessary for the Project. The Consultant shall contract and employ at its expense sub-consultants necessary for the design of the Project, and such sub-consultants shall be licensed as required by the State of Texas and approved in writing by the City.

3.05 The Consultant shall designate a principal of the firm reasonably satisfactory to the City who shall, for so long as acceptable to the City, be in charge of Consultant's services to be performed hereunder through to completion, and who shall be available for general consultation throughout the Project. Any replacement of that principal shall be approved in writing (which shall not be unreasonably withheld) by the City, prior to replacement.

3.06 Consultant shall be responsible for the coordination of its services with those of its subconsultants, the City, and the City's consultants, including the coordination of all drawings and design documents relating to Consultant's design and used on the Project, regardless of whether such drawings and documents are prepared by Consultant. Consultant shall be responsible for the completeness and accuracy of all drawings and specifications submitted by or through Consultant and for its compliance with all applicable codes, ordinances, regulations, laws and statutes. Upon receipt from the City, the Consultant shall review the services and information furnished by the City and the City's consultants for accuracy and completeness. The Consultant shall provide prompt written notice to the City if the Consultant becomes aware of any error, omission or inconsistency in such services or information. Once notice has been provided to the City, the Consultant shall not proceed without written instruction from the City to do so.

3.07 Consultant's evaluations of the City's project budget and the preliminary estimates of construction cost and detailed estimates of construction cost, represent the Consultant's best judgment as a design professional familiar with the construction industry.

3.08 The construction budget for this Project, which is established as a condition of this Contract is \$5,000,00.00. This construction budget shall not be exceeded unless the amount is changed in writing by the City.

ARTICLE IV CONCEPTUAL DESIGN

4.01 Upon the Consultant's receipt from the City of a letter of authorization to commence planning, the Consultant shall meet with the City for the purpose of determining the nature of the Project. The Consultant shall inquire in writing as to the information it believes the City may have in its possession that is necessary for the Consultant's performance. The City shall provide the information within its possession that it can make available to the Consultant. The City shall designate a representative to act as the contact person on behalf of the City.

4.02 The Consultant shall determine the City's needs with regard to the Project, including, but not limited to, tests, analyses, reports, site evaluations, needs surveys, comparisons with other municipal projects, review of budgetary constraints and other preliminary investigations necessary for the Project. Consultant shall verify the observable existing conditions of the Project and verify any existing as-built drawings. Consultant shall confirm that the Project can be designed and constructed within the time limits outlined in this Contract. Consultant shall prepare a detailed design phase schedule which includes all review and approval periods during the schematic design, design development and construction document phases. Consultant shall confirm that the Project can be designed and constructed for the dollar amount of the Project budget, if applicable.

4.03 The Consultant shall prepare a Conceptual Design that shall include schematic layouts, surveys, sketches and exhibits demonstrating the considerations involved in the Project. The Consultant shall consider environmentally responsible design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the City's Program, the Project Schedule and budget. The Consultant shall reach an understanding with the City regarding the requirements of the Project. The Conceptual Design shall contemplate compliance with all applicable laws, statutes, ordinances, codes and regulations. Upon the City's request, the Consultant shall meet with City staff and the City Council to make a presentation of its report.

ARTICLE V PRELIMINARY DESIGN

5.01 The City shall direct the Consultant to commence work on the Preliminary Design by sending to the Consultant a letter of authorization to begin work on the Preliminary Design pursuant to this Contract. Upon receipt of the letter of authorization to commence Preliminary Design, the Consultant shall meet with the City for the purpose of determining the extent of any revisions to the Conceptual Design.

5.02 The Consultant shall prepare the Preliminary Design of the Project, including, but not limited to, the preliminary drawings and specifications and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate. The Consultant shall submit to the City a detailed estimate of the construction costs of the Project, based on current area, volume, or other unit costs. This estimate shall also indicate both the cost of each category of work involved in constructing the Project and the time required for construction of the Project from commencement to final completion.

5.03 Upon completion of the Preliminary Design of the Project, the Consultant shall so notify the City. Upon request the Consultant shall meet with the City staff and City Council to make a presentation of its Preliminary Design of the Project. The Consultant shall provide an explanation of the Preliminary Design, including any material changes and deviations that have taken place from the Conceptual Design, a cost estimate, and shall verify that, to the best of Consultant's belief, the Project requirements and construction can be completed within the Project budget and schedule.

ARTICLE VI FINAL DESIGN

6.01 The City shall direct the Consultant to commence work on the Final Design of the Project by sending to the Consultant a letter of authorization to begin work on the Final Design phase of the Project. Upon receipt of the Letter of Authorization to proceed with Final Design of the Project, the Consultant shall immediately prepare the Final Design, including, but not limited to, the bid documents, contract, drawings, and specifications, to fix and describe the size and character of the Project as to structural, mechanical, and electrical systems, materials, and such other elements as may be appropriate. The Final Design of the Project shall comply with all applicable laws, statutes, ordinances, codes and regulations.

6.02 Notwithstanding the City's approval of the Final Design, the Consultant warrants that the Final Design will be sufficient and adequate to fulfill the purposes of the Project.

6.03 The Consultant shall prepare and separately seal the special provisions, the technical specifications, and bid proposal form(s) in conformance with the City's current pre-approved, "Standard Form of Construction Agreement" for the construction contract between the City and the construction contractor. The Consultant hereby agrees that no changes, modifications, supplementations, alterations, or deletions will be made to the City's standard form without the prior written approval of the City.

6.04 The Consultant shall provide the City with complete contract documents sufficient to be advertised for bids by the City. The contract documents shall include the design and specifications and other changes that are required to fulfill the purpose of the Project. Upon completion of the Final Design of the Project, with the submission of the complete contract documents, and upon request of the City, the Consultant shall meet with City staff and the City Council to present the Final Design of the Project. The Consultant shall provide an explanation of the Final Design, including identification of all material changes and deviations that have taken place from the

Preliminary Design Documents and a cost estimate. The Consultant shall verify that, to the best of Consultant's belief, the Project requirements and construction can be completed within the Project budget and schedule.

ARTICLE VII BID PREPARATIONS & EVALUATION

7.01 The Consultant shall assist the City in advertising for and obtaining bids or negotiating proposals for the construction of the Project. Upon request, the Consultant shall meet with City staff and the City Council to present, and make recommendations on, the bids submitted for the construction of the Project.

7.02 The Consultant shall review the construction contractors' bids, including subcontractors, suppliers, and other persons required for completion of the Project. The Consultant shall evaluate each bid and provide these evaluations to the City along with a recommendation on each bid. If the lowest bid for the construction of the Project exceeds the final cost estimate set forth in the Final Design of the Project, then the Consultant, at its sole cost and expense, shall revise the construction documents so that the total construction costs of the Project will not exceed the final cost estimate contained in the Final Design of the Project.

7.03 Where substitutions are requested by a construction contractor, the Consultant shall review the substitution requested and shall recommend approval or disapproval of such substitutions.

ARTICLE VIII CONSTRUCTION

8.01 The Consultant shall be a representative of, and shall advise and consult with, the City (1) during construction, and (2) at the City's direction from time to time during the correction, or warranty, period described in the construction contract. The Consultant shall have authority to act on behalf of the City only to the extent provided in this Contract unless modified by written instrument.

8.02 The Consultant shall make visits to the site, to inspect the progress and quality of the executed work of the construction contractor and its subcontractors and to determine if such work is proceeding in accordance with the contract documents. The minimum number of site visits and their frequency shall be established by the City and Consultant prior to commencement of construction. Consultant shall periodically review the as-built drawings for accuracy and completeness and shall report its findings to the City.

8.03 The Consultant shall keep the City informed of the progress and quality of the work. The Consultant shall employ the professional skill and care ordinarily provided by competent engineers or architects practicing in the same or similar locality and under the same or similar circumstances and professional license in discovering and promptly reporting to the City any defects or deficiencies in such work and shall disapprove or reject any work failing to conform to the contract documents.

8.04 The Consultant shall review and approve shop drawings and samples, the results of tests and inspections, and other data that each construction contractor or subcontractor is required to provide. The Consultant's review and approval shall include a determination of whether the work complies with all applicable laws, statutes, ordinances and codes and a determination of whether the work, when completed, will be in compliance with the requirements of the contract documents.

8.05 The Consultant shall determine the acceptability of substitute materials and equipment that may be proposed by construction contractors or subcontractors. The Consultant shall also receive and review maintenance and operating instruction manuals, schedules, guarantees, and certificates of inspection, which are to be assembled by the construction contractor in accordance with the contract documents.

8.06 The Consultant shall issue all instructions of the City to the construction contractor as well as interpretations and clarifications of the contract documents pertaining to the performance of the work. Consultant shall interpret the contract documents and judge the performance thereunder by the contractor constructing the Project, and Consultant shall, within a reasonable time, render such interpretations and clarifications as it may deem necessary for the proper execution and progress of the work. Consultant shall receive no additional compensation for providing clarification of the drawings and specifications.

8.07 The Consultant shall review the amounts owing to the construction contractor and recommend to the City, in writing, payments to the construction contractor of such amounts. The Consultant's recommendation of payment, being based upon the Consultant's on-site inspections and its experience and qualifications as a design professional, shall constitute a recommendation by the Consultant to the City that the quality of such work is in accordance with the contract documents and that the work has progressed to the point reflected in Consultant's recommendation for payment.

8.08 Upon notification from the construction contractor that the Project is substantially complete, the Consultant shall conduct an inspection of the site to determine if the Project is substantially complete. The Consultant shall prepare a checklist of items that shall be completed prior to final acceptance. Upon notification by the construction contractor that the checklist items designated by the Consultant for completion have been completed, the Consultant shall inspect the Project to verify final completion.

8.09 The Consultant shall not be responsible for the work of the construction contractor or any of its subcontractors, except that the Consultant shall be responsible for the construction contractor's schedules or failure to carry out the work in accordance with the contract documents if such failures result from the Consultant's negligent acts or omissions. This provision shall not alter the Consultant's duties to the City arising from the performance of the Consultant's obligations under this Contract.

8.10 The Consultant shall conduct at least one on-site inspection during the warranty period and shall report to the City as to the continued acceptability of the work.

8.11 The Consultant shall not execute change orders on behalf of the City or otherwise alter the financial scope of the Project without an advance, written authorization from the City.

8.12 The Consultant shall perform all of its duties under this Article VIII so as to not cause any delay in the progress of construction of the Project.

8.13 The Consultant shall assist the construction contractor and City in obtaining a Certificate of Occupancy by accompanying governing officials during inspections of the Project if requested to do so by the City.

ARTICLE IX CHANGE ORDERS, DOCUMENTS & MATERIALS

9.01 No changes shall be made, nor will invoices for changes, alterations, modifications, deviations, or extra work or services be recognized or paid except upon the prior written order from authorized personnel of the City. The Consultant shall not execute change orders on behalf of the City or otherwise alter the financial scope of the Project. The schedules, milestones, timelines, and deadlines contained in this Agreement, the Scope of Services, and the Construction Schedule shall not be modified except by written change order. Additional days or changes to the number of days in the Construction Schedule shall also be by written change order. After a written change order is approved and fully executed by all parties, the Consultant shall submit an updated schedule that reflects changes authorized by approved change orders.

9.02 When the original contract amount plus all change orders is \$100,000 or less, the City Manager or his delegate may approve the written change order provided the change order does not increase the total amount set forth in the contract to more than \$100,000. For such contracts, when a change order results in a total contract amount that exceeds \$100,000, the City Council must approve such change order prior to commencement of the services.

9.03 When the original contract amount plus all change orders is equal to or greater than \$100,000, the City Manager or his delegate may approve the written change order provided the change order does not exceed \$50,000 and provided the sum of all change orders does not exceed 25% of the original contract amount. For such contracts, when a change order exceeds \$50,000 or when the sum of all change orders exceeds 25% of the original contract, the City Council must approve such change order prior to commencement of the services or work. Thereafter, any additional change orders exceeding \$50,000 or any additional change orders totaling 25 percent following such council approval, must be approved by City Council.

9.04 Any request by the Consultant for an increase in the Scope of Services and an increase in the amount listed in paragraph two of this Contract shall be made and approved by the City prior to the Consultant providing such services or the right to payment for such additional services shall be waived. If there is a dispute between the Consultant and the City respecting any service provided or to be provided hereunder by the Consultant, including a dispute as to whether such service is additional to the Scope of Services included in this Contract, the

Consultant agrees to continue providing on a timely basis all services to be provided by the Consultant hereunder, including any service as to which there is a dispute.

9.05 The Consultant shall furnish the City with both electronic (PDF) and CAD file sets of all plans and specifications. The Consultant shall provide the City one (1) set of reproducible, mylar record drawings that clearly show all the changes made during the construction process, based upon the marked-up prints, drawings, and other data furnished by the construction contractor to the Consultant. The Consultant shall provide copies of Work Product including documents, computer files if available, surveys, notes, and tracings used or prepared by the Consultant. The foregoing documentation, the Consultant's Work Product, and other information in the Consultant's possession concerning the Project shall be the property of the City from the time of preparation. The Consultant shall furnish one set of digital files representing the final record drawings.

ARTICLE X WARRANTY, INDEMNIFICATION & RELEASE

10.01 As an experienced and qualified design professional, the Consultant warrants that the information provided by the Consultant reflects the professional skill and care ordinarily provided by competent engineers or architects practicing in the same or similar locality and under the same or similar circumstances and professional license. The Consultant warrants that the design preparation of drawings, the designation or selection of materials and equipment, the selection and supervision of personnel, and the performance of all other services under this Contract are performed with the professional skill and care ordinarily provided by competent engineers or architects practicing in the same or similar locality and under the same or similar circumstances and professional license. Approval of the City shall not constitute, or be deemed, a release of the responsibility and liability of the Consultant, its employees, agents, or associates for the exercise of skill and diligence to promote the accuracy and competency of their Work Product or any other document, nor shall the City's approval be deemed to be the assumption of responsibility by the City for any defect or error in the aforesaid documents prepared by the Consultant, its employees, associates, agents, or subcontractors.

10.02 The Consultant shall promptly correct any defective Work Product, including designs or specifications, furnished by the Consultant at no cost to the City. The City's approval, acceptance, use of, or payment for, all or any part of the Consultant's services hereunder or of the Project itself shall in no way alter the Consultant's obligations or the City's rights hereunder.

10.03 In all activities or services performed hereunder, the Consultant is an independent contractor and not an agent or employee of the City. The Consultant and its employees are not the agents, servants, or employees of the City. As an independent contractor, the Consultant shall be responsible for the professional services and the final Work Product contemplated under this Contract. Except for materials furnished by the City, the Consultant shall supply all materials, equipment, and labor required for the professional services to be provided under this Contract. The Consultant shall have ultimate control over the execution of the services it is to provide under this Contract. The Consultant shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees or subcontractors, and the City shall have

no control of or supervision over the employees of the Consultant or any of the Consultant's subcontractors.

10.04 The Consultant must at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, employees, agents, subcontractors, licensees, and other persons, as well as its personal property, while in the vicinity of the Project or any of the work being done on or for the Project. It is expressly understood and agreed that the City shall not be liable or responsible for the negligence of the Consultant, its officers, employees, agents, subcontractors, invitees, licensees, and other persons.

10.05 Indemnity.

- (a) To the fullest extent permitted by law, Consultant agrees to indemnify and hold harmless the City, its Council members, officials, officers, agents, employees, and volunteers (separately and collectively referred to in this paragraph as "Indemnatee") from and against all claims, damages, losses and expenses (including but not limited to reasonable attorney's fees) arising out of or resulting from any negligent act, error or omission, intentional tort or willful misconduct, intellectual property infringement or including failure to pay a subconsultant, subcontractor, or supplier pursuant to this Contract by Consultant, its employees, subcontractors, subconsultants, or others for whom Consultant may be legally liable ("Consultant Parties"), but only to the extent caused in whole or in part by the Consultant Parties. IF THE CLAIMS, ETC. ARE CAUSED IN PART BY CONSULTANT PARTIES, AND ALSO IN PART BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY OR ALL OF THE INDEMNITEES OR ANY OTHER THIRD PARTY, THEN CONSULTANT SHALL ONLY INDEMNIFY ON A COMPARATIVE BASIS, AND ONLY FOR THE AMOUNT FOR WHICH CONSULTANT PARTIES ARE FOUND LIABLE AND NOT FOR ANY AMOUNT FOR WHICH ANY OR ALL INDEMNITEES OR OTHER THIRD PARTIES ARE LIABLE.**
- (b) To the fullest extent permitted by law, Consultant agrees to defend the Indemnitees where the indemnifiable acts listed in Article 10 above occur outside the course of performance of professional services (i.e. non-professional services) and the claim is not based wholly or partly on the negligence of, fault of, or breach of contract by the governmental agency, the agency's agent, employee, or other entity over which the governmental agency exercises control, other than the Consultant or Consultant Parties.**
- (c) Consultant shall procure liability insurance covering its obligations under this section.**
- (d) It is mutually understood and agreed that the indemnification provided for in this section 10.05 shall indefinitely survive any expiration, completion or termination of this Contract. There shall be no additional indemnification**

other than as set forth in this section. All other provisions regarding the same subject matter shall be declared void and of no effect.

10.06 Release. The Consultant releases, relinquishes, and discharges the City, its Council members, officials, officers, agents, employees, and volunteers from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to, sickness or death of the Consultant or its employees and any loss of or damage to any property of the Consultant or its employees that is caused by or alleged to be caused by, arises out of, or is in connection with the Consultant's work to be performed hereunder. Both the City and the Consultant expressly intend that this release shall apply regardless of whether said claims, demands, and causes of action are covered, in whole or in part, by insurance and in the event of injury, sickness, death, loss, or damage suffered by the Consultant or its employees, but not otherwise, this release shall apply regardless of whether such loss, damage, injury, or death was caused in whole or in part by the City, any other party released hereunder, the Consultant, or any third party. There shall be no additional release or hold harmless provision other than as set forth in this section. All other provisions regarding the same subject matter shall be declared void and of no effect.

10.07 It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification, release or other obligations under Paragraphs 10.05 and 10.06, such legal limitations are made a part of the obligations and shall operate to amend same to the minimum extent necessary to bring the provision(s) into conformity with the requirements of such limitations, and as so modified, the obligations set forth therein shall continue in full force and effect.

ARTICLE XI INSURANCE

11.01 General. The Consultant shall procure and maintain at its sole cost and expense for the duration of this Contract insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, volunteers, employees or subcontractors. The policies, limits and endorsements required are as set forth on below.

During the term of this Contract Consultant's insurance policies shall meet the minimum requirements of this section:

11.02 Types. Consultant shall have the following types of insurance:

- (a) Commercial General Liability.
- (b) Business Automobile Liability.
- (c) Workers' Compensation/Employer's Liability.
- (d) Professional Liability.

11.03 Certificates of Insurance. For each of these policies, the Consultant's insurance coverage shall be primary insurance with respect to the City, its officials, agents, employees and volunteers. Any self-insurance or insurance policies maintained by the City, its officials, agents, employees and volunteers, shall be considered in excess of the Consultant's insurance and shall not contribute to it. No term or provision of the indemnification provided by the Consultant to the City pursuant to this Contract shall be construed or interpreted as limiting or otherwise affecting the terms of the insurance coverage. All Certificates of Insurance and endorsements shall be furnished to the City's Representative at the time of execution of this Contract, attached hereto as Exhibit C, and approved by the City before any letter of authorization to commence planning will issue or any work on the Project commences.

11.04 General Requirements Applicable to All Policies. The following General Requirements to all policies shall apply:

- (a) Only licensed insurance carriers authorized to do business in the State of Texas will be accepted.
- (b) Deductibles shall be listed on the Certificate of Insurance.
- (c) "Claims made" policies will not be accepted, except for Professional Liability insurance.
- (d) Coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits of liability except after thirty (30) calendar days prior written notice has been given to the City of College Station.
- (e) The Certificates of Insurance shall be prepared and executed by the insurance carrier or its authorized agent on the most current State of Texas Department of Insurance-approved forms.

11.05 Commercial General Liability Requirements. The following Commercial General Liability requirements shall apply:

- (a) Coverage shall be written by a carrier rated "A:VIII" or better in accordance with the current A. M. Best Key Rating Guide.
- (b) Minimum Limit of \$1,000,000 per occurrence for bodily injury and property damage with a \$2,000,000 annual aggregate.
- (c) No coverage shall be excluded from the standard policy without notification of individual exclusions being attached for review and acceptance.
- (d) The coverage shall not exclude premises/operations; independent contracts, products/completed operations, contractual liability (insuring the indemnity provided herein), and where exposures exist, Explosion Collapse and Underground coverage.
- (e) The City shall be included as an additional insured and the policy shall be endorsed to waive subrogation and to be primary and non-contributory.

11.06 Business Automobile Liability Requirements. The following Business Automobile Liability requirements shall apply:

- (a) Coverage shall be written by a carrier rated “A:VIII” or better in accordance with the current. A. M. Best Key Rating Guide.
- (b) Minimum Combined Single Limit of \$1,000,000 per occurrence for bodily injury and property damage.
- (c) The Business Auto Policy must show Symbol 1 in the Covered Autos portion of the liability section in Item 2 of the declarations page.
- (d) The coverage shall include owned autos, leased or rented autos, non-owned autos, any autos and hired autos.
- (e) The City shall be included as an additional insured and the policy shall be endorsed to waive subrogation and to be primary and non-contributory.

11.07 Workers’ Compensation/Employers Liability Insurance Requirements. The following Workers’ Compensation Insurance requirements shall apply; and the term “contractor” shall be construed to mean “consultant” as identified in this Contract:

- (a) Pursuant to the requirements set forth in Title 28, Section 110.110 of the Texas Administrative Code, all employees of the Consultant, the Consultant, all employees of any and all subcontractors, and all other persons providing services on the Project must be covered by a workers’ compensation insurance policy: either directly through their employer’s policy (the Consultant’s, or subcontractor’s policy) or through an executed coverage agreement on an approved Texas Department of Insurance Division of Workers Compensation (DWC) form. Accordingly, if a subcontractor does not have his or her own policy and a coverage agreement is used, Consultants and subcontractors must use that portion of the form whereby the hiring contractor agrees to provide coverage to the employees of the subcontractor. The portion of the form that would otherwise allow them not to provide coverage for the employees of an independent contractor may not be used.
- (b) The workers’ compensation/Employer’s Liability insurance shall include the following terms:
 - i. Employer's Liability limits of \$1,000,000 for each accident is 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 Worker's 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.
- (c) Pursuant to the explicit terms of Title 28, Section 110.110(c)(7) of the Texas Administrative Code, this Contract, the bid specifications, this Contract, and all subcontracts on this Project must include the terms and conditions set forth below, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:
 - i. Definitions:

Certificate of coverage ("certificate") - A copy of a certificate of insurance, a certificate of authority to self-insure issued by the Division of Workers Compensation, or a coverage agreement (DWC-81, DWC-83, or DWC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.

Duration of the project - includes the time from the beginning of the work on the project until the Contractor's/person's work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractors" in § 406.096 [of the Texas Labor Code]) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent Contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

- ii. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.
- iii. The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.
- iv. If the coverage period shown on the Contractor's current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.
- v. The Contractor shall obtain from each person providing services on a project, and provide to the governmental entity:
 - 1. a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and
 - 2. no later than seven calendar days after receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends

during the duration of the project.

- vi. The Contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.
- vii. The Contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the Contractor knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.
- viii. The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the Division of Workers Compensation, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.
- ix. The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:
 - 1. provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;
 - 2. provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
 - 3. provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - 4. obtain from each other person with whom it contracts, and provide to the Contractor:
 - A. a certificate of coverage, prior to the other person beginning work on the project; and
 - B. a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - 5. retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
 - 6. notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the person knew or should have known, of any change that materially affects the

provision of coverage of any person providing services on the project; and

7. Contractually require each person with whom it contracts, to perform as required by paragraphs (a) - (g), with the certificates of coverage to be provided to the person for whom they are providing services.
- x. By signing this contract, or providing, or causing to be provided a certificate of coverage, the Contractor is representing to the governmental entity that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the Commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.
- xi. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor that entitles the governmental entity to declare the contract void if the Contractor does not remedy the breach within ten calendar days after receipt of notice of breach from the governmental entity."

11.01 Professional Liability Requirements. The following Professional Liability requirements shall apply:

- (a) Coverage shall be written by a carrier rated "A:VIII" or better in accordance with the current A.M. Best Key Rating Guide.
- (b) Minimum of \$1,000,000 per claim and \$2,000,000 aggregate, with a maximum deductible of \$100,000.00. Financial statements shall be furnished to the City of College Station when requested.
- (c) Consultant must continuously maintain professional liability insurance with prior acts coverage for a minimum of two years after completion of the Project or termination of this Contract, as may be amended, whichever occurs later. Coverage under any renewal policy form shall include a retroactive date that precedes the earlier of the effective date of this Contract or the first performance of services for the Project. The purchase of an extended discovery period or an extended reporting period on this policy will not be sufficient to comply with the obligations hereunder.
- (d) Retroactive date must be shown on certificate.

ARTICLE XII USE OF DRAWINGS, SPECIFICATIONS AND OTHER DOCUMENTS

12.01 Any and all drawings, specifications and other documents prepared, furnished, or both prepared and furnished by Consultant or any Subconsultant or other designer contracted under Consultant pursuant to this Contract (including, without limitation, the Construction Documents)

("Work Product"), shall be the exclusive property of the City, whether the Project is completed or not. Upon completion or termination of this Contract, and payment for Consultant's services, Consultant shall promptly deliver to the City all records, notes, data, memoranda, models, and equipment of any nature that are within Consultant's possession or control and that are the City's property or relate to the City or its business. The City shall be furnished and permitted to retain reproducible copies and electronic versions of Consultant's Work Product and related documents and information relating to the Project.

12.02 Consultant warrants to City that (i) Consultant has the full power and authority to enter into this Contract, (ii) Consultant has not previously assigned, transferred or otherwise encumbered the rights conveyed herein, (iii) Work Product is an original work of authorship created by Consultant's employees during the course of their employment by Consultant, and does not infringe on any copyright, patent, trademark, trade secret, contractual right, or any other proprietary right of any person or entity, (iv) Consultant has not published the Work Product (including any derivative works) or any portion thereof outside of the United States, and (v) to the best of the Consultant's knowledge, no other person or entity, except City, has any claim of any right, title, or interest in or to the Work Product.

12.03 Consultant shall not seek to invalidate, attack, or otherwise do anything either by act of omission or commission which might impair, violate, or infringe the title and rights assigned to City by Consultant in this Article 12 of the Contract.

12.04 The documents prepared by Consultant may be used as a prototype for other facilities by the City. The City may elect to use the Consultant to perform the site adaptation and other architectural or engineering services involved in reuse of the prototype. If so, the Consultant is obligated to perform the work for an additional compensation that will fairly compensate the Consultant and its sub-consultants only for the additional work involved. It is reasonable to expect that the fair additional compensation will be significantly less than the fee provided for under this Contract. If the City elects to employ a different architect or engineer to perform the site adaptation and other architectural or engineering services involved in reuse of the prototype, that architect or engineer will be entitled to use Consultant's sub-consultants on the same basis that Consultant would have been entitled to use them for the work on the reuse of the prototype, and such architect or engineer will be entitled, to the extent allowed by law, to duplicate the design and review and refer to the construction documents, approved shop drawings and calculations, and change order drawings in performing its work. The Consultant will not be responsible for errors and omissions of a subsequent architect or engineer as a result of the architect or engineer's use or reuse of the prototype. The Consultant shall commit its subconsultants to the terms of this subparagraph. The provisions of this section shall survive termination of this Contract.

12.05 In the event of termination of this Contract for any reason, the City shall receive all Work Product and original documents prepared to the date of termination and shall have the right to use those documents and any reproductions in any way necessary to complete the Project.

12.06 Only the details of the drawings relating to this Project may be used by the Consultant on other projects, but they shall not be used as a whole without written authorization by the City. The City-furnished forms, conditions, and other written documents shall not be used on other projects

by the Consultant.

ARTICLE XIII TERMINATION

13.01 The City may terminate this Contract at any time upon **thirty (30)** calendar days written notice. Upon the Consultant's receipt of such notice, the Consultant shall cease work immediately. The Consultant shall be compensated for the services satisfactorily performed prior to the termination date.

13.02 If, through any cause, the Consultant fails to fulfill its obligations under this Contract, or if the Consultant violates any of the agreements of this Contract, the City has the right to terminate this Contract by giving the Consultant **five (5)** calendar days written notice. The Consultant will be compensated for the services satisfactorily performed prior to the termination date.

13.03 No term or provision of this Contract shall be construed to relieve the Consultant of liability to the City for damages sustained by the City because of any breach of contract and/or negligence by the Consultant. The City may withhold payments to the Consultant for the purpose of setoff until the exact amount of damages due the City from the Consultant is determined and paid.

ARTICLE XIV MISCELLANEOUS TERMS

14.01 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.

14.02 Notices shall be mailed to the addresses designated herein or as may be designated in writing by the parties from time to time and shall be deemed received when sent postage prepaid U.S. Mail to the following addresses:

14.03 Fraud Reporting. To reduce the risk of fraud and to protect the Contractor's financial information from fraud, the Contractor must report to the City in writing at VendorInvoiceEntry@cstx.gov if the Contractor reasonably suspects or knows if any of their financial information has been subject to fraudulent activity or suspected fraudulent activity.

City of College Station

Colliers Engineering and Design, Inc.

Attn: Melissa Thomas

Attn: Legal Department.

PO BOX 9960

101 Crawfords Corner Rd., Ste 3400

1101 Texas Ave
College Station, TX 77842
mthomas@cstx.gov

Holmdel, NJ 07733_
Jose H. Carmona, Jr., P.E.,
Legal@collierseng.com; jose.carmona@collierseng.com

14.03 No action or failure to act by the City shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach there under, except as may be specifically agreed in writing. No waiver of any provision of the Contract shall be of any force or effect, unless such waiver is in writing, expressly stating to be a waiver of a specified provision of the Contract and is signed by the party to be bound thereby. In addition, no waiver by either party hereto of any term or condition of this Contract shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition and shall not in any way limit or waive that party's right thereafter to enforce or compel strict compliance with the Contract or any portion or provision or right under the Contract.

14.04 This Contract represents the entire and integrated contract between the City and the Consultant and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may only be amended by written instrument approved and executed by the parties.

14.05 This Contract and all rights and obligations contained herein may not be assigned by the Consultant without the prior written approval of the City.

14.06 Invalidity. If any provision of this Contract shall be held to be invalid, illegal or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties shall use their best efforts to replace the respective provision or provisions of this Contract with legal terms and conditions approximating the original intent of the parties.

14.07 Prioritization. Contractor and City agree that City is a political subdivision of the State of Texas and is thus subject to certain laws. Because of this there may be documents or portions thereof added by Contractor to this Contract as exhibits that conflict with such laws, or that conflict with the terms and conditions herein excluding the additions by Contractor. In either case, the applicable law or the applicable provision of this Contract excluding such conflicting addition by Contractor shall prevail. The parties understand this section comprises part of this Contract without necessity of additional consideration.

14.08 The Consultant, its agents, employees, and subconsultants must comply with all applicable federal and state laws, the charter and ordinances of the City of College Station, and with all applicable rules and regulations promulgated by local, state, and national boards, bureaus, and agencies. The Consultant must obtain all necessary permits and licenses required in completing the services required by this Contract.

14.09 The parties acknowledge that they have read, understood, and intend to be bound by the

terms and conditions of this Contract. If there is a conflict between a provision in any documents provided by Consultant made a part of this Contract and any other provision in this Contract, the latter controls.

14.10 This Contract goes into effect when duly approved by all the parties hereto.

14.11 Notice of Indemnification. City and Consultant hereby acknowledge and agree that this Contract contains certain indemnification obligations and covenants.

14.12 Verification No Boycott of Israel. To the extent this Contract is considered a contract for goods or services subject to §2270.002 Texas Government Code, Consultant verifies that it (i) does not boycott Israel and (ii) will not boycott Israel during the term of this Contract.

14.13 Verification No Boycott of Firearms. If this Contract is for goods and services subject to § 2274.002 Texas Government Code, Contractor verifies that it (i) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (ii) will not discriminate during the term of the contract against a firearm entity or firearm trade association; and

14.14 Verification No Boycott of Energy Companies. Subject to § 2274.002 Texas Government Code Consultant herein verifies that it (i) does not boycott energy companies; and (ii) will not boycott energy companies during the term of this Contract.

14.15 Force Majeure. Force majeure shall be any acts of God or the public enemy; compliance with any order, rule, regulation, decree, or request of any governmental authority or agency or person purporting to act therefore; acts of war, public disorder, rebellion, terrorism, or sabotage; floods, hurricanes, or other storms; strikes or labor disputes; or any other cause, whether or not of the class of kind specifically named or referred to herein, not within the reasonable control of the Party affected. A delay in or failure of performance of either Party shall not constitute a default hereunder nor be the basis for, or give rise to, any claim for damages, if and to the extent such delay or failure is caused by force majeure.

List of Exhibits

- A.** Scope of Services
- B.** Payment Schedule
- C** Certificates of Insurance

COLLIERS ENGINEERING AND DESIGN, INC.

CITY OF COLLEGE STATION

By: Chris Otto

By: _____

Printed Name: Chris Otto

City Manager

Date: _____

Title: Principal Associate

Date: 7/1/2025

APPROVED:

City Attorney

Date: _____

Assistant City Manager/CFO

Date: _____

EXHIBIT A
SCOPE OF SERVICES

June 17, 2025

City of College Station
Attn: Melissa Thomas
P.O. Box 9960
College Station, TX 77842

Proposal for Professional Services
Sidewalks and Shared Use Paths
Proposal No.: RFQ 25-028

Dear Ms. Thomas,

Colliers Engineering & Design, Inc. is pleased to submit this proposal to provide professional services for the Sidewalks and Shared Use Paths project. Improvements will include the extension of various sidewalk segments and three 10-foot shared use paths, three pedestrian bridges, three proposed mid-block crossings and enhancements to two existing mid-block crossings. Included in this proposal will be Survey, Geotechnical Engineering, Civil Engineering, Environmental Engineering, and additional services as described below.

This proposal is divided into three sections as follows:

Section I – Scope of Services

Section II – Technical Staff Hourly Rate Schedule and Reimbursable Expenses

Section III – Client Contract Authorization

The order in which the following scope of services are presented generally follows the sequence in which the project will be accomplished; however, depending on the project, the various authorized services contained in this proposal may be performed in a sequence as deemed appropriate by Colliers Engineering & Design to meet project schedules.

Section I – Scope of Services

Based on our conversations and information noted above, we propose to complete the following:

TASK 1: Survey Services (Subcontractor - Kerr Surveying)

ROW, Partial As-Built, and Topographic Survey

Kerr Surveying will perform a topographical survey on the ground. Topographic survey will include locating public and visible private utilities using GPS, drone, and conventional surveying equipment. Please see Sub-consultants attached proposal for a detailed scope and deliverables. Survey will be conducted along the back of curb for one selected side of each road to 10-feet outside the ROW lines and scoped areas, only including road data within curbs where the proposed path crosses the road.

TASK 2: Environmental Engineering Services

Preliminary Environmental Review

For the Shared Use Paths only, CED will prepare a preliminary environmental review summarizing potential issues identified through available GIS data and aerial imagery. These items be reviewed within and/or adjacent to the subject property dependent on resource. Along with a summary of potential environmental issues, CED will provide a table highlighting potential local, state, or federal authorizations required prior to construction along with an estimated lead time for any required items. The PER will include, but will not be limited to, the following components:

- Wetlands, Surface Waterbodies and Floodplains
- Threatened and Endangered Species and Critical Habitat
- Migratory Birds and Eagles
- Known Cultural Resources

Once identified through these initial assessments and discussions with design teams and the client, CED can provide a scope of work and fee associated with any additional environmental permitting or survey items identified during completion of this PER.

TASK 3: Geotechnical Engineering Services

We will perform a geotechnical exploration in accordance with sound engineering practice and state/local regulations to evaluate subsurface conditions for the proposed shared-use paths (SUP) and pedestrian bridges.

Email and phone correspondence from Jose H. Carmona, Jr., P.E. of Colliers Engineering & Design containing three (3) Google Earth KMZ files titled "Spring Creek Trail Ph4", "Bee Creek Trail", and "Bee Creek Tributary B Trail" were used as the basis for this proposal. We understand the project comprises the construction of a 12-foot-wide shared-use path (SUP) and pedestrian bridge crossing at three (3) separate locations:

1. **Spring Creek Trail** – A ± 0.19 -mile segment running parallel to the southwest side of Addison Ct., beginning at the current terminus of the existing SUP and extending to its intersection with Alexandria Ave. This segment provides a connection within the existing SUP network between Arrington Road and Alexandria Ave.
2. **Bee Creek Trail** – A ± 0.64 -mile alignment located along the west side of Bee Creek, starting at the existing SUP terminus on the south side of Bee Creek Park and extending southward to its intersection with Harvey Mitchell Parkway South.
3. **Bee Creek Tributary B Tail** - A ± 0.35 -mile segment beginning on the east side of the Wayne Smith Athletic Complex and extending southeast to its intersection with Southwest Parkway.

Based on our conversations and information noted above, CED will perform a preliminary geotechnical exploration at three (3) trail locations to support the preliminary evaluation of pavement improvements for areas without established pavement, as well as preliminary evaluation of three (3) sets of bridge abutments.

We will evaluate various pile capacities based on preliminary values. We have assumed less than 3 feet of fill or cut will be needed to achieve a finished grade prior to new construction. If this condition is exceeded, the boring depths below may need to be altered.

a. Engineering, General Lab Testing and Report

- Engineering

We propose a geotechnical exploration program consisting of:

- Perform desktop review/analyses to develop a strategic testing location plan;
- Field-locate exploration locations using hand-held GPS equipment. Ground surface elevations will be interpolated from available topographic plans or public domain sources;
- We have allotted up to five (5) days of drilling to explore the proposed SUPs and pedestrian bridge abutments. We anticipate up to 18 test borings can be completed in this timeframe.

Proposed SUP trails and boring locations are provided in **Appendix A** attached below.

Boring locations may be offset as needed depending on access and existing site conditions (e.g., utilities, structures, obstructions, etc.).

- Up to 12 test borings will be performed along the proposed SUP pavements, which will be advanced to depths of ± 10 feet below ground surface (BGS) or to auger refusal, whichever occurs first. Up to six (6) test borings will be performed at the proposed bridge abutments (one (1) boring at each abutment), which will be advanced up to depths of ± 40 feet BGS or a minimum of 20 feet into suitable bearing material, unless subsurface conditions dictate alternate depths, such as shallow bedrock or unsuitable bearing soils. Due to the potential presence of shallow rock in the area, we have allocated a budget for up to ± 20 linear feet of rock coring at select proposed bridge boring locations, where coring will be advanced to the proposed depth or until the Rock Quality Designation (RQD) exceeds 50%, whichever occurs first.
- General Lab Testing

Representative samples obtained from the explorations will be subjected to laboratory testing to evaluate general engineering characteristics. General lab testing will likely include, but not be limited to, natural moisture content, grain-size distribution, and Atterberg limits. Specialty laboratory testing for the three (3) SUPs and three (3) bridges will likely include, but not be limited to:

- Specialty Lab Testing for SUPs – General lab testing, California Bearing Ratios, standard proctor, and one-dimensional consolidation testing;
 - Specialty Lab Testing for Lime treated soil amendment program – General lab testing, soluble Sulfate content, pH estimation for Lime stabilization, Atterberg Lime treated Series Testing, lime treated California Bearing Ratios, and lime treated standard proctor;
 - Specialty Lab Testing for Bridge Abutments – General lab testing, California Bearing Ratios, modified proctors, one-dimensional consolidation testing, shear strength triaxial test, and Corrosion suite testing (pH, resistivity, redox, and sulfide).
- Geotechnical Report

We will prepare a geotechnical report summarizing the subsurface conditions encountered at the site. The report will include the results of the subsurface exploration program and laboratory testing, as well as geotechnical recommendations including:

- Exploration location plan,
- Individual soil profile logs, including groundwater levels,
- Laboratory test results,
- Earthwork recommendations, including suitability of on-site materials for re-use as structural fill or backfill and compaction requirements,
- Bridge foundation considerations including bearing strata, as well as corresponding capacities, including estimated settlements,
- Lateral earth pressure parameters,
- Seismic design considerations (one (1) analysis per proposed trail location, three (3) total),
- Control of surface water and groundwater,
- Pavement design parameters
- Typical pavement sections for new pavement, (one (1) analysis per proposed trail location, three (3) total recommendations) – up to 6 inches thick pavement
- Lime Treated Soil Amendment Recommendations using Lime treatment (one (1) summary per proposed trail location, three (3) total)

b. Field Engineering

The subsurface exploration program will be performed under the full-time observation of a geotechnical specialist, who will observe and log the explorations, collect soil samples, and will be acting under the direction of a licensed Professional Geotechnical Engineer.

c. Exploration Subcontractor

We will coordinate with a subcontractor to mobilize an ATV-mounted drill rig to perform up to 24 Standard Penetration Test (SPT) borings to visually classify the subsurface soils and obtain soil samples for laboratory testing.

d. Post Report Consultation and Meetings

This section of the proposal will be to provide additional engineering consultation beyond the scope of this proposal. This includes, but is not necessarily limited to, providing report revisions, additional engineering input, and participation in meetings and teleconferences, as ownership decides future courses of action.

Because it is impossible to anticipate the amount of time necessary for these services, this Task will be billed on an hourly basis in accordance with our Fee Schedule. A recommended initial budget allowance is provided in the Schedule of Fees.

TASK 4: Civil Engineering Services

a. Pedestrian Mid-Block Crosswalk Assessments

CED will evaluate existing and proposed pedestrian mid-block crosswalk locations associated with the College Station Share Use Path project. Up to six hours of pedestrian counts will be conducted at the following locations (peak pedestrian times to be confirmed with City of College Station prior to conducting counts):

- A&M Consolidated: Either upgrade components at existing crossings or propose new crosswalk location(s)
- Bee Creek Tributary B Trail extension - New mid-block crossing with refuge median on Holleman Dr near Tarrow Park
- Bee Creek Tributary B Trail extension - New mid-block crossing with refuge median on Southwest Pkwy near Southwest Park
- Bee Creek Trail extension: New mid-block crossing on Southwood Dr

Based upon the pedestrian volumes, cross street classifications, and cross sections, recommendations will be issued for the mid-block crosswalks. Recommendations may include pavement marking, signing, and/or high-level traffic control devices in accordance with the Texas Manual on Uniform Traffic Control Devices. Pedestrian hybrid beacon and RRFBs will be reviewed based on TMUTCD guidance. A technical memorandum will be prepared for all four locations detailing the applicability of pedestrian safety improvements in accordance with AASHTO, TMUTCD, FHWA, State and local standards.

b. Pedestrian Mid-Block Crosswalk Concept Plans

Concept plans will be prepared for all four mid-block crosswalk locations including recommended traffic calming, pedestrian refuge areas, pavement marking, signing and traffic control. Concept Plans will be prepared at the following locations:

- A&M Consolidated: Either upgrade components at existing crossings or propose new crosswalk location(s)
- Bee Creek Tributary B Trail extension - New mid-block crossing with refuge median on Holleman Dr near Tarrow Park
- Bee Creek Tributary B Trail extension - New mid-block crossing with refuge median on Southwest Pkwy near Southwest Park
- Bee Creek Trail extension: New mid-block crossing on Southwood Dr

The concept plans will detail the pedestrian safety improvements in accordance with AASHTO, TMUTCD, FHWA, State and local standards. Please note, should PHBs be recommended at any of the study locations, an additional services request (ASR) will be issued to design and permit the PHBs.

c. Sidewalk and Shared Use Path Design and Permitting

This task will include the preparation of civil engineering design, drawings and details, construction specifications, and opinion of probable construction costs (OPCC) of the shared use paths and sidewalks. The design of the crossings will include location of ramps, PROWAG compliance, alignment, and grading. CED will identify necessary drainage structures to improve as needed and additional fees may be requested unless the scope is included as specified below. During the 30% design phase CED will identify proposed ROW/Easement acquisition. Alignments will be finalized upon initiation of the 60% design phase and any subsequent changes requested by the City will be subject to additional fees. CED will perform necessary coordination with College Station Capital Improvements Planning group, College Station ISD, and TXDOT. CED will perform necessary coordination with utilities and will assist with relocation requests.

- Bee Creek Tributary B Trail Extension
 - 10-foot wide concrete Shared Use Path, approximately 0.33 miles
 - connect to existing trail south of Southland St and follow Bee Creek Tributary to WA Tarrow Park/Lincoln Recreation Center
 - replace existing pedestrian bridge and go over existing flume. Only one bridge will be designed.
 - proposed mid-block crossing on Holleman Dr near WA Tarrow Park, including pedestrian refuge median
 - proposed mid-block crossing on Southwest Pkwy near Southwest Park, including pedestrian refuge median
- Bee Creek Trail Extension
 - 10-foot wide concrete Shared Use Path, approximately 3,385 linear feet
 - connect to existing trail at south end of Bee Creek Park and follow Bee Creek

- maintenance shelf to existing Shared Use Path along Harvey Mitchell Pkwy
 - proposed pedestrian bridge
 - proposed mid-block crossing at Southwood Dr
- Spring Creek Trail Extension (Phase 4)
 - 10-foot wide concrete Shared Use Path, approximately 1,000 linear feet
 - connect to existing trail behind SoCo at Tower Point Apartments and continue along Spring Creek to existing sidewalk at Alexandria Ave
 - proposed pedestrian bridge
- Sidewalk Segments
 - Timber St
 - 8-foot wide (6-foot min.) concrete sidewalk, approximately 869 linear feet
 - connect Oakwood Intermediate School driveway to Park Place following the north curb line
 - Nueces Dr
 - 6-foot wide concrete sidewalk with 4-foot buffer, approximately 465 linear feet
 - connect A&M Consolidated High School driveway to Harvey Mitchell Parkway following the south/west curb line
 - Welsh Ave
 - evaluation area is approximately 712 linear feet
 - Mid-block crossing enhancements at A&M Consolidated High School
 - Foster Ave
 - 6-foot wide concrete sidewalk with 4-foot buffer, approximately 528 linear feet
 - connect Lincoln Ave to Walton Dr following the south/west curb line and meander through Eastgate Park
 - Walton Dr
 - 8-foot wide concrete sidewalk or 6-foot wide with 4-foot buffer, approximately 2,629 linear feet
 - connect Foster Ave to Puryear Dr following the north/west curb line
 - connect Nunn St to Francis Dr following the north curb line
 - George Bush Dr East
 - 8-foot wide concrete sidewalk, approximately 671 linear feet
 - connect Dominik Dr to University Oaks Blvd
 - extend existing drainage culvert
 - Dexter Dr South
 - 8-foot wide (5-foot min.) concrete sidewalk, approximately 1,297 linear feet
 - connect Winding Rd to Haines Dr/Gabbard Park following the north/east curb line
 - Ash St
 - 6-foot wide concrete sidewalk with 4-foot buffer, approximately 390 linear feet
 - connect Eisenhower St to Nimitz St following the north/west curb line

- *Civil Engineering Design* – This sub-phase will include the required effort to perform the design of the sidewalk segments and Shared Use Path extensions to include alignments, ramps, crosswalks, select drainage improvements, and grading. CED will coordinate with 811 and the City of College Station to locate existing infrastructure. CED will coordinate with private land owners to identify private irrigation systems and private drainage systems. CED will evaluate existing driveway and street apron grades to determine the extent of replacement necessary to meet ADA requirements.
 - General Sheets including Cover, Notes, Summary of Quantities, Survey Control, Project Layout, Typical Sections, Demolition Plan, Temporary Erosion Control Plan
 - Paving and Grading Sheets including Plan only for Sidewalks, Plan and Profiles for Shared Use Paths (CED will include extension and/or replacement of existing public and private drainage improvements, however because it is impossible to anticipate the amount of time necessary for these services, an initial allowance is provided but additional fees may be requested)
 - Striping and Signage Sheets with Crosswalks and Mid-Block Crossing Layouts (signalization design not included unless chosen as an additional service upon completion of the Assessments)
 - Layout Sheets for Prefabricated Pedestrian Bridges.
 - Design details for substructure and foundation components of prefabricated pedestrian bridges. The basis of the substructure and foundation design will be influenced by bearing loads provided by the bridge manufacturer. It is assumed that the structural engineering of the bridges' superstructure above abutment structures will be provided by the bridge manufacturer, this includes any bearing components like elastomeric pads that interface between the superstructure steel and concrete abutments.
 - Standard Details including B/CS Unified Construction Details and TxDOT Details
 - Specialty Details (because it is impossible to anticipate the amount of time necessary for these services, an initial allowance is provided but additional fees may be requested)
- *Opinion of Probable Construction Costs (OPCC)* – This sub-phase will include the preparation quantity take-offs per the proposed design, determination of unit prices for each quantity line item, and an estimate of the construction cost for each item. The total sub-costs for each item will be tallied and totaled providing an estimate of the total construction cost for the proposed road improvements.
- *Project Manual* – This sub-phase will include the required effort to complete a set of construction specifications for the proposed improvements. The specifications will identify construction standards which will define the quality of proposed improvements.
- *QA/QC* - Quality assurance and quality control processes will be integral to this phase involving systematic review and testing of design elements to ensure compliance with standards, accuracy, and safety, while also identifying and rectifying any errors or

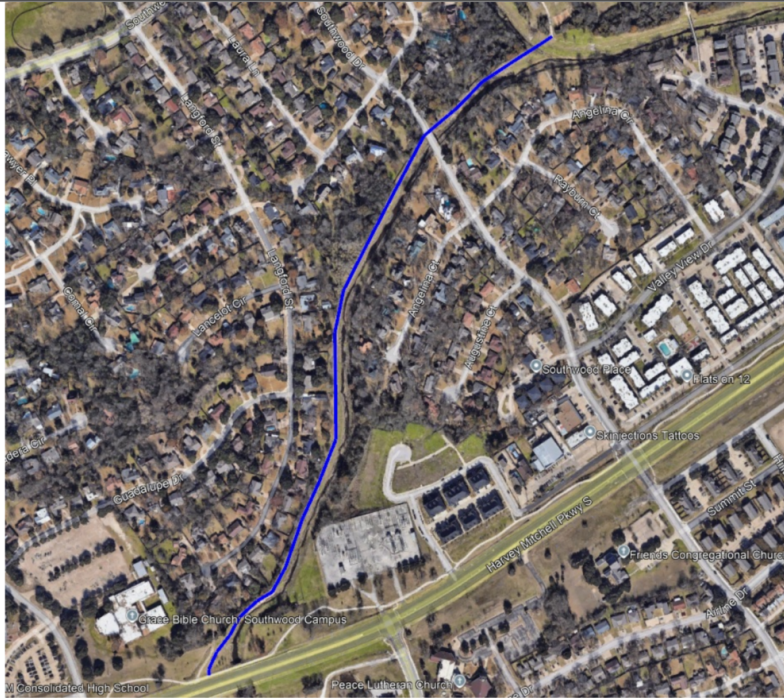
inconsistencies in the design process.

- *Meetings* – CED will hold meetings with the City of College Station staff to review and discuss the design at applicable milestones. Also, CED will hold meetings with TxDOT, CSISD, and College Station Utilities at applicable milestones to discuss coordination items with staff.
- *Permitting* – This item refers to preparing forms and procedures for permitting new sidewalks and SUP's adjacent to existing TxDOT highway and existing utilities. We will identify relevant local and state regulatory requirements then, compile and complete necessary forms, including detailing sidewalk design, environmental impacts, and utility integration, followed by submitting them for construction approval.
- *Bid Phase Services* –CED will prepare a bid package and assist the Project Manager in advertising the project for award to a contractor. CED will prepare the bid documents, attend a pre-bid conference and provide written responses to College Station to post through purchasing department with Addendum, as necessary. CED will evaluate the submitted bids for completion and accuracy. CED will also compare the bid against the OPCC to identify any bid items that appear to be significantly higher or lower than anticipated and evaluate potential rational for these bid items. CED will then prepare a bid tabulation summarizing bid results. CED will provide a recommendation to award to the most qualified bidder whose package was deemed responsive. CED will provide a bid tabulation and recommendation of award for the contract.
- *Construction Phase Service*
If requested, CED will perform the following construction phase services:
 - Attend site meetings to review progress of work as requested by the City or general contractor;
 - Make timely modifications and adjustments to improvement plan as determined necessary by site conditions;
 - Provide clarification to Contractors/Client pertaining to construction documents and design intent on construction documents;
 - Provide electronic data as requested by construction survey crew;
 - Provide other miscellaneous services that may be required during construction phase.

All work under this task will be billed on an Hourly Not-to-Exceed basis. If additional hours are required, the Client will be made aware of the situation and an additional budget will be requested at that time.

Additional Services:

Electrical Engineering and Lighting Design Services



Aerial of Portion of Bee Creek Trail, approximately $\frac{3}{4}$ Mi.



Aerial of portion of Bee Creek Trail Tributary, approximately ½ Mi.



Aerial of portion of Spring Creek Trail, approximately a ¼ mile

Images provided above shows locations and boundary of proposed power and lighting design for the lights along the blue line.

- Review existing documentation that shall be provided from City of College Station, CSU, Survey, City of College Station and Local Utility group to verify existing power sources for the Trailway lighting and circuitry.
- Coordinate power connection points with the local Electrical provider in the area and show connection points on the site electrical drawing for the Trail way lights.
- Provide electrical site drawings showing the design of power circuitry for the pedestrian Trailway lighting.
- Design the power circuitry, conduit and controls for the Roadway lighting show in the above image from the current Civil Trail way plan. Conduit routing to be shown on Electrical drawings and referenced into civil drawings.
- The Trail way light fixture shall be based on standard pedestrian lighting design from City of College Statin input. The Lighting design, layout and photometric calculations are to be by the Electrical group but will be coordinated with to show power connection and circuitry locations.
- Specifications shall be spec on drawing with notes on drawing.
- Provide a Texas, PE signed and sealed Electrical drawings for areas noted above.

Construction Materials Testing (Subcontractor - Terracon)

Field Services – Terracon's approach to providing materials engineering services is to assign qualified engineering technicians, directed by Professional Engineers licensed in the state of Texas, to perform the requested testing and observations for your project. The technicians assigned to the project will be qualified and equipped to perform the following field services:

Earthwork Observation and Testing –

- Sample sidewalk subgrade and chemically treated shared use path subgrade material. Prepare and test the samples for Atterberg Limits (ASTM D4318) and Percent Passing the No. 200 Sieve for classification in accordance with USCS. Recommended one test per 500 cubic yards (or 10,000 square feet) for every one foot of fill. Prepare and test soil samples for moisture-density relationship in accordance with ASTM D698 (or applicable procedure).
- Perform stabilization evaluation of subgrade soil for proposed chemically treated shared use path subgrade.
- Perform field gradation tests of chemically stabilized shared use path subgrade.
- Perform density tests of the sidewalk subgrade and chemically treated shared use path subgrade using the nuclear method (ASTM D6938) to determine the moisture content and percent compaction of the soil materials.
- Upon meeting compaction and moisture requirements, perform depth checks of chemically stabilized shared use path subgrade.

Cast-in-Place Concrete Observations and Testing –

- Sample and test the fresh concrete for each mix. Perform tests including slump, air content, unit weight, concrete temperature, and cast test specimens (ASTM C31, C138, C143, C172,

C173, and C1064). Per ACI 301, the contractor shall provide a secure area, along with a source of water and electricity in order for Terracon to maintain the initial curing temperature of concrete cylinders (or beams). Failure of the contractor to provide these items may result in an exclusion of Terracon being able to provide the correct initial curing environment as required by ASTM C31. Additional costs are associated with Terracon providing the correct initial curing environment for cylinders and beams and should be discussed during the pre-construction meeting.

- Concrete will be sampled at a frequency of 1 set of test cylinders every 50 cubic yards for shared use path and sidewalk concrete. Terracon requests that a copy of the approved mix design(s) be provided to us prior to placement of the concrete.
- Perform compressive strength tests of concrete test cylinders cast in the field (ASTM C1231, C39). Five 4" x 8" concrete cylinders will be prepared for structural concrete having nominal size aggregate of 1¼" or less. One cylinder will be tested at 7 days, three cylinders will be tested at 28 days and one cylinder will be marked for a 56-day HOLD.
- ACI 301 and ACI 318 requires that concrete-field related reports be submitted to the concrete supplier. We will add the concrete supplier to the distribution list requested in Section C of this proposal.

Project Management/ Administration – A project manager will be assigned to the project to review the daily activity and assist in scheduling the work. Field and laboratory tests will be reviewed prior to submittal. The project manager will monitor the project budget and will oversee the preparation of the final letter and daily reports.

Final Letter – If requested, a final letter will be prepared upon completion of our services. The letter will list services we performed and if our results and/or observation were in compliance. A copy of our test reports will be available with the final letter if requested.

Scheduling Retests – It is the responsibility of your representative to schedule retests in a like manner to scheduling our original services. Terracon shall not be held responsible for retests not performed as a result of a failure to schedule our services or any subsequent damage caused as a result of a lack of retesting.

Additional Services – If you would like us to perform additional work, please contact us and we will issue a short Supplement to Agreement form, or Supplemental Proposal, that outlines the additional work to be performed and associated fees. To authorize us to begin work, you simply return a signed copy of the Supplemental agreement.

Exclusions, Notes and Understandings

A. Civil Engineering Services

Exclusions:

Services relating to the following items are not anticipated for the project or cannot be quantified at this time. Therefore, any service associated with the following items is specifically excluded from the scope of professional services within this agreement.

Project-specific traffic control plan(s) or construction phasing;

Signalization;

Retaining Walls greater than 4 feet tall;

Drainage Analysis;

Drainage Structures and Improvements unless specifically included in the scope above;

CED will not conduct an independent check nor assume any design ownership of the pre-manufactured bridge superstructures made by their manufacturer.

Designs related to contractor means and methods including but not limited to construction phasing or support of excavation is not part of the CED's scope of work.

Design of support of excavations assumed to be contractor's means and methods and is not part of CED's scope of work.

B. Electrical Engineering and Lighting Design Services

Exclusions:

Services relating to the following items are not anticipated for the project or cannot be quantified at this time. Therefore, any service associated with the following items is specifically excluded from the scope of professional services within this agreement.

AutoCAD backgrounds of the roadway, lighting layouts and existing utilities shall be provided by Transportation / Civil group and survey performed by others.

Services not specifically outlined in Section I – Scope of Services;

Bidding and Construction support services are not included unless outlined above;

Design and construction meetings are not included.

Site visits are not included in this proposal.

Submission and presentations at City and public Meetings are not included.

This design proposal does not include power, conduit or wiring design from any signal pedestals or devices downstream.

Design of station and offset of electrical elements shall be by Civil and Transportation roadway group. The design of these elements is not included in this proposal but will be referenced from the Civil design.

Existing electrical distribution and equipment serving existing lighting is assumed to have enough capacity for new work and space for any new circuits to accommodate new lighting design. No modifications to existing electrical equipment or service will be required. Circuitry shall come from local Utility power sources.

Design of Emergency or back up powered lights by battery, UPS, or generator is not included in this proposal.

Design of Utility poles is not included in this proposal.

Lighting Circuitry design is for underground in conduit not aerial conductors.

It is anticipated that the "work area" will be limited to the area indicated by image on page 1 of this proposal. Areas with existing lighting as excluded from this proposal. The Design will integrate with the existing lighting but not modify.

No parking lot or building lighting design is included in this proposal.

Light pole structural design is by Others.

Photometric calculations are included in this proposal.

An Arc Flash, Short Circuit and Coordination study is not included in this proposal.

Construction meetings and onsite inspection of construction activities & certifications are not included for the Electrical team.

No cost estimation services are included in this proposal.

Division 26 electrical specifications for the design elements shall be provided by spec on drawing. Specification sections outside of Division 26 are not included.

All required permit application, review and escrow fees to be paid by Contractor.

Any legal descriptions for any required easements is not included in this scope.

C. Geotechnical Engineering Services

General Geotechnical Procedures:

The subcontractor shall be responsible for requesting public utility markouts; however, the client shall be responsible for providing us with available information for private on-site utilities. If such utility information is not available, we recommend that subsurface utility locate services for private utilities be performed, which is excluded from the scope of this proposal. Regardless of the level of effort to identify and locate existing utilities, we cannot be held responsible for damage to utilities that are not marked, incorrectly marked, or otherwise not physically exposed by Level 'A' locating techniques.

Due to the nature of the work, some disturbance and settlement should be anticipated at and between the exploration locations. It will be the option of the client to maintain the grade at each test location should settlement occur. In particular, the drilling equipment may leave track marks and ruts in unvegetated areas. Repair of these areas is not included in the cost of this proposal and will need to be provided by others.

The Client will provide any available project information as it relates to the services provided herein. The client agrees to indemnify, hold harmless, and defend Colliers Engineering & Design and any of Colliers Engineering & Design 's employees from and against all loss, injury, damage, and legal liability, including attorney's fees and other costs of defense arising out of any structural damage, utility damage, or boring settlement.

The test borings will each be advanced utilizing solid-stem or hollow-stem auger. Soil samples will be obtained from within the borehole by means of a standard two-inch outside-diameter split spoon sampler advanced in accordance with ASTM Designation D-1586 for the Standard

Penetration Test. Rock core samples will be obtained using wireline rock coring techniques in accordance with ASTM D2113.

Soil samples will be classified in the field and transported to our office for further review and evaluation, as necessary. The samples will be stored for a period of 60 days from the date of our report, unless otherwise negotiated with the Client.

Notes and Assumptions:

The fees for field tasks are based on 8 hours/day, non-union, non-prevailing wage. We will notify you if additional field time is required to complete the work herein.

As stated herein, this proposal assumes that each of the proposed trail locations will be awarded together and generally performed in successive order to minimize mobilization costs and field time.

Unrestricted access to the subject property will be provided by the Client on the dates and times requested.

The exploration locations are accessible to all-terrain-vehicle-mounted drilling equipment.

We will evaluate various pile capacities based on preliminary values. We have assumed less than 3 feet of fill or cut will be needed to achieve finished grade prior to new construction. If these conditions are exceeded, the boring depths described herein may need to be altered.

It is assumed that exploration locations will be accessible without the need to clear trees or vegetation. Additional charges will apply should clearing and/or remobilization be required to access boring locations. We will notify the Client if this requirement is identified, as work proceeds.

We will attempt to complete the proposed work in the anticipated time frame. Should delays prevent completion of the proposed scope of services as planned, we will contact the Client to discuss options for extending field time.

Exclusions:

Services relating to the following items are not anticipated for the project or cannot be quantified at this time. Therefore, any service associated with the following items is specifically excluded from the scope of professional services within this agreement.

Services not specifically outlined herein;

Professional survey of exploration locations and elevations;

Location of private utilities,

Export, containerizing, and/or disposal of excess soil cuttings;

Testing and analysis for stormwater infiltration and design;

Any restoration of exploration locations, other than backfilling with excavated spoils;

Delays due to site access restrictions;

Repair of incidental site disturbances associated with performance of the services described herein;

The cost and acquisition of any necessary permits.

Determination of seismic site classification via shear wave velocity profiling, site specific response spectrum, etc. If determined to be appropriate by the structural engineer, these services can be performed for an additional fee (to be determined);

Laboratory testing beyond what is described herein, but which may be warranted due to subsurface conditions encountered. Should the need for such testing be identified, we will contact the Client to discuss options and pricing for such testing, if needed;

Any exploratory or testing work, interpretations, or conclusions related to the determination of potential environmentally impacted materials on site; and

Personnel on site will utilize Level D personal protective equipment (PPE) (hard hats, steel-toed boots, eye protection, etc.). Higher levels of PPE (respirators, chemical resistance, etc.), site specific training/orientation classes, and site-specific Health and Safety Plans (HASP) can be provided for an additional fee.

If an item listed herein, or otherwise not specifically mentioned within this agreement, is deemed necessary, Colliers Engineering & Design may prepare an addendum to this agreement for your review, outlining the scope of additional services and associated professional fees regarding the extra services.

Section III – Client Contract Authorization

I hereby declare that I am duly authorized to sign binding contractual documents. I also declare that I have read, understand, and accept this contract.

~~Signature _____ Date _____
Printed Name _____ Title _____~~

If you find this proposal acceptable, please sign where indicated above in Section III, and return one signed copy to this office. **Payment terms are NET30 of receipt of invoice.** This proposal is valid until (60 days per business terms).

We very much appreciate the opportunity of submitting this proposal and look forward to performing these services for you.

Sincerely,

Colliers Engineering & Design, Inc.



Jose H. Carmona, Jr. P.E.
Department Manager

keb

cc: Leonardo E. Ponzio, PLS, Colliers Engineering & Design (via email)

Document1

Preliminary Project Schedule
City of College Station
Sidewalks and Shared Use Paths
Design and Bidding Phase

[illegible]

April 24, 2025

Mr. Jose H. Carmona, Jr., P.E.
Colliers Engineering & Design
3091 University Drive East Suite 320
Bryan, Texas 77802

Re: City of College Station Prefabricated Steel Pedestrian Bridges

Dear Mr. Carmona:

We are pleased to provide you with this proposal for professional engineering services for the referenced project. The proposal includes the following three (3) pedestrian bridges:

- Bee Creek Trail
- Bee Creek Tributary B Trail
- Spring Creek Trail

The distance between the top of banks ranges from approximately 50 to 90 feet therefore these bridges will have single prefabricated steel truss spans supported on reinforced concrete abutments.

I. Scope of Work:

Aguirre & Fields will provide the following services:

- Basic Services: Phase I – Preliminary Design
 - Coordinate with Colliers Engineering to determine bridge clear width and span length
 - Contact Contech to obtain bridge reactions for substructure design
 - Prepare Bridge layout
- Basic Services; Phase II – Final Design
 - Prepare 90%, and 100% Bid Ready Plans
 - Prepare specifications
 - Prepare Engineer's Cost Estimate
- Basic Services: Phase III – Construction Phase Services
 - Review Shop Drawings
 - Review lab test results for conformance with specifications
 - Respond to RFIs
 - Prepare Record Drawings

II. Fee: See Exhibit A Fee Estimate

The total lump sum fee is \$110,983.00

III. Schedule

- Phase I – Preliminary Bridge Layouts within six (6) weeks from receiving notice-to-proceed
- Phase II – 90% plans within eight (8) weeks from receiving approval of Bridge Layouts
- Phase II – 100% Bid Ready Plans within three (3) weeks from receiving comments for 90% plans submittal

Please contact me at 281-207-2075 or email me at mahsa.arastoo@aguirre-fields.com if you have any questions.

Sincerely,



Mahsa Arastoo, P.E.

Attachments: Exhibit A Fee Estimate

EXHIBIT A - FEE SCHEDULE
City of College Station Prefabricated Steel Truss Pedestrian Bridges
Bee Creek Trail, Bee Creek Tributary B, Spring Creek Trail

Aguirre & Fields, LP

TASK DESCRIPTION	Project Manager	Senior Bridge Engineer	Project Engineer	EIT I	Engineering Technician	Admin Clerical	TOTAL LABOR HRS & COSTS
LABOR RATE PER HOUR	\$335.00	\$298.00	\$208.00	\$131.00	\$101.00	\$101.00	
TOTAL							\$110,983.00
PHASE I: BRIDGE LAYOUTS							\$33,704.00
FIELD VISIT		6	6	6			18
COORDINATE BRIDGE GEOMETRY WITH PRIME	2	8	8				18
COORDINATE WITH CONTECH BRIDGE FABRICATOR FOR BRIDGE REACTIONS	2	9	19				30
PREPARE (3) PRELIMINARY BRIDGE LAYOUTS (3 SHEETS)	4	12	32	48			96
PHASE II: FINAL DESIGN							\$58,364.00
PREPARE SUBMITTALS (90%, 100%)	2	4	4		8		18
PREPARE BORE LOG SHEETS					3		3
PREPARE ABUTMENT DETAILS (6 SHEETS)	4	20	32	60			116
DESIGN FOUNDATIONS AND PREPARE DETAIL SHEET (3 SHEETS)	2	8	16	32			58
PREPARE FINAL BRIDGE LAYOUTS (3 SHEETS)	4	6	9	29			48
PREPARE APPROACH DETAIL SHEET (3 SHEETS)	2	4	9				15
PREPARE BRIDGE SPECIFICATIONS	2	8	12				22
PREPARE ENGINEER'S COST ESTIMATE	2	2	6	12			22
PHASE III: CONSTRUCTION PHASE SERVICES							\$18,915.00
REVIEW SHOP DRAWING SUBMITTALS	2	12	18	25			57
RESPOND TO RFIs	2	4	8	8			22
PREPARE RECORD DRAWINGS	1	2	4		13		20

FROM

Kerr Surveying, LLC
1718 Briarcrest Drive
Bryan, TX 77802

TO

Colliers Engineering & Design
3091 University Dr E #320
Bryan, TX 77802

PROPOSAL

DATE: June 5, 2025

Project Name: City of College Station Sidewalk Project

Terms of Payment: Invoice Upon Completion

Estimated Timeframe: 2-4 weeks per project

Cost: \$119,500

Proposal Number: 14646

Thank you for the opportunity to submit a proposal for the City of College Station Sidewalk Project. Listed below is our scope of services along with the associated cost for each. We anticipate having deliverables ready in approximately 2-4 weeks per project from notice to proceed. Ker Surveying will issue our invoice upon the completion and submittal of the survey documents. Any work outside of the Scope of Services listed below or in excess of the proposed estimate will be billed hourly according to the attached Hourly Rate Sheet.

Scope of Work: ROW, Partial As-Built, and Topographic Survey for Roadway (as per Engineer's Scope Request/Exhibit)

1. Ash Street = \$3,500
2. Bee Creek Trail = \$26,500
3. Bee Creek Tributary B Trail = \$21,500
4. Dexter Drive = \$11,000
5. Foster Drive = \$4,000
6. George Bush Drive = \$5,000
7. Nueces Drive = \$4,000



1718 Briarcrest Drive., Bryan, TX 77802

www.kerrlandsurveying.com

(979) 268-3195

8. Spring Creek Trail Phase 4 = \$8,000
9. Timber Street = \$7,000
10. Walton Drive (to Foster) = \$10,000
11. Walton Drive (to Francis) = \$11,000
12. Welsh = \$6,000
13. 2 Standard Land Surveys for ROW Takings = \$2,000

Deliverables:

- *12 Topographic Survey Plats with PDF, .dwg, .tin, and .txt (ASCII) deliverables*
 - *Horizontal Datum: NAD83*
 - *Vertical Datum: NAVD88, GEOID12B (Geoid), GRS80 (Ellipsoid)*
- *2 Standard Land Survey Exhibits and Metes and Bounds for ROW Takings*

Included Scope:

- *1' contours (per NAVD88 datum)*
- *Topographic data extending:*
 - *Along the (northern, southern, eastern, and western) back of curb for the (north, south, east, and west) side of the road*
 - *10' outside the ROW lines and scoped areas (based on the exhibits and kmz files provided by Colliers on 3/21/2025)*
 - *Note: No topographic or as-built data within the back of curbs of roads unless the path crosses the road in question*
- *Data collection methods: GPS, drone, and conventional surveying equipment*
- *Spot elevations at street intersections, curbs, crowns of roads, etc.*
- *ROW determinations and Parcel Boundary Determinations*
- *Location of:*
 - *Above-ground structures, man-made and natural features*
 - *Floor elevations and finish floor elevations at building entrances (if applicable within scope)*
 - *Water and gas utilities (depth excluded)*
 - *Fire hydrants, including the size of the main serving each hydrant*
 - *Tops of manholes, corners of storm inlets, corners of headwalls, and flow lines of drainage ditches/open storm inlets*



- *Trees ≥ 6 inches in diameter and substantial shrubs (e.g., crape myrtles), including species name, caliper (in inches), and canopy width*
- *~4-10 Temporary Control/Benchmarks near each site for future construction use*
 - *Includes horizontal and vertical datum for all control points*

Excluded Scope:

- *Certification to title reports*
- *Metes and bounds descriptions/exhibits for any purpose*
- *Topographic data outside of the limits provided by Colliers Engineering*
- *FEMA flood map data for 100-year and 500-year floodplains (1% and 0.2% annualized potential)*
- *Attendance at project kickoff meetings with City of College Station staff*
- *Contracting/location of pothole locations*
- *Utility marking coordination outside of 811 requests*
 - *Note: Utility providers are often non-responsive to requests. The Client should handle utility marking coordination and may need to engage private utility locators.*

Timeline:

2-4 weeks per project depending on certain conditions; subject to change based on utility marking and availability of pertinent information to Kerr Surveying.

Hourly Rates:

Survey Crew	\$185.00 per hour
Research Assistant	\$75.00 per hour
Project Manager/CAD Tech	\$155.00 per hour
Senior Project Manager	\$175.00 per hour
Staff R.P.L.S.	\$190.00 per hour
Principal R.P.L.S.	\$250.00 per hour



Kerr Surveying, LLC
Accepted and Agreed:

By: _____
Name: _____
Its: _____
Date: _____

Colliers Engineering & Design
Accepted and Agreed:

By: _____
Name: _____
Its: _____
Date: _____



Field Services Terracon's approach to providing materials engineering services is to assign qualified engineering technicians, directed by Professional Engineers licensed in the state of Texas, to perform the requested testing and observations for your project. The technicians assigned to the project will be qualified and equipped to perform the following field services:

Earthwork Observation and Testing

- a) Sample sidewalk subgrade and chemically treated shared use path subgrade material. Prepare and test the samples for Atterberg Limits (ASTM D4318) and Percent Passing the No. 200 Sieve for classification in accordance with USCS. Recommended one test per 500 cubic yards (or 10,000 square feet) for every one foot of fill. Prepare and test soil samples for moisture-density relationship in accordance with ASTM D698 (or applicable procedure).
- b) Perform stabilization evaluation of subgrade soil for proposed chemically treated shared use path subgrade.
- c) Perform field gradation tests of chemically stabilized shared use path subgrade.
- d) Perform density tests of the sidewalk subgrade and chemically treated shared use path subgrade using the nuclear method (ASTM D6938) to determine the moisture content and percent compaction of the soil materials.
- e) Upon meeting compaction and moisture requirements, perform depth checks of chemically stabilized shared use path subgrade.

Cast-in-Place Concrete Observations and Testing

- a) Sample and test the fresh concrete for each mix. Perform tests including slump, air content, unit weight, concrete temperature, and cast test specimens (ASTM C31, C138, C143, C172, C173, and C1064). Per ACI 301, the contractor shall provide a secure area, along with a source of water and electricity in order for Terracon to maintain the initial curing temperature of concrete cylinders (or beams). Failure of the contractor to provide these items may result in an exclusion of Terracon being able to provide the correct initial curing environment as required by ASTM C31. Additional costs are associated with Terracon providing the correct initial curing environment for cylinders and beams and should be discussed during the pre-construction meeting.
- b) Concrete will be sampled at a frequency of 1 set of test cylinders every 50 cubic yards for shared use path and sidewalk concrete. Terracon requests that a copy of the approved mix design(s) be provided to us prior to placement of the concrete.
- c) Perform compressive strength tests of concrete test cylinders cast in the field (ASTM C1231, C39). Five 4" x 8" concrete cylinders will be prepared for structural concrete having nominal size aggregate of 1¼" or less. One cylinder will be tested at 7 days, three cylinders will be tested at 28 days and one cylinder will be marked for a 56-day HOLD.
- d) ACI 301 and ACI 318 requires that concrete-field related reports be submitted to the concrete supplier. We will add the concrete supplier to the distribution list requested in Section C of this proposal.

Proposal for Construction Materials Testing Services

College Station – Shared Use Paths and Sidewalks ■ College Station, Texas

April 3, 2025 ■ Terracon Proposal No. PA1251052



Project Management/ Administration

A project manager will be assigned to the project to review the daily activity and assist in scheduling the work. Field and laboratory tests will be reviewed prior to submittal. The project manager will monitor the project budget and will oversee the preparation of the final letter and daily reports.

Final Letter

If requested, a final letter will be prepared upon completion of our services. The letter will list services we performed and if our results and/or observation were in compliance. A copy of our test reports will be available with the final letter if requested.

Scheduling Retests

It is the responsibility of your representative to schedule retests in a like manner to scheduling our original services. Terracon shall not be held responsible for retests not performed as a result of a failure to schedule our services or any subsequent damage caused as a result of a lack of retesting.

Additional Services

If you would like us to perform additional work, please contact us and we will issue a short Supplement to Agreement form, or Supplemental Proposal, that outlines the additional work to be performed and associated fees. To authorize us to begin work, you simply return a signed copy of the Supplemental agreement.

Fee Estimate

Materials Services

College Station - Shared Use Paths and Sidewalks Terracon Proposal No. PA1251052

DESCRIPTION	RATE	QUANTITY	UNITS	TRIPS	TOTAL QUANTITY	TOTAL
Laboratory						\$ 30,705.00
General Fill						\$ 14,580.00
Standard Proctor (ASTM D698)	\$ 250.00	36	tests	1	36	\$ 9,000.00
Atterberg Limits Determination (3 pt.) (ASTM D4318)	\$ 80.00	36	tests	1	36	\$ 2,880.00
Sieve Analysis (Washed over #200 sieve) (ASTM D6913)	\$ 75.00	36	tests	1	36	\$ 2,700.00
Lime Treated Subgrade						\$ 16,020.00
Standard Proctor (ASTM D698)	\$ 250.00	36	tests	1	36	\$ 9,000.00
Atterberg Limits Determination (3 pt.) (ASTM D4318)	\$ 80.00	42	tests	1	42	\$ 3,360.00
Lime Series	\$ 300.00	5	tests	1	5	\$ 1,500.00
pH Testing	\$ 60.00	36	tests	1	36	\$ 2,160.00
Concrete						\$ 105.00
Compressive Strength of 4" x 8" Cylinder (ASTM C39)	\$ 105.00	1	tests	1	1	\$ 105.00
Earthwork						\$ 24,730.00
General Fill - Sample Pickup						\$ 3,075.00
Engineering Technician	\$ 80.00	2	hours	15	30	\$ 2,400.00
Vehicle Charge	\$ 45.00	1	trips	15	15	\$ 675.00
General Fill - Density Testing						\$ 10,375.00
Sr. Engineering Technician	\$ 90.00	3	hours	25	75	\$ 6,750.00
Nuclear Gauge (Equipment)	\$ 100.00	1	days	25	25	\$ 2,500.00
Vehicle Charge	\$ 45.00	1	trips	25	25	\$ 1,125.00
Lime Treated Subgrade - Density Testing & Depth Checks						\$ 6,060.00
Engineering Technician	\$ 80.00	3	hours	12	36	\$ 2,880.00
Nuclear Gauge (Equipment)	\$ 100.00	1	days	12	12	\$ 1,200.00
Lime Treated Subgrade Depth Check	\$ 40.00	3	each	12	36	\$ 1,440.00
Vehicle Charge	\$ 45.00	1	trips	12	12	\$ 540.00
Lime Treated Subgrade - Gradation & Pickup						\$ 5,220.00
Sr. Engineering Technician	\$ 90.00	3	hours	12	36	\$ 3,240.00
Sieve/Gradation	\$ 40.00	3	each	12	36	\$ 1,440.00
Vehicle Charge	\$ 45.00	1	trips	12	12	\$ 540.00
Concrete						\$ 33,000.00
Site & Paving - Concrete Testing						\$ 19,470.00
Engineering Technician	\$ 80.00	3	hours	66	198	\$ 15,840.00
Vehicle Charge	\$ 45.00	1	trips	66	66	\$ 2,970.00
Initial Curing Environment	\$ 10.00	1	trips	66	66	\$ 660.00
Site & Paving - Concrete Sample Pickup						\$ 13,530.00
Engineering Technician	\$ 80.00	2	hours	66	132	\$ 10,560.00
Vehicle Charge	\$ 45.00	1	trips	66	66	\$ 2,970.00
Project Management						\$ 17,900.00
Proposal , Project Setup & Project Management						\$ 17,900.00
Assistant Project Manager	\$ 110.00	60	hours	1	60	\$ 6,600.00
Lab Manager	\$ 130.00	10	hours	1	10	\$ 1,300.00
Project Manager	\$ 150.00	60	hours	1	60	\$ 9,000.00
Sr. Manager (APR)	\$ 200.00	5	hours	1	5	\$ 1,000.00
Total						\$ 106,335.00

EXHIBIT B PAYMENT TERMS

Compensation is based on **actual** hours of work/time devoted to providing the described professional services. The Consultant will be paid at a rate of \$See Attached per hour, or at the rates per service or employee shown below. The City will reimburse the Consultant for **actual**, non-salary expenses at the rate of Zero percent (0%) above the Consultant's actual costs, or at the rates set forth below. Unless amended by a duly authorized written change order, the total payment for all invoices on this job, including both salary and non-salary expenses, shall not exceed the amount set forth in paragraph 2.01 of this Contract: (\$849,049.67).

The Consultant must submit **monthly** invoices to the City, accompanied by an explanation of charges, professional fees, services, and expenses. The City will pay such invoices according to its normal payment procedures.

See rate schedule fee for per project cost break down.

Delivery, mileage, printing and reproduction, overnight mail service and postage costs are not included in the fees and will be added to each monthly invoice. CED estimates the Reimbursable expenses in the amount of \$10,000. Payment terms are NET30 of receipt of invoice.

Schedule of Fees

For your convenience, we have broken down the total estimated cost of the project into the categories identified within the scope of services.

Sidewalks	Fee (Hourly not to exceed)
Task 1: Survey Services (Subcontractor)	\$69,850
Task 2: Geotechnical Engineering Services (Excluded)	
Task 3: Environmental Engineering Services (Excluded)	
Task 4: Civil Engineering Services – 30% Design Phase	\$55,081.25
Task 5: Civil Engineering Services – 60% Design Phase	\$32,065.00
Task 6: Civil Engineering Services – 90% Design Phase	\$21,457.50
Task 7: Civil Engineering Services – Final Design and Bid Phase	\$17,520.00
Task 8: Construction Phase Engineering Services and Project Closeout	\$5,300.00
Total	\$201,273.75

Bee Creek Tributary B Shared Use Path	Fee (Hourly not to exceed)
Task 1: Survey Services (Subcontractor)	\$23,650.00
Task 2: Geotechnical Engineering Services	\$21,913.91
2.1a Engineering and Report	\$7,086.25
2.1b General Lab Testing (Subcontractor)	\$6,276.10
2.2 Field Engineering	\$3,470.00
2.3 Drilling (Subcontractor)	\$4,569.06
2.4 Post Report Consultation and Meetings	\$512.50
Task 3: Environmental Engineering Services	\$2,000
Task 4: Civil Engineering Services – 30% Design Phase	\$36,216.25
Task 5: Civil Engineering Services – 60% Design Phase	\$16,167.50
Task 6: Civil Engineering Services – 90% Design Phase	\$12,527.50
Task 7: Civil Engineering Services – Final Design and Bid Phase	\$10,607.50
Task 8: Construction Phase Engineering Services and Project Closeout	\$2,980.00
Task 9: Structural Engineering Services (Subcontractor)	\$40,693
Total	\$166,755.66

Bee Creek Shared Use Path	Fee (Hourly not to exceed)
Task 1: Survey Services (Subcontractor)	\$29,150.00
Task 2: Geotechnical Engineering Services	\$42,510.23
• 2.1a Engineering and Report	\$13,741.25
• 2.1b General Lab Testing (Subcontractor)	\$12,195.52
• 2.2 Field Engineering	\$6,670.00
• 2.3 Drilling (Subcontractor)	\$8,878.46
• 2.4 Post Report Consultation and Meetings	\$1,025.00
Task 3: Environmental Engineering Services	\$2,000
Task 4: Civil Engineering Services – 30% Design Phase	\$32,382.50
Task 5: Civil Engineering Services – 60% Design Phase	\$21,680.00
Task 6: Civil Engineering Services – 90% Design Phase	\$18,337.50
Task 7: Civil Engineering Services – Final Design and Bid Phase	\$13,327.50
Task 8: Construction Phase Engineering Services and Project Closeout	\$4,500.00
Task 9: Structural Engineering Services (Subcontractor)	\$40,693
Total	\$204,580.73

Spring Creek Shared Use Path	Fee (Hourly not to exceed)
Task 1: Survey Services (Subcontractor)	\$8,800.00
Task 2: Geotechnical Engineering Services	\$12,994.03
• 2.1a Engineering and Report	\$4,160.00
• 2.1b General Lab Testing (Subcontractor)	\$3,664.06
• 2.2 Field Engineering	\$1,990.00
• 2.3 Drilling (Subcontractor)	\$2,667.47
• 2.4 Post Report Consultation and Meetings	\$512.50
Task 3: Environmental Engineering Services	\$2,000
Task 4: Civil Engineering Services – 30% Design Phase	\$20,025.00
Task 5: Civil Engineering Services – 60% Design Phase	\$19,440.00
Task 6: Civil Engineering Services – 90% Design Phase	\$15,885.00
Task 7: Civil Engineering Services – Final Design and Bid Phase	\$13,242.50
Task 8: Construction Phase Engineering Services and Project Closeout	\$3,660.00
Task 9: Structural Engineering Services (Subcontractor)	\$40,693
Total	\$136,739.25

Additional Services:

Electrical Engineering and Lighting Design Services		Fee
Bee Creek Tributary B Shared Use Path		\$6,603.75
• 90% Design Phase		\$4,402.50
• Final Design Phase		\$2,201.25
Bee Creek Shared Use Path		\$12,843.75
• 90% Design Phase		\$8,562.50
• Final Design Phase		\$4,281.25
Spring Creek Shared Use Path		\$3,917.50
• 90% Design Phase		\$2,635.00
• Final Design Phase		\$1,282.50
Total		\$23,365.00

Construction Materials Testing (Subcontractor)		Fee
Laboratory		\$30,705.00
Earthwork		\$24,730.00
Concrete		\$33,000.00
Project Management		\$17,900.00
Total		\$106,335.00

Delivery, mileage, printing and reproduction, overnight mail service and postage costs are not included in the fees and will be added to each monthly invoice. **CED estimates the Reimbursable expenses in the amount of \$10,000. Payment terms are NET30 of receipt of invoice.**

Section II – Rate Schedule

Technical Staff Rates 2025	
Billing Titles	Hourly Rates
Executive Principal	360.00
Senior Principal	345.00
Principal	320.00
Senior Technical Director	295.00
Senior Project Manager	270.00
Technical Director	230.00
Project Manager	220.00
Senior Project Specialist	200.00
Project Specialist	190.00
Technical Professional	180.00
Technical Specialist	170.00
Specialist	160.00
Senior Data Technician	150.00
Senior Technical Assistant	140.00
Technical Assistant	125.00
Field Technician	115.00
Data Technician	115.00
Survey Crew – 1 Person w/Robotic Equipment	195.00
Additional Survey Crew Member	85.00
SUE Crew (designating) – 1 Person	160.00
Additional (designating) Member	85.00
SUE Crew (locating) – 2 Person	220.00
Additional (locating) Member	85.00
Expert Witness	425.00
Sr. LSRP	330.00
LSRP	290.00

Reimbursable Expenses	
General Expenses	Cost + 10%
Travel (Hotel, Airfare, Meals)	Cost + 10%
Sub-Consultants/Sub-Contractors	Cost + 10%
Plotting	4.50 / Each
Computer Mylars / Color Plots	100.00 / Each
Photocopies	0.19 / Each
Color Photocopies	2.05 / Each
Document Binding	4.05 / Each
Portable Media	100.00 / Each
Exhibit Lamination (24" x 36" or larger)	90.00 / Each
Initial Digital Signature	300.00
Additional Digital Signatures	75.00 / Each
Mileage Reimbursement*	0.70 / Per Mile
	Field Vehicle 0.70 / Per Mile

*Mileage reimbursement subject to change based upon IRS standard mileage rate.

EXHIBIT C
CERTIFICATE(S) OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/13/2025

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 Marsh & McLennan Agency LLC 250 Pehle Avenue, Suite 400 Saddle Brook NJ 07663	CONTACT NAME: PHONE (A/C, No. Ext): E-MAIL ADDRESS: jennifer.juarez@marshmma.com	FAX (A/C, No):
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A : National Union Fire Ins Co PittsburghPA		19445
INSURER B : Travelers Property Casualty Co of Amer		25674
INSURER C : New Hampshire Insurance Company		23841
INSURER D : Navigators Insurance Company		42307
INSURER E :		
INSURER F :		

COVERAGES**CERTIFICATE NUMBER:** 639080145**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 SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ Contractual Liab ☒ XCU GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PRO-JECT ☐ LOC ☐ OTHER:		9925559	3/1/2025	3/1/2026	EACH OCCURRENCE \$ 5,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 25,000 PERSONAL & ADV INJURY \$ 5,000,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMP/OP AGG \$ 10,000,000 \$
A	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY		4773685	3/1/2025	3/1/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☒ RETENTION \$ 0		CUP1T66744425NF	3/1/2025	3/1/2026	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N ☒ N	66656736	3/1/2025	3/1/2026	☒ 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
D	Excess Liability		NY25MXEZ07LHXIV	3/1/2025	3/1/2026	\$15,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)RE: #24013356P sidewalks and shared use paths, project mgr Jose Carmona Jr
Evidence of Insurance**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

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*NAMED INSUREDS INCLUDE:

Colliers Engineering & Design, Architecture, Landscape Architecture, Surveying CT P.C.

Colliers Engineering & Design/Maser Consulting Inc.

Colliers Land Services, LLC

Colliers Engineering & Design CT, P.C.

CED Architecture Inc.

Phase Zero Design Corp.



COLLIER-01

MMCFARLANE

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/23/2025

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 Ames & Gough 859 Willard Street Suite 320 Quincy, MA 02169	CONTACT NAME: PHONE (A/C, No, Ext): (617) 328-6555 FAX (A/C, No): (617) 328-6888 E-MAIL ADDRESS: boston@amesgough.com
	INSURER(S) AFFORDING COVERAGE INSURER A : Berkshire Hathaway Specialty Insurance Company (A++XV)
	NAIC # 22276
INSURED Colliers Engineering & Design, Inc. 101 Crawfords Corner Suite 3400 Holmdel, NJ 07733	INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :

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
	COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED ☐ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	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				PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liab.			47EPP32691803	2/25/2025	2/25/2026	Per Claim Limit 1,000,000
A				47EPP32691803	2/25/2025	2/25/2026	Aggregate 1,000,000

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

*NAMED INSURED INCLUDE:

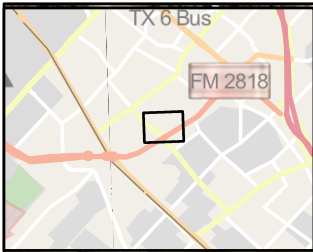
Colliers Engineering & Design, Architecture, Landscape Architecture, Surveying CT P.C.; Colliers Engineering & Design/Maser Consulting Inc.; Colliers Land Services, LLC.; CED Architecture, Inc.; Colliers Engineering & Design CT, P.C., Phase Zero Design Corp.

RE: Project Number: 24013356P - Sidewalks and shared use paths

CERTIFICATE HOLDER

CANCELLATION

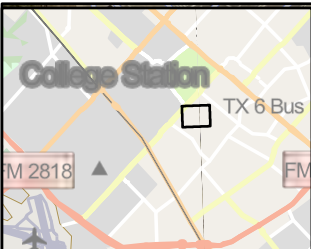
City of College Station Attn: Risk Management PO Box 9960 College Station, TX 77842	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE gared maxwell
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Citywide Sidewalks

Nueces Drive A&M Consolidated HS Driveway to Harvey Mitchell Parkway Upgrade Mid-Block Crossings





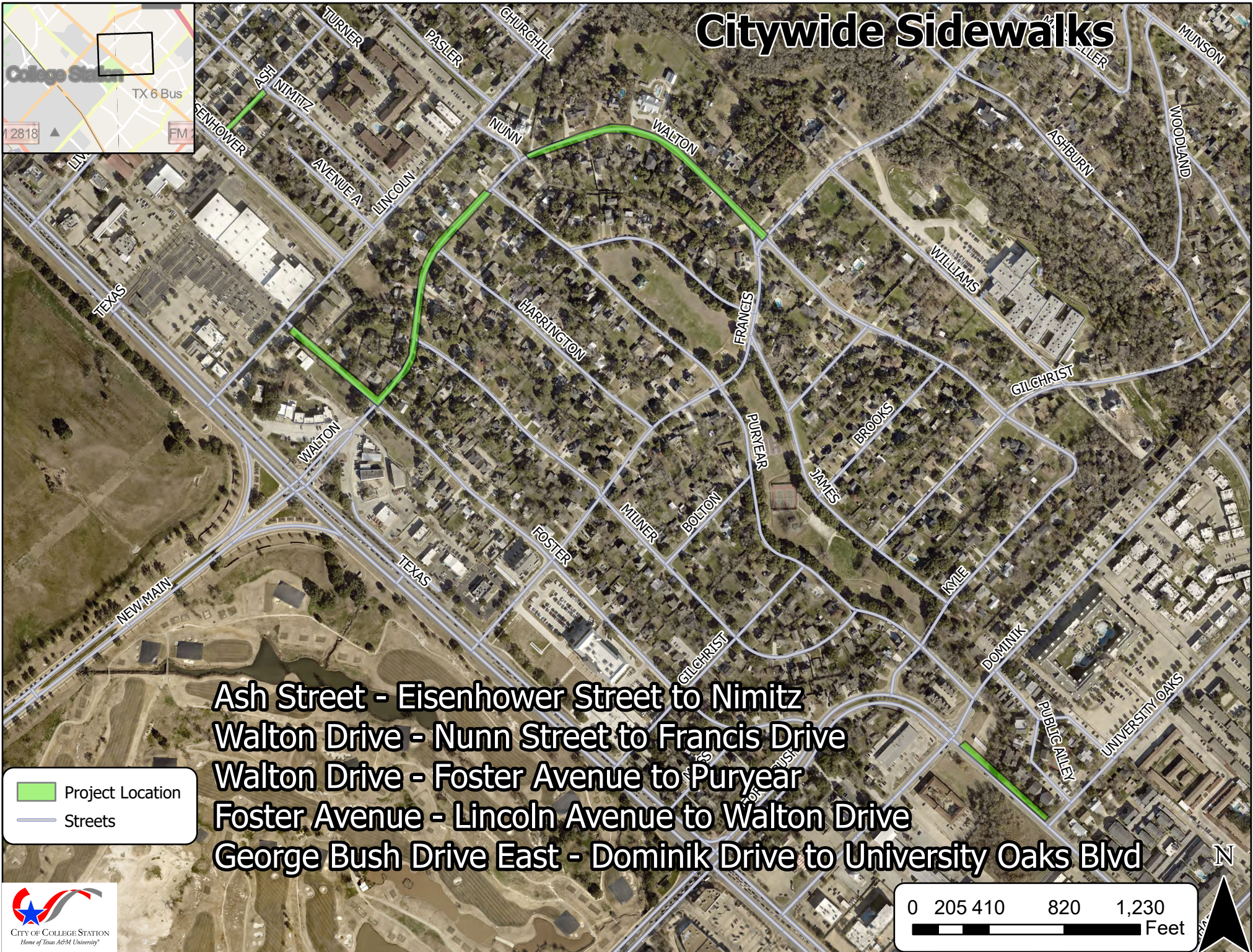
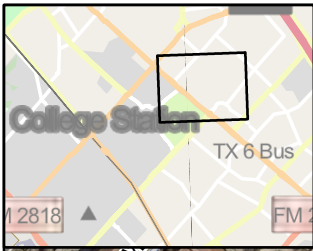
Extents

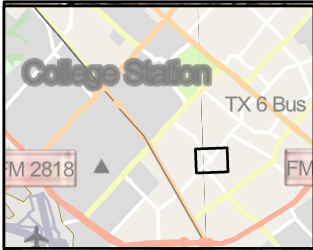
Citywide Sidewalks

Timber Street - Park Place to Oakwood



Citywide Sidewalks





Citywide Sidewalks

Dexter Drive South - Winding Road to Haines Drive/Gabbard Park

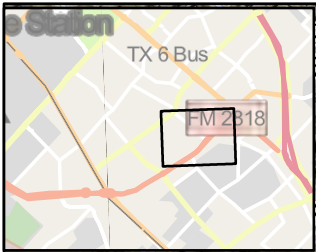




Spring Creek Trail Phase 4

10' Trail from SoCo at Tower Point Apartments up to Alexandria Avenue across from Southern Oaks Park

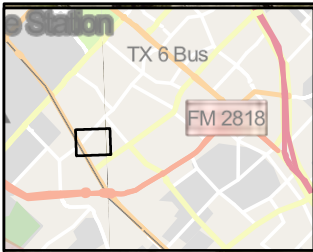




Bee Creek Trail

Extend 10' Shared Use Path in
Bee Creek Park to Harvey
Mitchell Parkway near A&M
Consolidated High School





Bee Creek Tributary B Trail

10' Shared Use Path
Mid Block Crossing



July 24, 2025

Item No. 7.4.

Resolution to approve the 2025-2029 Consolidated Plan

Sponsor: Raney Whitwell, Community Development Analyst

Reviewed By CBC:

Agenda Caption: Presentation, discussion, and possible action regarding a resolution adopting the 2025-2029 Consolidated Plan.

Relationship to Strategic Goals:

Financially Sustainable City
Core Services and Infrastructure
Neighborhood Integrity
Diverse Growing Economy

Recommendation(s): Staff Recommends Approval

Summary: This item requests approval of the proposed 2025 - 2029 Consolidated Plan.

Community development programming for the City of College Station is currently directed by the 2020-2024 Consolidated Plan, which will expire on September 30, 2025. 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 Consolidated Plan, Annual Action Plan, and budget must be delivered to HUD no later than August 16, 2025. Therefore, this information is presented prior to Council's consideration of the overall City budget. Adoption of the Plan by resolution also establishes a Community Development Program as defined by the Texas Local Government Code and provides authority for the City Manager to sign all required applications, certifications, evaluations, and other forms required by U. S. Department of Housing and Urban Development for all Community Planning and Development Grant Programs for the Program Year 2025 on behalf of the City of College Station.

A Public Hearing was held on March 18, 2025, to gather citizen input on community needs, fair housing, and potential goals and objectives to help guide the development of the plan. The proposed plan was then presented to City Council on July 10, 2025, during which a second Public Hearing was held to provide the public with an opportunity to comment on the proposed plan.

A public notice was published in The Eagle to inform residents about the meetings and the opportunity to review and comment on the proposed plan. The plan is available for electronic review on the Community Development webpage, and printed copies can be accessed at the Planning and Development Services office, the City Secretary's office, and the Larry J. Ringer Public Library. The public comment period runs from July 1, 2025, through August 1, 2025. Staff will be available to answer any questions regarding the proposed plan.

Budget & Financial Summary: See attached summaries for the proposed 2025-2029 Consolidated Plan. This plan corresponds to the FY 2026 Annual Action Plan and FY 2026 Community Development Budget for CDBG and HOME funds.

Attachments:

1. Attachment 1- FY 2025 Plan Development Process Summary
2. Attachment 2 - 2025-2029 Community Development Goals
3. Attachment 3 - Resolution Approving 2025 - 2029 Consolidated Plan

Attachment 1: Consolidated Plan and Budget Development Process Summary and Timeline, FY 2025

<u>Event</u>	<u>Date</u>
Pre-proposal Workshop for Public Service Agencies	Jan. 15, 2025
Agency Consultations	Jan. – Mar.
Community Needs Survey	Feb. & Mar.
Nonprofit Provider Survey	Feb. & Mar.
Medical Provider Focus Group	Feb. 27, 2025
Public hearing on Consolidated Plan and Budget	Mar. 18, 2025
Housing Focus Group	Mar. 20, 2025
Economic Development Focus Group	Mar. 26, 2025
College Station ISD Consultation	Mar. 27, 2025
CDBG Public Service Agency Funding Proposals Due	Apr. 16, 2025
CDBG Public Service Agency Funding Review Committee	Apr. 21, 2025 May 12, 2025 May 19, 2025
30-Day Public Comment Period Begins	July 01, 2025
First Presentation of Consolidated Plan and Budget to City Council	July 10, 2025
Request Council Approval by Consent Agenda of 2025 – 2029 Consolidated Plan, PY2025 (FY2026) Annual Action Plan, and FY2026 Community Development Budget	July 24, 2025
30-Day Public Comment Period Ends	July 31, 2025
Due to HUD No Later Than	Aug. 16, 2025

Attachment 2: PY 2025-2029 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	2025	2029	Affordable Housing Community Housing Dev. Organization	City-wide	Rental Housing Special Needs	CDBG: \$640,000 HOME: \$1,382,566	Rental units Acquired and Rehabilitated: 6 Household Housing Unit
2	Owner Housing - Rehabilitation/Reconstruction	2025	2029	Affordable Housing	City-wide	Owner-Occupied Housing	CDBG: \$1,080,000	Homeowner Housing Rehabilitated: 36 Household Housing Unit
3	Homeownership - Down Payment Assistance	2025	2029	Affordable Housing	City-wide	Homeownership	CDBG: \$320,000 HOME: \$1,610,000	Direct Financial Assistance to Homebuyers: 24 Households Assisted
4	Homelessness - TBRA Security Deposits	2025	2029	Homeless	City-wide	Rental Housing Homelessness Special Needs	HOME: \$164,692	Tenant-based Rental Assistance / Rapid Rehousing: 224 Households Assisted
5	Public Services	2025	2029	Affordable Housing Homeless Non-Homeless Special Needs Non- Housing Community Development	City-wide	Homelessness Special Needs Public Services	CDBG: \$986,261	Low/Mod Housing Benefit: 6185 Public Service: 3290
6	Public Facilities	2025	2029	Non-Housing Community Development	City-wide	Public Facilities & Infrastructure	CDBG: \$1,919,035	Public Facility or Infrastructure Activities Other Than Low/Moderate Income Housing Benefit: 52,825 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Program Administration and Compliance	2025	2029	Non-Housing Community Development	City-wide	Program Administration and Compliance	CDBG: \$1,229,671 HOME: 237,858	N/A
8	Section 108 Loan Financing Activities	2025	2029	Affordable Housing	City-wide	Rental Housing - Rehabilitation	CDBG: \$850,000	N/A
9	Housing Services	2025	2029	Affordable Housing	City-wide	Homelessness	CDBG: \$482,827	Persons Assisted: 50

Goal Descriptions

1	Goal Name	Rental Housing - Rehabilitation
	Goal Description	Encourage and facilitate the rehabilitation of rental units.
2	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).
3	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.
4	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.

5	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.
6	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.
7	Goal Name	Program Administration and Compliance
	Goal Description	Oversee and facilitate grant programs.
8	Goal Name	Section 108 Loan Financing Activities
	Goal Description	The City of College Station, in conjunction with the affordable housing provider LULAC Oak Hill, intends to fulfill its contractual obligations to its Section 108 financing agreement throughout the duration of this Strategic Plan. To that end, the City anticipates making quarterly interest payments and assisting LULAC Oak Hill to make principal payments for the duration of the loan's term.
9	Goal Name	Housing Services
	Goal Description	Housing services, except Housing Counseling, under 24 CFR 5.100, in support of the HOME Program, eligible under 24 CFR 570.201(k). At the average funding level, housing facilitation services to match potential tenants at or below 60% AMI and homeowners will be provided to ten (10) housing seekers per fiscal year, or fifty (50) total instances over the duration of this Strategic Plan.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, APPROVING A FIVE-YEAR CONSOLIDATED PLAN AND ESTABLISHING A COMMUNITY DEVELOPMENT PROGRAM AS DESCRIBED IN CHAPTER 373 THE TEXAS LOCAL GOVERNMENT CODE.

WHEREAS, the City Council of the City of College Station, Texas, desires to utilize federal Community Development Block Grant and HOME Investment Partnership Grant funds to:

(1) improve the living and economic conditions of persons of low and moderate income; (2) benefit low or moderate income neighborhoods; (3) aid in the prevention or elimination of slum and blighted areas; and (4) meet other urgent community development needs; and

WHEREAS, the City Council of the City of College Station, Texas, has: (1) identified areas of the City in which predominantly low- and moderate-income persons reside; (2) established areas in which community development activities are proposed; (3) prepared and adopted a plan under which citizens may publicly comment on the proposed community development activities; (4) conducted public hearings on the proposed activities; and (5) adopted the community development program by resolution; now, therefore;

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

PART 1: That the City Council hereby approves the 2025-2029 Consolidated Plan and designates the City Manager or his designee the signature authority for all applicable and required documents, and;

PART 2: That the City Council hereby approves the adoption of the above referenced Community Development Program as defined and described in Chapter 373 of the Texas Local Government Code, also known as the Texas Community Development Act of 1975, and;

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

ADOPTED this 24th day of July, A.D. 2025.

ATTEST:

APPROVED:

City Secretary

Mayor

APPROVED:

City Attorney

July 24, 2025

Item No. 7.5.

Resolution to approve the FY 2026 Annual Action Plan and FY 2026 Community Development Budget

Sponsor: Raney Whitwell, Community Development Analyst

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding a resolution adopting the FY 2026 Annual Action Plan and FY 2026 Community Development Budget.

Relationship to Strategic Goals:

Financially Sustainable City
Core Services and Infrastructure
Neighborhood Integrity
Diverse Growing Economy

Recommendation(s): Staff Recommends Approval

Summary: This item requests approval of the proposed FY2026 (PY2025) Annual Action Plan, and FY2026 Community Development Budget.

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 \$4,081,342.56 and includes Community Development Block Grant (CDBG) funds in the amount of \$2,589,107.80 and HOME Investment Partnership Grant (HOME) funds in the amount of \$1,492,234.76. These amounts include carry-over funds from previous years, recaptured funds, and new year funds. Program Year 2025 funding will be available on 10/1/2025.

CDBG and HOME funds may only be used to: (1) benefit low-and moderate-income persons; (2) aid in the elimination of slum and blight 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.

A Public Hearing was held on March 18, 2025, to gather citizen input on community needs, fair housing, and potential goals and objectives to help guide the development of the plan. The proposed plan and budget were then presented to City Council on July 10, 2025, during which a second Public Hearing was held to provide the public with an opportunity to comment on the proposed plan.

A public notice was published in The Eagle to inform residents about the meetings and the opportunity to review and comment on the proposed plan and budget. The plan is available for electronic review on the Community Development webpage, and printed copies can be accessed at the Planning and Development Services office, the City Secretary's office, and the Larry J. Ringer Public Library. The public comment period runs from July 1, 2025, through August 1, 2025.

Staff will be available to answer any questions regarding the proposed plan and budget.

Budget & Financial Summary: See attached financial summaries for the proposed FY 2026 Annual Action Plan and FY 2026 Community Development Budget for CDBG and HOME funds.

Attachments:

1. Attachment 1 -FY 2025 Community Development Budget
2. Attachment 2 - Resolution Approving FY 2026 Annual Action Plan and Budget

Attachment 4: FY 2025 Community Development Budget

PROJECT	CDBG & HOME CARRY-OVER	CDBG & HOME NEW ALLOCATIONS	CDBG & HOME TOTAL PROPOSED
Owner-Occupied Rehabilitation	\$46,252.62	\$113,747.38	\$160,000.00
Rehabilitation Administration	\$80,000.00	\$0.00	\$80,000.00
Housing Services	\$0.00	\$85,680.00	\$85,680.00
Acquisition	\$355,691.38	\$93,572.38	\$449,263.76
Homebuyer Assistance (DAP)	\$360,870.38	\$449,129.62	\$810,000.00
CHDO	\$285,000.00	\$0.00	\$285,000.00
Tenant Based Rental Assistance – Deposits	\$14,955.00	\$45,445.00	\$60,400.00
Public Service Agency	\$64,008.58	\$184,450.00	\$248,458.58
Public Facility	\$1,015,486.64	\$423,548.73	\$1,439,035.37
Section 108 Loan Financing Activities	\$153,688.11	\$16,311.89	\$170,000.00
Grant Administration	\$0.00	\$293,505.00	\$293,505.00
Recaptured Funds/ Program Income		CDBG HOME	\$0 \$11,246.05*
Total Community Development Budget			\$4,081,342.71

*Captured in Tenant Based Rental Assistance – Deposits

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF COLLEGE STATION, TEXAS, APPROVING THE PROGRAM YEAR 2025 (FY 2026) ACTION PLAN AND BUDGET ALLOCATING COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM FUNDS.

WHEREAS, the City of College Station is entitled to receive \$1,229,672 in Community Development Block Grant (CDBG) funds and \$475,718 in Home Investment Partnership Program (HOME) funds from the United States Department of Housing and Urban Development (HUD) in Program Year 2025 and has prepared a Program Year 2025 (FY 2026) Action Plan and Community Development Budget as required to secure these funds; and

WHEREAS, the City of College Station, Texas, has a Five-Year Consolidated Plan that has been approved by both HUD and the City that guides the development of each year's Action Plan and Budget; and

WHEREAS, the City of College Station, Texas, has an established Community Development Program under Chapter 373 of the Texas Local Government Code that (1) identifies areas of the City with concentrations of low- and moderate-income persons; (2) establishes areas in which program activities are proposed; (3) provides a plan under which citizens may publicly comment on activities; and (4) requires public hearings on program activities; and

WHEREAS, the City of College Station has provided adequate information to the citizens and an opportunity to participate in the development of the City's Program Year 2025 (FY 2026) Action Plan and Community Development Budget; and

WHEREAS, the City Council acknowledges that the adoption of the Program Year 2025 (FY 2026) Action Plan and Community Development Budget is in the best interest of the City and is for the purpose of securing additional community development resources for the primary benefit of low and moderate income citizens; now, therefore,

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

PART 1: That the City Council hereby approves the Program Year 2025 (FY 2026) Action Plan and Community Development Budget which serves as the City's application to HUD for CDBG and HOME funds;

PART 2: That the City Council hereby authorizes and designates the City Manager or his designee to sign all required applications, certifications, evaluations, and other forms required by HUD for all Community Planning and Development Grant Programs for the Program Year 2025 (FY 2026) on behalf of the City of College Station.

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

ADOPTED this _____ day of July 2025.

ATTEST:

APPROVED:

City Secretary

Mayor

APPROVED:

City Attorney

July 24, 2025

Item No. 7.6.

Community Development Program Guidelines Amendment

Sponsor: David Brower

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding a resolution amending the Community Development Program Guidelines.

Relationship to Strategic Goals:

Financially Sustainable City

Neighborhood Integrity

Diverse Growing Economy

Recommendation(s): Staff Recommends Approval

Summary: Ten sets of guidelines for the City's Community Development Housing Assistance Programs are being presented for consideration of several updates.

Most of the proposed changes are administrative in nature and reflect the recent transition of the Community Development Division to the Planning & Development Services Department earlier this year. Some changes reflect increases in program amounts, such as the liquid asset cap, to track with inflation.

One notable change is in the Down Payment Assistance Program Guidelines, which propose increasing the maximum assistance amount from \$50,000 to \$80,000. This increase is intended to enhance the program's effectiveness and expand its reach to assist more families. Additional details on how this adjustment will improve program accessibility are provided in Attachment 2 – Down Payment Assistance Program Gap Analysis.

Budget & Financial Summary: Budgeted program amounts are approved by Council as part of the Annual Action Plan and Budget.

Attachments:

1. Guideline Update Summary
2. Down Payment Assistance Program Gap Analysis
3. Attachment 1 - Updated Guidelines
4. Resolution Approving Amendments to Housing Program Guidelines

Attachment 1: 2025 Housing Program Guidelines Update Summary

Most of the changes to these 10 Community Development Division guidelines are administrative, reflecting the Divisions recent move to the Planning & Development Services Department. These include changing the Department name to Planning & Development Services and the position that can make staff level administrative changes and decisions.

Below please find a summary of changes made specific to each set of guidelines in order of attachment:

- AHAND through ARD (Rental Acquisition and Disposition Program)
 - o No major changes other than housekeeping as indicated above
- Option Relocation Policy
 - o Increase the amount of voluntary/optional relocation assistance to \$6,000 from \$4,500. This roughly tracks with inflation from 2015 when the guidelines were created.
 - o Removes the requirement for the assistance to only be available when a contractor fails to complete a rehabilitation or construction project in 120 days. This will allow the assistance to be used for shorter periods of time if a housing assistance client needs to temporarily relocate.
- Down Payment Assistance Program
 - o Change “homebuyer counseling” to “homebuyer education” to comply with new HUD requirements for Homebuyer Counseling.
 - o Add a minimum gap financing gap amount of 23%
 - o Increase the liquid asset cap to \$30,000 from \$20,000 to match inflation
 - o Increase the Down Payment Assistance amount to \$80,000 from \$50,000
 - o Add the requirements for applicants to receive housing counseling from a HUD Certified Housing Counselor working for a HUD Certified Housing Counseling Agency to comply with new HUD Regulations
 - o Remove the amount of the non-refundable fee so we can adjust based on the cost of credit reports if need be.

- Demolition / Clearance Program
 - o No major changes other than housekeeping as indicated above
- Habitat for Humanity Down Payment Assistance Program
 - o Increase the liquid asset cap to \$30,000 from \$20,000 to track with inflation
- Housing / Homeowner Reconstruction Program
 - o Remove the amount of the non-refundable fee so we can adjust based on the cost of credit reports if need be.
 - o Increase the liquid asset cap to \$30,000 from \$20,000 to track with inflation
- Leveraged Housing Development
 - o No major changes other than housekeeping as indicated above
- Housing / Homeowner Minor Repair
 - o Increase the liquid asset cap to \$30,000 from \$20,000 to track with inflation
- Housing / Homeowner Rehabilitation
 - o Increase the liquid asset cap to \$30,000 from \$20,000 to track with inflation
- Rental Rehabilitation
 - o No major changes other than housekeeping as indicated above

Attachment 2 - Down Payment Assistance Program Gap Analysis

The City has adopted homeownership value limits based on 95% of the median purchase price for single family new and existing homes as part of the 2024 Annual Action Plan. The limit for existing is \$302,538 and new is \$379,905.

The following analysis will explore the level of subsidy needed to help households of various sizes and incomes purchase a home at 95%, 80% and 70% of the median purchase price of an existing home. **Households that could not purchase a home under our existing program but could under a maximum amount of \$80,000 will be highlighted in yellow.**

Households that can afford the home under our current program are highlighted in green.

College Station median sales price and percentages for single family homes

	100%	95%	90%	80%	70%
New Construction	\$399,900	\$379,905	\$359,910	\$319,920	\$279,930
Existing	\$318,461	\$302,538	\$286,615	\$254,768	\$222,922

The table below shows the amount of assistance required for households making 80% of the area median income for their size for homes at 90%, 80% and 70% of the median sales price for existing homes with \$50,000 in assistance (indicated in green) and with \$80,000 in assistance (indicated in yellow). (calculations assume 35% of income to PITI payment, 7% interest rate, homestead exemptions, 1.5% buyer contribution, and 4% fee estimate).

Household Size	Household Income	\$286,615 Subsidy Required (90%)	\$254,768 Subsidy Required (80%)	\$222,922 Subsidy Required (70%)
1	\$49,500	\$149,000	\$107,000	\$65,000
2	\$56,550	\$119,000	\$75,500	\$35,000
3	\$63,650	\$87,000	\$45,000	\$5,000
4	\$70,700	\$56,000	\$14,000	\$0
5	\$76,350	\$32,000	\$0	\$0
6	\$80,050	\$14,000	\$0	\$0

The table below shows the amount of assistance required for households making 75% of the area median income for their size for homes at 90%, 80% and 70% of the median sales price for existing homes with \$50,000 in assistance (indicated in green) and with \$80,000 in assistance (indicated in yellow). (calculations assume 35% of income to PITI payment, 7% interest rate, homestead exemptions, 1.5% buyer contribution, and 4% fee estimate).

Household Size	Household Income	\$286,615 Subsidy Required (90%)	\$254,768 Subsidy Required (80%)	\$222,922 Subsidy Required (70%)
1	\$46,406	\$163,000	\$119,000	\$78,000
2	\$53,016	\$133,000	\$89,000	\$49,000
3	\$59,671	\$105,000	\$62,000	\$22,000

4	\$66,281	\$77,000	\$33,000	\$0
5	\$71,578	\$54,000	\$10,000	\$0
6	\$75,047	\$36,000	\$0	\$0

The table below shows the amount of assistance required for households making 70% of the area median income for their size for homes at 90%, 80% and 70% of the median sales price for existing homes with \$50,000 in assistance (indicated in green) and with \$80,000 in assistance (indicated in yellow). (calculations assume 35% of income to PITI payment, 7% interest rate, homestead exemptions, 1.5% buyer contribution, and 4% fee estimate).

Household Size	Household Income	\$286,615 Subsidy Required (90%)	\$254,768 Subsidy Required (80%)	\$222,922 Subsidy Required (70%)
1	\$43,312	\$175,000	\$135,000	\$90,000
2	\$49,481	\$150,000	\$109,000	\$65,000
3	\$55,693	\$125,000	\$80,000	\$40,000
4	\$61,862	\$95,000	\$55,000	\$14,000
5	\$66,807	\$75,000	\$33,000	0
6	\$70,044	\$55,000	\$16,000	0

The tables below mirror the ones before except they show subsidy needed to purchase a home with 6% interest rates at 80% and 70% AMI.

The table below shows the amount of assistance required for households making 80% of the area median income for their size for homes at 90%, 80% and 70% of the median sales price for existing homes with \$50,000 in assistance (indicated in green) and with \$80,000 in assistance (indicated in yellow). (calculations assume 35% of income to PITI payment, 6% interest rate, homestead exemptions, 1.5% buyer contribution, and 4% fee estimate).

Household Size	Household Income	\$286,615 Subsidy Required (90%)	\$254,768 Subsidy Required (80%)	\$222,922 Subsidy Required (70%)
1	\$49,500	\$135,000	\$90,000	\$48,000
2	\$56,550	\$100,000	\$55,000	\$15,000
3	\$63,650	\$65,000	\$20,000	\$0
4	\$70,700	\$30,000	\$0	\$0
5	\$76,350	\$0	\$0	\$0
6	\$80,050	\$0	\$0	\$0

The table below shows the amount of assistance required for households making 70% of the area median income for their size for homes at 90%, 80% and 70% of the median sales price for existing homes with \$50,000 in assistance (indicated in green) and with \$80,000 in assistance (indicated in yellow). (calculations assume 35% of income to PITI payment, 6% interest rate, homestead exemptions, 1.5% buyer contribution, and 4% fee estimate).

Household Size	Household Income	\$286,615 Subsidy Required (90%)	\$254,768 Subsidy Required (80%)	\$222,922 Subsidy Required (70%)
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1	\$43,312	\$165,000	\$120,000	\$75,000
2	\$49,481	\$135,000	\$90,000	\$45,000
3	\$55,693	\$105,000	\$60,000	\$20,000
4	\$61,862	\$75,000	\$30,000	\$0
5	\$66,807	\$50,000	\$7,000	\$0
6	\$70,044	\$30,000	\$0	\$0

CITY OF COLLEGE STATION
AFFORDABLE HOUSING AND NEIGHBORHOOD DEVELOPMENT
THROUGH ACQUISITION, REHABILITATION, DISPOSITION
PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 92 (Home Investment Partnerships Program) and/or 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station has established an Affordable Housing and Neighborhood Development through Acquisition, Rehabilitation, Disposition Program (Program) funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and/or Home Investment Partnerships Program (HOME) for the purpose of developing affordable rental housing units. Additionally, the city may utilize other appropriate local, state, or federal resources that may become available.

The Program is designed to combine various financial resources necessary to acquire and rehabilitate safe, energy-efficient, and affordable rental housing units for conveyance to non-profit housing providers through a request for proposal process. The City's Planning and Development Services staff will identify dwelling units in conservable or substandard condition that will benefit from rehabilitation to preserve and enhance neighborhood quality and integrity. In addition, the city seeks to impede the acceleration of slum and blighting influences through this activity.

Eligible project activities will comply with the respective program requirements published in the U.S. Code of Federal Regulations (CFR), as it may be modified over time. The basic goals of this Program are to preserve housing and increase the supply of affordable, decent, safe, and sanitary housing available to qualified low-to-moderate income renter households.

This program is available on a City-wide basis and is limited to only those properties located within the municipal boundaries of the City. Properties that lie partially within the City limits may be considered on a case-by-case basis.

B. DESIGNATED AUTHORITY

Administrative authority for implementation of this Program will rest with the City Manager or their designee. The City will follow purchasing requirements for approval of

contractual agreements and budget changes as needed to accomplish project completion.

C. PROGRAM IMPLEMENTATION PROCESS

Steps in implementing the Program will be as follows:

1. Properties will be identified by staff, with assistance from Land Agents, that are in conservable or substandard condition. The cost will be at or below median home sales prices for previously owned homes and consistent with the appraised value unless there is clear justification for meeting a public purpose.
2. Program staff will make every effort, while crafting a plan for the home rehabilitation, to incorporate the City's most current Green Building Standards into the project scope. Any incentives offered from federal, state, or local agencies for conformance with Green Build Standards shall be accessed by the program as appropriate and when applicable.
3. Once the rehabilitation plan has been completed, and any other City required approvals have been accomplished, program staff will place the project out for bid to approved contractors in compliance with the City's procurement and process regulations. Prior to bid, program staff will prepare a construction estimate by which to compare submitted bid amounts. Should submitted bids prove to be more than 10% of the construction estimate, the city will have the option to reject all bids and re-bid the project or select the lowest responsible bidder (if program staff deems the lowest responsible bid reasonable within the project estimate). The city will then execute a construction contract with the lowest responsible bidder (Contractor).
4. Upon completion of rehabilitation activities, a Request for Proposal will be developed for the disposition of the specific property. The RFP respondent's equity stake will be a major factor in the ranking criteria and award of the property.
5. The land will be conveyed through a Land Transfer Agreement. The non-profit organization will be required to maintain the rental housing unit(s) as an affordable rental unit(s) for a minimum of 15 years. The non-profit organization will be responsible for determining eligibility of the household and ensuring compliance with federal requirements identified in the agreement.

D. ELIGIBLE PROPERTY CRITERIA

1. Location: The Program will be implemented on a City-wide basis within the corporate limits of the City of College Station. Properties that lie partially within the corporate

limits will be considered on a case-by-case basis. However, program preference will rest with properties wholly in the City.

2. Property Type: Eligible properties must be improved, single-family or multi-family residential lots, which are:
 - a. Conservable or substandard condition but structurally sound, and
 - b. Have all utility service connections available to the property.
3. All eligible properties, following rehabilitation with HOME funds, shall not exceed the HOME Program limits prescribed in 24 CFR § 92.254(a)(2)(iii).

E. FEASIBILITY OF REHABILITATION

Property eligible for Program will meet the following requirements:

1. Feasibility of rehabilitation of property to minimum program standards will be made following a detailed inspection of the property by program staff. This inspection includes completing a list of deficiencies which must be corrected to bring the structure into compliance with HUD requirements and all applicable City of College Station codes and expectations.
2. Feasibility of rehabilitating structures under established program limits will be determined by an assessment of the following two criteria:
 - c. The estimate of costs needed for all required repairs and renovations must fall within program limits.
 - d. For all required renovations, rehabilitation costs shall not exceed 95% of the total estimated post-rehabilitation value for the structure.
3. Property will be inspected by Program staff to ensure minimum housing standards are met. Rehabilitation will ensure at a minimum:
 - HVAC of no less than the minimum SEER rating established every six years by the US Department of Energy for our region. HVAC system should be replaced if the equipment is more than halfway through the warranty period, if the warranty does not transfer to the new owner, or unless the system is in well-maintained condition.
 - Water heating system is not more than three (3) years out from the water heater warranty termination period (to include an expansion tank where required for tank type water heaters). Water heaters must be installed in a

drain pan (where required) with the drain exiting to the exterior of the house. Temperature and pressure (T&P) relief valve shall be properly routed to the exterior of the house, but if that is not possible, an automatic water shut off valve device shall be installed as per manufacturers requirements. T&P valve shall be replaced on a water heater if there are signs of corrosion or damage.

- Plumbing systems shall be in good working order with no leaking of plumbing valves, stops, pipes, joints, or fixtures. Drainpipes shall be clear of all obstructions and exhibit no blockages or slow draining.
- Electrical system hazards and/or deficiencies shall be corrected in accordance with the currently adopted National Electric Code and amendments. All electrical outlets, switches, devices, fixtures, equipment, and appliances shall operate as designed and shall be replaced or repaired by seller if inoperable (unless the item is not being sold with the home).
- Foundation shall be in good condition with no structural discrepancies for the loads being imposed on it and exhibits good performance of forces caused by surrounding heaving and shrinking soil conditions. If foundation is post-tension reinforced, the capped ends shall be grouted to prevent rust and corrosion leading to future failure and cables must be trimmed back to the tension capping device inside the concrete edge.
- Flooring shall be in good condition, or a condition requiring minimal repair or cleaning for habitation.
- Millwork and trim shall be in good condition.
- Interior doors shall be in good condition and operate correctly in their frames.
- Walls and ceilings shall exhibit minimal damage/repair patching to include consistent texturing.
- Structure shall have at least one location for broadband/cable/satellite/telecom connectivity.
- Roofs replaced ten (10) years prior to sale shall be negotiated with the seller if their warranty coverage will not transfer at sale. All penetrations through roof shall be well sealed with appropriate flashings, storm collars, pipes and caps, and all valley, edge and step flashings shall be in good condition.
- Exterior windows and doors shall be in good working order and in such condition that will be a safe environmental barrier from exterior weather conditions.
- Every exterior and interior flight of stairs having more than four risers shall have a handrail on one side of the stair and every open portion of a stair, landing, balcony, porch, deck, ramp or other walking surface that is more than 30 inches above the floor or grade below shall have guards. Handrails shall be not less than 30 inches in height or more than 42 inches in height (34" – 38" if new construction) measured vertically above the nosing of the tread or above the finished floor or the landing or walking surfaces. Guards shall be not less than 30 inches in height above the floor of the landing, balcony, porch, deck,

ramp or other walking surface. Both handrails and guardrails shall resist a linear load of 50 pounds per linear foot in any direction and a concentrated load of 200 pounds. All openings in the rails shall be no larger than a 4" sphere, except for the triangular opening of a stair riser and tread under the handrail, which shall be no larger than a 6" sphere. This standard shall follow any changes or revisions as may occur with the adoption of applicable property codes and/or addendums.

- Rain gutters with leaf guards, downspouts and splash blocks/underground drain piping shall be installed where drainage must move away from the foundation.
- Exterior siding, trim and masonry veneer shall be in good condition with minimal weather damage or evidence of foundation movement.
- There shall be no evidence of insect or vermin infestation.
- All vegetation shall be trimmed away for the exterior envelope.
- Site shall be graded and sloped in a manner to move rainwater quickly and efficiently away from the structure and other structural improvements.

4. Manufactured Housing: Manufactured housing units are not eligible for program assistance.

F. FINAL INSPECTION - CERTIFICATE OF OCCUPANCY

The City of College Station will be responsible for final inspection of all housing units made available through the program to determine that the unit meets all City of College Station and HUD requirements.

City of College Station Optional Relocation Policy

Purpose

The purpose of this policy is to document the procedures to follow in claiming relocation expenses and providing relocation assistance payments. It may not be feasible for occupants to stay in homes that are being rehabilitated or reconstructed under the City's CDBG and HOME funded Rehabilitation/Reconstruction Loan Programs. Thus the City may be able to provide up to \$6,000 for qualified eligible expenses.

Authority

The College Station City Council authorized the Planning and Development Services Department to have a Relocation Loan Program and Reconstruction Loan guidelines in place that provides for a relocation payment. This policy is applicable to occupant(s) participating in the City of College Station's CDBG or HOME funded Rehabilitation and Reconstruction Loan Programs. The adopted Rehabilitation and Reconstruction Loan Program guidelines authorize the Planning and Development Department to pay up to \$6,000 for qualified eligible expenses.

The U.S. Department of Housing and Urban Development authorizes such assistance to be provided at 24 CFR 570.505 (d), 24 CFR 92.206 (f) and 49 CFR 29.

Eligibility

Occupants. Occupants of homes that are being rehabilitated or reconstructed under the City's CDBG or HOME funded Rehabilitation or Reconstruction Loan Programs. No later than the loan closing date, Occupants must notify the City that they are not able to occupy their home during the Rehabilitation/Reconstruction.

Expenses. Beneficiaries may receive up to \$6,000 for actual costs related specifically to rent, utilities, storage and moving. **The expenses MUST be supported by receipts and proof of payment (cancelled check or money order receipt).** Expenses must be deemed reasonable by Planning and Development Services staff and may be subject to verification by the City's Planning and Development Services staff. In some cases, the City may pay the vendor directly. The occupant needs to allow City Staff sufficient time to process requests to pay the vendor directly. Submission of request one week prior to the due date of payment is in most cases sufficient.

The City of College Station will not reimburse for any expenses occurred prior to HOME Agreement execution date.

Moving expenses greater than \$350 require advance approval by Planning and Development Services Staff. Storage cost greater than \$75 per month has to be approved in advance by Planning and Development Services.

Payment for rent requires a Housing Quality Standards inspection and visual paint inspection (performed by the City Inspector) prior to reimbursement of eligible costs under this optional relocation plan. Beneficiaries should obtain advance approval from the Planning and Development Services office prior to signing a lease for temporary housing if the beneficiary plans to request reimbursement for such housing costs.

Specific Allowable Expenses. The occupant may request reimbursement for expenses including: utility hook up and disconnect fees (the occupant remains responsible for all normal monthly utility charges) – expenses for extraordinary usage related to the rehabilitation/reconstruction may be paid by the City of College Station, but this is subject to the City's evaluation of normal monthly charges), rent and utility costs for temporary lodging, storage costs for household goods, moving costs related to moving household goods from the rehabilitated/reconstructed house to the designated storage facility and back to the rehabilitated/reconstructed house. If the Occupant requests reimbursement for relocation-related expense that is not listed, the Planning and Development Services Department staff will evaluate whether it may be eligible under this policy.

In case Occupants temporarily live with a family member during the rehabilitation/ reconstruction phase the City of College Station may reimburse part of the utility payments. To qualify for utility payments in cases where clients are living with family members, sufficient documentation will be required to show an increase in the amount of utilities due to the increased number of occupants in the dwelling. The payment(s) based on approval will be made directly to the utility vendor. Under no circumstances can a family member receive payment for relocation expenses of an immediate family member. The U.S. Department of Housing and Urban Development defines immediate family member to include brothers, sisters, mothers and fathers, as well as the spouse and children of the person at issue.

Reimbursement Procedures

Occupants should allow sufficient time for the City to process their reimbursement request. Generally if a complete request is received by 12:00 p.m. Monday, the City may have a check prepared by Friday after 2:00 p.m. However, in certain cases, additional time may be needed by City staff to verify claimed expenses. A complete request is defined as a request that includes all receipts and proof of payment for claimed expenses.

Questions

Any questions concerning this Optional Relocation Plan should be directed to the Planning and Development Services Department.

This is to acknowledge that I do recognize the stipulations and conditions of this Relocation Policy and agree to comply with these terms as stated in the document. Release + Indemnify the City

Applicant Signature

Date

**CITY OF COLLEGE STATION
DOWN-PAYMENT ASSISTANCE PROGRAM**

PROGRAM GUIDELINES

Unless herein stated otherwise, the general operating procedures contained in 24 CFR Part 92 (Home Investment Partnerships Program) and/or 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station Down Payment Assistance Program (DAP) is funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funds. Additionally, the City may utilize other local, state, or federal resources that become available.

DAP is designed to assist income-eligible homebuyers with the purchase of affordable single family residential properties located within the City of College Station for owner-occupied, homestead use only. DAP financial assistance shall be limited to providing qualified applicants with down payment/principal reduction and/or closing cost assistance under the provisions of 92 CFR § 92.254 qualification as affordable housing: homeownership and 570.201 Basic eligible activities. This may be accomplished in part by developing, with City Council approval, affordable single-family units to be made available to program eligible families.

The basic goals of the Down Payment Assistance Program are:

- To provide homeownership opportunities for low income individuals and families,
- To expand the supply of decent housing available to low-income homebuyers, and
- To provide homeowner training and homebuyer education activities to low-income homebuyers.

DAP financial assistance shall be provided using deferred loans which, to the extent proceeds are available from the transaction, are fully repayable upon sale of the property. This assistance is combined with conventional permanent financing offered by private sector lenders (i.e., banks, thrifts, or mortgage corporations). Seller/owner financing is not permitted. The amount of financial assistance that may be provided by the Program will be based on the applicant's demonstrated need or "financial gap." DAP will provide a gap financing loan with a maximum of 30% and a minimum of 23% of the sales price, not to exceed \$80,000.00, provided. The Program will maintain adequate

records to support how the amount of Program assistance was calculated. Assistance beyond the HOME maximum per-unit subsidy limit as published by HUD for qualified applicants purchasing eligible properties in the City of College Station will not be provided. The maximum purchase price shall not exceed 95% of the median area purchase price for the same type of residence per 24 CFR 92.254(a)(2)(iii). At his/her sole discretion, the City Manager or their designee may increase the amount of DAP assistance for an applicant purchasing properties developed by the City's Planning and Development Services Department or the City's non-profit partners if necessary to accomplish other City or program objectives, or upon significant demonstration of extraordinary circumstances.

DAP assistance will require a lien by the City of College Station. DAP homebuyers must contribute a minimum of 1.5% of the sales price to the purchase of properties. At the discretion of the City Manager or their designee, this requirement may be waived.

Participating lenders must provide escrow services to buyers for insurance and tax payment purposes. The City will not participate in purchases where the mortgage lender's interest rate exceeds the local average mortgage rate by more than one and one-half additional percentage points. Additionally, lender mortgages of less than fifteen (15) years will not be eligible for participation in the DAP Program.

B. HOMEBUYER ELIGIBILITY CRITERIA

Eligible applicants of DAP financial assistance must meet the following qualifications:

1. An applicant must have a gross income of less than eighty (80) percent of the College Station/Bryan area median income as established by HUD. Income will be determined by the provisions of 24 CFR § 92.203 (Income determinations) and 24 CFR § 5.609 (Annual income).
2. Applicants will not be eligible for DAP assistance if, upon application, they have assets exceeding \$30,000 on hand. Retirement funds in IRS recognized retirement accounts are excluded. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or under extraordinary circumstances.
3. Participants will be required to certify at the time they acquire an ownership interest in the unit that they intend to occupy the unit as their principal residence. Occupancy will be determined through verification of utility consumption, and other verifications determined to be acceptable by the City, on an annual basis.
4. Credit and Employment Standards

- a. Qualified applicants will have an average credit score of no less than 600, with no bankruptcies, foreclosures, student loan delinquencies, income tax delinquencies, child support delinquencies or repossessions within the previous two (2) years. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or upon significant demonstration of extraordinary circumstances.
 - b. Applicants must have an employment history in the same job, or in the case of professional, salaried employees (as defined in 29 CFR § 541 meeting any of the requirements in Subparts B, C, D, E, or F), in the same field of employment, for a minimum of six (6) months.
 - c. Student loans which are currently deferred at the time of application will be included in the debt ratio calculation as if in repayment status.
5. Citizenship: In order to receive DAP assistance, applicants must be United States Citizens, U.S. Non-Citizen Nationals, or Qualified Aliens as defined by Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Qualified Alien status will be verified by the U.S. Citizenship and Immigration Services Division of the Department of Homeland Security.

C. ELIGIBLE PROPERTY CRITERIA

Property eligible for purchase under DAP is subject to the requirements of 24 CFR § 92.254 (Qualification as affordable housing: homeownership) and as follows:

1. The DAP will be implemented on a city-wide basis within the city limits of the City of College Station.
2. All single-family property, located within the above mentioned boundaries, is eligible. The definition of "single-family" property includes individually owned townhouse units, homeplexes and condominium units, but excludes buildings with multiple dwelling units.
3. Only property that is debt-free and has an otherwise clear title on the date it is acquired by an applicant is eligible.
4. The sales price of the home to be purchased must be affordable within the limits stated by HUD and federal regulations. The purchase price of the home to be purchased may not exceed 95% of the median area purchase price for the same type of residence for the College Station/Bryan area per 24 CFR 92.254(a)(2)(iii).
5. Eligible properties must not be tenant-occupied on the date of the execution of the Earnest Money or Sales Contract, unless the occupant is the buyer.

6. Properties constructed prior to 1978 that exceed the maximum allowable area of chipping, peeling, or cracking paint, as determined by Planning and Development Services Department staff, must have passed a lead-based paint risk assessment by a State of Texas-licensed Lead Risk Assessor.

D. LOAN INSTRUMENTS

DAP shall use two (2) basic loan instruments (promissory note and deed of trust) to provide financial assistance to eligible applicants and to comply with the provisions of 24 CFR § 92.254(a)(5)(ii)(A) (Recapture, Net Proceeds). The intention of the DAP loan instrument is to provide supplemental financial assistance when combined with permanent financing.

Affordability shall be determined by ensuring the total PITI (principal, interest, taxes, and insurance) payment (front ratio) is not less than 20% but not more than 35% of the monthly income of the eligible DAP homebuyer. With lender approval, the upper percentage may be slightly exceeded under extenuating circumstances that demonstrate the buyer's ability to handle higher payments. The maximum total debt-to-income ratio (back ratio) is 45% (participating lenders may require a lower percentage). The City of College Station shall not participate in loan packages that have mortgages that are not fully amortizing ("balloon" mortgage) or contain negative amortization. Mortgage interest rates must be fixed for the full loan term. Interest rate buy-downs are not permitted. A maximum of 30% of the program assistance may be used for closing costs except prepaid taxes or mortgage insurance. The remaining 70% must be applied directly to the down payment. Any Mortgage Credit Certificate Tax Credits claimed by the applicant will not be included in the debt ratio calculation.

DAP loan instruments shall require that the property must be maintained to meet all applicable City codes, including community appearance standards and code enforcement ordinances.

Amount: Gap financing of up to 30% of the sales price of the house not to exceed \$80,000.00. Assistance amount is determined by the borrower's demonstrated need or "financial gap."

Repayment Due: 100% of borrowed amount when borrower no longer owner occupies the property (to the extent proceeds available) plus the percentage of equity as determined by the DAP amount divided by the sales price at time of purchase.

Interest Rate: 0%

Lien holder Position:	Second
Closing Costs:	A maximum of 30% of the program assistance may be used for closing costs. The remaining 70% must be applied directly to the down payment.
Refinancing:	Allowed for payment, term, or interest rate reduction. No cash-out refinance allowed during the affordability period.
Owner Occupancy Required:	On the date the homebuyer ceases occupying the property as a principal residence (i.e., rental, gift, death, abandonment), the deferred loan and the shared equity portion will become due and payable to the City (except for deployed military personnel.)

The Shared Equity percentage of appreciation/depreciation due is based on whether there is a gain or loss from a subsequent sale of the subject property. Gain or loss from the borrower's sale shall be calculated as the subsequent sales price minus the eligible costs of sale minus the original cost of acquisition (original purchase price plus closing costs). If there is a loss, then 100% of the loss will be reduced from the original Shared Equity DAP loan amount. If there is a gain, then the Planning and Development Services Department will be paid its original loan plus a share of the appreciation, based on the percentage of the Shared Equity DAP loan of the original home sales price.

The City shall have the prior right to purchase the ownership interest in the property from the initial DAP homeowner for the amount specified in a firm contract between the homeowner and the prospective buyer. The City shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 additional calendar days to complete closing of the property.

Military Deployment - In the event that the homebuyer is deployed on active duty, if the home is occupied by the homebuyer's dependents, the DAP loan will continue to be deferred.

E. HOUSING QUALITY PLAN

1. Planning and Development Services Departmental staff, who are experienced in conducting inspections of housing units for health and safety standards will complete inspections of all proposed units for conditions posing a health or safety threat to occupants prior to approval of the unit for transfer to the homebuyer.

2. All DAP funded properties must meet all requirements under 24 CFR § 92.251(a) (Property standards) prior to closing.
3. Subject properties will be reviewed with regards to environmental issues as required by federal guidelines in 24 CFR § 92.352 (Environmental review). Properties not eligible for federal assistance due to environmental hazards will be ineligible for this program.

F. DAP HOMEBUYER AND HOMEOWNER EDUCATION

The Homebuyer and Homeowner Education Program will provide advice and assistance to potential homebuyers to assist them in meeting the responsibilities of home ownership.

1. An **Intake Interview** will be conducted between City staff and the prospective homebuyer once the application has been completed and reviewed by staff.
2. The session will cover housing selection, Fair Housing laws, purchase procedures, real estate and mortgage terminology, types of financing and assistance programs, and the rights and responsibilities of homeowners. Program disclosures will be discussed and signed by the prospective homebuyer at this time.
3. Applicants must receive housing counseling from a HUD Certified Housing Counselor working for a HUD Certified Housing Counseling Agency. Proof of meeting this requirement must be submitted prior to closing.

G. APPLICATION PROCESS

Interested applicants will be given application and verification forms and instructions for completion. Staff will be available to assist with completion of required forms.

1. Once an applicant meets all program requirements, to include applying for and receiving approval for permanent mortgage financing, an Electronic Funds Transfer (E.F.T.) or check will be requested for the appropriate program assistance. Program documents will be prepared and forwarded to the appropriate title company. Upon Closing, DAP funds will be made available to the selected title company. The E.F.T. or check will be made out to the title company for the benefit of the applicant/buyer.
2. Previous recipients of Planning and Development Services Department housing program assistance (ORP, Rehab, TBRA, etc.) must be approved by the City Manager or their designee prior to receiving DAP assistance. Previous DAP

recipients are not eligible for additional DAP assistance, except upon approval of the City Manager or their designee.

3. Applicants falsifying information will be disqualified from participating in the program and may be subject to criminal prosecution.
4. Applicants denied for DAP can reapply no earlier than three (3) months from the date of original application.
5. A non-refundable fee of shall be due upon receipt of the application or pre-application. This fee is meant to primarily cover the cost of the prospective client's credit report.

H. ANTI-DISPLACEMENT POLICY STATEMENT

1. The City shall not engage or participate in any activities that influence the permanent and/or involuntary relocation or displacement of any low-income family due to the DAP pursuant to the provisions of 24 CFR§ 92.353 Displacement, Relocation, and Acquisition.
2. It is not anticipated that it would be necessary to relocate any families. However, the City will follow the relocation procedures as set forth in its adopted Anti-Displacement Policy if the need does arise.

I. EQUAL OPPORTUNITY STATEMENT

The City of College Station is committed to providing equal opportunity for minority- or women-owned businesses to compete and obtain contracts for City sponsored projects, and will comply with the provisions of 24 CFR § 92.350 (Other Federal requirements and nondiscrimination) and 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

J. FAIR HOUSING POLICY STATEMENT

The City of College Station adopted a Fair Housing Ordinance in 1979, which prohibits discrimination in the sale or rental of housing, and discrimination in the provision of brokerage services. The ordinance also outlines the City's procedures regarding complaints, investigation, cumulative legal effect, unlawful intimidation, education and public information and penalty. The City is not under any court order or decree regarding Fair Housing. Relevant policies and codes have been examined and no exclusionary zoning codes were evident. The City of College Station does not have a rental control ordinance. The City of College Station will comply with the provisions of 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

Information regarding the DAP will be made available to the public through the use of a variety of public media, to include: meetings, the City's website and ads in the classified section of the newspapers. Press releases may be given to the local media. Information and applications will be made available to local agencies that deal with low to moderate income people.

Planning and Development Services Department staff will be available to speak to organizations or groups of interested individuals. Other methods of program information outreach may be utilized, including utility bill inserts, direct mailing, television advertising, and applications and program information will also be available on various City-specific media.

In addition, the City of College Station will seek technical assistance from the appropriate HUD staff in order to ensure that all Fair Housing requirements and standards are upheld and ultimately furthered.

**CITY OF COLLEGE STATION
DEMOLITION/CLEARANCE PROGRAM**

PROGRAM GUIDELINES

Unless herein stated, the requirements contained in 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

I. STATEMENT OF PURPOSE AND PROGRAM OVERVIEW

The City of College Station has established a Demolition/Clearance Program (DEMO) funded through the U. S. Department of Housing and Urban Development (HUD) Community Development Block Grant Program (CDBG) . DEMO is designed to provide financial assistance necessary to accomplish the removal of dilapidated structures and dwellings and for removal of slum and blight, particularly dilapidated and vacant residential structure and/or accessory buildings. The goal is to create a more livable environment. Provisions are made for lower income applicants to apply for assistance in the removal of dilapidated and vacant structures. To protect the City's investment, liens are placed on the property to ensure recapture of program expenses. When appropriate and at the discretion of the City Manager or their designee, liens may be waived for income eligible program applicants, as outlined in these guidelines.

DEMO funds may only be used on eligible projects that either address slum and blight or assist low-to moderate income households whose incomes do not exceed eighty percent (80%) of the College Station-Bryan Area Median Income (AMI) (Eligible Household). Assistance is available on a city-wide basis and is limited to only those properties located within the municipal boundaries of the city. Properties that lie partially within the city limits may be considered on a case-by-case basis.

Assistance shall be subject to the availability of grant funds and U.S. Department of Housing and Urban Development (HUD) implementing regulations. Administrative procedures will be modified to meet any change in rules and regulations of HUD which may occur over time.

Properties considered for demolition or clearance under DEMO may be identified by various City of College Station departments (Planning and Development Services, Public Works, Fire, etc.).

Program costs associated with DEMO may include, but are not limited to: costs of inspections and/or hazardous material assessments; lead-based paint and asbestos testing, abatement, and disposal activities; utility disconnections fees; removal of rubbish, debris, and/or other unsightly or hazardous material; solid waste/landfill disposal fees; lien recording fees; hydro-mulching costs to return the property to a useable and safe condition; and program delivery/staff costs.

DESIGNATED AUTHORITY

Administrative authority for implementation of this program will rest with the City Manager or their designee. The Planning and Development Services Department will

serve as the designated office for approval of contractual agreements and budget changes as needed to accomplish project completion, in accordance with Council-approved procedures.

The City Manager or their designee will be responsible for authorizing the amount of assistance to be made available to the project in accordance with the implementing procedures. This determination will be based upon the evaluations of the cost to be incurred by providing the assistance and upon the demonstrated needs of eligible applicants.

The City Manager or their designee will also be responsible for approval of applicant eligibility for this program and final approval of selection of applicants to be assisted. This will be based upon relative need of applicants for the specific assistance sought.

GENERAL PROGRAM GUIDELINES

- A. Assistance will be available on a city-wide basis.
- B. Assistance shall be subject to the availability of grant funds and U.S. Department of Housing and Urban Development (HUD) implementing regulations. Administrative procedures will be modified to meet any change in rules and regulations of HUD which may occur over time.
- C. Efforts will be directed toward the funding of staffing costs and the actual cost of removal of dilapidated structures or clearance of sites.

II. ELIGIBLE PROPERTIES

A. Properties located in the City of College Station, both occupied and uninhabitable, will be eligible for assistance upon the determination that the structure and/or site present a threat to the health and safety of occupants or to the public, or structurally unsound, or determined infeasible to rehabilitate based on the Community Development Program definition of Infeasibility of Rehabilitation.

B. Eligible properties include those which are determined to constitute unsightly or slum and blight images and contribute to the decline of the neighborhood.

C. Eligibility for funding assistance will also include either of the following two types of referral:

1. Property owners must submit a Request for Demolition Assistance properly excuted by either all of the property owners or by one owner acting on behalf of the remainder of the owners as evidenced by either Power of Attorney or notarized statements. Property owners must provide sufficient documentation as to the correct ownership of the property and the existence of any liens on the property. The assistance will be in the form of a grant and no lien will be placed on the property; or

2. Structure is determined a public hazard and is formally condemned by the City of College Station Building and Standards Commission. The owner will then be billed

for the actual cost of the demolition and any administrative cost associated with the condemnation process and a lien for the total project cost will be placed on the property.

IV. TYPES OF ASSISTANCE

A. Assistance will include provision of funding and technical assistance in the Demolition/Clearance procedure. The City will provide funds on behalf of property owners for the contracting of removal of dilapidated structures or site clearance.

B. The City will act as a part to a Demolition/Clearance contract in the event of a demolition brought about as a result of a formal condemnation process, or in the event that the rightful owner of the property can not be readily determined or located following formal title research procedures.

C. The City may assist property owners with formal bidding procedures upon owner's request by providing a detailed work write-up of clearance procedures and standards and by providing a list of pre-qualified bidders. Qualified bidders will be solicited by public notice and determined eligible to bid after satisfactorily presenting adequate certificates of insurance, financial responsibility, and evidence of quality workmanship. Qualified bidders will then be notified of individual projects as they occur, in addition to public notices of invitations to bid.

D. The property owner will be the procuring agent for the project and must adhere to Bidding and Contracting procedures as outlined in the Community Development General Administrative Guidelines.

E. City staff will comply with all federal regulations regarding environmental quality standards, the public notification of the use of funds for demolition/clearance activities, the Barney-Frank One-for-One Replacement Dwelling regulations if necessary, and Section 104(d) Relocation regulations if necessary.

CITY OF COLLEGE STATION
HABITAT FOR HUMANITY DOWN-PAYMENT ASSISTANCE PROGRAM

PROGRAM GUIDELINES

Unless herein stated otherwise, the general operating procedures contained in 24 CFR Part 92 (Home Investment Partnerships Program) and/or 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station Habitat for Humanity Down-Payment Assistance Program (HDAP) is funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funds. Additionally, the City may utilize other local, state, or federal resources that become available.

HDAP is designed to assist income-eligible Habitat for Humanity homebuyers with the purchase of affordable single family residential properties located within the City of College Station for owner-occupied, homestead use only through the Habitat for Humanity homebuyer program. HDAP financial assistance shall be limited to providing qualified applicants with down payment/principal reduction and/or closing cost assistance under the provisions of 92 CFR § 92.254 qualification as affordable housing: homeownership and 570.201 Basic eligible activities.

The basic goals of the Down-Payment Assistance Program are:

- To provide homeownership opportunities for low income individuals and families,
- To expand the supply of decent housing available to low-income homebuyers, and
- To provide homeowner training and homebuyer education activities to low-income homebuyers.

HDAP financial assistance shall be provided using deferred loans which, to the extent proceeds are available from the transaction, are fully repayable upon sale of the property. This assistance is combined with permanent financing offered by the Habitat for Humanity homebuyer program. The amount of financial assistance that may be provided by the Program will be based on the applicant's demonstrated need or "financial gap." DAP will provide a maximum of \$15,000 provided that the amount of assistance does not increase the amount of assistance beyond the maximum 221(d)(3) limit as published by HUD for qualified applicants purchasing eligible properties in the City of College Station. The maximum purchase price shall not exceed 95% of the median area purchase price for the same type of residence. HDAP assistance will require a lien by the City of College Station.

Habitat for Humanity must provide escrow services to buyers for insurance and tax payment purposes. Lender mortgages of less than fifteen (15) years will not be eligible for participation in the HDAP Program.

B. HOMEBUYER ELIGIBILITY CRITERIA

Eligible applicants of HDAP financial assistance must meet the following qualifications:

1. An applicant must have a gross income of less than eighty (80) percent of the College Station/Bryan area median income as established by HUD. Income will be determined by the provisions of 24 CFR § 92.203 (Income determinations) and 24 CFR § 5.609 (Annual income). Applicants will not be eligible for DAP assistance if, upon application, they have assets exceeding \$30,000 on hand. Retirement funds in IRS recognized retirement accounts are excluded.
2. Participants will be required to certify at the time they acquire an ownership interest in the unit that they intend to occupy the unit as their principal residence. Occupancy will be determined through verification of utility consumption, and other verifications determined to be acceptable by the City, on an annual basis.
3. Employment and Debt Standards
 - a. Applicants must have an employment history in the same job, or in the case of professional, salaried employees (as defined in 29 CFR § 541 meeting any of the requirements in Subparts B, C, D, E, or F), in the same field of employment, for a minimum of six (6) months.
 - b. Student loans which are currently deferred at the time of application will be included in the debt ratio calculation as if in repayment status.
4. Citizenship: In order to receive HDAP assistance, applicants must be United States Citizens, U.S. Non-Citizen Nationals, or Qualified Aliens as defined by Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Qualified Alien status will be verified by the U.S. Citizenship and Immigration Services Division of the Department of Homeland Security.

C. ELIGIBLE PROPERTY CRITERIA

Property eligible for purchase under HDAP is subject to the requirements of 24 CFR § 92.254 (Qualification as affordable housing: homeownership) and as follows:

1. The HDAP will be implemented on a city-wide basis within the city limits of the City of College Station.
2. Single-family property developed by the Habitat for Humanity homebuyer program, located within the above mentioned boundaries, is eligible. The definition of "single-family" property includes individually owned townhouse units, homeplexes and condominium units, but excludes mobile homes, duplexes and quadraplexes.
3. Only property that is debt-free and has an otherwise clear title on the date it is acquired by an applicant is eligible.

4. The sales price of the home to be purchased must be affordable within the limits stated by HUD and federal regulations. The fair market value (FMV) of the home to be purchased may not exceed 95% of the median area purchase price for the same type of residence for the College Station/Bryan area.
5. Eligible properties must not be tenant-occupied on the date of the execution of the Earnest Money or Sales Contract, unless the occupant is the buyer.
6. Properties constructed prior to 1978 that exceed the maximum allowable area of chipping, peeling, or cracking paint, as determined by Planning and Development Services Department staff, must have passed a lead-based paint risk assessment by a State of Texas-licensed Lead Risk Assessor.

D. LOAN INSTRUMENTS

HDAP shall use two (2) basic loan instruments (promissory note and deed-of-trust) to provide financial assistance to eligible applicants and to comply with the provisions of 24 CFR § 92.254(a)(5)(ii)(A) (Recapture, Net Proceeds). The intention of the HDAP loan instrument is to provide supplemental financial assistance when combined with permanent financing.

Affordability shall be determined by ensuring the total PITI (principal, interest, taxes, and insurance) payment (front ratio) is not more than 35% of the monthly income of the eligible HDAP homebuyer. The maximum total debt-to-income ratio (back ratio) is 45% (Habitat for Humanity may require a lower percentage). A maximum of 30% of the program assistance may be used for closing costs except prepaid taxes or mortgage insurance. The remaining 70% must be applied directly to the down payment. Any Mortgage Credit Certificate Tax Credits claimed by the applicant will not be included in the debt ratio calculation.

HDAP loan instruments shall require that the property must be maintained to meet all applicable City codes, including community appearance standards and code enforcement ordinances.

Amount:	\$15,000 maximum
Repayment Due:	100% upon sale (to the extent proceeds available)
Interest Rate:	0%
Lien holder Position:	Second
Closing Costs:	A maximum of 30% of the program assistance may be used for closing costs. The remaining 70% must be applied directly to the down payment.
Refinancing:	Allowed for payment, term, or interest rate reduction. No cash-out refinance allowed.

Owner Occupancy Required: On the date the homebuyer ceases occupying the property as a primary residence (i.e., rental, gift, death, and abandonment), the deferred loan will become due and payable to the City (except for deployed military personnel.)

Habitat for Humanity shall have the prior right to purchase the ownership interest in the property from the initial HDAP homeowner. Should Habitat for Humanity choose not to exercise their right, the City shall then have the prior right to purchase the ownership interest in the property from the initial HDAP homeowner for the amount specified in a firm contract between the homeowner and the prospective buyer. The City shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 additional calendar days to complete closing of the property.

Military Deployment - In the event that the homebuyer is deployed on active duty, the homebuyer may, at their discretion, rent the home during the time of deployment to an income-eligible applicant if the homebuyer's monthly mortgage payment will exceed 30% of gross monthly income after deployment. The maximum rent will be determined by published maximum HUD rents for the area. The City of College Station Planning and Development Services Department will verify income eligibility of the rental applicant and will file a copy of the deployment orders in the homebuyer's client file. If the home is rented to an income-eligible applicant, or is occupied by the homebuyer's dependents, the HDAP loan will continue to be deferred.

E. HOUSING QUALITY PLAN

1. Planning and Development Services Departmental staff, who are experienced in conducting inspections of housing units for health and safety standards will complete inspections of all proposed units for conditions posing a health or safety threat to occupants prior to approval of the unit for transfer to the homebuyer.
2. All HDAP funded properties must meet all requirements under 24 CFR § 92.251(a) (Property standards) prior to closing.
3. Subject properties will be reviewed with regards to environmental issues as required by federal guidelines in 24 CFR § 92.352 (Environmental review) Properties not eligible for federal assistance due to environmental hazards will be ineligible for this program.

F. HDAP HOMEBUYER AND HOMEOWNER COUNSELING PROGRAM

The Habitat for Humanity Homebuyer Program will provide a full range of services, advice, and assistance to potential homebuyers to assist them in meeting the responsibilities of home ownership.

G. APPLICATION PROCESS

Interested applicants will be given application and verification forms and instructions for completion. Staff will be available to assist with completion of required forms.

1. Once an applicant meets all program requirements, to include applying for and receiving approval for permanent mortgage financing through the Habitat for Humanity Homebuyer Program, an Electronic Funds Transfer (E.F.T.) or check will be requested for the appropriate program assistance. Program documents will be prepared and forwarded to the appropriate title company. Upon Closing, HDAP funds will be made available to the selected title company. The E.F.T. or check will be made out to the title company for the benefit of the applicant/buyer.
2. Previous recipients of Community Development housing program assistance (ORP, Rehab, TBRA, etc.) must be approved by the City Manager or their designee prior to receiving HDAP assistance. Previous HDAP recipients are not eligible for additional HDAP assistance, except upon approval of the City Manager or their designee.
3. Applicants falsifying information will be disqualified from participating in the program and may be subject to criminal prosecution.
4. Applicants denied for HDAP can reapply no earlier than six (6) months from the date of original application.
5. A non-refundable fee of \$30 shall be due upon receipt of the application or pre-application. This fee is meant to primarily cover the cost of the prospective client's credit report.

H. ANTI-DISPLACEMENT POLICY STATEMENT

1. The City shall not engage or participate in any activities that influence the permanent and/or involuntary relocation or displacement of any low-income family due to the HDAP pursuant to the provisions of 24 CFR§ 92.353 Displacement, Relocation, and Acquisition.
2. It is not anticipated that it would be necessary to relocate any families. However, the City will follow the relocation procedures as set forth in its adopted Anti-Displacement Policy if the need does arise.

I. EQUAL OPPORTUNITY STATEMENT

The City of College Station is committed to providing equal opportunity for minority- or women-owned businesses to compete and obtain contracts for City sponsored projects, and will comply with the provisions of 24 CFR § 92.350 (Other Federal requirements and nondiscrimination) and 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

J. FAIR HOUSING POLICY STATEMENT

The City of College Station adopted a Fair Housing Ordinance in 1979, which prohibits discrimination in the sale or rental of housing, and discrimination in the provision of brokerage services. The ordinance also outlines the City's procedures regarding complaints, investigation, cumulative legal effect, unlawful intimidation, education and public information and penalty. The City is not under any court order or decree regarding Fair Housing. Relevant policies and codes have been examined and no exclusionary zoning codes were evident. The City of College Station does not have a rental control ordinance. The City of College Station will comply with the provisions of 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

Information regarding the HDAP will be made available to the public through the use of a variety of public media, to include: meetings, the City's website and ads in the classified section of the newspapers. Press releases may be given to the local media. Information and applications will be made available to local agencies that deal with low to moderate income people.

Planning and Development Services Department staff will be available to speak to organizations or groups of interested individuals. Other methods of program information outreach may be utilized, including utility bill inserts, direct mailing, television advertising, and applications and program information will also be available on various City-specific media.

In addition, the City of College Station will seek technical assistance from the appropriate HUD staff in order to ensure that all Fair Housing requirements and standards are upheld and ultimately furthered.

CITY OF COLLEGE STATION
HOUSING RECONSTRUCTION
PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 92 (Home Investment Partnerships Program) and 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station has established a Housing Reconstruction Program (HRP) funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME). Additionally, the City may utilize other appropriate local, state, or federal resources that may become available.

The HRP is designed to combine various financial resources necessary to accomplish the reconstruction of eligible, qualified, owner occupied dwellings once deemed ineligible for the Housing Rehabilitation and Minor Home Repair programs. The City's Planning and Development Services staff will assist homeowners in planning, implementing and managing the process to demolish and reconstruct their substandard dwelling. In addition, the City seeks to impede the acceleration of slum and blighting influences through this activity, as well as preserve and enhance neighborhood quality and integrity. Depending upon applicant eligibility and costs of the particular project, assistance may be available to applicants under the provisions of 24 CFR § 92.254 Qualification as affordable housing: Homeownership and 24 CFR § 570.202, Eligible Rehabilitation and Preservation Activities. Eligible project activities will comply with the respective program requirements published in the U.S. Code of Federal Regulations (CFR), as it may be modified over time. The basic goals of this Program are:

- To preserve and enhance the supply of affordable, decent, safe, and sanitary housing available to qualified low-income households.
- To provide support, training, and educational activities to low-income applicants seeking to reconstruct their dilapidated homes.
- To provide applicants information regarding loan finance options to accomplish necessary demolition and reconstruction required to build a single family dwelling that meets all applicable codes and ordinances.
- To provide applicants information on proactively managing the maintenance of their homes following reconstruction.

This program is designed to provide technical and financial assistance to low-income, owner-occupant homeowners seeking to demolish and reconstruct their dilapidated residential structures into decent, safe and sanitary dwelling units. This program is available on a city-wide basis and is limited to only those properties located within the municipal boundaries of the city. Properties that lie partially within the city limits may be considered on a case-by-case basis.

The HRP financial assistance shall be managed as follows:

Program staff will assist qualified and approved applicants to demolish and reconstruct their dilapidated housing by requiring the applicant to enter into a reconstruction assistance agreement with the City. The agreement will allow the use of program funds for demolition and reconstruction as well as associated program delivery costs of the project. The agreement must be approved and executed prior to the commencement of any demolition or construction activities. All project costs (excluding staff time and soft costs necessary for program delivery) shall be compiled at project completion into a permanent financing loan, secured by a lien. Repayment of the loan shall be in accordance with the terms and conditions defined in program legal instruments. Applicants will have the option of pre-payment of costs at any time during the project, and prior to permanent financing, if they so desire.

Upon completion of construction activities, applicant shall close on the loan. Assistance will be in the form of a mixed loan – up to half of the assistance amount capped at \$60,000 in the form of a deferred, 0% interest, forgivable loan amortized using a monthly rate based on the number of months in a fifteen (15) year lien period. This portion of the loan will be forgiven at this rate over the fifteen (15) year lien period. The remainder will be in the form of a 0% interest deferred loan repayable when the borrower no longer occupies the property as their principal residence.

The mortgage note and deed restrictions shall be serviced and enforced either by the Planning and Development Services Department, a commercial lending institution, or by a not-for-profit entity.

B. DESIGNATED AUTHORITY

Administrative authority for implementation of this Program will rest with the City Manager or their designee. The Planning and Development Services Department will serve as the designated office for approval of contractual agreements and budget changes as needed to accomplish project completion, in accordance with Council approved procedures.

The City Manager or their designee will be responsible for authorizing the amount of assistance to be made available to the project in accordance with the implementing procedures. This determination will be based upon evaluations of the costs to be incurred by providing the housing assistance and upon the demonstrated needs of eligible applicant(s).

The City Manager or their designee will also be responsible for approval of applicant eligibility for this program and final approval of selection of applicants to be assisted. This will be based upon relative need of applicants for the specific housing assistance sought.

C. PROGRAM IMPLEMENTATION PROCESS

Steps in implementing the Program will be as follows:

1. The Planning and Development Services Department will create and maintain applications for all housing assistance programs. All applicants shall submit a completed application to the Planning and Development Services Department Office and await an evaluation of eligibility by the appropriate staff member(s). For this particular Program, applicants are required to hold majority title interest to an improved property within the corporate limits of College Station, which is their permanent place of residence, prior to submitting an application. A non-refundable application fee will be required to process the application under this program.
2. When a determination has been made that the structure is not feasible to rehabilitate to minimum standards under the City's Rehabilitation Program, staff will evaluate reconstruction applications for eligibility and prioritize the processing of applications based upon completeness and accuracy of information/documentation and demonstrated housing need. Program staff will process applications as expeditiously as possible, considering funding limitations and other staff responsibilities as assigned.
3. Applicant(s) will be notified by phone and in writing if they are eligible for participation in the program. If the applicant(s) are not eligible, they will be notified in writing, with an explanation of why they do not qualify. Non-qualification issues may include (but are not limited to) income, assets, deed restrictions, title concerns, environmental concerns and/or household make-up.
4. Program staff will meet with the applicant(s) to explain the basic goals and objectives of the Program and further assess the needs of the applicant(s) household that will occupy the dwelling once completed as their principal residence. Planning

and Development Services staff determine whether or not approval of the homeowner's replacement housing may be expected to result in the successful and feasible re-housing of the homeowner. The homeowner's request may be denied in cases in which the homeowner's general health or income level would preclude his or her adequate and responsible operation of a replacement dwelling; and/or cases in which the costs of the replacement dwelling would be substantially above the costs of typical cases; and to the extent that the probability of the City reaching its CDBG/HOME program goals would be endangered due to the cost overruns. The homeowner will be notified in writing of the determination and if the request is not approved, the reasons for denial.

5. After the household needs are fully assessed, staff will assess the project site to determine any additional demolition or reconstruction needs of the home in order to fully realize a decent, safe and sanitary unit. Program staff will make every effort, while crafting a plan for the home reconstruction, to incorporate the City's most current Green Building Standards into the project scope. Any incentives offered from federal, state or local agencies for conformance with Green Build Standards shall be accessed by the program as appropriate and when applicable.
6. Applicant(s) will be involved in several meetings with program staff to ensure proper steps are followed in the reconstruction process of their homes. The applicant may also be required to accompany program staff to appear before City planning boards and/or commissions to request variances or approval of special circumstantial development needs.
7. Applicant(s) will be responsible for their own relocation arrangements during the demolition and reconstruction period. Necessary relocation expenses may be eligible for reimbursement under the City of College Station's Optional Relocation Policy. The City may be able to provide up to \$4,500 for qualified eligible expenses.
8. Once the reconstruction plan has been completed, and any other City required approvals have been accomplished, program staff will place the project out for bid to approved contractors in compliance with the City's procurement and process regulations. Prior to bid, program staff will prepare a construction estimate by which to compare submitted bid amounts. Should submitted bids prove to be more than 10% of the construction estimate, the applicant will have the option to reject all bids and re-bid the project, or select the lowest responsible bidder (if program staff deems the lowest responsible bid reasonable within the project estimate). Applicant (Owner) will then enter into a construction contract with the lowest responsible bidder (Contractor), allowing the City to be the Owner Representative through the construction process, attending to progress payments and change orders in a timely manner on behalf of the Owner.

9. Program staff will obtain all required close-out documents at project completion and the loan closing will be scheduled.
10. Homeowners will be required to comply with all terms and conditions of their program agreement until all of the terms of their loan have been satisfied. Due to the type and source of funding, homeowners provided assistance through this program can expect rigorous enforcement of the terms and conditions of their loans.

D. APPLICANT ELIGIBILITY CRITERIA

Eligible applicants of this Program must meet the following qualifications:

1. Applicant(s) must have applied for rehabilitation assistance under the City's Housing Rehabilitation Program. Applicant must have been rejected for rehabilitation assistance on the grounds that the applicant's occupied dwelling was not feasible to rehabilitate.
2. Applicant(s) must be an owner-occupant of the dwelling for which assistance is requested and reside within the City of College Station. The dwelling must be the applicant's principal residence for a minimum of two (2) years prior to the submission of a completed application for assistance.
3. Ownership: Applicant(s) must present proof of ownership by General or Special Warranty Deed. City staff will verify proof of ownership with title searches as necessary on the property where the dilapidated structure exists and/or the site where the replacement housing will be built. In situations where the applicant does not have clear title, applicant will be required to clear title. When meeting this guideline requirement is not feasible, applicant must present proof of ownership (General or Special Warranty Deed) showing fee simple title of 50% or more ownership in the applicant's name. (All other title holders will be requested to relinquish their title rights to the applicant. If 100% title is not gained in this manner, then all other title holders will be requested to sign applicable project and lien documents to show their consent to the project.) Applicants with less than 100% fee simple title must have a continuing right to occupy the premises. Applicant must provide documentation for all existing liens. All current lienholders will be requested to subordinate their lien position to the City. Upon review and determination by the City Manager or their designee, the City may accept a lesser lien position if it is determined that the City's low-income affordable housing goals are being accomplished by the completion of the project.

4. Principal Residence and Homestead: Applicant(s) will be required to certify that they intend to occupy the new reconstructed dwelling as their principal residence upon project completion. Occupancy will be determined through verification of utility consumption, and other verifications determined acceptable and/or necessary by the City, on an annual basis.
5. Income: An applicant must have a gross income of 80 percent or less than of the College Station/Bryan area median income as reported by HUD. Income will be determined by the provisions of 24 CFR § 92.203 (Income determinations) and 24 CFR § 5.609 (Annual income).
6. Assets: Applicants will not be eligible for this Program if, upon application, they have assets exceeding \$30,000 on hand. Retirement funds in IRS recognized retirement accounts and home equity are excluded. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or under extraordinary circumstances.
7. Citizenship: In order to receive Program assistance, applicants must be United States Citizens, U.S. Non-Citizen Nationals, or Qualified Aliens as defined by Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Qualified alien status will be verified by the Citizenship and Immigration Services division of the U.S. Department of Homeland Security.
8. Applicant must establish that all property taxes are paid on the property to be vacated (and/or proposed construction site) and that all other liens are satisfied or released. Applicants owing delinquent property taxes will only be considered for assistance if they are enrolled in a county approved tax payment plan. At a minimum, the applicant must have six consecutive months of timely payments on a payment plan structured to bring taxes current within a two year period. After project completion, owners are required to certify on an annual basis that taxes have been paid and hazard insurance policies are current and in effect.
9. Applicants shall provide complete and accurate information regarding their household composition, household income, and housing situation. Failure to disclose information which may affect eligibility requirements shall also constitute fraud. Applicants shall be required to make full restitution to the City in the event applicants provide inaccurate or incomplete information in order to meet eligibility requirements for the Planning and Development Services Department housing programs. Requests for further assistance will be denied unless restitution is made in full.
10. Applicants will agree to conform to College Station Code Enforcement requests prior to being determined eligible for replacement housing assistance. Applicants agree

to maintain dwelling and exterior grounds in accordance with applicable city ordinances.

G. FEASIBILITY OF RECONSTRUCTION

1. Feasibility of demolition and reconstruction of property to minimum program standards will be made following a detailed inspection of the property by program staff.
2. Feasibility of reconstruction structures under established program limits will be determined by an assessment of the following two criteria:
 - a. For all required repairs and renovations, rehabilitation costs shall exceed 75% of the total estimated post- rehabilitation value of the structure.
 - b. The estimate of costs needed for all required demolition and reconstruction must fall within program limits.

Units not meeting these standards will be determined infeasible for reconstruction assistance and, therefore, considered only for the Housing Rehabilitation and Minor Home Repair programs.

H. SELECTION OF RECIPIENTS FOR ASSISTANCE

1. Recipients for assistance of HRP will be taken from the Rehabilitation Program applications of eligible homeowners residing in substandard or dilapidated structures determined to be infeasible to rehabilitate.
2. The number of recipients to receive assistance will be subject to general availability of funds.
3. Planning and Development Services Department staff will evaluate all applications of eligible homeowners whose structures are determined to be infeasible to rehabilitate. Based upon this evaluation, a recommendation will be made to the City Manager or their designee as to the order of applicants to be assisted. Generally, those in the most imminent danger to personal health or safety will be extended priority under the program.
4. Criteria to be used to make this evaluation will include the following items listed in priority order:

- a. Degree of threat to health and safety of occupants presented by continuance of residing in the structure. This will include evaluation of factors such as availability of basic services including water, sewer, electricity, and structural deficiencies of the home.
- b. Health and handicapping disabilities of occupants which necessitates the home to be handicapped accessible.
- c. Time and date that all application requirements are met.
- d. Time and date of application.

E. ELIGIBLE PROPERTY CRITERIA

Property eligible for Program assistance is subject to the requirements of 24 CFR § 92.254 (Qualification as affordable housing: Homeownership) and as follows:

- 1. Location: The Program will be implemented on a city-wide basis within the corporate limits of the City of College Station. Properties that lie partially within the corporate limits will be considered on a case-by-case basis. However, program preference will rest with properties wholly in the City.
- 2. Property Type: Eligible properties must be improved, single-family residential lots, which are:
 - a. The principle residence of the applicant, and
 - b. Have a structure that has been determined infeasible to rehabilitate by staff, and
 - c. Have all utility service connections available to the property.
- 3. Title: The applicant household must hold majority title to the property. An existing mortgage will not prohibit participation in the program.
- 4. All eligible properties, following reconstruction, shall not exceed the HOME Program limits prescribed in 24 CFR § 92.254(a)(2)(iii).
- 5. Property Size: Eligible properties must not exceed two (2) acres in size. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or under extraordinary circumstances.
- 6. Manufactured Housing: Manufactured housing units are not eligible for program assistance unless:

- a. the property on which the manufactured home sits is owned by the applicant; and
- b. the property is properly zoned for single family housing; and
- c. the applicant has resided in the home and on that site for not less than two years prior to the application date.

F. LOAN INSTRUMENTS

The HRP shall use loan instruments (real estate lien note, deed of trust, mechanic's lien contract, mechanic's lien note and transfer of lien) adapted to this program in order to provide financial assistance to eligible applicants.

Assistance will be in the form of a mixed loan – up to half of the assistance amount capped at \$60,000 in the form of a deferred, 0% interest, forgivable loan amortized using a monthly rate based on the number of months in a fifteen (15) year lien period. This portion of the loan will be forgiven at this rate over the fifteen (15) year lien period. The remainder will be in the form of a 0% interest deferred loan, repayable when the borrower no longer occupies the property as their principal residence.

Program loan instruments shall require that the property must be maintained to meet all applicable City codes, including code enforcement ordinances, community appearance and development standards.

Loan

Amount: \$150,000 maximum (construction and demolition costs)
The City Manager or their designee may increase this amount if necessary to accomplish other City or program objectives, or under extraordinary circumstances;

Interest: 0% interest deferred repayment portion and 0% interest forgivable portion capped at \$60,000

Forgivable Loan Repayment: Amortized using a monthly rate based on the number of months in a fifteen (15) year lien period. This portion of the loan will be forgiven at this rate over the fifteen (15) year lien period. Un-forgiven portion will be due in full when borrower no longer owner-occupies the structure;

Repayable Loan Repayment:

Deferred until borrower no longer occupies the property as their principal residence, at which time the repayment portion of the loan is due in full.

Lien holder Position: First;

Owner Occupancy Required: On the date the homeowner ceases occupying the property as their principal residence (i.e., rental, gift, death, abandonment), the deferred and repayable loans will become due and payable to the City except for deployed military personnel.

Refinancing of the first mortgage for the purpose of the reduction of monthly payments, term or interest rate is acceptable, however, refinancing which results in any cash being received by the homeowner is not allowed. In order to refinance, the rehabilitation cost must exceed the amount of debt that is refinanced with HOME funds.

The City shall have the prior right to purchase the ownership interest in the property from the initial HRP homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. The City shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 additional calendar days to complete closing of the property.

Military Deployment - In the event that the homeowner is deployed on active duty, if the home is occupied by the homeowner's dependents, the rehabilitation loan will continue to be deferred.

I. FORMS OF ASSISTANCE AND ALLOWABLE EXPENSES

1. The primary form of general housing reconstruction assistance will be federal CDBG and/or HOME funds to pay for eligible program costs. The allowable budget authority for reconstruction assistance shall not exceed One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) per applicant for eligible project costs (excluding program staff costs). The City Manager or their designee may increase this amount if necessary to accomplish other City or program objectives, or under extraordinary circumstances. Since each reconstruction project is unique in preparation, size and duration, additional costs may be required to carry a project from commencement to completion. These additional costs will be financed by owner proceeds or by an additional loan from a private lender. Under no circumstances will the owner be able to finance more debt than is allowed under Program debt to income ratios.

2. The City of College Station shall hold first lien position on the loan for the duration of the lien period. However, in extreme and isolated situations where first lien position is not feasible, the City may accept a lower lien position subject to the review and approval of the City Manager or their designee. The lien shall be released upon repayment. The full amount of assistance may be repaid at any time; however, the assistance must be repaid in full when the homeowner no longer occupies the property as their primary residence.
3. Program intent is to maintain owner-occupancy in the reconstructed dwellings. In the event of a sale, transfer of ownership or the property ceases to be owner occupied during the lien period, the following conditions must apply to avoid default:
 - a. The owner must sell or offer the assumption of the loan to a low/moderate income household for their homestead and approved by the City Manager or their designee; and
 - b. The owner shall give the city a first right of refusal to purchase the ownership interest in the property from the homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. The city shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 calendar days to complete closing of the property.
4. If within the lien period the homeowner defaults on the loan, the loan will be called due in full and foreclosure proceedings may be initiated. The City will make every effort to work with the homeowner to avoid foreclosure and will examine each situation on a case by case basis.
5. Allowable expenses will include:
 - a. Replacement housing to be used for one of the following re-housing options:
 - i. An adequate, decent, safe, and sanitary REPLACEMENT DWELLING constructed on the ORIGINAL SITE (LOT) of the dwelling vacated by the homeowner,
 - ii. An adequate, decent, safe, and sanitary REPLACEMENT DWELLING constructed on an ALTERNATE SITE in the City of College Station provided by the homeowner,
 - iii. An adequate, decent, safe, and sanitary REPLACEMENT DWELLING constructed on a SITE ACQUIRED where subject property is not appropriate for redevelopment and with the agreement that the homeowner will trade lots with the City, if available, or

- iv. An adequate, decent, safe, and sanitary REPLACEMENT DWELLING FOR SALE in the City of College Station that meets the City's Structural Standards Code (all Down Payment Assistance Program standards will apply to the home inspection).
 - b. Cost of lot clearance, demolition, and clearance of the dilapidated structure, and preparation of job site for new replacement dwelling.
 - c. Cost of utility and appliance transfers and hookups as necessary.
 - d. Closing and settlement costs related to purchase of replacement dwelling.
 - e. Other expenses determined by the City to be necessary to facilitate the relocation of the homeowner.
6. Planning and Development Services Department staff will also provide assistance and education to applicants as needed, including the following:
- a. Information on the program and re-housing options available.
 - b. Assistance in acquisition or soliciting bids for construction of replacement housing.
 - c. Assistance in contractual compliance between homeowner and contractor.
 - d. Assistance in inspection of construction of replacement dwelling, if applicable.
 - e. Assistance to applicant in evaluation of future housing cost burdens.

J. RECONSTRUCTION AGREEMENT

Each applicant assisted through this Program will sign a HOME Reconstruction or Re-Housing Agreement with the City which defines the overall terms and conditions of the City providing the HRP assistance. Other construction documents will be required to be executed by the applicant during the reconstruction assistance process, but the HOME Reconstruction Agreement will be solely between the City and the applicant, and will be the primary instrument submitted for approval by the City Manager or their designee, before the project may commence.

K. FINAL INSPECTION - CERTIFICATE OF OCCUPANCY

The City of College Station will be responsible for final inspection of all housing units made available through the program to determine that the unit meets all City of College Station and HUD requirements. Final payment will not be made until the City of College Station has issued a Certificate of Occupancy for the reconstructed unit and all items identified in a punch list have been corrected. The owner will also be required to sign-off on the final progress payment document to the contractor. The Certificate of

Occupancy will serve as evidence to HUD of the City's determination that the reconstructed structure is no longer substandard, but has become code compliant and a decent, safe, and sanitary dwelling.

CITY OF COLLEGE STATION
LEVERAGED HOUSING DEVELOPMENT PROGRAM

PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 92 (Home Investment Partnerships Program) and 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station Leveraged Housing Development Program is funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG), and Home Investment Partnership Program (HOME) funds. Additionally, the City may utilize other local, state, or federal resources that become available to fund eligible projects under the program.

The Leveraged Housing Development Program is designed to provide affordable housing opportunities, economic development opportunities, job creation, and/or services provided to a limited clientele through a variety of activities that are intended to benefit low-to-moderate income residents in the City of College Station under the City's Community Development Program authorized under Chapter 373 of the Texas Local Government Code. The City of College Station Chapter 373 Community Development Program was established August 8, 2005 by City Council Resolution # 8-8-2005-12.16. Financial or other forms of assistance shall be provided to qualified developer applicants with assistance under the provisions of 24 CFR § 92.252 Home Investment Partnerships Program - Qualification as affordable housing: Rental Housing, 24 CFR § 570.201 Community Development Block Grant - Basic Eligible Activities, and other appropriate sources of assistance.

This may be accomplished in part, with City Council approval, through the acquisition, new development or substantial rehabilitation of affordable housing units which are primarily occupied by low-to-moderate income households, and/or mixed-use developments in which housing units are occupied by low and moderate income households, and 51% of jobs created by the development are held by low and moderate income persons. An eligible development may include owner- or renter-occupied, single-family or multi-family housing units. To qualify for new development or substantial rehabilitation assistance, multi-family developments must have a minimum of eight (8) units.

The basic goals of the Leveraged Housing Development Program are:

- To provide affordable housing opportunities for low income and special needs households.
- To preserve and expand the supply of decent housing available to low-income and special needs renters.
- To create sustainable, mixed-use developments which provide both decent rental housing and jobs for low and moderate-income persons.

B. PROCESS

As need is determined by staff and budgeted funds or other resources are made available, the City will publish a Request for Proposal (RFP) to invite interested, qualified entities to submit a proposal for an eligible development within the corporate limits of the City of College Station. Depending upon the specific situation, the City may also accept applications for the Leveraged Housing

Development Program outside of the RFP process. The proposed development may include the following types of financing and resources:

- Texas Department of Community Affairs (TDHCA) Housing Tax Credit (HTC) funding
- TDHCA Multi-family Bond funding
- Developer equity
- Deferred or waived development fees
- Expedited development review and permitting
- Private or commercial loans
- City Resolution of Support
- A deferred and/or low-interest loan from the City's federal Home Investment Partnership (HOME) and/or Community Development Block Grant (CDBG) funds
- Land, buildings, or other improvements acquired with Community Development Block Grant (CDBG) funds through sale, lease, donation, or otherwise, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in 24 CFR §570.504
- Infrastructure improvements
- Development density bonuses
- Other appropriate resources or services

Approved developer applicants will work collaboratively with the City to implement an approved project. In return for use of the City's resources, the City will have final approval of the project design, and the development will be monitored at a level proportionate to the amount of resources extended to ensure compliance with programmatic requirements.

The approved applicant will perform all activities necessary for success of the development, including, but not limited to:

1. Complete the City's Loan Application and execute the Contract. An application fee in the amount of \$200 shall be due with the application. Funding shall be secured at closing with a Note and Deed of Trust.
2. Work closely with the key staff to evaluate and select an appropriate site, obtain necessary zoning and platting, attend predevelopment meetings, and obtain required permits.
3. Work closely with key staff to complete a successful Housing Tax Credit or Multi-family Bond application to the Texas Department of Housing and Community Affairs if such financing is necessary for the development.
4. Identify and secure necessary private financing.
5. Present the conceptual development to the City in a city-approved format.
6. For TDHCA-funded developments, coordinate and participate in required public meetings, provide necessary public notices, and secure the support of elected representatives and applicable neighborhood associations for the development.
7. Coordinate all aspects of contracting and construction, including all required reporting, submissions, and draw requests.

8. Execute and record a Land Use Restriction Agreement (LURA) preserving the affordability of the housing units in the development for a minimum period of twenty (20) years.
9. Coordinate staffing and marketing of the development.
10. Ensure that the development will pay all applicable city, school and county ad valorem property taxes at least for the life of the LURA.
11. Comply with all federal, state, and local initial and ongoing monitoring requirements. The monitoring fee shall be \$40 per year per HOME-assisted unit. Staff will determine the required number of designated HOME-assisted units in the development based upon the HOME assistance amount and the total number of units in the development.

C. SELECTION CRITERIA

1. After receipt of proposals or applications, City of College Station will use the following criteria in the selection process:
 - 25% - Developer's qualifications, experience (including recent developments) and references.
 - 30% - Conceptual development proposal (Weight will be given to developments incorporating green building techniques, recycling forethought, water and energy efficiency, and alternative energy solutions in project design).
 - 25% - Number and quality of housing units and/or jobs created for low and moderate income persons.
 - 20% - Timeline and demonstrated commitment to the project.
2. The City Manager or their designee may ascribe differing scoring weights or selection criteria to address particular community needs or programmatic requirements.

D. LOAN INSTRUMENTS OR OTHER FORMS OF PARTICIPATION

1. Upon approval of the City Council, a loan may be made at closing in the form of a deferred, repayable loan from the City's Home Investment Partnerships Program (HOME) funds, Community Development Block Grant (CDBG) funds, or other appropriate funding sources. The amount of funding will be determined dependent upon the benefit, with interest accruing at the Applicable Federal Rate (AFR) at the time of loan disbursement for an agreed upon term, or the term of the Housing Tax Credit or other Compliance Period, whichever is greater.
2. To facilitate the development, City-owned land, buildings, or other improvements acquired with Community Development Block Grant (CDBG) or other sources of funds may be provided through sale, lease, conveyance, or otherwise with City Council approval.
3. Other forms of City participation may be considered on a case-by-case basis by the City Manager or their designee to address particular community needs or programmatic requirements. All forms of assistance will require final approval by the City Council.

4. Proposed developments will not be over-subsidized. They shall receive only the amount of subsidy necessary to bring about a successful, sustainable development. Planning and Development Services Department Staff will perform a Subsidy Layering Analysis of the proposed development to determine the appropriate subsidy level. If the development receives funding through the Texas Department of Housing and Community Affairs (TDHCA), the TDHCA underwriting review will take precedence.

E. HOUSING QUALITY PLAN

1. Structures funded under this program must meet all applicable City codes, ordinances and other requirements.
2. Subject properties will be reviewed with regards to environmental issues as required by federal guidelines in 24 CFR § 92.352 (Environmental review). Properties not eligible for federal assistance due to environmental hazards will be ineligible for this Program.
3. All program-funded rental units must meet or exceed all requirements under 24 CFR § 92.251(a) (Property standards).
4. Final project design shall be submitted to Planning and Development Department staff for approval.

F. SECTION 3 AND DAVIS BACON

1. If the project is assisted under either HOME or CDBG in the amount of \$200,000 or more, the requirements of Section 3 of the Housing and Urban Development Act will apply. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in the area or owned in substantial part by persons residing in the area of the project. The development agreement will require that developers under the Leveraged Housing Development Program will comply with the provisions of Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development as set forth in 24 CFR § 135.
2. If the project is assisted under CDBG or with twelve (12) or more HOME-assisted units, the provisions of the Davis-Bacon and Related Acts (DBRA) shall apply. The Davis-Bacon Act requires the payment of prevailing wage rates (which are determined by the U.S. Department of Labor) to all laborers and mechanics on Federal government construction projects in excess of \$2,000.

G. ANTI-DISPLACEMENT POLICY STATEMENT

1. The City shall not engage or participate in any activities that influence the permanent and involuntary relocation or displacement of any low-income family due to the Leveraged Housing Development Program, pursuant to the provisions of 24 CFR§ 92.353 Displacement, relocation, and acquisition.

2. It is not anticipated that it would be necessary to relocate any families. If the need does arise, the City will follow the relocation procedures as set forth in its adopted Anti-Displacement Policy.

H. EQUAL OPPORTUNITY STATEMENT

The City of College Station is committed to providing equal opportunity for minority or women owned businesses to compete and obtain contracts for City sponsored projects, and will comply with the provisions of 24 CFR § 92.350 (Other Federal requirements and nondiscrimination) and 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

I. FAIR HOUSING POLICY STATEMENT

The City of College Station adopted a Fair Housing Ordinance in 1979, which prohibits discrimination in the sale or rental of housing, and discrimination in the provision of brokerage services. The ordinance also outlines the City's procedures regarding complaints, investigation, cumulative legal effect, unlawful intimidation, education and public information and penalty. The City is not under any court order or decree regarding Fair Housing. Relevant policies and codes have been examined and no exclusionary zoning codes were evident. The City of College Station does not have a rental control ordinance. The City of College Station will comply with the provisions of 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

Information regarding Leveraged Housing Development Program units will be made available to the public through the use of a variety of public meetings, newspaper articles, developer advertising, and press releases may be given to the local media. Information will be made available to local agencies that deal with low-to-moderate income people and families. Planning and Development Services Department staff will be available to speak to organizations or groups of interested individuals. Other methods of program information outreach may be utilized, including utility bill inserts, direct mailing, television advertising, and the City's website.

In addition, the City of College Station will seek technical assistance from the HUD Regional Fair Housing staff in order to ensure that fair housing standards are met.

CITY OF COLLEGE STATION
MINOR HOME REPAIR PROGRAM
PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 570 (Community Development Block Grant Program) and/or 24 CFR Part 92 (Home Investment Partnership Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station has established a Minor Home Repair Program (MHRP) funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant Program (CDBG). Additionally, the City may utilize other appropriate local, state, or federal resources that may become available.

The MHRP is designed to provide the financial assistance necessary to accomplish minor repair of eligible, qualified, owner-occupied dwellings. The City's Community Development staff will assist homeowners in planning, implementing, and managing the process to repair substandard features of their dwellings. In addition, the City seeks to impede the acceleration of slum and blighting influences through this activity, as well as preserve and enhance neighborhood quality and integrity. Depending upon applicant eligibility and costs of the project, assistance may be available to applicants under the provisions of 24 CFR § 570.202, Eligible Rehabilitation and Preservation Activities. Eligible project activities will comply with program requirements published in the U.S. Code of Federal Regulations (CFR), as it may be modified over time. The basic goals of this program are:

- To provide emergency and/or necessary repairs to address specific health and safety concerns of homeowners.
- To preserve and enhance the supply of affordable, decent, safe, and sanitary housing available to qualified low-income households.
- To provide applicants information on proactively managing the maintenance of their homes following repair.

Technical and financial assistance is available to low-income, owner-occupant homeowners requiring minor repair to alleviate health/safety issues or address other necessary repairs as determined by program staff and/or other qualified City staff. This program is available on a city-wide basis and is limited to only those properties located within the municipal boundaries of the city. Properties that lie partially within the city limits may be considered on a case-by-case basis.

The MHRP financial assistance shall be managed as follows:

Program staff will assist qualified and approved applicants to make essential repairs to their homes by requiring the applicant to enter into a minor repair assistance agreement with the City. The agreement will allow the use of program funds for the cost of repairs and associated program delivery costs of the project. The agreement must be approved and executed prior to the commencement of any rehabilitation activities.

Because this program is designed to address conditions of immediate need, assistance is provided in the form of a grant of up to \$20,000.00. At the sole discretion of the City Manager or their designee, assistance may be allowed to exceed the amount of \$20,000.00 in order to achieve the objectives of the program.

B. DESIGNATED AUTHORITY

Administrative authority for implementation of this program will rest with the City Manager or their designee. The Planning and Development Services Department will serve as the designated office for approval of contractual agreements and budget changes as needed to accomplish project completion, in accordance with Council-approved purchasing procedures.

The City Manager or their designee will be responsible for authorizing the amount of assistance to be made available to the project, in accordance with the implementing procedures. This determination will be based upon the evaluations of the cost to be incurred by providing the housing assistance and upon the demonstrated needs of eligible applicants.

The City Manager or their designee will also be responsible for approval of applicant eligibility for this program and final approval of selection of applicants to be assisted. This will be based upon relative need of applicants for the specific housing assistance sought.

C. PROGRAM IMPLEMENTATION PROCESS

Steps in implementing the program will be as follows:

The Community Development office (CD office) will create and maintain applications for all housing assistance programs. All applicants shall submit a completed application to the CD office and await an evaluation of eligibility by the appropriate staff member(s). For this Program, applicants are required to hold majority title interest to an improved property within the corporate limits of College Station, which is their permanent place of residence, prior to submitting an application.

Program staff will evaluate all applications for eligibility and prioritize the processing of applications based upon completeness and accuracy of information/documentation and

demonstrated housing need. Program staff will process applications as expeditiously as possible, considering funding limitations and other staff responsibilities as assigned.

Applicants will be notified by phone if they are eligible for participation in the program. If the applicants are not eligible, they will be notified in writing with an explanation of why they do not qualify. Non-qualification issues may include (but are not limited to) income, assets, deed restrictions, title concerns, and/or environmental concerns.

Program staff will meet with the applicant(s) to explain the basic goals and objectives of the program and further assess the needs of the applicant's household that will occupy the dwelling once completed. After the household needs are fully assessed, staff will review the project site to determine any additional repair needs of the home to fully realize a decent, safe and sanitary unit.

Applicant(s) will be involved in several meetings with program staff to ensure proper steps are followed in the repair process of their homes.

Repair work shall be done in accordance with the City's prepared scope of work and in accordance with City purchasing policies.

Program staff will obtain all required close-out documents at project completion.

D. APPLICANT ELIGIBILITY CRITERIA

Eligible applicants of this Program must meet the following qualifications:

1. **Income:** An applicant must have a gross income of 80 percent or less than the College Station/Bryan area median income as reported by HUD. Income will be determined by the provisions of 24 CFR § 92.203 (Income determinations) and 24 CFR § 5.609 (Annual income).
2. **Assets:** Applicants will not be eligible for this program if, upon application, they have assets exceeding \$30,000 on hand. IRS-recognized savings accounts are excluded.
3. **Principal Residence and Homestead:** Applicants will be required to certify that they intend to occupy the repaired dwelling as their principal residence upon project completion.
4. **Employment History:** Applicants must have an employment history in the same job, or in the case of professional, salaried employees (as defined in 29 CFR § 541 meeting any of the requirements in Subparts B, C, D, E, or F), in the same field of employment, for a minimum of two (2) months.

5. Citizenship: In order to receive program assistance, applicants must be United States Citizens, U.S. Non-Citizen Nationals, or Qualified Aliens as defined by Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Qualified alien status will be verified by the Citizenship and Immigration Services division of the U.S. Department of Homeland Security.

E. ELIGIBLE PROPERTY CRITERIA

Property eligible for Program assistance is subject to the requirements of 24 CFR § 570.202 and as follows:

1. Location: The Program will be implemented on a city-wide basis within the corporate limits of the City of College Station. Properties that lie partially within the corporate limits will be considered on a case-by-case basis. However, program preference will rest with properties wholly in the City.
2. Property Type: Eligible properties must be improved, single-family residential lots, which are:
 - a. The principal residence of the applicant, and
 - b. Needing minor repairs but structurally sound, and
 - c. Have all utility service connections available to the property.
3. Title: The applicant household must hold majority title to the property. An existing mortgage will not prohibit participation in the program.
4. All eligible properties, following rehabilitation, shall not exceed 95% of the maximum amount insurable under Section 203(b) of the National Housing Act (FHA lending limit) for the College Station/Bryan area.
5. Manufactured Housing: Manufactured housing units are not eligible for program assistance unless:
 - a. The property on which the manufactured home sits is owned by the applicant; and
 - b. The property is properly zoned; and
 - c. The applicant has resided in the home and on that site for not less than two years prior to the application date.
6. Property Taxes: all property taxes must be current. With approval from the Community Services Department Director, properties with tax deferral for tax payers 65 years of age or older under the Texas Tax Code, Section 33.06 will be acceptable.

F. FEASIBILITY OF MINOR REPAIR

Minor home repair projects eligible for this program include:

1. Addressing health/safety issues
 - a. Replacement of an air conditioning/heating systems
 - b. Replacement of a water heater system
 - c. Water/sewer/gas line breaks
 - d. Electrical system failures
 - e. Ordinance Compliance
 - f. Other minor repairs necessary to ensure safe living conditions
2. Exterior home repairs/structural integrity issues
 - a. Minor weatherization
 - b. Roofing repair or replacement
 - c. Minor gutter installation
 - d. Walkway repair or replacement
 - e. Siding or exterior trim repair
 - f. Other minor repairs necessary to ensure exterior home repairs and structural integrity.

G. SELECTION OF RECIPIENTS FOR ASSISTANCE

1. Recipients for assistance of this program will be taken from the applications of eligible homeowners residing in structures in need of minor repair determined to be structurally sound by program staff.
2. The number of recipients to receive assistance will be subject to general availability of funds.
3. Community Development staff will evaluate all applications of eligible homeowners whose structures are determined to be feasible to rehabilitate. Based upon this evaluation, a recommendation will be made to the City Manager or their designee as to the order of applicants to be assisted. Generally, those in the most imminent danger to personal health or safety will be extended priority under the program.
4. Criteria to be used to make this evaluation will include the following items listed in priority order:
 - a. Degree of threat to health and safety of occupants presented by continuance of residing in the structure. This will include evaluation factors such as availability of basic services including water, sewer, electricity, and structural deficiencies of the home.

- b. Health and disability of occupants which necessitates the home to undergo handicapped accessible construction because of the owner's existing situation.
- c. Time and date that all application requirements are met.
- d. Time and date of application.

H. FORMS OF ASSISTANCE AND ALLOWABLE EXPENSES

Minor home repair assistance shall be in the form of a grant, through federal CDBG funds. The allowable budget authority for minor repair assistance shall not exceed Twenty Thousand and No/100 Dollars (\$20,000.00) per applicant for eligible project costs. Homeowners are limited to one (1) minor repair project every twenty-four (24) months. At his/her sole discretion, the Community Services Department Director may allow subsequent minor repair projects to occur sooner to accomplish other City or program objectives, or upon significant demonstration of extraordinary circumstances.

I. MINOR REPAIR AGREEMENT

Each applicant assisted through this program will sign a Minor Home Repair Agreement with the City which defines the overall terms and conditions of the City providing the MHRP assistance. Other construction documents will be required to be executed by the applicant during the repair assistance process.

J. FINAL INSPECTION

The City of College Station will be responsible for final inspection of all housing units made available through the program to determine that the unit meets all City of College Station and HUD requirements.

CITY OF COLLEGE STATION
HOUSING REHABILITATION PROGRAM
PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 92 (Home Investment Partnerships Program) and/or 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station has established a Housing Rehabilitation Program (HRP) funded through the U.S. Department of Housing and Urban Development (HUD) Home Investment Partnerships Program (HOME). Additionally, the City may utilize other appropriate local, state, or federal resources that may become available.

The HRP is designed to combine various financial resources necessary to accomplish rehabilitation of eligible, qualified, owner-occupied dwellings. The City's Community Development staff will assist homeowners in planning, implementing and managing the process to rehabilitate their substandard dwellings. In addition, the City seeks to impede the acceleration of slum and blighting influences through this activity, as well as preserve and enhance neighborhood quality and integrity. Depending upon applicant eligibility and costs of the particular project, assistance may be available to applicants under the provisions of 24 CFR § 92.254 Qualification as affordable housing: Homeownership and 24 CFR § 570.202, Eligible Rehabilitation and Preservation Activities. Eligible project activities will comply with the respective program requirements published in the U.S. Code of Federal Regulations (CFR), as it may be modified over time. The basic goals of this Program are:

- To preserve and enhance the supply of affordable, decent, safe, and sanitary housing available to qualified low-income households.
- To provide support training and educational activities to low-income applicants seeking to rehabilitate their sub-standard homes.
- To provide applicants information regarding loan finance options to accomplish necessary rehabilitation activities required to bring their sub-standard dwelling into a code compliant standard condition.
- To provide applicants information on proactively managing the maintenance of their homes following rehabilitation.

This program is designed to provide technical and financial assistance to low-income, owner-occupant homeowners seeking to rehabilitate their sub-standard residential structures into decent, safe and sanitary dwelling units. This program is available on a city-wide basis and is limited to only those properties located within the municipal boundaries of the city. Properties that lie partially within the city limits may be considered on a case-by-case basis.

The HRP financial assistance shall be managed as follows:

Program staff will assist qualified and approved applicants to rehabilitate their substandard housing by requiring the applicant to enter into a rehabilitation assistance agreement with the City. The agreement will allow the use of program funds for rehabilitation and associated program delivery costs of the project. The agreement must be approved and executed prior to the commencement of any rehabilitation activities. All project costs (excluding staff time and soft costs necessary for program delivery) shall be compiled at project completion into a permanent financing loan, secured by a lien. Repayment of the loan shall be in accordance with the terms and conditions defined in program legal instruments. Applicants will have the option of pre-payment of costs at any time during the project, and prior to permanent financing, if they so desire.

Upon completion of construction activities, applicant shall close on the loan.

All assistance will be in the form of a mixed loan – up to half of the assistance amount in the form of a deferred, 0% interest, forgivable loan amortized using a monthly rate based on the number of months in a ten (10) year lien period. The loan will be forgiven at this rate over the ten (10) year lien period. The remainder will be in the form of a 0% interest deferred loan. One hundred percent repayment of the borrowed amount is due when the borrower no longer owner occupies the property as their principal residence.

The mortgage note and deed restrictions shall be enforced either by the Planning and Development Services Department, a commercial lending institution or by a not-for-profit entity.

B. DESIGNATED AUTHORITY

Administrative authority for implementation of this Program will rest with the City Manager or their designee. The Planning and Development Services Department will serve as the designated office for approval of contractual agreements and budget changes as needed to accomplish project completion, in accordance with Council-approved procedures.

The City Manager or their designee will be responsible for authorizing the amount of assistance to be made available to the project in accordance with the implementing procedures. This determination will be based upon evaluations of the costs to be incurred by providing the housing assistance and upon the demonstrated needs of eligible applicants.

The City Manager or their designee will also be responsible for approval of applicant eligibility for this program and final approval of selection of applicants to be assisted. This will be based upon relative need of applicants for the specific housing assistance sought.

C. PROGRAM IMPLEMENTATION PROCESS

Steps in implementing the Program will be as follows:

1. The Planning and Development Services Department (P&DS) will create and maintain applications for all housing assistance programs. All applicants shall submit a completed application to P&DS, and await an evaluation of eligibility by the appropriate staff member(s). For this particular Program, applicants are required to hold majority title interest to an improved property within the corporate limits of College Station, which is their permanent place of residence, prior to submitting an application. A \$25 non-refundable application fee will be required to process the application under this program.
2. Program staff will evaluate all applications for eligibility and prioritize the processing of applications based upon completeness and accuracy of information/documentation and demonstrated housing need. Program staff will process applications as expeditiously as possible, considering funding limitations and other staff responsibilities as assigned.
3. Applicant(s) will be notified by phone if they are eligible for participation in the program. If the applicant(s) are not eligible, they will be notified in writing, with an explanation of why they do not qualify. Non-qualification issues may include (but are not limited to) income, assets, deed restrictions, title concerns, environmental concerns and/or household make-up.
4. Once the applicant is deemed eligible, they will be required to sign an agreement with the City before commencing with the rehabilitation process of their property.
5. Program staff will meet with the applicant(s) to explain the basic goals and objectives of the program and further assess the needs of the applicant(s) household that will continue occupying the dwelling as their principal residence once completed. After the household needs are fully assessed, staff will assess the project site to determine

any additional rehabilitation needs of the home in order to fully realize a decent, safe and sanitary unit. Program staff will make every effort, while crafting a plan for the home rehabilitation, to incorporate the City's most current Green Building Standards into the project scope. Any incentives offered from federal, state or local agencies for conformance with Green Build Standards shall be accessed by the program as appropriate and when applicable.

6. Applicant(s) will be involved in several meetings with program staff to ensure proper steps are followed in the rehabilitation process of their homes. The applicant may also be required to accompany program staff to appear before City planning boards and/or commissions to request variances or approval of special circumstantial development needs.
7. Applicant(s) will be responsible for their own relocation arrangements, if needed, during the rehabilitation period. Necessary relocation expenses may be eligible for reimbursement under the City of College Station's Optional Relocation Policy. The City may be able to provide up to \$4,500 for qualified eligible expenses.
8. Once the rehabilitation plan has been completed, and any other City required approvals have been accomplished, program staff will place the project out for bid to approved contractors in compliance with the City's procurement and process regulations. Prior to bid, program staff will prepare a construction estimate by which to compare submitted bid amounts. Should submitted bids prove to be more than 10% of the construction estimate, the applicant will have the option to reject all bids and re-bid the project, or select the lowest responsible bidder (if program staff deems the lowest responsible bid reasonable within the project estimate). Applicant (Owner) will then enter into a construction contract with the lowest responsible bidder (Contractor), allowing the City to be the Owner Representative through the construction process, attending to progress payments and change orders in a timely manner on behalf of the Owner.
9. Program staff will obtain all required close-out documents at project completion and the loan closing will be scheduled.
10. Homeowners will be required to comply with all terms and conditions of their program agreement until all of the terms of their loan have been satisfied. Due to the type and source of funding, homeowners provided assistance through this program can expect rigorous enforcement of the terms and conditions of their loans.

D. APPLICANT ELIGIBILITY CRITERIA

Eligible applicants of this Program must meet the following qualifications:

1. **Income:** An applicant must have a gross income of 80 percent or less than of the College Station/Bryan area median income as reported by HUD. Income will be determined by the provisions of 24 CFR § 92.203 (Income determinations) and 24 CFR § 5.609 (Annual income).
2. **Assets:** Applicants will not be eligible for this program if, upon application, they have assets exceeding \$30,000 on hand. Retirement funds in IRS recognized retirement accounts are excluded. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or under extraordinary circumstances.
3. **Principal Residence and Homestead:** Applicants will be required to certify that they intend to occupy the rehabilitated dwelling as their principal residence upon project completion. Occupancy will be determined through verification of utility consumption, and other verifications determined acceptable and/or necessary by the City, on an annual basis.
4. **Citizenship:** In order to receive program assistance, applicants must be United States Citizens, U.S. Non-Citizen Nationals, or Qualified Aliens as defined by Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Qualified alien status will be verified by the Citizenship and Immigration Services division of the U.S. Department of Homeland Security.

E. ELIGIBLE PROPERTY CRITERIA

Property eligible for Program assistance is subject to the requirements of 24 CFR § 92.254 (Qualification as affordable housing: Homeownership) and as follows:

1. **Location:** The Program will be implemented on a city-wide basis within the corporate limits of the City of College Station. Properties that lie partially within the corporate limits will be considered on a case-by-case basis. However, program preference will rest with properties wholly in the City.
2. **Property Type:** Eligible properties must be improved, single-family residential lots, which are:
 - a. The principal residence of the applicant, and

- b. Substandard but structurally sound, and
 - c. Have all utility service connections available to the property.
3. Title: The applicant household must hold majority title to the property. An existing mortgage will not prohibit participation in the program.
 4. All eligible properties, following rehabilitation, shall not exceed the HOME Program limits prescribed in 24 CFR § 92.254(a)(2)(iii).
 5. Property Size: Eligible properties may not exceed two (2) acres in size. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or under extraordinary circumstances.
 6. Manufactured Housing: Manufactured housing units are not eligible for program assistance.

F. LOAN INSTRUMENTS

1. The HRP shall use loan instruments (real estate lien note, deed of trust, mechanic's lien contract, mechanic's lien note and transfer of lien) adapted to this program in order to provide financial assistance to eligible applicants.
2. Program loan instruments shall require that the property must be maintained to meet all applicable City codes, including code enforcement ordinances, community appearance and development standards.
3. Refinancing of the first mortgage for the purpose of the reduction of monthly payments, term or interest rate is acceptable, however, refinancing which results in any cash being received by the homeowner is not allowed. In order to refinance, the rehabilitation cost must exceed the amount of debt that is refinanced with HOME funds.
4. The City shall have the prior right to purchase the ownership interest in the property from the initial HRP homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. The City shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 additional calendar days to complete closing of the property.

5. **Military Deployment** – In the event that the homeowner is deployed on active duty, if the home is occupied by the homeowner's dependents, the rehabilitation loan will continue to be deferred.

G. FEASIBILITY OF REHABILITATION

1. Feasibility of rehabilitation of property to minimum program standards will be made following a detailed inspection of the property by program staff. This inspection includes completing a list of deficiencies which must be corrected in order to bring the structure into compliance with HUD requirements and all applicable City of College Station codes and expectations.
2. Feasibility of rehabilitating structures under established program limits will be determined by an assessment of the following two criteria:
 - a. The estimate of costs needed for all required repairs and renovations must fall within program limits.
 - b. For all required renovations, rehabilitation costs shall not exceed 75% of the total estimated post-rehabilitation value for the structure.
3. Units not meeting these standards will be determined infeasible for rehabilitation assistance.

H. SELECTION OF RECIPIENTS FOR ASSISTANCE

1. Recipients for assistance of this program will be taken from the applications of eligible homeowners residing in substandard structures determined to be structurally sound by program staff.
2. The number of recipients to receive assistance will be subject to general availability of funds.
3. Planning and Development Services Department staff will evaluate all applications of eligible homeowners whose structures are determined to be feasible to rehabilitate. Based upon this evaluation, a recommendation will be made to the City manager or their designee as to the order of applicants to be assisted. Generally, those in the most imminent danger to personal health or safety will be extended priority under the program.

4. Criteria to be used to make this evaluation will include the following items listed in priority order:
 - a. Degree of threat to health and safety of occupants presented by continuance of residing in the structure. This will include evaluation of factors such as availability of basic services including water, sewer, electricity, and structural deficiencies of the home.
 - b. Health and handicapping disabilities of occupants which necessitates the home to undergo handicapped accessible construction because of the owner's existing situation.
 - c. Time and date that all application requirements are met.
 - d. Time and date of application.

I. FORMS OF ASSISTANCE AND ALLOWABLE EXPENSES

1. The primary form of general housing rehabilitation assistance will be federal HOME funds to pay for eligible program costs. The allowable budget authority for rehabilitation assistance shall not exceed Fifty Thousand and No/100 Dollars (\$50,000.00) per applicant for eligible project costs (excluding program staff costs). The City Manager or their designee may increase this amount if necessary to accomplish other City or program objectives, or under extraordinary circumstances. Any additional costs will be financed by owner proceeds or by an additional loan from a private lender.
2. The City of College Station shall hold first lien position on the loan for the duration of the lien period. However, in extreme and isolated situations where first lien position is not feasible, the City may accept a lower lien position subject to the review and approval of the City Manager or their designee. The lien shall be released upon repayment. The full amount of assistance may be repaid at any time. The repayment half of the loan is due in full when that household no longer resides in the home as their principal residence. The other half of the assistance will be in the form of a deferred, forgivable loan amortized using a monthly rate based on the number of months in a ten (10) year lien period to be placed on all rehabilitated dwellings. The loan will be forgiven at this rate over the ten (10) year lien period. If the house is sold or transferred before the lien period expires, the homeowner gets credit for every month spent in the house. The credit is subtracted from the total loan amount, which is then owed and due to the Planning and Development Services Department and received and used thereof as program income.

3. Program intent is to maintain owner-occupancy in the rehabilitated dwellings. In the event of a sale, transfer of ownership or renting of the property during the lien period, the following conditions must apply to avoid default:
 - a. The owner must sell or offer the assumption of the loan to a low/moderate income household for their homestead and approved by the City Manager or their designee; and
 - b. The owner shall give the city a first right of refusal to purchase the ownership interest in the property from the homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. The city shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 calendar days to complete closing of the property.

J. REHABILITATION AGREEMENT

Each applicant assisted through this Program will sign a HOME Rehabilitation Agreement with the City which defines the overall terms and conditions of the City providing the HRP assistance. Other construction documents will be required to be executed by the applicant during the rehabilitation assistance process, but the Rehabilitation Agreement will be solely between the City and the applicant, and will be the primary instrument submitted for City Manager approval, before the project may commence.

K. FINAL INSPECTION - CERTIFICATE OF OCCUPANCY

The City of College Station will be responsible for final inspection of all housing units made available through the program to determine that the unit meets all City of College Station and HUD requirements. Final payment will not be made until the City of College Station has issued a Certificate of Occupancy for the renovated unit and all items identified in a punch list have been corrected. The owner will also be required to sign-off on the final progress payment document to the contractor. The Certificate of Occupancy will serve as evidence to HUD of the City's determination that the renovated structure is no longer substandard, but has become code compliant and a decent, safe, and sanitary dwelling.

CITY OF COLLEGE STATION
RENTAL REHABILITATION LOAN PROGRAM
PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 92 (Home Investment Partnerships Program) and 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

I. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station has established a Rental Rehabilitation Loan Program (RRLP) funded through the U. S. Department of Housing and Urban Development (HUD) with HOME Investment Partnership Program (HOME) and/or Community Development Block Grant (CDBG) funds. The City may also utilize local, state, or federal resources that may become available.

The RRLP is designed to combine various financial resources necessary to encourage property owners (Owner) to rehabilitate existing rental property in order to increase the supply of decent, affordable housing for lower income families and to preserve existing rental housing stock. The City will provide loans of up to 90% of the amount necessary for improvements that meet the parameters identified in these guidelines. The basic goals of this Program are:

- To preserve, enhance, and increase the supply of affordable, decent, safe, and sanitary housing available to qualified low- and moderate-income and special needs renter households.
- Maintain the affordability for low- and moderate-income households by reducing energy consumption and costs.

This program is designed to provide technical and financial assistance to owners of qualified rental units who are seeking to rehabilitate structures into decent, safe, sanitary and affordable dwelling units. This program is available on a city-wide basis and is limited to only those properties located within the municipal boundaries of the city. Properties that lie partially within the city limits may be considered on a case-by-case basis.

Assisted units are required to provide affordable rents for the set affordability period. The Planning and Development Services Department will administer this program for the City of College Station.

II. DESIGNATED AUTHORITY

Administrative authority for implementation of this Program will rest with the City Manager or their designee. The Planning and Development Services Department will serve as the designated office for approval of

contractual agreements and budget changes as needed to accomplish project completion, in accordance with Council approved procedures.

The City Manager or their designee will be responsible for authorizing the amount of loan assistance to be made available to the project in accordance with the implementing procedures. This determination will be based upon evaluations of the application, cost to be incurred by providing assistance, and community benefit of project(s) proposed.

The City Manager or their designee will also be responsible for approval of applicant eligibility for this program and final approval of projects to be assisted. This will be based upon the feasibility of proposed project.

III. PROGRAM IMPLEMENTATION

Steps in implementing the Program will be as follows:

Planning and Development Services will create and maintain applications for the RRLP. Applications may be submitted in response to a Request for Proposal or at any time during the program year. Proposals will be reviewed and funded based on the availability of funds and dependent upon the eligibility, feasibility, and benefit to the community.

Planning and Development Services staff will evaluate all applications for eligibility and prioritize the processing of applications based on parameters defined in Sections VII. Applications will be processed as expeditiously as possible. Owners will be notified of their application's status. The Owner will be required to sign a program agreement with the City committing to the rehabilitation, loan terms, affordability requirements, and other federal requirements.

Owner and Planning and Development Services staff will work together to develop a scope of work based on the information submitted in the application. The scope of work will be developed in a way to minimize the permanent displacement of tenants who occupy the structure prior to rehabilitation. Planning and Development Services staff will ensure that the scope of work includes all requirements to meet specific codes and federal regulations. Owner will be required to accompany Planning and Development Services staff to appear before City Council as needed to request approval.

Planning and Development Services staff will monitor all federal program requirements, obtain all required close-out documents at project completion, and service the loan upon closing for the duration of the loan.

Owner will be required to comply with all terms and conditions of their program agreement until all of the terms of their loan have been satisfied. Planning and Development Services staff will monitor the project for the affordability period to determine compliance with low income rental requirements. Due to the type and source of funding, Owners receiving a loan through this program can expect rigorous enforcement of the terms and conditions of their loan.

IV ELIGIBILITY REQUIREMENTS

A. The Owner must:

1. Be the owner of the property proposed for rehabilitation. Any legally acceptable form of ownership (e.g. partnership, corporation, individual) is eligible, provided that the applicant has control of the property and the authority to enter into legally binding financial commitments.
2. Exhibit the ability to pay all monthly expenses on the property, repay the loan(s) associated with the proposed project, and maintain the property in its post-assistance condition for the duration of the affordability period.
3. Enter into a Rehabilitation Agreement with the City either individually, or in the case of a corporation, by an authorized representative/principal(s) on behalf of the corporation, with an express warranty that the representative/principal(s) has been authorized to execute the Rehabilitation Agreement on behalf of the corporation
4. Be in good standing with the City of College Station with any previously awarded federal funds. This means that the applicant organization should be within 30 days current on any loan payments due, be within 30 days current on all required program and financial reporting, and not have any outstanding or unresolved monitoring findings from previous contracts or agreements.
5. Must be current on all property taxes and utility payments that are due and payable on the proposed property.
6. Contribute a minimum of 10% of the total project cost from sources other than City funds.
7. Owner must demonstrate that they have equity in the property at least equal to twenty percent (20%) of the market value of the property.

B. Eligible Property Types

1. Home rental projects may be one or more buildings on a single site, or multiple sites that are under common ownership, management and financing.
 - a. The project must be assisted with HOME funds as a single undertaking.
 - b. The project includes all activities associated with the site or building.
2. Must be appraised by an appraiser selected and/or approved by the City, and the appraisal must show a value sufficient after rehabilitation to satisfactorily support at least 100% of the project's debt which will exist after rehabilitation/construction.
3. The overall debt to after rehabilitation value shall not exceed one hundred percent (100%).

4. Must be insured in an amount sufficient to fully protect the public investment with the insurance policy naming the City as “loss payee”.
5. A building inspection is required by a licensed architect, engineer, and/or the City upon submission of an application. Results of the inspection must be consistent with information provided in the application. Existing buildings may be considered eligible for rehabilitation assistance if there are at least (2) major conditions that do not comply with either the International Building Codes adopted by the City of College Station, or federal Section 8 Housing Quality Standards. This may include the following:
 - a. Structural – Noncompliance with Building Code and Section 8 Housing Quality Standards such as fire egress requirements, over-spanned roof/ceiling joists, tenant separation fire walls and other code items that are necessary to bring the property up to current standards or that threaten the health and safety of residents
 - b. Plumbing – Sewer drain lines, plumbing fixture venting and rough-ins, washer connections, water lines, gas lines, outdated water heaters and plumbing fixtures
 - c. Mechanical – Heating/Cooling systems, ductwork, direct-air venting
 - d. Electrical – Non-grounded systems, obsolete electrical panels, AFCI and GFCI receptacles, exterior waterproof receptacles, minimum required receptacles, exterior lighting, smoke and carbon monoxide detectors
 - e. Energy – Insulation values, door and window energy ratings, appliances
 - f. Accessibility – Accessible parking and routes, visitability, ramps, grab bars, sensory (deaf or blinded) equipment (HUD requirement), bathroom and kitchen modifications
6. Must have an assessment and possible abatement of lead-based paint if required. A HUD environmental review will be performed by the City.
7. Upon project completion, each of the following major systems must have a remaining useful life for a minimum of 15 years or the major systems must be rehabilitated or replaced as part of the rehabilitation work: structural support; roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation, and air conditioning.
8. Rental properties must be residential units.

C. Ineligible Property Types

1. Properties previously financed with HOME during the affordability period cannot receive additional HOME assistance unless assistance is provided during the first year after project completion.
2. HOME funds may not be used for development, operations or modernization of public housing finances under the 1937 Act (Public Housing Capital and Operating funds).
3. Projects assisted under 24 CFR Part 248 (Prepayment of Low-Income Housing Mortgages) may not receive HOME funds, unless assistance is provided to “priority purchasers” of such housing.
 - a. A priority purchaser is a resident council organized to acquire a project in accordance with a resident homeownership program, or any nonprofit organization or state or local agency that agrees to maintain low-income affordability restrictions for the remaining useful life of the project. Organizations or agencies affiliated with a for-profit entity for the purposes of purchasing a property do not qualify as priority purchases.

D. Eligible Tenants

- a. Owner may not refuse to lease HOME-assisted units to a certificate or voucher holder under the Section 8 Program, or to a holder of a comparable document evidencing participation in a HOME tenant-based rental assistance (TBRA) program, because of the status of the prospective tenant as a holder of such certificate, voucher or comparable HOME TBRA document.
- b. Owner will utilize the Section 8 Program Part 5 definition of annual (gross) income.
- c. Before the tenant occupies a unit, tenant eligibility must be documented as prescribed by the City with source documents, such as wage statements, interest statements, and unemployment compensation statements.
- d. Owner must recertify tenant income on an annual basis.

E. Leases

- a. The lease between the Owner and Tenant must be for at least one year.
- b. The lease between the Owner and Tenant cannot contain any of the following provisions:
 1. Agreement to be sued: Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease.
 2. Treatment of property: Agreement by the tenant that the owner may seize or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This provision does not apply to disposition of personal property left by a tenant who has vacated a property.

3. Excusing Owner from responsibility: Agreement by the tenant not to hold the Owner or the Owner's agent legally responsible for any action or failure to act, whether intentional or negligent.
 4. Waiver of notice: Agreement of the tenant that the Owner may institute a lawsuit without notice to the tenant.
 5. Waiver of legal proceeding: Agreement of the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.
 6. Waiver of right to appeal court decision: Agreement by the tenant to waive the tenant's right to appeal or to otherwise challenge in a court a court decision in connection with the lease.
 7. Tenant chargeable with cost of legal actions regardless of outcome: Agreement by the tenant to pay attorney's fees or other legal cost, even if the tenant wins in court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
- c. Owners may terminate tenancy or refuse to renew a lease only upon 30-days' written notice, and only for serious or repeated violation of the terms and conditions of the lease; violation of applicable federal, state or local law; completion of the tenancy period for transitional housing or for other good cause.
- d. Owner of HOME-assisted rental housing must adopt written tenant selection policies and criteria that:
1. Are consistent with the purpose of providing housing for very-low and low-income households;
 2. Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;
 3. Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
 4. Give prompt written notification to any rejected applicant of the grounds for any rejection.

V. FORMS OF ASSISTANCE AND ALLOWABLE EXPENSES

1. RRLP assistance shall be in the form of a 0% interest loan with quarterly payments for a specified term. The quarterly payment amount will be determined by the amount of the loan divided by the number of years of the loan divided by four.

25% of the total loan amount may become forgivable at the end of the specified term for proposals that address the first three priorities in Section VII: 1. Bring property up to City Code & HQS Standards (up to 10% forgiven), 2. System upgrades (up to 10% forgiven) and 3. Energy conservation upgrades (up to 5% forgiven). The quarterly payment amount will be adjusted to reflect this forgivable portion.

2. The maximum assistance amount will be based on Section 221(d) (3) program limits for the metro area and will be subject to funding availability. The minimum loan will be \$5,000 per unit. The Owner must comply with the terms of the note and deed of trust executed at loan closing.

If the Owner violates terms of the note and Deed of Trust, the remaining principal of the loan, any amounts that would have been forgiven, plus a penalty equaling the amount of interest that would have been amortized at a 5% interest rate over the specified term will be due immediately.

3. HOME funds may be used to refinance existing debt if the HOME funds are used to rehabilitate the property and the refinancing is necessary to permit or continue affordability. Refinancing cannot be the primary purpose of the HOME Investment. HOME funds cannot be used to refinance Federal debt.
4. Program intent is to maintain affordable, decent, safe and sanitary rental units for low-income households. In the event of a sale or transfer of ownership, the following conditions must apply to avoid default:
 - a. The Owner must sell repay the full amount of assistance including the penalty described in Section III (2) while still maintaining the affordability period; or
 - b. Following approval from the Director, Owner may offer the assumption of the loan and requirements to the buyer.
5. Eligible project costs include construction costs, architectural and engineering fees; financing costs such as private lender origination fees, credit reports, fees for title evidence, recording costs, building permits, attorneys fees, private appraisal fees and fees for an independent cost estimate, builders' or developers' fees; affirmative and fair housing marketing costs; management costs; environmental review costs, relocation costs, and any other reasonable costs.

VI. LONG TERM AFFORDABILITY & RESTRICTIONS

1. Affordability Period:

HOME-assisted rental units carry rent and occupancy restrictions for varying lengths of time, depending upon the average amount of HOME funds invested per unit. The minimum affordability period is as follows:

<\$15,000 per unit	= 5 years
\$15,000 to \$40,000 per unit	= 10 years
\$40,000 per unit	= 15 years

2. Initial "HOME rents":

Every HOME-assisted unit is subject to rent limits designed to help make rents affordable to low income households. These maximum rents are referred to as "HOME Rents". HUD will annually publish Fair Market Rents (FMR) for this area. Planning and Development Services staff must establish monthly rents and allowances for utilities for HOME-assisted rental projects based on FMR's. See Attachment 1.

3. Restrictions:

- a. If five or more units are included in the project, at least 20 percent must be designated low HOME rent units that are rented to tenant households having a gross annual income of 50% AMI or less.
- b. If units are occupied at time of project initiation by tenants who are not low-income, upon the unit becoming vacant, the Owner shall lease that vacated unit to an eligible low-income household.
- c. No conversion to condominiums or any type of cooperative ownership for the duration of the loan.
- d. Owner must comply with the City's Fair Housing Ordinances and the U.S. Department of Housing and Urban Development Fair Housing Standards.
- e. The project must be maintained in standard condition for the duration of the lien as defined by HUD's Housing Quality Standards (HQS) and City ordinances.
- f. Owner must comply with the City's Anti-Displacement Policy (Attachment 2).
- g. Owner must affirmatively market vacant units to low-income households for the affordability period and adhere to the City's Affirmative Marketing Policy (Attachment 3).
- h. Owner will provide, in a timely manner, information necessary to determine compliance with the RRLP during the term.

- i. Owner must comply with federal employment and contracting rules (Equal Opportunity Employment, Section 3, Minority/Women Employment, Davis-Bacon, Conflict of Interest, and Debarred Contractors).
- j. Construction plans for projects must be sealed by an architect or engineer if the number of stories, dwelling units, use classification, or total square footage exceeds the minimum thresholds set forth in the City Building Code, the Texas Engineering Practice Act, or by the Texas Board of Architectural Examiners. The architect/engineer must be available for consultations, meetings, and site inspections for the duration of the project. Plans for projects not exceeding these minimum thresholds do not require the seal of an architect or engineer. However, the person who designs a project not requiring a seal must be available for consultation, meetings, and site inspections, and be responsible for monitoring the project and approving progress payments through completion.

VII. SELECTION CRITERIA AND PRIORITY

Applications for RRLP funding will be reviewed and evaluated using the following criteria:

- a. Type of improvements: Projects incorporating improvements beyond City codes and HUD's Housing Quality Standards (HQS) are encouraged to the extent allowed by regulation.
- b. Financial Feasibility: Procedures will include an evaluation of the Owner's financial capacity.
- c. Overall benefits to low-income tenants.

Applications will be given priority based on the following proposed improvements:

- 1. Bring property up to City Code & HQS Standards
- 2. System upgrades
- 3. Energy conservation
- 4. Exterior repairs
- 5. Upgrade marketability

VIII. RELOCATION

The owner of any property rehabilitated under the Rental Housing Program will be expected to cooperate with the City to provide financial and advisory services, as described in the City's Anti Displacement Strategy, to all tenants who are permanently or temporarily displaced as a result of the project.

IX. ELIGIBLE AREAS

The RRLP will be available on a citywide basis in an effort to increase the availability of standard units made financially available. This activity is in compliance with the City's Consolidated Plan and Annual Action Plan priorities to provide low-income housing on a citywide basis.

X. FILES AND RECORDS

The Planning and Development Services Department shall maintain accurate files and records on each project and all documentation pertinent to the applicant shall be included. Such files shall be open for inspection as to qualifications, bid procedures, inspections of work, and payments of federal share of the project.

The Owner will be required to maintain accurate files and records on each unit rehabilitated under the RRLP. Such files shall be open for inspection by local, state, and federal authorities to verify compliance with all program requirements. Additionally, the Owner will be required to file annual reports to the City for the entire term of the note.

Within 90 days of the date of issuance of a Certificate of Occupancy for the project, the owner must furnish to the City data on the income characteristics of tenants occupying the structure initially after rehabilitation/construction.

XI. BIDDING PROCEDURES AND CONTRACTOR SELECTION

Contractors and sub-contractors must be selected in accordance with applicable federal and state laws. The owner is responsible for securing all appropriate building permits and ensuring the final inspections of all permits are performed and approved by the City. Upon completion the City, and if appropriate, the lender will make a final inspection before the construction work will be approved and accepted. The owner is solely responsible for the terms of the contract between the owner and the contractor.

A. Selection of a General Contractor

If the total loan amount is \$49,999 or less, the owner will be responsible for obtaining and documenting a minimum of three written bids from qualified sources. Copies of the quotations must be submitted to the Planning and Development Services Department prior to the owner's award of the contract.

If the total loan amount will or could exceed \$50,000, the owner will be responsible for obtaining competitive bids from a minimum of two qualified, responsible contractors. Contractors must submit an itemized bid using the work write-up prepared by the owner and approved by the Planning and Development Services

Department. Copies of the bids must be submitted to Planning and Development Services prior to the owner's award of contract. In the event the owner awards the contract other than to the lowest responsible bidder, the owner must pay the difference between the selected bidder and the low bidder.

A copy of the executed contract must be submitted to the Planning and Development Services Department prior to the start of construction. The approved contractor must be licensed, and provide proof of appropriate insurance coverage, covering the total cost of the rehabilitation work and including but not limited to worker's compensation, general liability, and personal liability. Recipient shall not award contract to any person that has been debarred, suspended, proposed for debarment, or placed on ineligibility status by U.S. Department of Housing and Urban Development.

B. Owner Performs Rehabilitation Work as General Contractor

If the City determines the owner (or members of the owner's family) has sufficient construction skills and possessed all required licenses, the owner may be allowed to perform the rehabilitation work. The owner will be required to identify the specific work items which will be accomplished by the owner. If an owner anticipates acting as the general contractor, sufficient information must be provided in the project proposal to allow the City to evaluate the owner's capacity to act as the general contractor.

The owner may act as the general contractor and enter into subcontracts after securing a minimum of three written bids for each subcontract. Copies of the bids and executed contracts from subcontractors must be submitted to the Planning and Development Services Department before any work begins. The City will review and approve all subcontractor bids prior to the start of the work.

The Planning and Development Services Department will periodically inspect the progress and quality of the work. If an owner fails to satisfactorily accomplish the work within the time frame established in the Rehabilitation Agreement, the owner will be required to hire a professional contractor to complete the work, at no additional expense to the City.

Eligible project costs will be limited to the out-of-pocket expenses of the owner, including payments to subcontractors and purchase of materials and supplies used in the project. The labor of the owner or an owner's immediate family will not be considered as an eligible rehabilitation cost. No allowance for profit will be approved for an owner who is acting as the general contractor.

The cost of materials and supplies from an owner's inventory generally will not be allowed. Only when the owner has an established method of inventory control where the actual cost of the material can be documented, will such costs be considered. In any case, the materials must be new and the costs must not exceed the market rate for such items.

XII. REHABILITATION AGREEMENT

Each applicant assisted through this Program will sign a Rehabilitation Agreement with the City which defines the overall terms and conditions of the City providing the rehabilitation assistance. Other construction documents will be required to be executed by the applicant during the rehabilitation assistance process, but

the Rehabilitation Agreement will be solely between the City and the applicant, and will be the primary instrument submitted for City Manager or City Council approval, before the project may commence.

XIII. FINAL INSPECTION - CERTIFICATE OF OCCUPANCY

The City of College Station will be responsible for final inspection of all housing units made available through the program to determine that the unit meets all City of College Station and HUD requirements. Final payment will not be made until the City of College Station has issued a Certificate of Occupancy for the renovated unit and all items identified in a punch list have been corrected. The owner will also be required to sign-off on the final progress payment document to the contractor. The Certificate of Occupancy will serve as evidence to HUD of the City's determination that the renovated structure has become code compliant and a decent, safe, and sanitary dwelling.

CITY OF COLLEGE STATION
RENTAL REHABILITATION LOAN PROGRAM

ANTI-DISPLACEMENT POLICY

Unless herein stated otherwise, the requirements contained in the Uniform Relocations Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42. U.S.C. 4201-4655), 49 CFR Part 24, 24 CFR Part 42, 92.353, and Section 104(d) will be followed.

The City's goal with the Rental Rehabilitation Loan Program is to improve the housing conditions of lower income tenants. This is to be achieved by providing sufficient assistance to property owners (Owner) to make rehabilitation of their rental property cost-effective, while rents of rehabilitated units stay affordable for their lower income tenants. Displacement of existing tenants as a result of rehabilitation will be avoided to the greatest degree possible. Moreover, the City will not sponsor a project that will cause the displacement of a very low income family by a family that is not of very low income. The purpose of this Policy is to inform the public how the City will assist tenants who reside in properties to be rehabilitated through this program. Assistance connected with this policy, and with the City's Rental Rehabilitation Loan Program will not be denied to persons because of their particular race, color, religion, sex, age, handicap, or national origin. Costs of assistance provided pursuant to this policy, other than Section 8 Rental Assistance, will be shared by participating owners and by the City through its Community Development Grants and other available state or federal funding sources.

A. DEFINITIONS

1. "Displacement", as used herein, means the permanent involuntary move of a tenant from a residence in a project rehabilitated through the Rental Rehabilitation Program because of that rehabilitation occurring. (For example, if the tenant was forced to move because his rent after rehabilitation increased to an unaffordable level.)
2. "Temporary Relocation", as used herein, means the move by a tenant into temporary quarters necessitated by the scope of work during rehabilitation of his primary residence.
3. "Comparable Replacement Dwelling", as used herein, means a dwelling which is:
 - a. Decent, safe, and sanitary with respect to local codes.
 - b. Functionally equivalent to the displacement dwelling.
 - c. In an area not subject to adverse environmental conditions.
 - d. Is reasonably accessible to the displaced person's place of employment (or to employment opportunities if the person is unemployed).
 - e. Currently available to and within the financial means of the displaced person.

B. NOTICES TO TENANTS

Affected tenants will be promptly notified through the mail, by either Owner or City, on each of the following occasions:

1. At time of application, to advise tenants that they will either not be displaced, or, if displaced will be eligible to receive relocation assistance.
2. After execution of the agreement, to advise:
 - a. Tenants who will not be displaced of the conditions for continued occupancy, and potential availability of Section 8 rental assistance.
 - b. Tenants who will be displaced of their eligibility for relocation assistance and/or Section 8 rental assistance, and how to access it.

C. TENANT COUNSELING

Consistent with the Fair Housing Law the City will provide the following information and counseling to displaced tenants:

1. Opportunities to select Comparable Replacement Dwellings from a full range of neighborhoods within the total housing market.
2. Individual rights under the Fair Housing Law.
3. How to search for suitable replacement housing.

The Brazos Valley Housing Choice Voucher Program will provide information and counseling concerning the provision of rental assistance to eligible tenants through that program.

D. MOVING EXPENSE ASSISTANCE: TEMPORARY OR PERMANENT

1. Eligibility: All tenants that must be relocated temporarily or displaced are eligible, regardless of total family income, except:
 - a. Tenant being evicted for just cause.
 - b. The person moved into the property after the submission of the application but, before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person, and the fact that the person would not qualify as a displaced person as a result of the project.
 - c. Tenant is ineligible under 49 CFR 24.2(g) (2)
 - d. HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

2. Types of Moving Expense Payments: Eligible tenants are entitled to either of the following payments:

a. Reimbursement for actual moving expenses, which include:

- Moving household goods, including insurance coverage on the household goods while in transit
- Disconnecting and reconnecting household appliances.
- Transportation cost for tenant and family. -
- Storage of household goods (for temporary move only).

Tenants selecting this method should consult with the designated City staff prior to the move. Agreements should be reached between the staff and the tenant as to specific reimbursements the tenant can expect. The tenant shall provide adequate documentation of the covered moving expenses, and shall provide signed and dated receipts on the letterhead of the service provider.

b. Fixed moving expense payment, which is an allowance based on the number of rooms of furniture the tenant will move. The size of the allowance will conform with the most recently published schedule for "Fixed Moving Expenses and Dislocation Allowance" from the U.S. Department of Transportation. The tenant will be required to certify, to the City's satisfaction, the number of rooms and furniture involved.

3. Limitations: The City will not bear any moving expenses connected with temporary relocations beyond a period of 90 days.

E. CASH ASSISTANCE: PERMANENT RELOCATION ONLY

1. Eligible Tenants:

- a. Tenants with income below the very low income limits (50 percent of the area median income)

2. Criteria and Procedure:

- a. The tenant may use the cash assistance payment for rent or purchase of a replacement dwelling.
- b. Generally, the City will calculate the cash assistance payment as follows:

- i. \$_____ Monthly rent, plus utility allowance as determined using the Brazos Valley Housing Choice Voucher Program Utility Schedule, at the comparable replacement dwelling
- ii. \$_____ Monthly rent, plus utility allowance as determined using the Brazos Valley Housing Choice Voucher Program Utility Schedule at the displacement dwelling, or 30% of the tenants average gross monthly income whichever is less.
- iii. \$_____ State the difference in the above two items.
- iv. \$_____ (Cash Payment) State the amount on the line iii. times 42, or \$5,250.00, whichever is less.

G. CONTINUED OCCUPANCY FOR IN-PLACE TENANTS

To the extent feasible in-place tenants shall be provided a reasonable opportunity to lease a suitable, decent, safe, sanitary, and affordable dwelling unit in the project following completion of the rehabilitation. Tenants not displaced shall have the right of continued occupancy according to the terms of their respective lease agreement. Very low income tenants will be encouraged to apply for Section 8 rental assistance which may be available to them at a later date.

For more information concerning matters addressed in this policy please contact the City of College Station Planning and Development Services Department, at (979) 764-3570.

CITY OF COLLEGE STATION
RENTAL REHABILITATION PROGRAM

AFFIRMATIVE MARKETING POLICY

The City of College Station adheres to the principle that persons of similar economic levels should have available to them like range of housing choices regardless of their race, color, religion, sex, handicap, national origin or familial status. In following with this principle, this policy sets forth actions which will be taken to achieve affirmative marketing of units rehabilitated through the City's Rental Rehabilitation Program.

ACTIONS BY PARTICIPATING OWNERS

1. List rehabilitated units with, or advertise them through, as large a number of referral sources as practical to attract a wide cross-section of lower income tenant prospects. This includes, but is not limited to:
 - a. Brazos Valley Housing Choice Voucher Program
 - b. Private apartment locator services
 - c. Local newspapers.
2. Develop community contacts through which persons in the housing market area might be attracted, who are not likely to apply for the housing without special outreach.
3. Inform the City of vacancies as they occur, the steps being taken to fill those vacancies consistent with No. 1 and-2 above, and characteristics of tenants once those vacancies are filled.
4. Use Equal Housing Opportunity logo on printed material, and display Fair Housing posters as practical.

ACTIONS BY CITY

1. Inform the public, potential tenants, and owners about Fair Housing laws, and elements of this policy, through the following methods:
 - a. Use the media.
 - b. Dissemination of printed material to tenants and owners.
 - c. One-on-one counseling to tenants and owners.
2. Promote the achievement of the affirmative marketing goal through interaction with other housing service providers and advocates in the community.

3. Maintain records documenting efforts by owners and the City to achieve affirmative marketing.

ASSESSMENT AND CORRECTIVE ACTION

The City will assess the effectiveness of affirmative marketing by owners, by comparing characteristics of the affected tenant population with characteristics of the City's population as a whole on a regular basis. If it is determined that an owner has violated this policy, he will be at risk of having to repay the rehabilitation subsidy as per the terms of the Rental Rehabilitation Agreement.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, APPROVING AMENDMENTS TO COMMUNITY DEVELOPMENT HOUSING PROGRAMS USING COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME INVESTMENT PARTNERSHIP GRANT FUNDS.

WHEREAS, the City Council of the City of College Station, Texas, desires to utilize federal Community Development Block Grant and HOME Investment Partnership Grant funds to provide housing opportunities for low- and moderate-income residents; and

WHEREAS, the Community Development Division is now housed in the Planning & Development Services Department and Housing Program Guidelines need to be updated to reflect this new structure; and

WHEREAS, the increased Down Payment Assistance Program limit from \$50,000 to \$80,000 will assist more income qualified families in becoming homeowners; and

WHEREAS, adjustments increasing administrative costs and voluntary relocation assistance are required; and

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

PART 1: That the City Council hereby approves the amendments to the Community Development Housing Program Guidelines as described in **Exhibit “A”**.

PART 2: That this resolution shall take effect immediately from and after its passage.

ADOPTED this 24th day of July, AD. 2025.

ATTEST:

APPROVED:

City Secretary

Mayor

APPROVED:

Exhibit “A”

CITY OF COLLEGE STATION

**AFFORDABLE HOUSING AND NEIGHBORHOOD DEVELOPMENT
THROUGH ACQUISITION, REHABILITATION, DISPOSITION**

PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 92 (Home Investment Partnerships Program) and/or 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station has established an Affordable Housing and Neighborhood Development through Acquisition, Rehabilitation, Disposition Program (Program) funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and/or Home Investment Partnerships Program (HOME) for the purpose of developing affordable rental housing units. Additionally, the city may utilize other appropriate local, state, or federal resources that may become available.

The Program is designed to combine various financial resources necessary to acquire and rehabilitate safe, energy-efficient, and affordable rental housing units for conveyance to non-profit housing providers through a request for proposal process. The City's Planning and Development Services staff will identify dwelling units in conservable or substandard condition that will benefit from rehabilitation to preserve and enhance neighborhood quality and integrity. In addition, the city seeks to impede the acceleration of slum and blighting influences through this activity.

Eligible project activities will comply with the respective program requirements published in the U.S. Code of Federal Regulations (CFR), as it may be modified over time. The basic goals of this Program are to preserve housing and increase the supply of affordable, decent, safe, and sanitary housing available to qualified low-to-moderate income renter households.

This program is available on a City-wide basis and is limited to only those properties located within the municipal boundaries of the City. Properties that lie partially within the City limits may be considered on a case-by-case basis.

B. DESIGNATED AUTHORITY

Administrative authority for implementation of this Program will rest with the City Manager or their designee. The City will follow purchasing requirements for approval of contractual agreements and budget changes as needed to accomplish project completion.

C. PROGRAM IMPLEMENTATION PROCESS

Steps in implementing the Program will be as follows:

1. Properties will be identified by staff, with assistance from Land Agents, that are in conservable or substandard condition. The cost will be at or below median home sales prices for previously owned homes and consistent with the appraised value unless there is clear justification for meeting a public purpose.
2. Program staff will make every effort, while crafting a plan for the home rehabilitation, to incorporate the City's most current Green Building Standards into the project scope. Any incentives offered from federal, state, or local agencies for conformance with Green Build Standards shall be accessed by the program as appropriate and when applicable.
3. Once the rehabilitation plan has been completed, and any other City required approvals have been accomplished, program staff will place the project out for bid to approved contractors in compliance with the City's procurement and process regulations. Prior to bid, program staff will prepare a construction estimate by which to compare submitted bid amounts. Should submitted bids prove to be more than 10% of the construction estimate, the city will have the option to reject all bids and re-bid the project or select the lowest responsible bidder (if program staff deems the lowest responsible bid reasonable within the project estimate). The city will then execute a construction contract with the lowest responsible bidder (Contractor).
4. Upon completion of rehabilitation activities, a Request for Proposal will be developed for the disposition of the specific property. The RFP respondent's equity stake will be a major factor in the ranking criteria and award of the property.
5. The land will be conveyed through a Land Transfer Agreement. The non-profit organization will be required to maintain the rental housing unit(s) as an affordable rental unit(s) for a minimum of 15 years. The non-profit organization will be responsible for determining eligibility of the household and ensuring compliance with federal requirements identified in the agreement.

D. ELIGIBLE PROPERTY CRITERIA

1. Location: The Program will be implemented on a City-wide basis within the corporate limits of the City of College Station. Properties that lie partially within the corporate limits will be considered on a case-by-case basis. However, program preference will rest with properties wholly in the City.
2. Property Type: Eligible properties must be improved, single-family or multi-family residential lots, which are:
 - a. Conservable or substandard condition but structurally sound, and
 - b. Have all utility service connections available to the property.
3. All eligible properties, following rehabilitation with HOME funds, shall not exceed the HOME Program limits prescribed in 24 CFR § 92.254(a)(2)(iii).

E. FEASIBILITY OF REHABILITATION

Property eligible for Program will meet the following requirements:

1. Feasibility of rehabilitation of property to minimum program standards will be made following a detailed inspection of the property by program staff. This inspection includes completing a list of deficiencies which must be corrected to bring the structure into compliance with HUD requirements and all applicable City of College Station codes and expectations.
2. Feasibility of rehabilitating structures under established program limits will be determined by an assessment of the following two criteria:
 - c. The estimate of costs needed for all required repairs and renovations must fall within program limits.
 - d. For all required renovations, rehabilitation costs shall not exceed 95% of the total estimated post-rehabilitation value for the structure.
3. Property will be inspected by Program staff to ensure minimum housing standards are met. Rehabilitation will ensure at a minimum:
 - HVAC of no less than the minimum SEER rating established every six years by the US Department of Energy for our region. HVAC system should be replaced if the equipment is more than halfway through the warranty period, if the warranty does not transfer to the new owner, or unless the system is in well-maintained condition.
 - Water heating system is not more than three (3) years out from the water heater warranty termination period (to include an expansion tank where

required for tank type water heaters). Water heaters must be installed in a drain pan (where required) with the drain exiting to the exterior of the house. Temperature and pressure (T&P) relief valve shall be properly routed to the exterior of the house, but if that is not possible, an automatic water shut off valve device shall be installed as per manufacturers requirements. T&P valve shall be replaced on a water heater if there are signs of corrosion or damage.

- Plumbing systems shall be in good working order with no leaking of plumbing valves, stops, pipes, joints, or fixtures. Drainpipes shall be clear of all obstructions and exhibit no blockages or slow draining.
- Electrical system hazards and/or deficiencies shall be corrected in accordance with the currently adopted National Electric Code and amendments. All electrical outlets, switches, devices, fixtures, equipment, and appliances shall operate as designed and shall be replaced or repaired by seller if inoperable (unless the item is not being sold with the home).
- Foundation shall be in good condition with no structural discrepancies for the loads being imposed on it and exhibits good performance of forces caused by surrounding heaving and shrinking soil conditions. If foundation is post-tension reinforced, the capped ends shall be grouted to prevent rust and corrosion leading to future failure and cables must be trimmed back to the tension capping device inside the concrete edge.
- Flooring shall be in good condition, or a condition requiring minimal repair or cleaning for habitation.
- Millwork and trim shall be in good condition.
- Interior doors shall be in good condition and operate correctly in their frames.
- Walls and ceilings shall exhibit minimal damage/repair patching to include consistent texturing.
- Structure shall have at least one location for broadband/cable/satellite/telecom connectivity.
- Roofs replaced ten (10) years prior to sale shall be negotiated with the seller if their warranty coverage will not transfer at sale. All penetrations through roof shall be well sealed with appropriate flashings, storm collars, pipes and caps, and all valley, edge and step flashings shall be in good condition.
- Exterior windows and doors shall be in good working order and in such condition that will be a safe environmental barrier from exterior weather conditions.
- Every exterior and interior flight of stairs having more than four risers shall have a handrail on one side of the stair and every open portion of a stair, landing, balcony, porch, deck, ramp or other walking surface that is more than 30 inches above the floor or grade below shall have guards. Handrails shall be not less than 30 inches in height or more than 42 inches in height (34" – 38" if new construction) measured vertically above the nosing of the tread or above the finished floor or the landing or walking surfaces. Guards shall be not less

than 30 inches in height above the floor of the landing, balcony, porch, deck, ramp or other walking surface. Both handrails and guardrails shall resist a linear load of 50 pounds per linear foot in any direction and a concentrated load of 200 pounds. All openings in the rails shall be no larger than a 4" sphere, except for the triangular opening of a stair riser and tread under the handrail, which shall be no larger than a 6" sphere. This standard shall follow any changes or revisions as may occur with the adoption of applicable property codes and/or addendums.

- Rain gutters with leaf guards, downspouts and splash blocks/underground drain piping shall be installed where drainage must move away from the foundation.
- Exterior siding, trim and masonry veneer shall be in good condition with minimal weather damage or evidence of foundation movement.
- There shall be no evidence of insect or vermin infestation.
- All vegetation shall be trimmed away for the exterior envelope.
- Site shall be graded and sloped in a manner to move rainwater quickly and efficiently away from the structure and other structural improvements.

4. Manufactured Housing: Manufactured housing units are not eligible for program assistance.

F. FINAL INSPECTION - CERTIFICATE OF OCCUPANCY

The City of College Station will be responsible for final inspection of all housing units made available through the program to determine that the unit meets all City of College Station and HUD requirements.

City of College Station Optional Relocation Policy

Purpose

The purpose of this policy is to document the procedures to follow in claiming relocation expenses and providing relocation assistance payments. It may not be feasible for occupants to stay in homes that are being rehabilitated or reconstructed under the City's CDBG and HOME funded Rehabilitation/Reconstruction Loan Programs. Thus the City may be able to provide up to \$6,000 for qualified eligible expenses.

Authority

The College Station City Council authorized the Planning and Development Services Department to have a Relocation Loan Program and Reconstruction Loan guidelines in place that provides for a relocation payment. This policy is applicable to occupant(s) participating in the City of College Station's CDBG or HOME funded Rehabilitation and Reconstruction Loan Programs. The adopted Rehabilitation and Reconstruction Loan Program guidelines authorize the Planning and Development Department to pay up to \$6,000 for qualified eligible expenses.

The U.S. Department of Housing and Urban Development authorizes such assistance to be provided at 24 CFR 570.505 (d), 24 CFR 92.206 (f) and 49 CFR 29.

Eligibility

Occupants. Occupants of homes that are being rehabilitated or reconstructed under the City's CDBG or HOME funded Rehabilitation or Reconstruction Loan Programs. No later than the loan closing date, Occupants must notify the City that they are not able to occupy their home during the Rehabilitation/Reconstruction.

Expenses. Beneficiaries may receive up to \$6,000 for actual costs related specifically to rent, utilities, storage and moving. **The expenses MUST be supported by receipts and proof of payment (cancelled check or money order receipt).** Expenses must be deemed reasonable by Planning and Development Services staff and may be subject to verification by the City's Planning and Development Services staff. In some cases, the City may pay the vendor directly. The occupant needs to allow City Staff sufficient time to process requests to pay the vendor directly. Submission of request one week prior to the due date of payment is in most cases sufficient.

The City of College Station will not reimburse for any expenses occurred prior to HOME Agreement execution date.

Moving expenses greater than \$350 require advance approval by Planning and Development Services Staff. Storage cost greater than \$75 per month has to be approved in advance by Planning and Development Services.

Payment for rent requires a Housing Quality Standards inspection and visual paint inspection (performed by the City Inspector) prior to reimbursement of eligible costs under this optional relocation plan. Beneficiaries should obtain advance approval from the Planning and Development Services office prior to signing a lease for temporary housing if the beneficiary plans to request reimbursement for such housing costs.

Specific Allowable Expenses. The occupant may request reimbursement for expenses including: utility hook up and disconnect fees (the occupant remains responsible for all normal monthly utility charges) – expenses for extraordinary usage related to the rehabilitation/reconstruction may be paid by the City of College Station, but this is subject to the City's evaluation of normal monthly charges), rent and utility costs for temporary lodging, storage costs for household goods, moving costs related to moving household goods from the rehabilitated/reconstructed house to the designated storage facility and back to the rehabilitated/reconstructed house. If the Occupant requests reimbursement for relocation-related expense that is not listed, the Planning and Development Services Department staff will evaluate whether it may be eligible under this policy.

In case Occupants temporarily live with a family member during the rehabilitation/ reconstruction phase the City of College Station may reimburse part of the utility payments. To qualify for utility payments in cases where clients are living with family members, sufficient documentation will be required to show an increase in the amount of utilities due to the increased number of occupants in the dwelling. The payment(s) based on approval will be made directly to the utility vendor. Under no circumstances can a family member receive payment for relocation expenses of an immediate family member. The U.S. Department of Housing and Urban Development defines immediate family member to include brothers, sisters, mothers and fathers, as well as the spouse and children of the person at issue.

Reimbursement Procedures

Occupants should allow sufficient time for the City to process their reimbursement request. Generally if a complete request is received by 12:00 p.m. Monday, the City may have a check prepared by Friday after 2:00 p.m. However, in certain cases, additional time may be needed by City staff to verify claimed expenses. A complete request is defined as a request that includes all receipts and proof of payment for claimed expenses.

Questions

Any questions concerning this Optional Relocation Plan should be directed to the Planning and Development Services Department.

This is to acknowledge that I do recognize the stipulations and conditions of this Relocation Policy and agree to comply with these terms as stated in the document. Release + Indemnify the City

Applicant Signature

Date

**CITY OF COLLEGE STATION
DOWN-PAYMENT ASSISTANCE PROGRAM**

PROGRAM GUIDELINES

Unless herein stated otherwise, the general operating procedures contained in 24 CFR Part 92 (Home Investment Partnerships Program) and/or 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station Down Payment Assistance Program (DAP) is funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funds. Additionally, the City may utilize other local, state, or federal resources that become available.

DAP is designed to assist income-eligible homebuyers with the purchase of affordable single family residential properties located within the City of College Station for owner-occupied, homestead use only. DAP financial assistance shall be limited to providing qualified applicants with down payment/principal reduction and/or closing cost assistance under the provisions of 92 CFR § 92.254 qualification as affordable housing: homeownership and 570.201 Basic eligible activities. This may be accomplished in part by developing, with City Council approval, affordable single-family units to be made available to program eligible families.

The basic goals of the Down Payment Assistance Program are:

- To provide homeownership opportunities for low income individuals and families,
- To expand the supply of decent housing available to low-income homebuyers, and
- To provide homeowner training and homebuyer education activities to low-income homebuyers.

DAP financial assistance shall be provided using deferred loans which, to the extent proceeds are available from the transaction, are fully repayable upon sale of the property. This assistance is combined with conventional permanent financing offered by private sector lenders (i.e., banks, thrifts, or mortgage corporations). Seller/owner financing is not permitted. The amount of financial assistance that may be provided by the Program will be based on the applicant's demonstrated need or "financial gap." DAP will provide a gap financing loan with a maximum of 30% and a minimum of 23% of the sales price, not to exceed \$80,000.00, provided. The Program will maintain adequate records to support how the amount of Program assistance was calculated. Assistance beyond the HOME maximum per-unit subsidy limit as published by HUD for qualified applicants purchasing eligible properties in the City of College Station will not be provided. The

maximum purchase price shall not exceed 95% of the median area purchase price for the same type of residence per 24 CFR 92.254(a)(2)(iii). At his/her sole discretion, the City Manager or their designee may increase the amount of DAP assistance for an applicant purchasing properties developed by the City's Planning and Development Services Department or the City's non-profit partners if necessary to accomplish other City or program objectives, or upon significant demonstration of extraordinary circumstances.

DAP assistance will require a lien by the City of College Station. DAP homebuyers must contribute a minimum of 1.5% of the sales price to the purchase of properties. At the discretion of the City Manager or their designee, this requirement may be waived.

Participating lenders must provide escrow services to buyers for insurance and tax payment purposes. The City will not participate in purchases where the mortgage lender's interest rate exceeds the local average mortgage rate by more than one and one-half additional percentage points. Additionally, lender mortgages of less than fifteen (15) years will not be eligible for participation in the DAP Program.

B. HOMEBUYER ELIGIBILITY CRITERIA

Eligible applicants of DAP financial assistance must meet the following qualifications:

1. An applicant must have a gross income of less than eighty (80) percent of the College Station/Bryan area median income as established by HUD. Income will be determined by the provisions of 24 CFR § 92.203 (Income determinations) and 24 CFR § 5.609 (Annual income).
2. Applicants will not be eligible for DAP assistance if, upon application, they have assets exceeding \$30,000 on hand. Retirement funds in IRS recognized retirement accounts are excluded. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or under extraordinary circumstances.
3. Participants will be required to certify at the time they acquire an ownership interest in the unit that they intend to occupy the unit as their principal residence. Occupancy will be determined through verification of utility consumption, and other verifications determined to be acceptable by the City, on an annual basis.
4. Credit and Employment Standards
 - a. Qualified applicants will have an average credit score of no less than 600, with no bankruptcies, foreclosures, student loan delinquencies, income tax delinquencies, child support delinquencies or repossessions within the previous two (2) years. The City Manager or their designee may waive this requirement if necessary to accomplish

other City or program objectives, or upon significant demonstration of extraordinary circumstances.

- b. Applicants must have an employment history in the same job, or in the case of professional, salaried employees (as defined in 29 CFR § 541 meeting any of the requirements in Subparts B, C, D, E, or F), in the same field of employment, for a minimum of six (6) months.
 - c. Student loans which are currently deferred at the time of application will be included in the debt ratio calculation as if in repayment status.
5. Citizenship: In order to receive DAP assistance, applicants must be United States Citizens, U.S. Non-Citizen Nationals, or Qualified Aliens as defined by Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Qualified Alien status will be verified by the U.S. Citizenship and Immigration Services Division of the Department of Homeland Security.

C. ELIGIBLE PROPERTY CRITERIA

Property eligible for purchase under DAP is subject to the requirements of 24 CFR § 92.254 (Qualification as affordable housing: homeownership) and as follows:

- 1. The DAP will be implemented on a city-wide basis within the city limits of the City of College Station.
- 2. All single-family property, located within the above mentioned boundaries, is eligible. The definition of "single-family" property includes individually owned townhouse units, homeplexes and condominium units, but excludes buildings with multiple dwelling units.
- 3. Only property that is debt-free and has an otherwise clear title on the date it is acquired by an applicant is eligible.
- 4. The sales price of the home to be purchased must be affordable within the limits stated by HUD and federal regulations. The purchase price of the home to be purchased may not exceed 95% of the median area purchase price for the same type of residence for the College Station/Bryan area per 24 CFR 92.254(a)(2)(iii).
- 5. Eligible properties must not be tenant-occupied on the date of the execution of the Earnest Money or Sales Contract, unless the occupant is the buyer.
- 6. Properties constructed prior to 1978 that exceed the maximum allowable area of chipping, peeling, or cracking paint, as determined by Planning and Development Services

Department staff, must have passed a lead-based paint risk assessment by a State of Texas-licensed Lead Risk Assessor.

D. LOAN INSTRUMENTS

DAP shall use two (2) basic loan instruments (promissory note and deed of trust) to provide financial assistance to eligible applicants and to comply with the provisions of 24 CFR § 92.254(a)(5)(ii)(A) (Recapture, Net Proceeds). The intention of the DAP loan instrument is to provide supplemental financial assistance when combined with permanent financing.

Affordability shall be determined by ensuring the total PITI (principal, interest, taxes, and insurance) payment (front ratio) is not less than 20% but not more than 35% of the monthly income of the eligible DAP homebuyer. With lender approval, the upper percentage may be slightly exceeded under extenuating circumstances that demonstrate the buyer's ability to handle higher payments. The maximum total debt-to-income ratio (back ratio) is 45% (participating lenders may require a lower percentage). The City of College Station shall not participate in loan packages that have mortgages that are not fully amortizing ("balloon" mortgage) or contain negative amortization. Mortgage interest rates must be fixed for the full loan term. Interest rate buy-downs are not permitted. A maximum of 30% of the program assistance may be used for closing costs except prepaid taxes or mortgage insurance. The remaining 70% must be applied directly to the down payment. Any Mortgage Credit Certificate Tax Credits claimed by the applicant will not be included in the debt ratio calculation.

DAP loan instruments shall require that the property must be maintained to meet all applicable City codes, including community appearance standards and code enforcement ordinances.

Amount: Gap financing of up to 30% of the sales price of the house not to exceed \$80,000.00. Assistance amount is determined by the borrower's demonstrated need or "financial gap."

Repayment Due: 100% of borrowed amount when borrower no longer owner occupies the property (to the extent proceeds available) plus the percentage of equity as determined by the DAP amount divided by the sales price at time of purchase.

Interest Rate: 0%

Lien holder Position: Second

Closing Costs:	A maximum of 30% of the program assistance may be used for closing costs. The remaining 70% must be applied directly to the down payment.
Refinancing:	Allowed for payment, term, or interest rate reduction. No cash-out refinance allowed during the affordability period.
Owner Occupancy Required:	On the date the homebuyer ceases occupying the property as a principal residence (i.e., rental, gift, death, abandonment), the deferred loan and the shared equity portion will become due and payable to the City (except for deployed military personnel.)

The Shared Equity percentage of appreciation/depreciation due is based on whether there is a gain or loss from a subsequent sale of the subject property. Gain or loss from the borrower's sale shall be calculated as the subsequent sales price minus the eligible costs of sale minus the original cost of acquisition (original purchase price plus closing costs). If there is a loss, then 100% of the loss will be reduced from the original Shared Equity DAP loan amount. If there is a gain, then the Planning and Development Services Department will be paid its original loan plus a share of the appreciation, based on the percentage of the Shared Equity DAP loan of the original home sales price.

The City shall have the prior right to purchase the ownership interest in the property from the initial DAP homeowner for the amount specified in a firm contract between the homeowner and the prospective buyer. The City shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 additional calendar days to complete closing of the property.

Military Deployment - In the event that the homebuyer is deployed on active duty, if the home is occupied by the homebuyer's dependents, the DAP loan will continue to be deferred.

E. HOUSING QUALITY PLAN

1. Planning and Development Services Departmental staff, who are experienced in conducting inspections of housing units for health and safety standards will complete

inspections of all proposed units for conditions posing a health or safety threat to occupants prior to approval of the unit for transfer to the homebuyer.

2. All DAP funded properties must meet all requirements under 24 CFR § 92.251(a) (Property standards) prior to closing.
3. Subject properties will be reviewed with regards to environmental issues as required by federal guidelines in 24 CFR § 92.352 (Environmental review). Properties not eligible for federal assistance due to environmental hazards will be ineligible for this program.

F. DAP HOMEBUYER AND HOMEOWNER EDUCATION

The Homebuyer and Homeowner Education Program will provide advice and assistance to potential homebuyers to assist them in meeting the responsibilities of home ownership.

1. An **Intake Interview** will be conducted between City staff and the prospective homebuyer once the application has been completed and reviewed by staff.
2. The session will cover housing selection, Fair Housing laws, purchase procedures, real estate and mortgage terminology, types of financing and assistance programs, and the rights and responsibilities of homeowners. Program disclosures will be discussed and signed by the prospective homebuyer at this time.
3. Applicants must receive housing counseling from a HUD Certified Housing Counselor working for a HUD Certified Housing Counseling Agency. Proof of meeting this requirement must be submitted prior to closing.

G. APPLICATION PROCESS

Interested applicants will be given application and verification forms and instructions for completion. Staff will be available to assist with completion of required forms.

1. Once an applicant meets all program requirements, to include applying for and receiving approval for permanent mortgage financing, an Electronic Funds Transfer (E.F.T.) or check will be requested for the appropriate program assistance. Program documents will be prepared and forwarded to the appropriate title company. Upon Closing, DAP funds will be made available to the selected title company. The E.F.T. or check will be made out to the title company for the benefit of the applicant/buyer.
2. Previous recipients of Planning and Development Services Department housing program assistance (ORP, Rehab, TBRA, etc.) must be approved by the City Manager or their

designee prior to receiving DAP assistance. Previous DAP recipients are not eligible for additional DAP assistance, except upon approval of the City Manager or their designee.

3. Applicants falsifying information will be disqualified from participating in the program and may be subject to criminal prosecution.
4. Applicants denied for DAP can reapply no earlier than three (3) months from the date of original application.
5. A non-refundable fee of shall be due upon receipt of the application or pre-application. This fee is meant to primarily cover the cost of the prospective client's credit report.

H. ANTI-DISPLACEMENT POLICY STATEMENT

1. The City shall not engage or participate in any activities that influence the permanent and/or involuntary relocation or displacement of any low-income family due to the DAP pursuant to the provisions of 24 CFR§ 92.353 Displacement, Relocation, and Acquisition.
2. It is not anticipated that it would be necessary to relocate any families. However, the City will follow the relocation procedures as set forth in its adopted Anti-Displacement Policy if the need does arise.

I. EQUAL OPPORTUNITY STATEMENT

The City of College Station is committed to providing equal opportunity for minority- or women-owned businesses to compete and obtain contracts for City sponsored projects, and will comply with the provisions of 24 CFR § 92.350 (Other Federal requirements and nondiscrimination) and 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

J. FAIR HOUSING POLICY STATEMENT

The City of College Station adopted a Fair Housing Ordinance in 1979, which prohibits discrimination in the sale or rental of housing, and discrimination in the provision of brokerage services. The ordinance also outlines the City's procedures regarding complaints, investigation, cumulative legal effect, unlawful intimidation, education and public information and penalty. The City is not under any court order or decree regarding Fair Housing. Relevant policies and codes have been examined and no exclusionary zoning codes were evident. The City of College Station does not have a rental control ordinance. The City of College Station will comply with the provisions of 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

Information regarding the DAP will be made available to the public through the use of a variety of public media, to include: meetings, the City's website and ads in the classified section of the newspapers. Press releases may be given to the local media. Information and applications will be made available to local agencies that deal with low to moderate income people.

Planning and Development Services Department staff will be available to speak to organizations or groups of interested individuals. Other methods of program information outreach may be utilized, including utility bill inserts, direct mailing, television advertising, and applications and program information will also be available on various City-specific media.

In addition, the City of College Station will seek technical assistance from the appropriate HUD staff in order to ensure that all Fair Housing requirements and standards are upheld and ultimately furthered.

**CITY OF COLLEGE STATION
DEMOLITION/CLEARANCE PROGRAM**

PROGRAM GUIDELINES

Unless herein stated, the requirements contained in 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

I. STATEMENT OF PURPOSE AND PROGRAM OVERVIEW

The City of College Station has established a Demolition/Clearance Program (DEMO) funded through the U. S. Department of Housing and Urban Development (HUD) Community Development Block Grant Program (CDBG) . DEMO is designed to provide financial assistance necessary to accomplish the removal of dilapidated structures and dwellings and for removal of slum and blight, particularly dilapidated and vacant residential structure and/or accessory buildings. The goal is to create a more livable environment. Provisions are made for lower income applicants to apply for assistance in the removal of dilapidated and vacant structures. To protect the City's investment, liens are placed on the property to ensure recapture of program expenses. When appropriate and at the discretion of the City Manager or their designee, liens may be waived for income eligible program applicants, as outlined in these guidelines.

DEMO funds may only be used on eligible projects that either address slum and blight or assist low-to moderate income households whose incomes do not exceed eighty percent (80%) of the College Station-Bryan Area Median Income (AMI) (Eligible Household). Assistance is available on a city-wide basis and is limited to only those properties located within the municipal boundaries of the city. Properties that lie partially within the city limits may be considered on a case-by-case basis.

Assistance shall be subject to the availability of grant funds and U.S. Department of Housing and Urban Development (HUD) implementing regulations. Administrative procedures will be modified to meet any change in rules and regulations of HUD which may occur over time.

Properties considered for demolition or clearance under DEMO may be identified by various City of College Station departments (Planning and Development Services, Public Works, Fire, etc.).

Program costs associated with DEMO may include, but are not limited to: costs of inspections and/or hazardous material assessments; lead-based paint and asbestos testing, abatement, and disposal activities; utility disconnections fees; removal of rubbish, debris, and/or other unsightly or hazardous material; solid waste/landfill disposal fees; lien recording fees; hydro-mulching costs to return the property to a useable and safe condition; and program delivery/staff costs.

DESIGNATED AUTHORITY

Administrative authority for implementation of this program will rest with the City Manager or their designee. The Planning and Development Services Department will serve as the designated office for approval of contractual agreements and budget changes as needed to accomplish project completion, in accordance with Council-approved procedures.

The City Manager or their designee will be responsible for authorizing the amount of assistance to be made available to the project in accordance with the implementing procedures. This determination will be based upon the evaluations of the cost to be incurred by providing the assistance and upon the demonstrated needs of eligible applicants.

The City Manager or their designee will also be responsible for approval of applicant eligibility for this program and final approval of selection of applicants to be assisted. This will be based upon relative need of applicants for the specific assistance sought.

GENERAL PROGRAM GUIDELINES

- A. Assistance will be available on a city-wide basis.
- B. Assistance shall be subject to the availability of grant funds and U.S. Department of Housing and Urban Development (HUD) implementing regulations. Administrative procedures will be modified to meet any change in rules and regulations of HUD which may occur over time.
- C. Efforts will be directed toward the funding of staffing costs and the actual cost of removal of dilapidated structures or clearance of sites.

II. ELIGIBLE PROPERTIES

A. Properties located in the City of College Station, both occupied and uninhabitable, will be eligible for assistance upon the determination that the structure and/or site present a threat to the health and safety of occupants or to the public, or structurally unsound, or determined infeasible to rehabilitate based on the Community Development Program definition of Infeasibility of Rehabilitation.

B. Eligible properties include those which are determined to constitute unsightly or slum and blight images and contribute to the decline of the neighborhood.

C. Eligibility for funding assistance will also include either of the following two types of referral:

1. Property owners must submit a Request for Demolition Assistance properly executed by either all of the property owners or by one owner acting on behalf of the remainder of the owners as evidenced by either Power of Attorney or notarized statements. Property owners must provide sufficient documentation as to the correct ownership of the property and the existence of any liens on the property. The assistance will be in the form of a grant and no lien will be placed on the property; or

2. Structure is determined a public hazard and is formally condemned by the City of College Station Building and Standards Commission. The owner will then be billed for the actual cost of the demolition and any administrative cost associated with the condemnation process and a lien for the total project cost will be placed on the property.

IV. TYPES OF ASSISTANCE

A. Assistance will include provision of funding and technical assistance in the Demolition/Clearance procedure. The City will provide funds on behalf of property owners for the contracting of removal of dilapidated structures or site clearance.

B. The City will act as a part to a Demolition/Clearance contract in the event of a demolition brought about as a result of a formal condemnation process, or in the event that the rightful owner of the property can not be readily determined or located following formal title research procedures.

C. The City may assist property owners with formal bidding procedures upon owner's request by providing a detailed work write-up of clearance procedures and standards and by providing a list of pre-qualified bidders. Qualified bidders will be solicited by public notice and determined eligible to bid after satisfactorily presenting adequate certificates of insurance, financial responsibility, and evidence of quality workmanship. Qualified bidders will then be notified of individual projects as they occur, in addition to public notices of invitations to bid.

D. The property owner will be the procuring agent for the project and must adhere to Bidding and Contracting procedures as outlined in the Community Development General Administrative Guidelines.

E. City staff will comply with all federal regulations regarding environmental quality standards, the public notification of the use of funds for demolition/clearance activities, the Barney-Frank One-for-One Replacement Dwelling regulations if necessary, and Section 104(d) Relocation regulations if necessary.

**CITY OF COLLEGE STATION
HABITAT FOR HUMANITY DOWN-PAYMENT ASSISTANCE PROGRAM**

PROGRAM GUIDELINES

Unless herein stated otherwise, the general operating procedures contained in 24 CFR Part 92 (Home Investment Partnerships Program) and/or 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station Habitat for Humanity Down-Payment Assistance Program (HDAP) is funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funds. Additionally, the City may utilize other local, state, or federal resources that become available.

HDAP is designed to assist income-eligible Habitat for Humanity homebuyers with the purchase of affordable single family residential properties located within the City of College Station for owner-occupied, homestead use only through the Habitat for Humanity homebuyer program. HDAP financial assistance shall be limited to providing qualified applicants with down payment/principal reduction and/or closing cost assistance under the provisions of 92 CFR § 92.254 qualification as affordable housing: homeownership and 570.201 Basic eligible activities.

The basic goals of the Down-Payment Assistance Program are:

- To provide homeownership opportunities for low income individuals and families,
- To expand the supply of decent housing available to low-income homebuyers, and
- To provide homeowner training and homebuyer education activities to low-income homebuyers.

HDAP financial assistance shall be provided using deferred loans which, to the extent proceeds are available from the transaction, are fully repayable upon sale of the property. This assistance is combined with permanent financing offered by the Habitat for Humanity homebuyer program. The amount of financial assistance that may be provided by the Program will be based on the applicant's demonstrated need or "financial gap." DAP will provide a maximum of \$15,000 provided that the amount of assistance does not increase the amount of assistance beyond the maximum 221(d)(3) limit as published by HUD for qualified applicants purchasing eligible properties in the City of College Station. The maximum purchase price shall not exceed 95% of the median area purchase price for the same type of residence. HDAP assistance will require a lien by the City of College Station.

Habitat for Humanity must provide escrow services to buyers for insurance and tax payment purposes. Lender mortgages of less than fifteen (15) years will not be eligible for participation in the HDAP Program.

B. HOMEBUYER ELIGIBILITY CRITERIA

Eligible applicants of HDAP financial assistance must meet the following qualifications:

1. An applicant must have a gross income of less than eighty (80) percent of the College Station/Bryan area median income as established by HUD. Income will be determined by the provisions of 24 CFR § 92.203 (Income determinations) and 24 CFR § 5.609 (Annual income). Applicants will not be eligible for DAP assistance if, upon application, they have assets exceeding \$30,000 on hand. Retirement funds in IRS recognized retirement accounts are excluded.
6. Participants will be required to certify at the time they acquire an ownership interest in the unit that they intend to occupy the unit as their principal residence. Occupancy will be determined through verification of utility consumption, and other verifications determined to be acceptable by the City, on an annual basis.
7. Employment and Debt Standards
 - d. Applicants must have an employment history in the same job, or in the case of professional, salaried employees (as defined in 29 CFR § 541 meeting any of the requirements in Subparts B, C, D, E, or F), in the same field of employment, for a minimum of six (6) months.
 - e. Student loans which are currently deferred at the time of application will be included in the debt ratio calculation as if in repayment status.
8. Citizenship: In order to receive HDAP assistance, applicants must be United States Citizens, U.S. Non-Citizen Nationals, or Qualified Aliens as defined by Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Qualified Alien status will be verified by the U.S. Citizenship and Immigration Services Division of the Department of Homeland Security.

C. ELIGIBLE PROPERTY CRITERIA

Property eligible for purchase under HDAP is subject to the requirements of 24 CFR § 92.254 (Qualification as affordable housing: homeownership) and as follows:

1. The HDAP will be implemented on a city-wide basis within the city limits of the City of College Station.
2. Single-family property developed by the Habitat for Humanity homebuyer program, located within the above mentioned boundaries, is eligible. The definition of "single-family" property includes individually owned townhouse units, homeplexes and condominium units, but excludes mobile homes, duplexes and quadraplexes.
3. Only property that is debt-free and has an otherwise clear title on the date it is acquired by an applicant is eligible.

7. The sales price of the home to be purchased must be affordable within the limits stated by HUD and federal regulations. The fair market value (FMV) of the home to be purchased may not exceed 95% of the median area purchase price for the same type of residence for the College Station/Bryan area.
8. Eligible properties must not be tenant-occupied on the date of the execution of the Earnest Money or Sales Contract, unless the occupant is the buyer.
9. Properties constructed prior to 1978 that exceed the maximum allowable area of chipping, peeling, or cracking paint, as determined by Planning and Development Services Department staff, must have passed a lead-based paint risk assessment by a State of Texas-licensed Lead Risk Assessor.

D. LOAN INSTRUMENTS

HDAP shall use two (2) basic loan instruments (promissory note and deed-of-trust) to provide financial assistance to eligible applicants and to comply with the provisions of 24 CFR § 92.254(a)(5)(ii)(A) (Recapture, Net Proceeds). The intention of the HDAP loan instrument is to provide supplemental financial assistance when combined with permanent financing.

Affordability shall be determined by ensuring the total PITI (principal, interest, taxes, and insurance) payment (front ratio) is not more than 35% of the monthly income of the eligible HDAP homebuyer. The maximum total debt-to-income ratio (back ratio) is 45% (Habitat for Humanity may require a lower percentage). A maximum of 30% of the program assistance may be used for closing costs except prepaid taxes or mortgage insurance. The remaining 70% must be applied directly to the down payment. Any Mortgage Credit Certificate Tax Credits claimed by the applicant will not be included in the debt ratio calculation.

HDAP loan instruments shall require that the property must be maintained to meet all applicable City codes, including community appearance standards and code enforcement ordinances.

Amount:	\$15,000 maximum
Repayment Due:	100% upon sale (to the extent proceeds available)
Interest Rate:	0%
Lien holder Position:	Second
Closing Costs:	A maximum of 30% of the program assistance may be used for closing costs. The remaining 70% must be applied directly to the down payment.
Refinancing:	Allowed for payment, term, or interest rate reduction. No cash-out refinance allowed.
Owner Occupancy Required:	On the date the homebuyer ceases occupying the property as a primary residence (i.e., rental, gift, death, and abandonment), the

deferred loan will become due and payable to the City (except for deployed military personnel.)

Habitat for Humanity shall have the prior right to purchase the ownership interest in the property from the initial HDAP homeowner. Should Habitat for Humanity choose not to exercise their right, the City shall then have the prior right to purchase the ownership interest in the property from the initial HDAP homeowner for the amount specified in a firm contract between the homeowner and the prospective buyer. The City shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 additional calendar days to complete closing of the property.

Military Deployment - In the event that the homebuyer is deployed on active duty, the homebuyer may, at their discretion, rent the home during the time of deployment to an income-eligible applicant if the homebuyer's monthly mortgage payment will exceed 30% of gross monthly income after deployment. The maximum rent will be determined by published maximum HUD rents for the area. The City of College Station Planning and Development Services Department will verify income eligibility of the rental applicant and will file a copy of the deployment orders in the homebuyer's client file. If the home is rented to an income-eligible applicant, or is occupied by the homebuyer's dependents, the HDAP loan will continue to be deferred.

E. HOUSING QUALITY PLAN

1. Planning and Development Services Departmental staff, who are experienced in conducting inspections of housing units for health and safety standards will complete inspections of all proposed units for conditions posing a health or safety threat to occupants prior to approval of the unit for transfer to the homebuyer.
2. All HDAP funded properties must meet all requirements under 24 CFR § 92.251(a) (Property standards) prior to closing.
3. Subject properties will be reviewed with regards to environmental issues as required by federal guidelines in 24 CFR § 92.352 (Environmental review) Properties not eligible for federal assistance due to environmental hazards will be ineligible for this program.

F. HDAP HOMEBUYER AND HOMEOWNER COUNSELING PROGRAM

The Habitat for Humanity Homebuyer Program will provide a full range of services, advice, and assistance to potential homebuyers to assist them in meeting the responsibilities of home ownership.

H. APPLICATION PROCESS

Interested applicants will be given application and verification forms and instructions for completion. Staff will be available to assist with completion of required forms.

6. Once an applicant meets all program requirements, to include applying for and receiving approval for permanent mortgage financing through the Habitat for Humanity Homebuyer Program, an Electronic Funds Transfer (E.F.T.) or check will be requested for the appropriate program assistance. Program documents will be prepared and forwarded to the appropriate title company. Upon Closing, HDAP funds will be made available to the selected title company. The E.F.T. or check will be made out to the title company for the benefit of the applicant/buyer.
7. Previous recipients of Community Development housing program assistance (ORP, Rehab, TBRA, etc.) must be approved by the City Manager or their designee prior to receiving HDAP assistance. Previous HDAP recipients are not eligible for additional HDAP assistance, except upon approval of the City Manager or their designee.
8. Applicants falsifying information will be disqualified from participating in the program and may be subject to criminal prosecution.
9. Applicants denied for HDAP can reapply no earlier than six (6) months from the date of original application.
10. A non-refundable fee of \$30 shall be due upon receipt of the application or pre-application. This fee is meant to primarily cover the cost of the prospective client's credit report.

H. ANTI-DISPLACEMENT POLICY STATEMENT

1. The City shall not engage or participate in any activities that influence the permanent and/or involuntary relocation or displacement of any low-income family due to the HDAP pursuant to the provisions of 24 CFR§ 92.353 Displacement, Relocation, and Acquisition.
2. It is not anticipated that it would be necessary to relocate any families. However, the City will follow the relocation procedures as set forth in its adopted Anti-Displacement Policy if the need does arise.

I. EQUAL OPPORTUNITY STATEMENT

The City of College Station is committed to providing equal opportunity for minority- or women-owned businesses to compete and obtain contracts for City sponsored projects, and will comply with the provisions of 24 CFR § 92.350 (Other Federal requirements and nondiscrimination) and 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

J. FAIR HOUSING POLICY STATEMENT

The City of College Station adopted a Fair Housing Ordinance in 1979, which prohibits discrimination in the sale or rental of housing, and discrimination in the provision of brokerage services. The ordinance also outlines the City's procedures regarding complaints, investigation, cumulative legal effect, unlawful intimidation, education and public information and penalty. The City is not under any court order or decree regarding Fair Housing. Relevant policies and codes have been examined and no exclusionary zoning codes were evident. The City of College Station does not have a rental control ordinance. The City of College Station will comply with the provisions of 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

Information regarding the HDAP will be made available to the public through the use of a variety of public media, to include: meetings, the City's website and ads in the classified section of the newspapers. Press releases may be given to the local media. Information and applications will be made available to local agencies that deal with low to moderate income people.

Planning and Development Services Department staff will be available to speak to organizations or groups of interested individuals. Other methods of program information outreach may be utilized, including utility bill inserts, direct mailing, television advertising, and applications and program information will also be available on various City-specific media.

In addition, the City of College Station will seek technical assistance from the appropriate HUD staff in order to ensure that all Fair Housing requirements and standards are upheld and ultimately furthered.

CITY OF COLLEGE STATION
HOUSING RECONSTRUCTION
PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 92 (Home Investment Partnerships Program) and 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station has established a Housing Reconstruction Program (HRP) funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME). Additionally, the City may utilize other appropriate local, state, or federal resources that may become available.

The HRP is designed to combine various financial resources necessary to accomplish the reconstruction of eligible, qualified, owner occupied dwellings once deemed ineligible for the Housing Rehabilitation and Minor Home Repair programs. The City's Planning and Development Services staff will assist homeowners in planning, implementing and managing the process to demolish and reconstruct their substandard dwelling. In addition, the City seeks to impede the acceleration of slum and blighting influences through this activity, as well as preserve and enhance neighborhood quality and integrity. Depending upon applicant eligibility and costs of the particular project, assistance may be available to applicants under the provisions of 24 CFR § 92.254 Qualification as affordable housing: Homeownership and 24 CFR § 570.202, Eligible Rehabilitation and Preservation Activities. Eligible project activities will comply with the respective program requirements published in the U.S. Code of Federal Regulations (CFR), as it may be modified over time. The basic goals of this Program are:

- To preserve and enhance the supply of affordable, decent, safe, and sanitary housing available to qualified low-income households.
- To provide support, training, and educational activities to low-income applicants seeking to reconstruct their dilapidated homes.
- To provide applicants information regarding loan finance options to accomplish necessary demolition and reconstruction required to build a single family dwelling that meets all applicable codes and ordinances.
- To provide applicants information on proactively managing the maintenance of their homes following reconstruction.

This program is designed to provide technical and financial assistance to low-income, owner-occupant homeowners seeking to demolish and reconstruct their dilapidated residential structures into decent, safe and sanitary dwelling units. This program is available on a city-wide basis and is limited to only those properties located within the municipal boundaries of the city. Properties that lie partially within the city limits may be considered on a case-by-case basis.

The HRP financial assistance shall be managed as follows:

Program staff will assist qualified and approved applicants to demolish and reconstruct their dilapidated housing by requiring the applicant to enter into a reconstruction assistance agreement with the City. The agreement will allow the use of program funds for demolition and reconstruction as well as associated program delivery costs of the project. The agreement must be approved and executed prior to the commencement of any demolition or construction activities. All project costs (excluding staff time and soft costs necessary for program delivery) shall be compiled at project completion into a permanent financing loan, secured by a lien. Repayment of the loan shall be in accordance with the terms and conditions defined in program legal instruments. Applicants will have the option of pre-payment of costs at any time during the project, and prior to permanent financing, if they so desire.

Upon completion of construction activities, applicant shall close on the loan. Assistance will be in the form of a mixed loan – up to half of the assistance amount capped at \$60,000 in the form of a deferred, 0% interest, forgivable loan amortized using a monthly rate based on the number of months in a fifteen (15) year lien period. This portion of the loan will be forgiven at this rate over the fifteen (15) year lien period. The remainder will be in the form of a 0% interest deferred loan repayable when the borrower no longer occupies the property as their principal residence.

The mortgage note and deed restrictions shall be serviced and enforced either by the Planning and Development Services Department, a commercial lending institution, or by a not-for-profit entity.

B. DESIGNATED AUTHORITY

Administrative authority for implementation of this Program will rest with the City Manager or their designee. The Planning and Development Services Department will serve as the designated office for approval of contractual agreements and budget changes as needed to accomplish project completion, in accordance with Council approved procedures.

The City Manager or their designee will be responsible for authorizing the amount of assistance to be made available to the project in accordance with the implementing procedures. This determination will be based upon evaluations of the costs to be incurred by providing the housing assistance and upon the demonstrated needs of eligible applicant(s).

The City Manager or their designee will also be responsible for approval of applicant eligibility for this program and final approval of selection of applicants to be assisted. This will be based upon relative need of applicants for the specific housing assistance sought.

C. PROGRAM IMPLEMENTATION PROCESS

Steps in implementing the Program will be as follows:

1. The Planning and Development Services Department will create and maintain applications for all housing assistance programs. All applicants shall submit a completed application to the Planning and Development Services Department Office and await an evaluation of eligibility by the appropriate staff member(s). For this particular Program, applicants are required to hold majority title interest to an improved property within the corporate limits of College Station, which is their permanent place of residence, prior to submitting an application. A non-refundable application fee will be required to process the application under this program.
2. When a determination has been made that the structure is not feasible to rehabilitate to minimum standards under the City's Rehabilitation Program, staff will evaluate reconstruction applications for eligibility and prioritize the processing of applications based upon completeness and accuracy of information/documentation and demonstrated housing need. Program staff will process applications as expeditiously as possible, considering funding limitations and other staff responsibilities as assigned.
3. Applicant(s) will be notified by phone and in writing if they are eligible for participation in the program. If the applicant(s) are not eligible, they will be notified in writing, with an explanation of why they do not qualify. Non-qualification issues may include (but are not limited to) income, assets, deed restrictions, title concerns, environmental concerns and/or household make-up.
4. Program staff will meet with the applicant(s) to explain the basic goals and objectives of the Program and further assess the needs of the applicant(s) household that will occupy the dwelling once completed as their principal residence. Planning and Development Services staff determine whether or not approval of the homeowner's replacement housing may be expected to result in the successful and feasible re-

housing of the homeowner. The homeowner's request may be denied in cases in which the homeowner's general health or income level would preclude his or her adequate and responsible operation of a replacement dwelling; and/or cases in which the costs of the replacement dwelling would be substantially above the costs of typical cases; and to the extent that the probability of the City reaching its CDBG/HOME program goals would be endangered due to the cost overruns. The homeowner will be notified in writing of the determination and if the request is not approved, the reasons for denial.

5. After the household needs are fully assessed, staff will assess the project site to determine any additional demolition or reconstruction needs of the home in order to fully realize a decent, safe and sanitary unit. Program staff will make every effort, while crafting a plan for the home reconstruction, to incorporate the City's most current Green Building Standards into the project scope. Any incentives offered from federal, state or local agencies for conformance with Green Build Standards shall be accessed by the program as appropriate and when applicable.
6. Applicant(s) will be involved in several meetings with program staff to ensure proper steps are followed in the reconstruction process of their homes. The applicant may also be required to accompany program staff to appear before City planning boards and/or commissions to request variances or approval of special circumstantial development needs.
7. Applicant(s) will be responsible for their own relocation arrangements during the demolition and reconstruction period. Necessary relocation expenses may be eligible for reimbursement under the City of College Station's Optional Relocation Policy. The City may be able to provide up to \$4,500 for qualified eligible expenses.
8. Once the reconstruction plan has been completed, and any other City required approvals have been accomplished, program staff will place the project out for bid to approved contractors in compliance with the City's procurement and process regulations. Prior to bid, program staff will prepare a construction estimate by which to compare submitted bid amounts. Should submitted bids prove to be more than 10% of the construction estimate, the applicant will have the option to reject all bids and re-bid the project, or select the lowest responsible bidder (if program staff deems the lowest responsible bid reasonable within the project estimate). Applicant (Owner) will then enter into a construction contract with the lowest responsible bidder (Contractor), allowing the City to be the Owner Representative through the construction process, attending to progress payments and change orders in a timely manner on behalf of the Owner.
9. Program staff will obtain all required close-out documents at project completion and the loan closing will be scheduled.

10. Homeowners will be required to comply with all terms and conditions of their program agreement until all of the terms of their loan have been satisfied. Due to the type and source of funding, homeowners provided assistance through this program can expect rigorous enforcement of the terms and conditions of their loans.

D. APPLICANT ELIGIBILITY CRITERIA

Eligible applicants of this Program must meet the following qualifications:

1. Applicant(s) must have applied for rehabilitation assistance under the City's Housing Rehabilitation Program. Applicant must have been rejected for rehabilitation assistance on the grounds that the applicant's occupied dwelling was not feasible to rehabilitate.
2. Applicant(s) must be an owner-occupant of the dwelling for which assistance is requested and reside within the City of College Station. The dwelling must be the applicant's principal residence for a minimum of two (2) years prior to the submission of a completed application for assistance.
3. Ownership: Applicant(s) must present proof of ownership by General or Special Warranty Deed. City staff will verify proof of ownership with title searches as necessary on the property where the dilapidated structure exists and/or the site where the replacement housing will be built. In situations where the applicant does not have clear title, applicant will be required to clear title. When meeting this guideline requirement is not feasible, applicant must present proof of ownership (General or Special Warranty Deed) showing fee simple title of 50% or more ownership in the applicant's name. (All other title holders will be requested to relinquish their title rights to the applicant. If 100% title is not gained in this manner, then all other title holders will be requested to sign applicable project and lien documents to show their consent to the project.) Applicants with less than 100% fee simple title must have a continuing right to occupy the premises. Applicant must provide documentation for all existing liens. All current lienholders will be requested to subordinate their lien position to the City. Upon review and determination by the City Manager or their designee, the City may accept a lesser lien position if it is determined that the City's low-income affordable housing goals are being accomplished by the completion of the project.
4. Principal Residence and Homestead: Applicant(s) will be required to certify that they intend to occupy the new reconstructed dwelling as their principal residence upon project completion. Occupancy will be determined through verification of utility consumption, and other verifications determined acceptable and/or necessary by the City, on an annual basis.

5. Income: An applicant must have a gross income of 80 percent or less than of the College Station/Bryan area median income as reported by HUD. Income will be determined by the provisions of 24 CFR § 92.203 (Income determinations) and 24 CFR § 5.609 (Annual income).
6. Assets: Applicants will not be eligible for this Program if, upon application, they have assets exceeding \$30,000 on hand. Retirement funds in IRS recognized retirement accounts and home equity are excluded. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or under extraordinary circumstances.
7. Citizenship: In order to receive Program assistance, applicants must be United States Citizens, U.S. Non-Citizen Nationals, or Qualified Aliens as defined by Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Qualified alien status will be verified by the Citizenship and Immigration Services division of the U.S. Department of Homeland Security.
8. Applicant must establish that all property taxes are paid on the property to be vacated (and/or proposed construction site) and that all other liens are satisfied or released. Applicants owing delinquent property taxes will only be considered for assistance if they are enrolled in a county approved tax payment plan. At a minimum, the applicant must have six consecutive months of timely payments on a payment plan structured to bring taxes current within a two year period. After project completion, owners are required to certify on an annual basis that taxes have been paid and hazard insurance policies are current and in effect.
9. Applicants shall provide complete and accurate information regarding their household composition, household income, and housing situation. Failure to disclose information which may affect eligibility requirements shall also constitute fraud. Applicants shall be required to make full restitution to the City in the event applicants provide inaccurate or incomplete information in order to meet eligibility requirements for the Planning and Development Services Department housing programs. Requests for further assistance will be denied unless restitution is made in full.
10. Applicants will agree to conform to College Station Code Enforcement requests prior to being determined eligible for replacement housing assistance. Applicants agree to maintain dwelling and exterior grounds in accordance with applicable city ordinances.

G. FEASIBILITY OF RECONSTRUCTION

3. Feasibility of demolition and reconstruction of property to minimum program standards will be made following a detailed inspection of the property by program staff.
4. Feasibility of reconstruction structures under established program limits will be determined by an assessment of the following two criteria:
 - a. For all required repairs and renovations, rehabilitation costs shall exceed 75% of the total estimated post- rehabilitation value of the structure.
 - b. The estimate of costs needed for all required demolition and reconstruction must fall within program limits.

Units not meeting these standards will be determined infeasible for reconstruction assistance and, therefore, considered only for the Housing Rehabilitation and Minor Home Repair programs.

H. SELECTION OF RECIPIENTS FOR ASSISTANCE

1. Recipients for assistance of HRP will be taken from the Rehabilitation Program applications of eligible homeowners residing in substandard or dilapidated structures determined to be infeasible to rehabilitate.
2. The number of recipients to receive assistance will be subject to general availability of funds.
3. Planning and Development Services Department staff will evaluate all applications of eligible homeowners whose structures are determined to be infeasible to rehabilitate. Based upon this evaluation, a recommendation will be made to the City Manager or their designee as to the order of applicants to be assisted. Generally, those in the most imminent danger to personal health or safety will be extended priority under the program.
4. Criteria to be used to make this evaluation will include the following items listed in priority order:
 - a. Degree of threat to health and safety of occupants presented by continuance of residing in the structure. This will include evaluation of factors such as availability of basic services including water, sewer, electricity, and structural deficiencies of the home.
 - b. Health and handicapping disabilities of occupants which necessitates the home to be handicapped accessible.

- c. Time and date that all application requirements are met.
- d. Time and date of application.

E. ELIGIBLE PROPERTY CRITERIA

Property eligible for Program assistance is subject to the requirements of 24 CFR § 92.254 (Qualification as affordable housing: Homeownership) and as follows:

1. Location: The Program will be implemented on a city-wide basis within the corporate limits of the City of College Station. Properties that lie partially within the corporate limits will be considered on a case-by-case basis. However, program preference will rest with properties wholly in the City.
5. Property Type: Eligible properties must be improved, single-family residential lots, which are:
 - a. The principle residence of the applicant, and
 - b. Have a structure that has been determined infeasible to rehabilitate by staff, and
 - c. Have all utility service connections available to the property.
6. Title: The applicant household must hold majority title to the property. An existing mortgage will not prohibit participation in the program.
4. All eligible properties, following reconstruction, shall not exceed the HOME Program limits prescribed in 24 CFR § 92.254(a)(2)(iii).
5. Property Size: Eligible properties must not exceed two (2) acres in size. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or under extraordinary circumstances.
6. Manufactured Housing: Manufactured housing units are not eligible for program assistance unless:
 - a. the property on which the manufactured home sits is owned by the applicant; and
 - b. the property is properly zoned for single family housing; and
 - c. the applicant has resided in the home and on that site for not less than two years prior to the application date.

F. LOAN INSTRUMENTS

The HRP shall use loan instruments (real estate lien note, deed of trust, mechanic's lien contract, mechanic's lien note and transfer of lien) adapted to this program in order to provide financial assistance to eligible applicants.

Assistance will be in the form of a mixed loan – up to half of the assistance amount capped at \$60,000 in the form of a deferred, 0% interest, forgivable loan amortized using a monthly rate based on the number of months in a fifteen (15) year lien period. This portion of the loan will be forgiven at this rate over the fifteen (15) year lien period. The remainder will be in the form of a 0% interest deferred loan, repayable when the borrower no longer occupies the property as their principal residence.

Program loan instruments shall require that the property must be maintained to meet all applicable City codes, including code enforcement ordinances, community appearance and development standards.

Loan

Amount: \$150,000 maximum (construction and demolition costs)
The City Manager or their designee may increase this amount if necessary to accomplish other City or program objectives, or under extraordinary circumstances;

Interest: 0% interest deferred repayment portion and 0% interest forgivable portion capped at \$60,000

Forgivable Loan Repayment: Amortized using a monthly rate based on the number of months in a fifteen (15) year lien period. This portion of the loan will be forgiven at this rate over the fifteen (15) year lien period. Un-forgiven portion will be due in full when borrower no longer owner-occupies the structure;

Repayable Loan Repayment:

Deferred until borrower no longer occupies the property as their principal residence, at which time the repayment portion of the loan is due in full.

Lien holder Position: First;

Owner Occupancy Required: On the date the homeowner ceases occupying the property as their principal residence (i.e., rental, gift, death, abandonment), the deferred and repayable loans will become due and payable to the City except for deployed military personnel.

Refinancing of the first mortgage for the purpose of the reduction of monthly payments, term or interest rate is acceptable, however, refinancing which results in any cash being received by the homeowner is not allowed. In order to refinance, the rehabilitation cost must exceed the amount of debt that is refinanced with HOME funds.

The City shall have the prior right to purchase the ownership interest in the property from the initial HRP homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. The City shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 additional calendar days to complete closing of the property.

Military Deployment - In the event that the homeowner is deployed on active duty, if the home is occupied by the homeowner's dependents, the rehabilitation loan will continue to be deferred.

I. FORMS OF ASSISTANCE AND ALLOWABLE EXPENSES

1. The primary form of general housing reconstruction assistance will be federal CDBG and/or HOME funds to pay for eligible program costs. The allowable budget authority for reconstruction assistance shall not exceed One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) per applicant for eligible project costs (excluding program staff costs). The City Manager or their designee may increase this amount if necessary to accomplish other City or program objectives, or under extraordinary circumstances. Since each reconstruction project is unique in preparation, size and duration, additional costs may be required to carry a project from commencement to completion. These additional costs will be financed by owner proceeds or by an additional loan from a private lender. Under no circumstances will the owner be able to finance more debt than is allowed under Program debt to income ratios.
2. The City of College Station shall hold first lien position on the loan for the duration of the lien period. However, in extreme and isolated situations where first lien position is not feasible, the City may accept a lower lien position subject to the review and approval of the City Manager or their designee. The lien shall be released upon repayment. The full amount of assistance may be repaid at any time; however, the assistance must be repaid in full when the homeowner no longer occupies the property as their primary residence.

3. Program intent is to maintain owner-occupancy in the reconstructed dwellings. In the event of a sale, transfer of ownership or the property ceases to be owner occupied during the lien period, the following conditions must apply to avoid default:
 - a. The owner must sell or offer the assumption of the loan to a low/moderate income household for their homestead and approved by the Cit Manager or their designee; and
 - b. The owner shall give the city a first right of refusal to purchase the ownership interest in the property from the homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. The city shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 calendar days to complete closing of the property.
4. If within the lien period the homeowner defaults on the loan, the loan will be called due in full and foreclosure proceedings may be initiated. The City will make every effort to work with the homeowner to avoid foreclosure and will examine each situation on a case by case basis.
5. Allowable expenses will include:
 - a. Replacement housing to be used for one of the following re-housing options:
 - i. An adequate, decent, safe, and sanitary REPLACEMENT DWELLING constructed on the ORIGINAL SITE (LOT) of the dwelling vacated by the homeowner,
 - ii. An adequate, decent, safe, and sanitary REPLACEMENT DWELLING constructed on an ALTERNATE SITE in the City of College Station provided by the homeowner,
 - iii. An adequate, decent, safe, and sanitary REPLACEMENT DWELLING constructed on a SITE ACQUIRED where subject property is not appropriate for redevelopment and with the agreement that the homeowner will trade lots with the City, if available, or
 - iv. An adequate, decent, safe, and sanitary REPLACEMENT DWELLING FOR SALE in the City of College Station that meets the City's Structural Standards Code (all Down Payment Assistance Program standards will apply to the home inspection).
 - b. Cost of lot clearance, demolition, and clearance of the dilapidated structure, and preparation of job site for new replacement dwelling.
 - c. Cost of utility and appliance transfers and hookups as necessary.
 - d. Closing and settlement costs related to purchase of replacement dwelling.
 - e. Other expenses determined by the City to be necessary to facilitate the relocation of the homeowner.

6. Planning and Development Services Department staff will also provide assistance and education to applicants as needed, including the following:
 - a. Information on the program and re-housing options available.
 - b. Assistance in acquisition or soliciting bids for construction of replacement housing.
 - c. Assistance in contractual compliance between homeowner and contractor.
 - d. Assistance in inspection of construction of replacement dwelling, if applicable.
 - e. Assistance to applicant in evaluation of future housing cost burdens.

J. RECONSTRUCTION AGREEMENT

Each applicant assisted through this Program will sign a HOME Reconstruction or Re-Housing Agreement with the City which defines the overall terms and conditions of the City providing the HRP assistance. Other construction documents will be required to be executed by the applicant during the reconstruction assistance process, but the HOME Reconstruction Agreement will be solely between the City and the applicant, and will be the primary instrument submitted for approval by the City Manager or their designee, before the project may commence.

K. FINAL INSPECTION - CERTIFICATE OF OCCUPANCY

The City of College Station will be responsible for final inspection of all housing units made available through the program to determine that the unit meets all City of College Station and HUD requirements. Final payment will not be made until the City of College Station has issued a Certificate of Occupancy for the reconstructed unit and all items identified in a punch list have been corrected. The owner will also be required to sign-off on the final progress payment document to the contractor. The Certificate of Occupancy will serve as evidence to HUD of the City's determination that the reconstructed structure is no longer substandard, but has become code compliant and a decent, safe, and sanitary dwelling.

**CITY OF COLLEGE STATION
LEVERAGED HOUSING DEVELOPMENT PROGRAM**

PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 92 (Home Investment Partnerships Program) and 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station Leveraged Housing Development Program is funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG), and Home Investment Partnership Program (HOME) funds. Additionally, the City may utilize other local, state, or federal resources that become available to fund eligible projects under the program.

The Leveraged Housing Development Program is designed to provide affordable housing opportunities, economic development opportunities, job creation, and/or services provided to a limited clientele through a variety of activities that are intended to benefit low-to-moderate income residents in the City of College Station under the City's Community Development Program authorized under Chapter 373 of the Texas Local Government Code. The City of College Station Chapter 373 Community Development Program was established August 8, 2005 by City Council Resolution # 8-8-2005-12.16. Financial or other forms of assistance shall be provided to qualified developer applicants with assistance under the provisions of 24 CFR § 92.252 Home Investment Partnerships Program - Qualification as affordable housing: Rental Housing, 24 CFR § 570.201 Community Development Block Grant - Basic Eligible Activities, and other appropriate sources of assistance.

This may be accomplished in part, with City Council approval, through the acquisition, new development or substantial rehabilitation of affordable housing units which are primarily occupied by low-to-moderate income households, and/or mixed-use developments in which housing units are occupied by low and moderate income households, and 51% of jobs created by the development are held by low and moderate income persons. An eligible development may include owner- or renter-occupied, single-family or multi-family housing units. To qualify for new development or substantial rehabilitation assistance, multi-family developments must have a minimum of eight (8) units.

The basic goals of the Leveraged Housing Development Program are:

- To provide affordable housing opportunities for low income and special needs households.
- To preserve and expand the supply of decent housing available to low-income and special needs renters.
- To create sustainable, mixed-use developments which provide both decent rental housing and jobs for low and moderate-income persons.

B. PROCESS

As need is determined by staff and budgeted funds or other resources are made available, the City will publish a Request for Proposal (RFP) to invite interested, qualified entities to submit a proposal for an eligible development within the corporate limits of the City of College Station. Depending upon the specific situation, the City may also accept applications for the Leveraged Housing Development Program outside of the RFP process. The proposed development may include the following types of financing and resources:

- Texas Department of Community Affairs (TDHCA) Housing Tax Credit (HTC) funding
- TDHCA Multi-family Bond funding
- Developer equity
- Deferred or waived development fees
- Expedited development review and permitting
- Private or commercial loans
- City Resolution of Support
- A deferred and/or low-interest loan from the City's federal Home Investment Partnership (HOME) and/or Community Development Block Grant (CDBG) funds
- Land, buildings, or other improvements acquired with Community Development Block Grant (CDBG) funds through sale, lease, donation, or otherwise, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in 24 CFR §570.504
- Infrastructure improvements
- Development density bonuses
- Other appropriate resources or services

Approved developer applicants will work collaboratively with the City to implement an approved project. In return for use of the City's resources, the City will have final approval of the project design, and the development will be monitored at a level proportionate to the amount of resources extended to ensure compliance with programmatic requirements.

The approved applicant will perform all activities necessary for success of the development, including, but not limited to:

1. Complete the City's Loan Application and execute the Contract. An application fee in the amount of \$200 shall be due with the application. Funding shall be secured at closing with a Note and Deed of Trust.
2. Work closely with the key staff to evaluate and select an appropriate site, obtain necessary zoning and platting, attend predevelopment meetings, and obtain required permits.
3. Work closely with key staff to complete a successful Housing Tax Credit or Multi-family Bond application to the Texas Department of Housing and Community Affairs if such financing is necessary for the development.
4. Identify and secure necessary private financing.
5. Present the conceptual development to the City in a city-approved format.

6. For TDHCA-funded developments, coordinate and participate in required public meetings, provide necessary public notices, and secure the support of elected representatives and applicable neighborhood associations for the development.
7. Coordinate all aspects of contracting and construction, including all required reporting, submissions, and draw requests.
8. Execute and record a Land Use Restriction Agreement (LURA) preserving the affordability of the housing units in the development for a minimum period of twenty (20) years.
9. Coordinate staffing and marketing of the development.
10. Ensure that the development will pay all applicable city, school and county ad valorem property taxes at least for the life of the LURA.
11. Comply with all federal, state, and local initial and ongoing monitoring requirements. The monitoring fee shall be \$40 per year per HOME-assisted unit. Staff will determine the required number of designated HOME-assisted units in the development based upon the HOME assistance amount and the total number of units in the development.

C. SELECTION CRITERIA

1. After receipt of proposals or applications, City of College Station will use the following criteria in the selection process:
 - 25%** - Developer's qualifications, experience (including recent developments) and references.
 - 30%** - Conceptual development proposal (Weight will be given to developments incorporating green building techniques, recycling forethought, water and energy efficiency, and alternative energy solutions in project design).
 - 25%** - Number and quality of housing units and/or jobs created for low and moderate income persons.
 - 20%** - Timeline and demonstrated commitment to the project.
2. The City Manager or their designee may ascribe differing scoring weights or selection criteria to address particular community needs or programmatic requirements.

D. LOAN INSTRUMENTS OR OTHER FORMS OF PARTICIPATION

1. Upon approval of the City Council, a loan may be made at closing in the form of a deferred, repayable loan from the City's Home Investment Partnerships Program (HOME) funds, Community Development Block Grant (CDBG) funds, or other appropriate funding sources. The

amount of funding will be determined dependent upon the benefit, with interest accruing at the Applicable Federal Rate (AFR) at the time of loan disbursement for an agreed upon term, or the term of the Housing Tax Credit or other Compliance Period, whichever is greater.

2. To facilitate the development, City-owned land, buildings, or other improvements acquired with Community Development Block Grant (CDBG) or other sources of funds may be provided through sale, lease, conveyance, or otherwise with City Council approval.
3. Other forms of City participation may be considered on a case-by-case basis by the City Manager or their designee to address particular community needs or programmatic requirements. All forms of assistance will require final approval by the City Council.
4. Proposed developments will not be over-subsidized. They shall receive only the amount of subsidy necessary to bring about a successful, sustainable development. Planning and Development Services Department Staff will perform a Subsidy Layering Analysis of the proposed development to determine the appropriate subsidy level. If the development receives funding through the Texas Department of Housing and Community Affairs (TDHCA), the TDHCA underwriting review will take precedence.

E. HOUSING QUALITY PLAN

1. Structures funded under this program must meet all applicable City codes, ordinances and other requirements.
2. Subject properties will be reviewed with regards to environmental issues as required by federal guidelines in 24 CFR § 92.352 (Environmental review). Properties not eligible for federal assistance due to environmental hazards will be ineligible for this Program.
3. All program-funded rental units must meet or exceed all requirements under 24 CFR § 92.251(a) (Property standards).
4. Final project design shall be submitted to Planning and Development Department staff for approval.

F. SECTION 3 AND DAVIS BACON

1. If the project is assisted under either HOME or CDBG in the amount of \$200,000 or more, the requirements of Section 3 of the Housing and Urban Development Act will apply. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in the area or owned in substantial part by persons residing in the area of the project. The development agreement will require that developers under the Leveraged Housing Development Program will comply with the provisions of Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development as set forth in 24 CFR § 135.

2. If the project is assisted under CDBG or with twelve (12) or more HOME-assisted units, the provisions of the Davis-Bacon and Related Acts (DBRA) shall apply. The Davis-Bacon Act requires the payment of prevailing wage rates (which are determined by the U.S. Department of Labor) to all laborers and mechanics on Federal government construction projects in excess of \$2,000.

G. ANTI-DISPLACEMENT POLICY STATEMENT

1. The City shall not engage or participate in any activities that influence the permanent and involuntary relocation or displacement of any low-income family due to the Leveraged Housing Development Program, pursuant to the provisions of 24 CFR§ 92.353 Displacement, relocation, and acquisition.
2. It is not anticipated that it would be necessary to relocate any families. If the need does arise, the City will follow the relocation procedures as set forth in its adopted Anti-Displacement Policy.

H. EQUAL OPPORTUNITY STATEMENT

The City of College Station is committed to providing equal opportunity for minority or women owned businesses to compete and obtain contracts for City sponsored projects, and will comply with the provisions of 24 CFR § 92.350 (Other Federal requirements and nondiscrimination) and 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

I. FAIR HOUSING POLICY STATEMENT

The City of College Station adopted a Fair Housing Ordinance in 1979, which prohibits discrimination in the sale or rental of housing, and discrimination in the provision of brokerage services. The ordinance also outlines the City's procedures regarding complaints, investigation, cumulative legal effect, unlawful intimidation, education and public information and penalty. The City is not under any court order or decree regarding Fair Housing. Relevant policies and codes have been examined and no exclusionary zoning codes were evident. The City of College Station does not have a rental control ordinance. The City of College Station will comply with the provisions of 24 CFR § 92.351 (Affirmative marketing; minority outreach program).

Information regarding Leveraged Housing Development Program units will be made available to the public through the use of a variety of public meetings, newspaper articles, developer advertising, and press releases may be given to the local media. Information will be made available to local agencies that deal with low-to-moderate income people and families. Planning and Development Services Department staff will be available to speak to organizations or groups of interested individuals. Other methods of program information outreach may be utilized, including utility bill inserts, direct mailing, television advertising, and the City's website.

In addition, the City of College Station will seek technical assistance from the HUD Regional Fair Housing staff in order to ensure that fair housing standards are met.

CITY OF COLLEGE STATION
MINOR HOME REPAIR PROGRAM
PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 570 (Community Development Block Grant Program) and/or 24 CFR Part 92 (Home Investment Partnership Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station has established a Minor Home Repair Program (MHRP) funded through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant Program (CDBG). Additionally, the City may utilize other appropriate local, state, or federal resources that may become available.

The MHRP is designed to provide the financial assistance necessary to accomplish minor repair of eligible, qualified, owner-occupied dwellings. The City's Community Development staff will assist homeowners in planning, implementing, and managing the process to repair substandard features of their dwellings. In addition, the City seeks to impede the acceleration of slum and blighting influences through this activity, as well as preserve and enhance neighborhood quality and integrity. Depending upon applicant eligibility and costs of the project, assistance may be available to applicants under the provisions of 24 CFR § 570.202, Eligible Rehabilitation and Preservation Activities. Eligible project activities will comply with program requirements published in the U.S. Code of Federal Regulations (CFR), as it may be modified over time. The basic goals of this program are:

- To provide emergency and/or necessary repairs to address specific health and safety concerns of homeowners.
- To preserve and enhance the supply of affordable, decent, safe, and sanitary housing available to qualified low-income households.
- To provide applicants information on proactively managing the maintenance of their homes following repair.

Technical and financial assistance is available to low-income, owner-occupant homeowners requiring minor repair to alleviate health/safety issues or address other necessary repairs as determined by program staff and/or other qualified City staff. This program is available on a city-wide basis and is limited to only those properties located within the municipal boundaries of the city. Properties that lie partially within the city limits may be considered on a case-by-case basis.

The MHRP financial assistance shall be managed as follows:

Program staff will assist qualified and approved applicants to make essential repairs to their homes by requiring the applicant to enter into a minor repair assistance agreement with the City. The agreement will allow the use of program funds for the cost of repairs and associated program delivery costs of the project. The agreement must be approved and executed prior to the commencement of any rehabilitation activities.

Because this program is designed to address conditions of immediate need, assistance is provided in the form of a grant of up to \$20,000.00. At the sole discretion of the City Manager or their designee, assistance may be allowed to exceed the amount of \$20,000.00 in order to achieve the objectives of the program.

B. DESIGNATED AUTHORITY

Administrative authority for implementation of this program will rest with the City Manager or their designee. The Planning and Development Services Department will serve as the designated office for approval of contractual agreements and budget changes as needed to accomplish project completion, in accordance with Council-approved purchasing procedures.

The City Manager or their designee will be responsible for authorizing the amount of assistance to be made available to the project, in accordance with the implementing procedures. This determination will be based upon the evaluations of the cost to be incurred by providing the housing assistance and upon the demonstrated needs of eligible applicants.

The City Manager or their designee will also be responsible for approval of applicant eligibility for this program and final approval of selection of applicants to be assisted. This will be based upon relative need of applicants for the specific housing assistance sought.

C. PROGRAM IMPLEMENTATION PROCESS

Steps in implementing the program will be as follows:

The Community Development office (CD office) will create and maintain applications for all housing assistance programs. All applicants shall submit a completed application to the CD office and await an evaluation of eligibility by the appropriate staff member(s). For this Program, applicants are required to hold majority title interest to an improved property within the corporate limits of College Station, which is their permanent place of residence, prior to submitting an application.

Program staff will evaluate all applications for eligibility and prioritize the processing of applications based upon completeness and accuracy of information/documentation and

demonstrated housing need. Program staff will process applications as expeditiously as possible, considering funding limitations and other staff responsibilities as assigned.

Applicants will be notified by phone if they are eligible for participation in the program. If the applicants are not eligible, they will be notified in writing with an explanation of why they do not qualify. Non-qualification issues may include (but are not limited to) income, assets, deed restrictions, title concerns, and/or environmental concerns.

Program staff will meet with the applicant(s) to explain the basic goals and objectives of the program and further assess the needs of the applicant's household that will occupy the dwelling once completed. After the household needs are fully assessed, staff will review the project site to determine any additional repair needs of the home to fully realize a decent, safe and sanitary unit.

Applicant(s) will be involved in several meetings with program staff to ensure proper steps are followed in the repair process of their homes.

Repair work shall be done in accordance with the City's prepared scope of work and in accordance with City purchasing policies.

Program staff will obtain all required close-out documents at project completion.

D. APPLICANT ELIGIBILITY CRITERIA

Eligible applicants of this Program must meet the following qualifications:

1. **Income:** An applicant must have a gross income of 80 percent or less than the College Station/Bryan area median income as reported by HUD. Income will be determined by the provisions of 24 CFR § 92.203 (Income determinations) and 24 CFR § 5.609 (Annual income).
2. **Assets:** Applicants will not be eligible for this program if, upon application, they have assets exceeding \$30,000 on hand. IRS-recognized savings accounts are excluded.
3. **Principal Residence and Homestead:** Applicants will be required to certify that they intend to occupy the repaired dwelling as their principal residence upon project completion.
4. **Employment History:** Applicants must have an employment history in the same job, or in the case of professional, salaried employees (as defined in 29 CFR § 541 meeting any of the requirements in Subparts B, C, D, E, or F), in the same field of employment, for a minimum of two (2) months.

5. Citizenship: In order to receive program assistance, applicants must be United States Citizens, U.S. Non-Citizen Nationals, or Qualified Aliens as defined by Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Qualified alien status will be verified by the Citizenship and Immigration Services division of the U.S. Department of Homeland Security.

E. ELIGIBLE PROPERTY CRITERIA

Property eligible for Program assistance is subject to the requirements of 24 CFR § 570.202 and as follows:

7. Location: The Program will be implemented on a city-wide basis within the corporate limits of the City of College Station. Properties that lie partially within the corporate limits will be considered on a case-by-case basis. However, program preference will rest with properties wholly in the City.
8. Property Type: Eligible properties must be improved, single-family residential lots, which are:
 - a. The principal residence of the applicant, and
 - b. Needing minor repairs but structurally sound, and
 - c. Have all utility service connections available to the property.
9. Title: The applicant household must hold majority title to the property. An existing mortgage will not prohibit participation in the program.
7. All eligible properties, following rehabilitation, shall not exceed 95% of the maximum amount insurable under Section 203(b) of the National Housing Act (FHA lending limit) for the College Station/Bryan area.
8. Manufactured Housing: Manufactured housing units are not eligible for program assistance unless:
 - d. The property on which the manufactured home sits is owned by the applicant; and
 - e. The property is properly zoned; and
 - f. The applicant has resided in the home and on that site for not less than two years prior to the application date.
9. Property Taxes: all property taxes must be current. With approval from the Community Services Department Director, properties with tax deferral for tax payers 65 years of age or older under the Texas Tax Code, Section 33.06 will be acceptable.

F. FEASIBILITY OF MINOR REPAIR

Minor home repair projects eligible for this program include:

1. Addressing health/safety issues
 - a. Replacement of an air conditioning/heating systems
 - b. Replacement of a water heater system
 - c. Water/sewer/gas line breaks
 - d. Electrical system failures
 - e. Ordinance Compliance
 - f. Other minor repairs necessary to ensure safe living conditions
2. Exterior home repairs/structural integrity issues
 - a. Minor weatherization
 - b. Roofing repair or replacement
 - c. Minor gutter installation
 - d. Walkway repair or replacement
 - e. Siding or exterior trim repair
 - f. Other minor repairs necessary to ensure exterior home repairs and structural integrity.

G. SELECTION OF RECIPIENTS FOR ASSISTANCE

1. Recipients for assistance of this program will be taken from the applications of eligible homeowners residing in structures in need of minor repair determined to be structurally sound by program staff.
2. The number of recipients to receive assistance will be subject to general availability of funds.
3. Community Development staff will evaluate all applications of eligible homeowners whose structures are determined to be feasible to rehabilitate. Based upon this evaluation, a recommendation will be made to the City Manager or their designee as to the order of applicants to be assisted. Generally, those in the most imminent danger to personal health or safety will be extended priority under the program.
4. Criteria to be used to make this evaluation will include the following items listed in priority order:
 - a. Degree of threat to health and safety of occupants presented by continuance of residing in the structure. This will include evaluation factors such as availability of basic services including water, sewer, electricity, and structural deficiencies of the home.

- b. Health and disability of occupants which necessitates the home to undergo handicapped accessible construction because of the owner's existing situation.
- c. Time and date that all application requirements are met.
- d. Time and date of application.

H. FORMS OF ASSISTANCE AND ALLOWABLE EXPENSES

Minor home repair assistance shall be in the form of a grant, through federal CDBG funds. The allowable budget authority for minor repair assistance shall not exceed Twenty Thousand and No/100 Dollars (\$20,000.00) per applicant for eligible project costs. Homeowners are limited to one (1) minor repair project every twenty-four (24) months. At his/her sole discretion, the Community Services Department Director may allow subsequent minor repair projects to occur sooner to accomplish other City or program objectives, or upon significant demonstration of extraordinary circumstances.

I. MINOR REPAIR AGREEMENT

Each applicant assisted through this program will sign a Minor Home Repair Agreement with the City which defines the overall terms and conditions of the City providing the MHRP assistance. Other construction documents will be required to be executed by the applicant during the repair assistance process.

J. FINAL INSPECTION

The City of College Station will be responsible for final inspection of all housing units made available through the program to determine that the unit meets all City of College Station and HUD requirements.

CITY OF COLLEGE STATION
HOUSING REHABILITATION PROGRAM
PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 92 (Home Investment Partnerships Program) and/or 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

A. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station has established a Housing Rehabilitation Program (HRP) funded through the U.S. Department of Housing and Urban Development (HUD) Home Investment Partnerships Program (HOME). Additionally, the City may utilize other appropriate local, state, or federal resources that may become available.

The HRP is designed to combine various financial resources necessary to accomplish rehabilitation of eligible, qualified, owner-occupied dwellings. The City's Community Development staff will assist homeowners in planning, implementing and managing the process to rehabilitate their substandard dwellings. In addition, the City seeks to impede the acceleration of slum and blighting influences through this activity, as well as preserve and enhance neighborhood quality and integrity. Depending upon applicant eligibility and costs of the particular project, assistance may be available to applicants under the provisions of 24 CFR § 92.254 Qualification as affordable housing: Homeownership and 24 CFR § 570.202, Eligible Rehabilitation and Preservation Activities. Eligible project activities will comply with the respective program requirements published in the U.S. Code of Federal Regulations (CFR), as it may be modified over time. The basic goals of this Program are:

- To preserve and enhance the supply of affordable, decent, safe, and sanitary housing available to qualified low-income households.
- To provide support training and educational activities to low-income applicants seeking to rehabilitate their sub-standard homes.
- To provide applicants information regarding loan finance options to accomplish necessary rehabilitation activities required to bring their sub-standard dwelling into a code compliant standard condition.
- To provide applicants information on proactively managing the maintenance of their homes following rehabilitation.

This program is designed to provide technical and financial assistance to low-income, owner-occupant homeowners seeking to rehabilitate their sub-standard residential structures into decent, safe and sanitary dwelling units. This program is available on a city-wide basis and is limited to only those properties located within the municipal boundaries of the city. Properties that lie partially within the city limits may be considered on a case-by-case basis.

The HRP financial assistance shall be managed as follows:

Program staff will assist qualified and approved applicants to rehabilitate their substandard housing by requiring the applicant to enter into a rehabilitation assistance agreement with the City. The agreement will allow the use of program funds for rehabilitation and associated program delivery costs of the project. The agreement must be approved and executed prior to the commencement of any rehabilitation activities. All project costs (excluding staff time and soft costs necessary for program delivery) shall be compiled at project completion into a permanent financing loan, secured by a lien. Repayment of the loan shall be in accordance with the terms and conditions defined in program legal instruments. Applicants will have the option of pre-payment of costs at any time during the project, and prior to permanent financing, if they so desire.

Upon completion of construction activities, applicant shall close on the loan.

All assistance will be in the form of a mixed loan – up to half of the assistance amount in the form of a deferred, 0% interest, forgivable loan amortized using a monthly rate based on the number of months in a ten (10) year lien period. The loan will be forgiven at this rate over the ten (10) year lien period. The remainder will be in the form of a 0% interest deferred loan. One hundred percent repayment of the borrowed amount is due when the borrower no longer owner occupies the property as their principal residence.

The mortgage note and deed restrictions shall be enforced either by the Planning and Development Services Department, a commercial lending institution or by a not-for-profit entity.

B. DESIGNATED AUTHORITY

Administrative authority for implementation of this Program will rest with the City Manager or their designee. The Planning and Development Services Department will serve as the designated office for approval of contractual agreements and budget changes as needed to accomplish project completion, in accordance with Council-approved procedures.

The City Manager or their designee will be responsible for authorizing the amount of assistance to be made available to the project in accordance with the implementing procedures. This determination will be based upon evaluations of the costs to be incurred by providing the housing assistance and upon the demonstrated needs of eligible applicants.

The City Manager or their designee will also be responsible for approval of applicant eligibility for this program and final approval of selection of applicants to be assisted. This will be based upon relative need of applicants for the specific housing assistance sought.

C. PROGRAM IMPLEMENTATION PROCESS

Steps in implementing the Program will be as follows:

6. The Planning and Development Services Department (P&DS) will create and maintain applications for all housing assistance programs. All applicants shall submit a completed application to P&DS, and await an evaluation of eligibility by the appropriate staff member(s). For this particular Program, applicants are required to hold majority title interest to an improved property within the corporate limits of College Station, which is their permanent place of residence, prior to submitting an application. A \$25 non-refundable application fee will be required to process the application under this program.
7. Program staff will evaluate all applications for eligibility and prioritize the processing of applications based upon completeness and accuracy of information/documentation and demonstrated housing need. Program staff will process applications as expeditiously as possible, considering funding limitations and other staff responsibilities as assigned.
8. Applicant(s) will be notified by phone if they are eligible for participation in the program. If the applicant(s) are not eligible, they will be notified in writing, with an explanation of why they do not qualify. Non-qualification issues may include (but are not limited to) income, assets, deed restrictions, title concerns, environmental concerns and/or household make-up.
9. Once the applicant is deemed eligible, they will be required to sign an agreement with the City before commencing with the rehabilitation process of their property.
10. Program staff will meet with the applicant(s) to explain the basic goals and objectives of the program and further assess the needs of the applicant(s) household that will continue occupying the dwelling as their principal residence once completed. After the household needs are fully assessed, staff will assess the project site to determine any additional rehabilitation needs of the home in order to fully realize a decent, safe

and sanitary unit. Program staff will make every effort, while crafting a plan for the home rehabilitation, to incorporate the City's most current Green Building Standards into the project scope. Any incentives offered from federal, state or local agencies for conformance with Green Build Standards shall be accessed by the program as appropriate and when applicable.

11. Applicant(s) will be involved in several meetings with program staff to ensure proper steps are followed in the rehabilitation process of their homes. The applicant may also be required to accompany program staff to appear before City planning boards and/or commissions to request variances or approval of special circumstantial development needs.
12. Applicant(s) will be responsible for their own relocation arrangements, if needed, during the rehabilitation period. Necessary relocation expenses may be eligible for reimbursement under the City of College Station's Optional Relocation Policy. The City may be able to provide up to \$4,500 for qualified eligible expenses.
13. Once the rehabilitation plan has been completed, and any other City required approvals have been accomplished, program staff will place the project out for bid to approved contractors in compliance with the City's procurement and process regulations. Prior to bid, program staff will prepare a construction estimate by which to compare submitted bid amounts. Should submitted bids prove to be more than 10% of the construction estimate, the applicant will have the option to reject all bids and re-bid the project, or select the lowest responsible bidder (if program staff deems the lowest responsible bid reasonable within the project estimate). Applicant (Owner) will then enter into a construction contract with the lowest responsible bidder (Contractor), allowing the City to be the Owner Representative through the construction process, attending to progress payments and change orders in a timely manner on behalf of the Owner.
14. Program staff will obtain all required close-out documents at project completion and the loan closing will be scheduled.
15. Homeowners will be required to comply with all terms and conditions of their program agreement until all of the terms of their loan have been satisfied. Due to the type and source of funding, homeowners provided assistance through this program can expect rigorous enforcement of the terms and conditions of their loans.

D. APPLICANT ELIGIBILITY CRITERIA

Eligible applicants of this Program must meet the following qualifications:

11. Income: An applicant must have a gross income of 80 percent or less than of the College Station/Bryan area median income as reported by HUD. Income will be determined by the provisions of 24 CFR § 92.203 (Income determinations) and 24 CFR § 5.609 (Annual income).
12. Assets: Applicants will not be eligible for this program if, upon application, they have assets exceeding \$30,000 on hand. Retirement funds in IRS recognized retirement accounts are excluded. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or under extraordinary circumstances.
13. Principal Residence and Homestead: Applicants will be required to certify that they intend to occupy the rehabilitated dwelling as their principal residence upon project completion. Occupancy will be determined through verification of utility consumption, and other verifications determined acceptable and/or necessary by the City, on an annual basis.
14. Citizenship: In order to receive program assistance, applicants must be United States Citizens, U.S. Non-Citizen Nationals, or Qualified Aliens as defined by Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Qualified alien status will be verified by the Citizenship and Immigration Services division of the U.S. Department of Homeland Security.

E. ELIGIBLE PROPERTY CRITERIA

Property eligible for Program assistance is subject to the requirements of 24 CFR § 92.254 (Qualification as affordable housing: Homeownership) and as follows:

10. Location: The Program will be implemented on a city-wide basis within the corporate limits of the City of College Station. Properties that lie partially within the corporate limits will be considered on a case-by-case basis. However, program preference will rest with properties wholly in the City.
11. Property Type: Eligible properties must be improved, single-family residential lots, which are:
 - a. The principal residence of the applicant, and
 - b. Substandard but structurally sound, and
 - c. Have all utility service connections available to the property.

12. Title: The applicant household must hold majority title to the property. An existing mortgage will not prohibit participation in the program.
10. All eligible properties, following rehabilitation, shall not exceed the HOME Program limits prescribed in 24 CFR § 92.254(a)(2)(iii).
11. Property Size: Eligible properties may not exceed two (2) acres in size. The City Manager or their designee may waive this requirement if necessary to accomplish other City or program objectives, or under extraordinary circumstances.
12. Manufactured Housing: Manufactured housing units are not eligible for program assistance.

F. LOAN INSTRUMENTS

1. The HRP shall use loan instruments (real estate lien note, deed of trust, mechanic's lien contract, mechanic's lien note and transfer of lien) adapted to this program in order to provide financial assistance to eligible applicants.
2. Program loan instruments shall require that the property must be maintained to meet all applicable City codes, including code enforcement ordinances, community appearance and development standards.
3. Refinancing of the first mortgage for the purpose of the reduction of monthly payments, term or interest rate is acceptable, however, refinancing which results in any cash being received by the homeowner is not allowed. In order to refinance, the rehabilitation cost must exceed the amount of debt that is refinanced with HOME funds.
4. The City shall have the prior right to purchase the ownership interest in the property from the initial HRP homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. The City shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 additional calendar days to complete closing of the property.
5. **Military Deployment** – In the event that the homeowner is deployed on active duty, if the home is occupied by the homeowner's dependents, the rehabilitation loan will continue to be deferred.

G. FEASIBILITY OF REHABILITATION

5. Feasibility of rehabilitation of property to minimum program standards will be made following a detailed inspection of the property by program staff. This inspection includes completing a list of deficiencies which must be corrected in order to bring the structure into compliance with HUD requirements and all applicable City of College Station codes and expectations.
6. Feasibility of rehabilitating structures under established program limits will be determined by an assessment of the following two criteria:
 - a. The estimate of costs needed for all required repairs and renovations must fall within program limits.
 - b. For all required renovations, rehabilitation costs shall not exceed 75% of the total estimated post-rehabilitation value for the structure.
7. Units not meeting these standards will be determined infeasible for rehabilitation assistance.

H. SELECTION OF RECIPIENTS FOR ASSISTANCE

1. Recipients for assistance of this program will be taken from the applications of eligible homeowners residing in substandard structures determined to be structurally sound by program staff.
2. The number of recipients to receive assistance will be subject to general availability of funds.
3. Planning and Development Services Department staff will evaluate all applications of eligible homeowners whose structures are determined to be feasible to rehabilitate. Based upon this evaluation, a recommendation will be made to the City manager or their designee as to the order of applicants to be assisted. Generally, those in the most imminent danger to personal health or safety will be extended priority under the program.
4. Criteria to be used to make this evaluation will include the following items listed in priority order:
 - a. Degree of threat to health and safety of occupants presented by continuance of residing in the structure. This will include evaluation of factors such as availability of basic services including water, sewer, electricity, and structural deficiencies of the home.

- b. Health and handicapping disabilities of occupants which necessitates the home to undergo handicapped accessible construction because of the owner's existing situation.
- c. Time and date that all application requirements are met.
- d. Time and date of application.

I. FORMS OF ASSISTANCE AND ALLOWABLE EXPENSES

1. The primary form of general housing rehabilitation assistance will be federal HOME funds to pay for eligible program costs. The allowable budget authority for rehabilitation assistance shall not exceed Fifty Thousand and No/100 Dollars (\$50,000.00) per applicant for eligible project costs (excluding program staff costs). The City Manager or their designee may increase this amount if necessary to accomplish other City or program objectives, or under extraordinary circumstances. Any additional costs will be financed by owner proceeds or by an additional loan from a private lender.
2. The City of College Station shall hold first lien position on the loan for the duration of the lien period. However, in extreme and isolated situations where first lien position is not feasible, the City may accept a lower lien position subject to the review and approval of the City Manager or their designee. The lien shall be released upon repayment. The full amount of assistance may be repaid at any time. The repayment half of the loan is due in full when that household no longer resides in the home as their principal residence. The other half of the assistance will be in the form of a deferred, forgivable loan amortized using a monthly rate based on the number of months in a ten (10) year lien period to be placed on all rehabilitated dwellings. The loan will be forgiven at this rate over the ten (10) year lien period. If the house is sold or transferred before the lien period expires, the homeowner gets credit for every month spent in the house. The credit is subtracted from the total loan amount, which is then owed and due to the Planning and Development Services Department and received and used thereof as program income.
3. Program intent is to maintain owner-occupancy in the rehabilitated dwellings. In the event of a sale, transfer of ownership or renting of the property during the lien period, the following conditions must apply to avoid default:
 - a. The owner must sell or offer the assumption of the loan to a low/moderate income household for their homestead and approved by the City Manager or their designee; and

- b. The owner shall give the city a first right of refusal to purchase the ownership interest in the property from the homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. The city shall have 10 business days after receiving notice of the firm contract to decide whether to exercise its right and 60 calendar days to complete closing of the property.

J. REHABILITATION AGREEMENT

Each applicant assisted through this Program will sign a HOME Rehabilitation Agreement with the City which defines the overall terms and conditions of the City providing the HRP assistance. Other construction documents will be required to be executed by the applicant during the rehabilitation assistance process, but the Rehabilitation Agreement will be solely between the City and the applicant, and will be the primary instrument submitted for City Manager approval, before the project may commence.

K. FINAL INSPECTION - CERTIFICATE OF OCCUPANCY

The City of College Station will be responsible for final inspection of all housing units made available through the program to determine that the unit meets all City of College Station and HUD requirements. Final payment will not be made until the City of College Station has issued a Certificate of Occupancy for the renovated unit and all items identified in a punch list have been corrected. The owner will also be required to sign-off on the final progress payment document to the contractor. The Certificate of Occupancy will serve as evidence to HUD of the City's determination that the renovated structure is no longer substandard, but has become code compliant and a decent, safe, and sanitary dwelling.

CITY OF COLLEGE STATION
RENTAL REHABILITATION LOAN PROGRAM
PROGRAM GUIDELINES

Unless herein stated otherwise, the requirements contained in 24 CFR Part 92 (Home Investment Partnerships Program) and 24 CFR Part 570 (Community Development Block Grant Program) will be followed.

I. STATEMENT OF PURPOSE & PROGRAM OVERVIEW

The City of College Station has established a Rental Rehabilitation Loan Program (RRLP) funded through the U. S. Department of Housing and Urban Development (HUD) with HOME Investment Partnership Program (HOME) and/or Community Development Block Grant (CDBG) funds. The City may also utilize local, state, or federal resources that may become available.

The RRLP is designed to combine various financial resources necessary to encourage property owners (Owner) to rehabilitate existing rental property in order to increase the supply of decent, affordable housing for lower income families and to preserve existing rental housing stock. The City will provide loans of up to 90% of the amount necessary for improvements that meet the parameters identified in these guidelines. The basic goals of this Program are:

- To preserve, enhance, and increase the supply of affordable, decent, safe, and sanitary housing available to qualified low- and moderate-income and special needs renter households.
- Maintain the affordability for low- and moderate-income households by reducing energy consumption and costs.

This program is designed to provide technical and financial assistance to owners of qualified rental units who are seeking to rehabilitate structures into decent, safe, sanitary and affordable dwelling units. This program is available on a city-wide basis and is limited to only those properties located within the municipal boundaries of the city. Properties that lie partially within the city limits may be considered on a case-by-case basis.

Assisted units are required to provide affordable rents for the set affordability period. The Planning and Development Services Department will administer this program for the City of College Station.

II. DESIGNATED AUTHORITY

Administrative authority for implementation of this Program will rest with the City Manager or their designee. The Planning and Development Services Department will serve as the designated office for approval of

contractual agreements and budget changes as needed to accomplish project completion, in accordance with Council approved procedures.

The City Manager or their designee will be responsible for authorizing the amount of loan assistance to be made available to the project in accordance with the implementing procedures. This determination will be based upon evaluations of the application, cost to be incurred by providing assistance, and community benefit of project(s) proposed.

The City Manager or their designee will also be responsible for approval of applicant eligibility for this program and final approval of projects to be assisted. This will be based upon the feasibility of proposed project.

III. PROGRAM IMPLEMENTATION

Steps in implementing the Program will be as follows:

Planning and Development Services will create and maintain applications for the RRLP. Applications may be submitted in response to a Request for Proposal or at any time during the program year. Proposals will be reviewed and funded based on the availability of funds and dependent upon the eligibility, feasibility, and benefit to the community.

Planning and Development Services staff will evaluate all applications for eligibility and prioritize the processing of applications based on parameters defined in Sections VII. Applications will be processed as expeditiously as possible. Owners will be notified of their application's status. The Owner will be required to sign a program agreement with the City committing to the rehabilitation, loan terms, affordability requirements, and other federal requirements.

Owner and Planning and Development Services staff will work together to develop a scope of work based on the information submitted in the application. The scope of work will be developed in a way to minimize the permanent displacement of tenants who occupy the structure prior to rehabilitation. Planning and Development Services staff will ensure that the scope of work includes all requirements to meet specific codes and federal regulations. Owner will be required to accompany Planning and Development Services staff to appear before City Council as needed to request approval.

Planning and Development Services staff will monitor all federal program requirements, obtain all required close-out documents at project completion, and service the loan upon closing for the duration of the loan.

Owner will be required to comply with all terms and conditions of their program agreement until all of the terms of their loan have been satisfied. Planning and Development Services staff will monitor the project for the affordability period to determine compliance with low income rental requirements. Due to the type and source of funding, Owners receiving a loan through this program can expect rigorous enforcement of the terms and conditions of their loan.

IV ELIGIBILITY REQUIREMENTS

A. The Owner must:

1. Be the owner of the property proposed for rehabilitation. Any legally acceptable form of ownership (e.g. partnership, corporation, individual) is eligible, provided that the applicant has control of the property and the authority to enter into legally binding financial commitments.
2. Exhibit the ability to pay all monthly expenses on the property, repay the loan(s) associated with the proposed project, and maintain the property in its post-assistance condition for the duration of the affordability period.
3. Enter into a Rehabilitation Agreement with the City either individually, or in the case of a corporation, by an authorized representative/principal(s) on behalf of the corporation, with an express warranty that the representative/principal(s) has been authorized to execute the Rehabilitation Agreement on behalf of the corporation
4. Be in good standing with the City of College Station with any previously awarded federal funds. This means that the applicant organization should be within 30 days current on any loan payments due, be within 30 days current on all required program and financial reporting, and not have any outstanding or unresolved monitoring findings from previous contracts or agreements.
5. Must be current on all property taxes and utility payments that are due and payable on the proposed property.
6. Contribute a minimum of 10% of the total project cost from sources other than City funds.
7. Owner must demonstrate that they have equity in the property at least equal to twenty percent (20%) of the market value of the property.

B. Eligible Property Types

1. Home rental projects may be one or more buildings on a single site, or multiple sites that are under common ownership, management and financing.
 - a. The project must be assisted with HOME funds as a single undertaking.
 - b. The project includes all activities associated with the site or building.
2. Must be appraised by an appraiser selected and/or approved by the City, and the appraisal must show a value sufficient after rehabilitation to satisfactorily support at least 100% of the project's debt which will exist after rehabilitation/construction.
3. The overall debt to after rehabilitation value shall not exceed one hundred percent (100%).

4. Must be insured in an amount sufficient to fully protect the public investment with the insurance policy naming the City as “loss payee”.
5. A building inspection is required by a licensed architect, engineer, and/or the City upon submission of an application. Results of the inspection must be consistent with information provided in the application. Existing buildings may be considered eligible for rehabilitation assistance if there are at least (2) major conditions that do not comply with either the International Building Codes adopted by the City of College Station, or federal Section 8 Housing Quality Standards. This may include the following:
 - a. Structural – Noncompliance with Building Code and Section 8 Housing Quality Standards such as fire egress requirements, over-spanned roof/ceiling joists, tenant separation fire walls and other code items that are necessary to bring the property up to current standards or that threaten the health and safety of residents
 - b. Plumbing – Sewer drain lines, plumbing fixture venting and rough-ins, washer connections, water lines, gas lines, outdated water heaters and plumbing fixtures
 - c. Mechanical – Heating/Cooling systems, ductwork, direct-air venting
 - d. Electrical – Non-grounded systems, obsolete electrical panels, AFCI and GFCI receptacles, exterior waterproof receptacles, minimum required receptacles, exterior lighting, smoke and carbon monoxide detectors
 - e. Energy – Insulation values, door and window energy ratings, appliances
 - f. Accessibility – Accessible parking and routes, visitability, ramps, grab bars, sensory (deaf or blinded) equipment (HUD requirement), bathroom and kitchen modifications
6. Must have an assessment and possible abatement of lead-based paint if required. A HUD environmental review will be performed by the City.
7. Upon project completion, each of the following major systems must have a remaining useful life for a minimum of 15 years or the major systems must be rehabilitated or replaced as part of the rehabilitation work: structural support; roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation, and air conditioning.
8. Rental properties must be residential units.

C. Ineligible Property Types

1. Properties previously financed with HOME during the affordability period cannot receive additional HOME assistance unless assistance is provided during the first year after project completion.
2. HOME funds may not be used for development, operations or modernization of public housing finances under the 1937 Act (Public Housing Capital and Operating funds).
3. Projects assisted under 24 CFR Part 248 (Prepayment of Low-Income Housing Mortgages) may not receive HOME funds, unless assistance is provided to “priority purchasers” of such housing.
 - a. A priority purchaser is a resident council organized to acquire a project in accordance with a resident homeownership program, or any nonprofit organization or state or local agency that agrees to maintain low-income affordability restrictions for the remaining useful life of the project. Organizations or agencies affiliated with a for-profit entity for the purposes of purchasing a property do not qualify as priority purchases.

D. Eligible Tenants

- a. Owner may not refuse to lease HOME-assisted units to a certificate or voucher holder under the Section 8 Program, or to a holder of a comparable document evidencing participation in a HOME tenant-based rental assistance (TBRA) program, because of the status of the prospective tenant as a holder of such certificate, voucher or comparable HOME TBRA document.
- b. Owner will utilize the Section 8 Program Part 5 definition of annual (gross) income.
- c. Before the tenant occupies a unit, tenant eligibility must be documented as prescribed by the City with source documents, such as wage statements, interest statements, and unemployment compensation statements.
- d. Owner must recertify tenant income on an annual basis.

E. Leases

- a. The lease between the Owner and Tenant must be for at least one year.
- b. The lease between the Owner and Tenant cannot contain any of the following provisions:
 1. Agreement to be sued: Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease.
 2. Treatment of property: Agreement by the tenant that the owner may seize or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This provision does not apply to disposition of personal property left by a tenant who has vacated a property.

3. Excusing Owner from responsibility: Agreement by the tenant not to hold the Owner or the Owner's agent legally responsible for any action or failure to act, whether intentional or negligent.
 4. Waiver of notice: Agreement of the tenant that the Owner may institute a lawsuit without notice to the tenant.
 5. Waiver of legal proceeding: Agreement of the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.
 6. Waiver of right to appeal court decision: Agreement by the tenant to waive the tenant's right to appeal or to otherwise challenge in a court a court decision in connection with the lease.
 7. Tenant chargeable with cost of legal actions regardless of outcome: Agreement by the tenant to pay attorney's fees or other legal cost, even if the tenant wins in court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
- c. Owners may terminate tenancy or refuse to renew a lease only upon 30-days' written notice, and only for serious or repeated violation of the terms and conditions of the lease; violation of applicable federal, state or local law; completion of the tenancy period for transitional housing or for other good cause.
- d. Owner of HOME-assisted rental housing must adopt written tenant selection policies and criteria that:
1. Are consistent with the purpose of providing housing for very-low and low-income households;
 2. Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;
 3. Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
 4. Give prompt written notification to any rejected applicant of the grounds for any rejection.

V. FORMS OF ASSISTANCE AND ALLOWABLE EXPENSES

1. RRLP assistance shall be in the form of a 0% interest loan with quarterly payments for a specified term. The quarterly payment amount will be determined by the amount of the loan divided by the number of years of the loan divided by four.

25% of the total loan amount may become forgivable at the end of the specified term for proposals that address the first three priorities in Section VII: 1. Bring property up to City Code & HQS Standards (up to 10% forgiven), 2. System upgrades (up to 10% forgiven) and 3. Energy conservation upgrades (up to 5% forgiven). The quarterly payment amount will be adjusted to reflect this forgivable portion.

2. The maximum assistance amount will be based on Section 221(d) (3) program limits for the metro area and will be subject to funding availability. The minimum loan will be \$5,000 per unit. The Owner must comply with the terms of the note and deed of trust executed at loan closing.

If the Owner violates terms of the note and Deed of Trust, the remaining principal of the loan, any amounts that would have been forgiven, plus a penalty equaling the amount of interest that would have been amortized at a 5% interest rate over the specified term will be due immediately.

3. HOME funds may be used to refinance existing debt if the HOME funds are used to rehabilitate the property and the refinancing is necessary to permit or continue affordability. Refinancing cannot be the primary purpose of the HOME Investment. HOME funds cannot be used to refinance Federal debt.
4. Program intent is to maintain affordable, decent, safe and sanitary rental units for low-income households. In the event of a sale or transfer of ownership, the following conditions must apply to avoid default:
 - a. The Owner must sell repay the full amount of assistance including the penalty described in Section III (2) while still maintaining the affordability period; or
 - b. Following approval from the Director, Owner may offer the assumption of the loan and requirements to the buyer.
5. Eligible project costs include construction costs, architectural and engineering fees; financing costs such as private lender origination fees, credit reports, fees for title evidence, recording costs, building permits, attorneys fees, private appraisal fees and fees for an independent cost estimate, builders' or developers' fees; affirmative and fair housing marketing costs; management costs; environmental review costs, relocation costs, and any other reasonable costs.

VI. LONG TERM AFFORDABILITY & RESTRICTIONS

1. Affordability Period:

HOME-assisted rental units carry rent and occupancy restrictions for varying lengths of time, depending upon the average amount of HOME funds invested per unit. The minimum affordability period is as follows:

<\$15,000 per unit	= 5 years
\$15,000 to \$40,000 per unit	= 10 years
\$40,000 per unit	= 15 years

2. Initial "HOME rents":

Every HOME-assisted unit is subject to rent limits designed to help make rents affordable to low income households. These maximum rents are referred to as "HOME Rents". HUD will annually publish Fair Market Rents (FMR) for this area. Planning and Development Services staff must establish monthly rents and allowances for utilities for HOME-assisted rental projects based on FMR's. See Attachment 1.

3. Restrictions:

- a. If five or more units are included in the project, at least 20 percent must be designated low HOME rent units that are rented to tenant households having a gross annual income of 50% AMI or less.
- b. If units are occupied at time of project initiation by tenants who are not low-income, upon the unit becoming vacant, the Owner shall lease that vacated unit to an eligible low-income household.
- c. No conversion to condominiums or any type of cooperative ownership for the duration of the loan.
- d. Owner must comply with the City's Fair Housing Ordinances and the U.S. Department of Housing and Urban Development Fair Housing Standards.
- e. The project must be maintained in standard condition for the duration of the lien as defined by HUD's Housing Quality Standards (HQS) and City ordinances.
- f. Owner must comply with the City's Anti-Displacement Policy (Attachment 2).
- g. Owner must affirmatively market vacant units to low-income households for the affordability period and adhere to the City's Affirmative Marketing Policy (Attachment 3).
- h. Owner will provide, in a timely manner, information necessary to determine compliance with the RRLP during the term.

- i. Owner must comply with federal employment and contracting rules (Equal Opportunity Employment, Section 3, Minority/Women Employment, Davis-Bacon, Conflict of Interest, and Debarred Contractors).
- j. Construction plans for projects must be sealed by an architect or engineer if the number of stories, dwelling units, use classification, or total square footage exceeds the minimum thresholds set forth in the City Building Code, the Texas Engineering Practice Act, or by the Texas Board of Architectural Examiners. The architect/engineer must be available for consultations, meetings, and site inspections for the duration of the project. Plans for projects not exceeding these minimum thresholds do not require the seal of an architect or engineer. However, the person who designs a project not requiring a seal must be available for consultation, meetings, and site inspections, and be responsible for monitoring the project and approving progress payments through completion.

VII. SELECTION CRITERIA AND PRIORITY

Applications for RRLP funding will be reviewed and evaluated using the following criteria:

- a. Type of improvements: Projects incorporating improvements beyond City codes and HUD's Housing Quality Standards (HQS) are encouraged to the extent allowed by regulation.
- b. Financial Feasibility: Procedures will include an evaluation of the Owner's financial capacity.
- c. Overall benefits to low-income tenants.

Applications will be given priority based on the following proposed improvements:

- 1. Bring property up to City Code & HQS Standards
- 2. System upgrades
- 3. Energy conservation
- 4. Exterior repairs
- 5. Upgrade marketability

VIII. RELOCATION

The owner of any property rehabilitated under the Rental Housing Program will be expected to cooperate with the City to provide financial and advisory services, as described in the City's Anti Displacement Strategy, to all tenants who are permanently or temporarily displaced as a result of the project.

IX. ELIGIBLE AREAS

The RRLP will be available on a citywide basis in an effort to increase the availability of standard units made financially available. This activity is in compliance with the City's Consolidated Plan and Annual Action Plan priorities to provide low-income housing on a citywide basis.

X. FILES AND RECORDS

The Planning and Development Services Department shall maintain accurate files and records on each project and all documentation pertinent to the applicant shall be included. Such files shall be open for inspection as to qualifications, bid procedures, inspections of work, and payments of federal share of the project.

The Owner will be required to maintain accurate files and records on each unit rehabilitated under the RRLP. Such files shall be open for inspection by local, state, and federal authorities to verify compliance with all program requirements. Additionally, the Owner will be required to file annual reports to the City for the entire term of the note.

Within 90 days of the date of issuance of a Certificate of Occupancy for the project, the owner must furnish to the City data on the income characteristics of tenants occupying the structure initially after rehabilitation/construction.

XI. BIDDING PROCEDURES AND CONTRACTOR SELECTION

Contractors and sub-contractors must be selected in accordance with applicable federal and state laws. The owner is responsible for securing all appropriate building permits and ensuring the final inspections of all permits are performed and approved by the City. Upon completion the City, and if appropriate, the lender will make a final inspection before the construction work will be approved and accepted. The owner is solely responsible for the terms of the contract between the owner and the contractor.

A. Selection of a General Contractor

If the total loan amount is \$49,999 or less, the owner will be responsible for obtaining and documenting a minimum of three written bids from qualified sources. Copies of the quotations must be submitted to the Planning and Development Services Department prior to the owner's award of the contract.

If the total loan amount will or could exceed \$50,000, the owner will be responsible for obtaining competitive bids from a minimum of two qualified, responsible contractors. Contractors must submit an itemized bid using the work write-up prepared by the owner and approved by the Planning and Development Services

Department. Copies of the bids must be submitted to Planning and Development Services prior to the owner's award of contract. In the event the owner awards the contract other than to the lowest responsible bidder, the owner must pay the difference between the selected bidder and the low bidder.

A copy of the executed contract must be submitted to the Planning and Development Services Department prior to the start of construction. The approved contractor must be licensed, and provide proof of appropriate insurance coverage, covering the total cost of the rehabilitation work and including but not limited to worker's compensation, general liability, and personal liability. Recipient shall not award contract to any person that has been debarred, suspended, proposed for debarment, or placed on ineligibility status by U.S. Department of Housing and Urban Development.

B. Owner Performs Rehabilitation Work as General Contractor

If the City determines the owner (or members of the owner's family) has sufficient construction skills and possessed all required licenses, the owner may be allowed to perform the rehabilitation work. The owner will be required to identify the specific work items which will be accomplished by the owner. If an owner anticipates acting as the general contractor, sufficient information must be provided in the project proposal to allow the City to evaluate the owner's capacity to act as the general contractor.

The owner may act as the general contractor and enter into subcontracts after securing a minimum of three written bids for each subcontract. Copies of the bids and executed contracts from subcontractors must be submitted to the Planning and Development Services Department before any work begins. The City will review and approve all subcontractor bids prior to the start of the work.

The Planning and Development Services Department will periodically inspect the progress and quality of the work. If an owner fails to satisfactorily accomplish the work within the time frame established in the Rehabilitation Agreement, the owner will be required to hire a professional contractor to complete the work, at no additional expense to the City.

Eligible project costs will be limited to the out-of-pocket expenses of the owner, including payments to subcontractors and purchase of materials and supplies used in the project. The labor of the owner or an owner's immediate family will not be considered as an eligible rehabilitation cost. No allowance for profit will be approved for an owner who is acting as the general contractor.

The cost of materials and supplies from an owner's inventory generally will not be allowed. Only when the owner has an established method of inventory control where the actual cost of the material can be documented, will such costs be considered. In any case, the materials must be new and the costs must not exceed the market rate for such items.

XII. REHABILITATION AGREEMENT

Each applicant assisted through this Program will sign a Rehabilitation Agreement with the City which defines the overall terms and conditions of the City providing the rehabilitation assistance. Other construction documents will be required to be executed by the applicant during the rehabilitation assistance process, but

the Rehabilitation Agreement will be solely between the City and the applicant, and will be the primary instrument submitted for City Manager or City Council approval, before the project may commence.

XIII. FINAL INSPECTION - CERTIFICATE OF OCCUPANCY

The City of College Station will be responsible for final inspection of all housing units made available through the program to determine that the unit meets all City of College Station and HUD requirements. Final payment will not be made until the City of College Station has issued a Certificate of Occupancy for the renovated unit and all items identified in a punch list have been corrected. The owner will also be required to sign-off on the final progress payment document to the contractor. The Certificate of Occupancy will serve as evidence to HUD of the City's determination that the renovated structure has become code compliant and a decent, safe, and sanitary dwelling.

**CITY OF COLLEGE STATION
RENTAL REHABILITATION LOAN PROGRAM**

ANTI-DISPLACEMENT POLICY

Unless herein stated otherwise, the requirements contained in the Uniform Relocations Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42. U.S.C. 4201-4655), 49 CFR Part 24, 24 CFR Part 42, 92.353, and Section 104(d) will be followed.

The City's goal with the Rental Rehabilitation Loan Program is to improve the housing conditions of lower income tenants. This is to be achieved by providing sufficient assistance to property owners (Owner) to make rehabilitation of their rental property cost-effective, while rents of rehabilitated units stay affordable for their lower income tenants. Displacement of existing tenants as a result of rehabilitation will be avoided to the greatest degree possible. Moreover, the City will not sponsor a project that will cause the displacement of a very low income family by a family that is not of very low income. The purpose of this Policy is to inform the public how the City will assist tenants who reside in properties to be rehabilitated through this program. Assistance connected with this policy, and with the City's Rental Rehabilitation Loan Program will not be denied to persons because of their particular race, color, religion, sex, age, handicap, or national origin. Costs of assistance provided pursuant to this policy, other than Section 8 Rental Assistance, will be shared by participating owners and by the City through its Community Development Grants and other available state or federal funding sources.

A. DEFINITIONS

1. "Displacement", as used herein, means the permanent involuntary move of a tenant from a residence in a project rehabilitated through the Rental Rehabilitation Program because of that rehabilitation occurring. (For example, if the tenant was forced to move because his rent after rehabilitation increased to an unaffordable level.)
2. "Temporary Relocation", as used herein, means the move by a tenant into temporary quarters necessitated by the scope of work during rehabilitation of his primary residence.
3. "Comparable Replacement Dwelling", as used herein, means a dwelling which is:
 - a. Decent, safe, and sanitary with respect to local codes.
 - b. Functionally equivalent to the displacement dwelling.
 - c. In an area not subject to adverse environmental conditions.
 - d. Is reasonably accessible to the displaced person's place of employment (or to employment opportunities if the person is unemployed).
 - e. Currently available to and within the financial means of the displaced person.

B. NOTICES TO TENANTS

Affected tenants will be promptly notified through the mail, by either Owner or City, on each of the following occasions:

1. At time of application, to advise tenants that they will either not be displaced, or, if displaced will be eligible to receive relocation assistance.
2. After execution of the agreement, to advise:
 - a. Tenants who will not be displaced of the conditions for continued occupancy, and potential availability of Section 8 rental assistance.
 - b. Tenants who will be displaced of their eligibility for relocation assistance and/or Section 8 rental assistance, and how to access it.

C. TENANT COUNSELING

Consistent with the Fair Housing Law the City will provide the following information and counseling to displaced tenants:

1. Opportunities to select Comparable Replacement Dwellings from a full range of neighborhoods within the total housing market.
2. Individual rights under the Fair Housing Law.
3. How to search for suitable replacement housing.

The Brazos Valley Housing Choice Voucher Program will provide information and counseling concerning the provision of rental assistance to eligible tenants through that program.

D. MOVING EXPENSE ASSISTANCE: TEMPORARY OR PERMANENT

1. Eligibility: All tenants that must be relocated temporarily or displaced are eligible, regardless of total family income, except:
 - a. Tenant being evicted for just cause.
 - b. The person moved into the property after the submission of the application but, before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person, and the fact that the person would not qualify as a displaced person as a result of the project.
 - c. Tenant is ineligible under 49 CFR 24.2(g) (2)
 - d. HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

2. Types of Moving Expense Payments: Eligible tenants are entitled to either of the following payments:

a. Reimbursement for actual moving expenses, which include:

- Moving household goods, including insurance coverage on the household goods while in transit
- Disconnecting and reconnecting household appliances.
- Transportation cost for tenant and family. -
- Storage of household goods (for temporary move only).

Tenants selecting this method should consult with the designated City staff prior to the move. Agreements should be reached between the staff and the tenant as to specific reimbursements the tenant can expect. The tenant shall provide adequate documentation of the covered moving expenses, and shall provide signed and dated receipts on the letterhead of the service provider.

b. Fixed moving expense payment, which is an allowance based on the number of rooms of furniture the tenant will move. The size of the allowance will conform with the most recently published schedule for "Fixed Moving Expenses and Dislocation Allowance" from the U.S. Department of Transportation. The tenant will be required to certify, to the City's satisfaction, the number of rooms and furniture involved.

3. Limitations: The City will not bear any moving expenses connected with temporary relocations beyond a period of 90 days.

E. CASH ASSISTANCE: PERMANENT RELOCATION ONLY

1. Eligible Tenants:

- a. Tenants with income below the very low income limits (50 percent of the area median income)

2. Criteria and Procedure:

- a. The tenant may use the cash assistance payment for rent or purchase of a replacement dwelling.
- b. Generally, the City will calculate the cash assistance payment as follows:

- i. \$_____ Monthly rent, plus utility allowance as determined using the Brazos Valley Housing Choice Voucher Program Utility Schedule, at the comparable replacement dwelling
- ii. \$_____ Monthly rent, plus utility allowance as determined using the Brazos Valley Housing Choice Voucher Program Utility Schedule at the displacement dwelling, or 30% of the tenants average gross monthly income whichever is less.
- iii. \$_____ State the difference in the above two items.
- iv. \$_____ (Cash Payment) State the amount on the line iii. times 42, or \$5,250.00, whichever is less.

G. CONTINUED OCCUPANCY FOR IN-PLACE TENANTS

To the extent feasible in-place tenants shall be provided a reasonable opportunity to lease a suitable, decent, safe, sanitary, and affordable dwelling unit in the project following completion of the rehabilitation. Tenants not displaced shall have the right of continued occupancy according to the terms of their respective lease agreement. Very low income tenants will be encouraged to apply for Section 8 rental assistance which may be available to them at a later date.

For more information concerning matters addressed in this policy please contact the City of College Station Planning and Development Services Department, at (979) 764-3570.

**CITY OF COLLEGE STATION
RENTAL REHABILITATION PROGRAM**

AFFIRMATIVE MARKETING POLICY

The City of College Station adheres to the principle that persons of similar economic levels should have available to them like range of housing choices regardless of their race, color, religion, sex, handicap, national origin or familial status. In following with this principle, this policy sets forth actions which will be taken to achieve affirmative marketing of units rehabilitated through the City's Rental Rehabilitation Program.

ACTIONS BY PARTICIPATING OWNERS

1. List rehabilitated units with, or advertise them through, as large a number of referral sources as practical to attract a wide cross-section of lower income tenant prospects. This includes, but is not limited to:
 - a. Brazos Valley Housing Choice Voucher Program
 - b. Private apartment locator services
 - c. Local newspapers.
2. Develop community contacts through which persons in the housing market area might be attracted, who are not likely to apply for the housing without special outreach.
3. Inform the City of vacancies as they occur, the steps being taken to fill those vacancies consistent with No. 1 and-2 above, and characteristics of tenants once those vacancies are filled.
4. Use Equal Housing Opportunity logo on printed material, and display Fair Housing posters as practical.

ACTIONS BY CITY

1. Inform the public, potential tenants, and owners about Fair Housing laws, and elements of this policy, through the following methods:
 - a. Use the media.
 - b. Dissemination of printed material to tenants and owners.
 - c. One-on-one counseling to tenants and owners.
2. Promote the achievement of the affirmative marketing goal through interaction with other housing service providers and advocates in the community.

3. Maintain records documenting efforts by owners and the City to achieve affirmative marketing.

ASSESSMENT AND CORRECTIVE ACTION

The City will assess the effectiveness of affirmative marketing by owners, by comparing characteristics of the affected tenant population with characteristics of the City's population as a whole on a regular basis. If it is determined that an owner has violated this policy, he will be at risk of having to repay the rehabilitation subsidy as per the terms of the Rental Rehabilitation Agreement.

July 24, 2025

Item No. 7.7.

18-Inch Wastewater Line Repair at Harvey Road and Carters Creek

Sponsor: Gary Mechler, Director of Water

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on a construction contract with Elliott Construction, LLC for the 18-Inch wastewater line repair at Harvey Road and Carters Creek project for \$118,012.50 plus the City's contingency amount of \$20,000 for a total appropriation of \$138,012.50. Approval of this item grants authority for the City Manager to authorize project expenditures, including the City's contingency amount.

Relationship to Strategic Goals:

Core Services and Infrastructure

Recommendation(s): Staff recommends approval.

Summary: The proposed construction contract is to repair an 18-inch wastewater line with a recently discovered eroded creek bank and washed-out concrete support in the wastewater line aerial crossing of Carters Creek just south of Harvey Road.

The erosion on the bank of Carters Creek and under the concrete support is understood to be due to large creek flows from heavy rainfall events. The washout has caused the concrete support block to fall as much as two feet, pulling the 38-inch diameter steel encasement down and deflecting joints of the 18-inch diameter ductile iron carrier pipe (DIP) in addition to exposing the carrier pipe from the bank.

More specifically, this construction contract would reconstruct the concrete support, extend the steel encasement twelve linear feet back into the bank, and reestablish and armor the adjacent creek bank. The contract also includes alternate items to replace a twenty linear foot joint of the 18-inch DIP line in case of damage, and to improve the access drive if equipment access during construction proves difficult—both to be executed only if needed and as directed by the City.

Elliott Construction, LLC was selected as the lowest responsible bidder. This project meets the bidding exemptions under LGC 252.022 (2) public health and safety and (3) unforeseen damage to public equipment and property.

Budget & Financial Summary: Contingency Funds are available in the Wastewater Operating Fund.

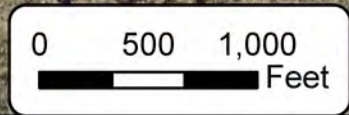
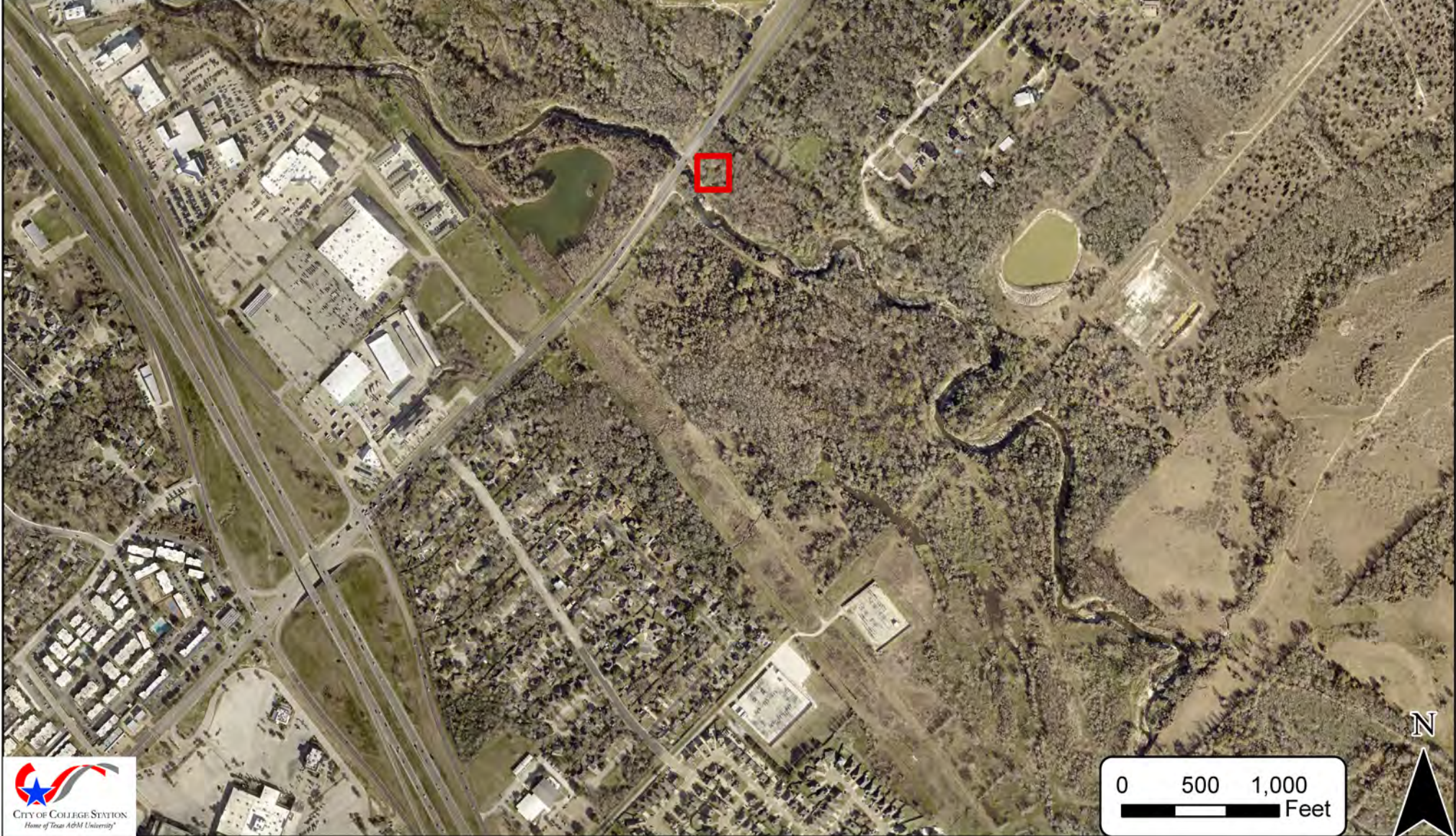
Attachments:

1. Project Location Map
2. Routing Sheet and Construction Contract



18" Wastewater Line Repair

Harvey Rd & Carters Creek





CONTRACT & AGREEMENT ROUTING FORM

CONTRACT#: 25300618 PROJECT #: _____ BID/RFP/RFQ#: _____

Project Name / Contract Description: 18 Inch Wastewater Line Repair at Harvey Road and Carters Creek

Name of Contractor: Elliott Construction, LLC.

CONTRACT TOTAL VALUE: \$ 118,012.50

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)

Contingency Funds are available in the Wastewater Operating Fund., 95SCMTM-5217

(If required)*
CRC Approval Date*: N/A **Council Approval Date*:** 7/24/25 **Agenda Item No*:** _____

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

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

SIGNATURES RECOMMENDING APPROVAL

DEPARTMENT DIRECTOR/ADMINISTERING CONTRACT

DATE

ASST CITY MGR – CFO

DATE

LEGAL DEPARTMENT

DATE

APPROVED & EXECUTED

CITY MANAGER

DATE

N/A

MAYOR (if applicable)

DATE

N/A

CITY SECRETARY (if applicable)

DATE

9.12.23 UPDATED

**CITY OF COLLEGE STATION
STANDARD FORM OF CONSTRUCTION AGREEMENT**

This Agreement is entered into by and between the City of College Station, a Texas home-rule municipal corporation (the "City") and ELLIOTT CONSTRUCTION, LLC (the "Contractor") for the construction and/or installation of the following:
18" WW Repair Harvey Road at Carters Creek.

1. DEFINITIONS

1.01 Calendar Day. The term "calendar day" shall mean any day of the week or month, no days being excepted.

1.02 City. The term "City" shall mean and be understood as referring to the City of College Station, Texas.

1.03 City's Consultant. The term "City's Consultant" or "Consultant" shall mean and be understood as referring to the City's design professional(s) for the Project.

1.04 City's Representative. The term "City's Representative" or "Representative" shall mean and be understood as referring to the City Manager or his delegate or delegates, including a project management firm if applicable, who shall act as City's agent.

1.05 Contingency Amount. The term "Contingency Amount" shall mean and be understood as referring to the amount established and appropriated by the City, to be used exclusively by the City and in the City's sole discretion, to pay City-authorized costs associated with Change Orders and other related expenses for this Project. The Contractor agrees that the Contingency Amount, if any, is established by and is for the sole use of the City, that the Contingency Amount is not included in the Contract Amount, and that the Contractor has no right to use or receive any Contingency Amount unless authorized by the City in a written and duly authorized change order. The City's Contingency Amount is: Twenty Thousand and NO /100 Dollars (\$20,000.00).

1.06 Contract Amount. The term "Contract Amount" shall mean the amount of Contractor's lump sum base bid proposal, together with all alternates, as accepted by the City in accordance with the Contractor's Proposal. In the case of a unit price contract, Contract Amount shall mean the sum of the product of all unit prices multiplied by the respective estimated final quantities of work, for all base bid and alternates, as accepted by the City. Except in the event of a duly authorized change order approved by the City as provided in this Agreement, and in consideration of the Contractor's final completion of all Work in conformity with this Agreement, the City shall pay the Contractor an amount not to exceed: One Hundred Eighteen Thousand Twelve and 50 /100 Dollars (\$118,012.50).

1.07 Contract Documents. The term "Contract Documents" shall mean those documents listed in Section 2.01.

1.08 Contractor. The term "Contractor" shall mean the person(s), partnership, or corporation who has agreed to perform the Work contemplated in this Agreement and the other Contract Documents.

1.09 Contractor's Proposal. The term "Contractor's Proposal" shall mean the document provided by the Contractor in response to, and shall include all information required by the City's Request for Proposal/Invitation to Bid for the Project.

1.10 Extra Work. The term "Extra Work" shall mean and include work that is **not** covered or contemplated by the Contract Documents but that may be required by City's Representative and approved by the City in writing *prior* to the work being done by the Contractor.

1.11 Final Completion. The term "Final Completion" shall mean that all the Work has been completed, all final punch list items have been inspected and satisfactorily completed, all payments to materialmen and subcontractors have been made, all documentation and warranties have been submitted, and all closeout documents have been executed and approved by the City.

1.12 Hazardous Substance. The term "Hazardous Substance" shall mean and include any element, constituent, chemical, substance, compound, or mixture, which is defined as a hazardous substance by any local, state or federal law, rule, ordinance, by-law, or regulation pertaining to environmental regulation, contamination, clean-up or disclosure, including, without limitation, The Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), The Resource Conservation and Recovery Act ("RCRA"), The Toxic Substances Control Act ("TSCA"), The Clean Water Act ("CWA"), The Clean Air Act ("CAA"), and the Marine Protection Research and Sanctuaries Act ("MPRSA"), The Occupational Safety and Health Act ("OSHA"), The Superfund Amendments and Reauthorization Act of 1986 ("SARA"), or other state superlien or environmental clean-up or disclosure statutes including all state and local counterparts of such laws (all such laws, rules and regulations being referred to collectively as "Environmental Laws").

1.13 Environmental Laws. The term "Environmental laws" shall mean collectively, any local, state or federal law, rule, ordinance, by-law, or regulation pertaining to environmental regulation, contamination, clean-up or disclosure, including, without limitation, The Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), The Resource Conservation and Recovery Act ("RCRA"), The Toxic Substances Control Act ("TSCA"), The Clean Water Act ("CWA"), The Clean Air Act ("CAA"), and the Marine Protection Research and Sanctuaries Act ("MPRSA"), The Occupational Safety and Health Act ("OSHA"), The Superfund Amendments and Reauthorization Act of 1986 ("SARA"), or other state superlien or environmental clean-up or disclosure statutes including all state and local counterparts of such laws.

1.14 Interpretation of Phrases. Whenever the words "directed", "permitted", "designated", "required", "considered necessary", "prescribed", or words of like import are used, it is understood that the direction, requirement, permission, order, designation, or prescription of City's Representative is intended. Similarly, the words "approved", "acceptable", "satisfactory", or words of like import shall mean approved by, accepted by, or satisfactory to City's Representative.

1.15 Nonconforming work. The term "nonconforming work" shall mean Work or any part thereof that is rejected by City's Representative as not conforming with the Contract Documents.

1.16 Parties. The "parties" are the City and the Contractor.

1.17 Project. The term "Project" shall mean the construction of an improvement to real property where the Work comprises either whole or a part of such construction and which may include construction by the City or separate contractors.

1.18 Project Manager. The term "Project Manager" shall mean the Contractor's Project Manager. The Project Manager shall assist the City in performing various administrative and oversight duties relating to the Work, subject to limitations in authority that must be verified by Contractor.

1.19 Subcontractor. The term "subcontractor" shall mean and include only those hired by and having a direct contract with Contractor for performance of work on the Project. The City shall have no responsibility to any subcontractor employed by a Contractor for performance of work on the Project, and all subcontractors shall look exclusively to the Contractor for any payments due.

1.20 Substantially Completed. The term "Substantially Completed" means that in the opinion of the City's Representative the Project, including all systems and improvements, is in a condition to serve its intended purpose but still may require minor miscellaneous work and adjustment. Final payment of the Agreement Price, including retainage, however, shall be withheld until Final Completion and acceptance of the Work by the City. Acceptance by the City shall not impair or waive any warranty obligation of Contractor.

1.21 Work. The term "Work" as used in this Agreement shall mean the construction and services required by the Contract Documents and Exhibits, including any duly authorized change orders, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by the Contractor to fulfill its obligations. The Work may constitute the whole or a part of the Project. The Work includes but is not limited to all labor, parts, supplies, skill, supervision, transportation, services, and other facilities and all other items needed to produce, construct, and fully complete the Project.

1.22 Working Day. A "working day" means any day not including Saturdays, Sundays, or legal holidays.

2. CONTRACT DOCUMENTS

2.01 The Contract Documents and their priority shall be as follows:

- (a) This signed Agreement.
- (b) Addendum to this Agreement.
- (c) General Conditions, as may be applicable.
- (d) Special Conditions, as may be applicable.
- (e) Specifications, including the technical specifications set out at BCS Unified Design Guidelines ("Specifications").
- (f) Plans.
- (g) Instructions to Bidders and any other notices to Bidders or Contractor.
- (h) Performance bond, Payment bonds, Bid bonds and Special bonds.
- (i) Contractor's Proposal.

2.02 Where applicable, the Contractor will be furnished three (3) sets of plans, specifications, and related Contract Documents for its use during construction. Plans and Specifications provided for use during construction shall be furnished directly to the Contractor only.

2.03 The Contractor shall distribute copies of the Plans and Specifications to suppliers and subcontractors as necessary. The Contractor shall keep one (1) copy of the Plans and Specifications accessible at the work site with the latest revisions noted thereon. For proper execution of the Work contemplated by this Agreement, additional sets of drawings, plans and specifications may be purchased by the Contractor.

2.04 All drawings, specifications, and copies thereof furnished by the City shall not be re-used on other work, and with the exception of one (1) copy of the signed Contract Documents, all documents, including sets of the Plans and Specifications and "as built" drawings, are to be returned to the City on request at the completion of the Work. All Contract Documents, models, mockups, or other representations are the property of the City.

2.05 In the event of inconsistencies within or between parts of the Contract Documents, the Contractor shall (1) provide the better quality or greater quantity of Work, or (2) comply with the more stringent requirement, either or both in accordance with the City's interpretation. The terms and conditions of this Section 2.05, however, shall not relieve the Contractor of any of the obligations set forth in Sections 8.01. and 8.02 of this Agreement.

3. AWARD OF CONTRACT

3.01 Upon the notice of intent to award of the contract by the City, the parties shall execute this Agreement, and the Contractor shall deliver to City's Representative all documents, bonds, and certificates of insurance required herein.

3.02 Time is of the essence of this Agreement. Accordingly, the Contractor shall be prepared to perform the Work in the most expedient and efficient possible manner in order to complete the Work by the times specified in this Agreement for Substantial Completion and Final Completion. In addition, the Contractor's work on the Project shall be commenced on the date to be specified in the City's written notice to proceed. **The notice to proceed may not be given, nor may any Work be commenced, until this Agreement is fully executed and complete, including all required exhibits and other attachments, particularly those required under Sections 27 and 28 (Insurance & Bonds).**

4. CITY'S REPRESENTATIVE

4.01 The Contractor shall forward all communications, written or oral, to the City through the City's Representative.

4.02 The City's Representative may periodically review and inspect the Work of the Contractor.

4.03 The City's Representative shall appoint, from time to time, such subordinate supervisors or inspectors as City's Representative may deem proper to inspect the Work performed under this Agreement and ensure that said Work is performed in accordance with the Plans and Specifications.

4.04 The City's Representative shall interpret questions concerning the Contract Documents. The City's inspector has authority to reject any of the Work for failure to comply with the Contract Documents and/or applicable laws.

4.05 Should the Contractor object to any orders by any subordinate supervisor or inspector, the Contractor may, within two (2) days from receipt of such order, make written appeal to City's Representative for his decision.

5. INDEPENDENT CONTRACTOR

5.01 In all activities or services performed hereunder, the Contractor is an independent contractor and not an agent or employee of the City. The Contractor, as an independent contractor, shall be responsible for the final product contemplated under this Agreement. Except for materials furnished by the City, the Contractor shall supply all materials, equipment and labor required for the execution of the Work. The Contractor shall have ultimate control over the execution of the Work under this Agreement. The Contractor shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees and subcontractors, and the City shall have no control of or supervision over the employees of the Contractor or any of the Contractor's subcontractors except to the limited extent provided for in this Agreement.

5.02 Standard of Care. The Work shall be performed in a good and workmanlike manner, and in accordance with this Agreement, and all applicable laws, codes, and regulations. The construction of the Project is subject to amendments and adjustments to the Contract required by any applicable changes in regulations or requested or approved by in writing by the City. If at any time during the progress of the Work the Contractor becomes aware of any errors or omissions in the Plans or Specifications for this Project or that the Agreement deviates from applicable legal requirements, Contractor shall promptly provide written notice thereof to the City. The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention.

5.03 The Contractor shall retain personal control and shall give its personal attention to the faithful prosecution and completion of the Work and fulfillment of this Agreement. The Contractor shall be responsible for and have control over construction means, methods, techniques, sequences and procedures, and for coordinating all portions of the Work. The subletting of any portion or feature of the Work or materials required in the performance of this Agreement shall not relieve the Contractor from its obligations to the City under this Agreement. The Contractor shall appoint and keep on the Project site during the progress of the Work, including at all times subcontractors are present at the Project site, a competent English speaking Project Manager and/or superintendent and any necessary assistants, all satisfactory to City's Representative, to act as the Contractor's representative and to supervise its employees and subcontractors. All directions given to the Project Manager and/or superintendent shall be binding as if given to the Contractor. Adequate supervision by competent and reasonable representatives of the Contractor is essential to the proper performance of the Work, and lack of such supervision shall be grounds for suspending the operations of the Contractor and is a breach of this Agreement.

5.04 Unless otherwise stipulated, the Contractor shall provide and pay for all labor, materials, tools, equipment, transportation, facilities, and drawings, including engineering, and any other services necessary or reasonably incidental to the performance of the Work by the Contractor. Any additional work, material, or equipment needed to meet the intent of this provision shall be supplied by the Contractor *without* claim for additional payment, even though not specifically mentioned herein.

5.05 Any injury or damage to the Contractor or the Project caused by an act of God, natural cause, a party or entity not privy to this Agreement, or other force majeure shall be assumed and borne by the Contractor.

6. DISORDERLY EMPLOYEES

The Contractor agrees to employ only orderly and competent employees skillful in the performance of the type of work required, and agrees that whenever City's Representative shall inform the Contractor in writing that any person or persons on the Project are, in his opinion, incompetent, unfaithful, or disorderly, such person or person shall be discharged from the Project and shall not again be re-employed on the site or the Project without City's Representative's written permission.

7. HOURS OF WORK

The Contractor may work Monday through Friday from 7 a.m. to 6 p.m., exclusive of Saturdays, Sundays, or legal holidays. The Contractor may work overtime, weekends, and holidays only when approved in advance by the City's Representative. The time for Substantial Completion shall not be affected in any way by inclusion of this section or by the City's consent or lack of consent to work outside of the times specified in this Agreement.

8. NATURE OF THE WORK

8.01 It is understood and agreed that the Contractor has, by careful examination, studied and compared the Plans and other Contract Documents, satisfied itself as to the nature and location of the Work, the conditions of

the ground and soil, the nature of any structures, the character, quality, and quantity of the material to be utilized, the character of equipment and facilities needed for and during the prosecution of the Work, the time needed to complete the Work, Contractor's ability to meet all deadlines and schedules required by this Agreement, the general and local conditions, including but not limited to weather, and all other matters that in any way affect the Work under this Agreement. These obligations are for the purpose of facilitating construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, any errors, inconsistencies or omissions discovered, or which reasonably should have been discovered by the Contractor shall be reported promptly to the City as a request for information in such form as the City may require. However, the Contractor shall not perform any act or do any Work that places the safety of persons at risk or potentially damages materials or equipment used in the Project, and the Contractor shall do nothing that would render any test or tests erroneous.

8.02 Any design errors or omissions noted by the Contractor shall be reported promptly to the City, but it is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional unless otherwise specifically provided in the Contract Documents. Any nonconformity discovered by or which reasonably should have been discovered or made known to the Contractor shall be reported promptly to the City.

8.03 If the Contractor fails to perform the obligations of Sections 8.01. and 8.02., the Contractor shall pay such costs and damages to the City as would have been avoided if the Contractor had performed such obligations. The Contractor shall not be liable to the City for damages resulting from errors, inconsistencies or omissions in the Contract Documents or for differences between field measurements or conditions and the Contract Documents unless the Contractor recognized or reasonably should have recognized such error, inconsistency, omission or difference and knowingly failed to report it to the City.

9. POST-AGREEMENT AWARD MEETINGS

9.01 Prior to the commencement of the Work, the parties shall meet and attend a post-agreement award meeting at the time and place determined by City's Representative. At the post-agreement award meeting, the parties shall meet, discuss, and finalize all schedules, including commencement date, and/or specifications submitted for review. No later than ten (10) days prior to the post-agreement award meeting, the Contractor shall submit to City's Representative the following documents:

(a) Schedule for performance of the Work ("Construction Schedule"). Project Schedule contemplated, including the starting and ending date, as well as an indication of the completion of stages of Work hereunder. Such document, once approved by the City and, if applicable, the City's Consultant shall be incorporated into this Agreement as a Contract Document and attached hereto as **Exhibit E**. If not accepted, the Construction Schedule shall be promptly revised by the Contractor in accordance with the recommendations of the City and Consultant and resubmitted for acceptance. The Construction Schedule shall not be modified except by written change order. Additional days or changes to the number of days in the Construction Schedule shall also be by written change order. After a written change order is approved and fully executed by all parties, the Contractor shall submit an updated Construction Schedule that reflects changes authorized by approved change orders. The Construction Schedule shall not exceed time limits current under the Contract Documents, shall be submitted with each pay application, shall be related to the entire Project to the extent required by the Contract Documents, and shall provide for expeditious and practicable execution of the Work.

(b) The names and addresses of all proposed subcontractors in writing.

- (c) Schedules of the starting and ending dates of subcontractors and the scope of Work contemplated for subcontractors.
- (d) Name, local office, phone number and addresses and, home phone numbers for the Contractor and its Project Superintendent/Manager.
- (e) For construction projects, four (4) copies of all shop and/or setting drawings or schedules for the submission thereof, including PDF/electronic versions and CAD files.
- (f) Where applicable, materials procurement schedules and material supplier names, addresses and phone numbers.

9.02 The City's Representative, within five (5) working days after the initial post-agreement award conference or any other meetings, may submit minutes of the meeting to the Contractor. The Contractor shall thereafter have five (5) working days to review the minutes and make its objections, changes, or reductions thereto in writing. The Contractor shall thereafter sign the minutes and promptly return them to City's Representative. Where there is disagreement, City's Representative will make the final determination.

10. PROGRESS OF WORK

10.01 The Construction Schedule shall be in a detailed precedence-style critical path method ("CPM") or primavera-type format satisfactory to the City and the Consultant. The Construction Schedule shall also (i) provide a graphic representation of all activities and events that will occur during performance of the Work; (ii) identify each phase of construction and occupancy; and (iii) set forth dates that are critical in ensuring the timely and orderly completion of the Work in accordance with the requirements of the Contract Documents (hereinafter referred to as "Milestone Dates"). If not accepted, the Construction Schedule shall be promptly revised by the Contractor in accordance with the recommendations of the City and Consultant and resubmitted for acceptance.

10.02 Further, the parties shall be subject to the following:

- (a) The Contractor shall submit a Construction Schedule and schedule of values at the initial post-agreement award meeting and subsequent meetings.
- (b) City's Representative shall be entitled to make objections to the Contractor's Construction Schedule submitted herein. The Contractor shall promptly resubmit a revised Construction Schedule to City's Representative.
- (c) The Project Superintendent/Manager shall coordinate its activities with City's Representative. If required by the City, the Contractor shall provide a weekly schedule of planned activities, which may be reviewed on a daily basis.
- (d) The Contractor shall submit, at such time as may reasonably be requested by City's Representative, additional schedules that shall list the order in which the Contractor proposes to carry on the Work with dates at which the Contractor will start the several parts of the Work and the estimated dates of completion of the several parts.
- (e) The Contractor shall attend additional meetings called by City's Representative upon twenty-four (24) hours written notice unless otherwise agreed in writing by the parties.

(f) When the City is having other work done, either by agreement or by its own force, City's Representative may direct the time and manner of work done under this Agreement so that conflicts will be avoided and the various work being done by and for the City shall be coordinated.

(g) In the event that it is determined by the City that the progress of the Work is not in accordance with the approved Construction Schedule, the City may so inform the Contractor and require the Contractor to take such action as is necessary to insure completion of the Project within the time specified.

10.03 The process of approving the Construction Schedule and updates to the Construction Schedule shall not constitute a warranty by the City that any non-Contractor milestones or activities will occur as set out in the Construction Schedule. Approval of the Construction Schedule does not constitute a commitment by the City to furnish any City-furnished information or material any earlier than the City would otherwise be obligated to furnish that information or material under the Contract Documents. Failure of the Work to proceed in the sequence scheduled by Contractor shall not alone serve as the basis for a claim for additional compensation or time. In the event there is interference with the Work which is beyond its control, Contractor shall attempt to reschedule the Work in a manner that will hold the additional time and costs beyond its control to a minimum. The Contractor shall monitor the progress of the Work for conformance with the requirements of the Construction Schedule and shall promptly advise the City of any delays or potential delays. In the event the Construction Schedule indicates any delays, the Contractor shall propose an affirmative plan to correct the delay. In no event shall any adjustment to the Construction Schedule constitute an adjustment in the Contract Time, any Milestone Date or the Contract Sum unless any such adjustment is agreed to by the City and authorized pursuant to Change Order.

10.04 The Contractor shall also prepare a submittal schedule promptly after being awarded the Contract and thereafter as necessary to maintain a current submittal schedule, and shall submit the schedule(s) for the Consultant's approval. The Consultant's approval shall not unreasonably be delayed or withheld. The submittal schedule shall (i) be coordinated with the Contractor's Construction Schedule; and (ii) allow the Consultant reasonable time to review submittals. If the Contractor fails to submit a submittal schedule, the Contractor shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of submittals.

10.05 In the event the City determines that the performance of the Work, as of a Milestone Date or otherwise, has not progressed or reached the level of completion required by the Contract Documents, the City shall have the right to order the Contractor to take corrective measures necessary to expedite the progress of construction, including, without limitation, (i) working additional shifts or overtime; (ii) supplying additional manpower, equipment, and facilities; and (iii) other similar measures (hereinafter referred to collectively as "Extraordinary Measures"). Such Extraordinary Measures shall continue until the progress of the Work complies with the stage of completion required by the Contract Documents. The City's right to require Extraordinary Measures is solely for the purpose of ensuring the Contractor's compliance with the Construction Schedule.

(a) The Contractor shall not be entitled to an adjustment in the Contract Sum in connection with Extraordinary Measures required by the City under or pursuant to this Subsection.

(b) The City may exercise the rights furnished the City under or pursuant to this Subsection as frequently as the City deems necessary to ensure that the Contractor's performance of the Work will comply with any Milestone Date or completion date set forth in the Contract Documents.

10.06 Work Stoppage. If in the judgment of either the City or City's Representative any of the Work or materials furnished is not in strict accordance with this Agreement or any portion of the Work is being performed

so as to create a hazardous condition, they may, in their sole discretion, order the Work of the Contractor or any subcontractor wholly or partially stopped until any objectionable person, work, or material is removed from the premises. Such stoppage or suspension shall neither invalidate any of the Contractor's performance obligations under this Agreement, including the time of performance and deadlines therefore, nor will any extra charge be allowed the Contractor by reason of such stoppage or suspension.

11. SITE CONDITIONS AND MANAGEMENT

11.01 Where the Contractor is working around or in existing structures, it shall verify conditions at the site, including but not limited to, door openings and passages. Any items constructed or manufactured off-site or outside of buildings shall be done so that they are not too bulky for existing facilities. The Contractor shall provide special apparatus as required to handle any such items. All special handling equipment charges shall be at the Contractor's expense. Further, Contractor shall include in its price for the Work, all labor, materials, equipment and/or engineering services required to protect the adjacent properties and/or structures from damage due to performance of the Work.

11.02 The Contractor shall be responsible for all power, light, and water required to perform the Work.

11.03 Throughout the progress of the Work, the Contractor shall keep the working area free from debris of all types, and remove from premises all rubbish, resulting from any work being done by him. At the completion of the Work, the Contractor shall leave the premises in a clean and finished condition. Any failure to do so may be remedied and charged back to the Contractor.

11.04 Layout of Work. Except as specifically provided herein, the Contractor shall lay out all Work in a manner acceptable to City's Representative in accordance with applicable City of College Station codes and ordinances. City's Representative will review the Contractor's layout of all structures and any other layout work done by the Contractor at the construction meeting, or at the Contractor's request, but this review does not relieve the Contractor of the responsibility of accurately locating all Work in accordance with the Plans and Specifications.

11.05 Lines and Grades. All lines and grades shall be furnished by the Contractor. Benchmarks and control stakes have been provided by the City's Representative. All benchmarks and control stakes shall be carefully preserved by the Contractor. In case of destruction or removal of the same by the Contractor, its subcontractors, or employees, such stakes, marks, etc. shall be replaced by the Contractor at the Contractor's expense. If the Contractor fails to do so, the City may do so and charge back the Contractor. Additional construction staking as needed for the Work, including lines and grades, shall be the sole responsibility of the Contractor, and the Contractor shall receive no extra time or compensation therefor.

11.06 The Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as any information furnished by the City, shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Contractor shall promptly report to the City and the Consultant any errors, inconsistencies or omissions discovered by or made known to the Contractor. It is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional, unless otherwise specifically provided in the Contract Documents. Contractor acknowledges the City does not represent nor warrant the accuracy or completeness of information provided by the City related to existing conditions and locations of existing utilities and services. Such information if provided, is provided to the Contractor as a matter of convenience and does not substitute for the Contractor using due diligence to reasonably observe and or to

access space to determine errors, inconsistencies or omissions. In all cases of interconnection of the Work with existing conditions, Contractor shall verify at the site all dimensions relating to such existing conditions.

11.07 Contractor's Structures. The building or locating of structures or the erection of tents or other forms of protection will be permitted only at such places as City's Representative shall permit. The Contractor shall not damage the property where such structures are allowed and shall at all times maintain sanitary conditions in and about such structures in a manner satisfactory to the City. The City may charge the Contractor for any damage or injury to the City, its property, or third persons as a result of the location or use of such structures.

11.08 The Contractor and any entity over whom the Contractor has control shall not erect any sign on the Project site without the prior written consent of the City.

11.09 City may have other work related to the Project performed at the Project site during the time the Work is performed. Contractor should schedule its Work to coordinate with the work of other contractors and utilities with the understanding that some of that work may be performed at times other than as set out in the Contract Documents or as otherwise anticipated. City will endeavor to have such other work performed so as not to unduly interfere with Contractor's performance when Contractor notifies City of specific reasonable needs well in advance of those needs and where it is possible to do so. In the event of substantial delay caused by another contractor or a utility, after advance notice of its needs by Contractor, Contractor will be entitled to make a claim for an extension of time as provided herein.

11.10 When two or more contractors, including Contractor, are employed on related or adjacent work or obtain materials from the same material source, or when work must be completed by one contractor before another can begin, each shall conduct his operations in such a manner as not to cause any unnecessary delay or hindrance to the other. Each contractor, including Contractor if applicable, shall be responsible to the other for all damage to work, to persons, or to property caused to the other by his operations, and for loss caused the other due to unreasonable or unjustified delays or failure to finish the work or portions thereof, or furnish materials within the time requested. Should Contractor cause damage to the work or property of any separate contractor at the Project site, or should any claim arising out of Contractor's separate contractor at the Project site, or should any claim arising out of Contractor's performance of the Work be made by any separate contractor against Contractor, City or other consultants, or any other person, Contractor shall promptly attempt to settle with such other contractor by agreement, or to otherwise resolve the dispute. **Contractor shall, to the fullest extent permitted by applicable laws, indemnify and hold City harmless from and against all claims, damages, losses and expenses (including, but not limited to, fees of architects, attorneys and other professionals and court costs) arising directly, indirectly or consequentially out of any action, legal or equitable, brought by any separate contractor against City to the extent based on a claim arising out of Contractor's negligence.**

12. MATERIALS

12.01 Materials or work described in words that when so applied have well-known technical or trade meaning shall be held to refer to such recognized standards. All work shall be done and all materials furnished in strict conformity with this Agreement, the other Contract Documents, and recognized industry standards. When specific products, systems or items of equipment are referred to in the Contract Documents, any ancillary devices necessary for connecting the products, systems or items of equipment shall also be provided. When standards, codes, manufacturer's instructions and guarantees are required by the Contract Documents, the current edition at the time of Contract execution shall apply, unless another edition is specified in the Contract Documents. References to standards, codes, manufacturer's instructions and guarantees shall apply in full, except (1) they do not supersede more stringent standards set out in the Contract Documents, and (2) any exclusions or waivers that are inconsistent with the Contract Documents do not apply.

12.02 All materials shall be approved by the City prior to purchase by the Contractor. Unless otherwise specified herein, the Contractor shall purchase all materials and equipment outright and shall not subject the materials and equipment utilized in the Project to any conditional sales agreement, bailment, lease, or other agreement reserving unto seller any right, title, or interest therein. Title to all materials, but not risk of loss, shall pass to the City upon delivery to the Project.

12.03 Where the City deems it necessary to supply materials, it may furnish to the Contractor the list of materials set forth in the attached "List of City Furnished Materials". Upon receipt of said materials, the Contractor shall immediately furnish to the City a written receipt. Moreover, the Contractor shall, on behalf of the City, accept delivery of the materials set forth in the attached "List of Materials Ordered by the City". Under such circumstances, the Contractor shall promptly forward to the City for payment the supplier's invoice together with the Contractor's receipt in writing for such materials.

(a) Upon acceptance of the materials furnished or ordered by the City, the Contractor warrants that it shall properly handle, transport, store and safeguard the materials.

(b) Further, the Contractor shall repair, repaint or replace any and all materials or any part thereof damaged or stolen while in its possession. Such materials are considered to be in the Contractor's possession from the moment the Contractor either accepts delivery of the materials or signs a receipt accepting delivery of said materials until the Project is accepted by the City's Representative.

(c) Before transporting any of the materials furnished or ordered by the City, the Contractor shall establish to the City's satisfaction that it has obtained insurance against losses, theft, damage, equal to or greater than the amounts spent by the City in securing said materials. It shall be incumbent upon the Contractor to verify the cost of materials.

(d) The City shall not be obligated to furnish materials in excess of the quantities, size, kind, and type set forth in the attached List of City Furnished Materials and List of Materials Ordered by the City. If the City furnishes, and the Contractor accepts, materials in excess thereof, the values of such excess materials shall be their actual cost as stated by the City.

(e) Upon delivery, the Contractor shall promptly receive, unload, transport, and handle all materials and equipment on the List of Materials Ordered by the City at its expense and shall be responsible for all shipping costs.

12.04 Materials and supplies shall be new and of good quality. Upon request, the Contractor shall supply proof of quality and manufacturer. No refurbished, reconditioned, or other previously utilized materials or supplies will be used without the prior signed authorization of City's Representative. The Contractor may utilize substitutes of equal quality and function only upon the prior written authorization of the City's Representative. The City's Representative may require documentation as to quality and function, including manufacturer's specifications, to insure that the proposed substitute is equal to the required material or supply. The City's Representative shall have sole discretion over the use of substitute materials and supplies. Contractor shall bear the risk of any delay in performance caused by submitting substitutions.

12.05 Only materials and equipment which are to be used directly in the Work shall be brought to and stored on the Project site by the Contractor. After equipment is no longer required for the Work, it shall be promptly removed from the Project site. Protection of construction material and equipment stored at the Project site from weather, theft, damage and all other perils is solely the responsibility of the Contractor.

12.06 Shop Drawings are drawings, diagrams, schedules and other data specially prepared for the Work by the Contractor or a subcontractor, sub-subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

12.07 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

12.08 Samples are physical examples that illustrate materials, equipment or workmanship and establish standards by which the Work will be judged.

12.09 Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents. Their purpose is to demonstrate the way by which the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents for those portions of the Work for which the Contract Documents require submittals.

12.10 The Contractor shall review for compliance with the Contract Documents, approve and submit to the City's Consultant Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents in accordance with the submittal schedule approved by the City's Consultant or, in the absence of an approved submittal schedule, with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the City or of separate contractors.

12.11 By submitting Shop Drawings, Product Data, Samples and similar submittals, the Contractor represents to the City and City's Consultant that the Contractor has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction criteria related thereto, or will do so and (3) checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

12.12 The Contractor shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been approved by the City's Consultant.

12.13 The Work shall be in accordance with approved submittals except that the Contractor shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the City's Consultant's approval of Shop Drawings, Product Data, Samples or similar submittals unless the Contractor has specifically informed the City's Consultant in writing of such deviation at the time of submittal and (1) the City's Consultant has given written approval to the specific deviation as a minor change in the Work, or (2) a Change Order or Construction Change Directive has been issued authorizing the deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples or similar submittals by the City's Consultant's approval thereof.

12.14 The Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples or similar submittals, to revisions other than those requested by the City's Consultant on previous submittals. In the absence of such written notice, the City's Consultant's approval of a resubmission shall not apply to such revisions.

12.15 Contractor shall be liable for and the City may withhold from Contractor's payments any amount of additional fees charged by City's Consultant for excessive resubmittal review.

13. ENTRY, OBSERVATION, TESTING & POSSESSION

13.01 The City reserves the right to enter the Project site or sites by such employee(s) or agent(s) as it may elect for the purpose of inspecting the work. The City further reserves the right to enter the Project site or sites for the purpose of performing such collateral work as the City may desire.

13.02 The City's Representative shall have the right, at all reasonable times, to observe and test the work. The Contractor shall make necessary arrangements and provide proper facilities and access for such observation and testing at any location where the Work or any part thereof is in preparation or progress. The Contractor shall ascertain the scope of any observation that may be contemplated by City's Representative and shall give ample notice as to the time each part of the Work will be ready for observation.

13.03 The City's Representative may require Contractor to remove, dismantle, or uncover completed work. If the work is not in accordance with the Plans, Specifications, or other Contract Documents, the Contractor shall pay the costs of repair and restoration of the work required to be removed, dismantled, or uncovered. Unless Contractor is obligated to provide advance notice of inspection, prior to covering up the work, and fails to do so, if said work is in accordance with the -Plans, -Specifications, and other Contract Documents, the City shall pay the costs of repair and restoration of the work.

13.04 City shall have the right to take possession of and use any completed or partially completed portions of the Project prior to the time for completing the entire Project or such portions which may not have expired. The parties agree and understand that possession and use shall not constitute an acceptance of any work not completed in accordance with this Agreement. Further, insurance changes required to keep Contractor's insurance in effect shall be the responsibility of Contractor.

14. REJECTED WORK

14.01 All work deemed not in conformity with this Agreement as determined by the City in its sole discretion, may be rejected by the City. City's Representative may reject any work found to be defective or not in accordance with the Contract Documents, regardless of the stage of the work's completion or the time or place of discovery of such defects or inconsistencies and regardless of whether City's Representative has previously accepted the work through oversight or otherwise. Neither observations nor inspections, tests, or approvals made by City's Representative, or other persons authorized under this Agreement to make such observations, inspections, tests, or approvals, shall relieve the Contractor from the obligation to perform the Work in accordance with the requirements of this Agreement and the other Contract Documents.

14.02 If the work or any part thereof is rejected by the City, it shall be deemed by City's Representative as not in conformity with this Agreement. Any remedial action required, as set forth herein, shall be at the Contractor's expense, as follows:

(a) The Contractor may be required, at the City's option, after notice from City's Representative, to remedy such work so that it shall be in full compliance with this Agreement. All rejected work or materials shall be immediately replaced in order to conform with this Agreement.

(b) If the City deems it inexpedient to correct work damaged or not done in accordance with this Agreement, an equitable deduction from the agreed sum may be made by the City at the City's sole discretion.

14.03 If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a ten-day period after receipt of written notice from the City to commence and continue correction of such default or neglect with diligence and promptness, the City may, without prejudice to other remedies the City may have, correct such deficiencies. In such case an appropriate Change Order shall be issued deducting from payments then or thereafter due the Contractor the reasonable cost of correcting such deficiencies, including City's expenses and compensation for the City's Consultant's additional services made necessary by such default, neglect or failure. If payments then or thereafter due the Contractor are not sufficient to cover such amounts, the Contractor shall pay the difference to the City.

15. SUBCONTRACTING & SUBCONTRACTORS

15.01 The Contractor agrees that it will retain personal control and will give its personal attention to the fulfillment of this Agreement. The Contractor further agrees that subletting of any portion or feature of the Work or materials required in the performance of this Agreement shall not relieve the Contractor from its full obligation to the City as provided by this Agreement.

15.02 Subcontractors must be approved by City's Representative prior to hiring or beginning any work on the Project. If City's Representative judges any subcontractor to be failing to perform the Work in strict accordance with the drawings and specifications, the Contractor, after due notice, shall discharge the same, but this shall in no way release the Contractor from its obligations and responsibility under this Agreement. Every subcontractor shall be bound by the terms and provisions of this Agreement and the Contract Documents as far as applicable to their work. Contractor's subcontract agreement shall provide that subcontractors shall assume toward the Contractor all the obligations and responsibilities, including the responsibility for safety of the subcontractor's Work, which the Contractor, by these Documents, assumes toward the City and Consultant. The Contractor shall be fully responsible to the City for the acts and omissions of its subcontractors. Nothing contained herein shall create any contractual or employment relations between any subcontractor and the City.

16. PAYMENT

16.01 The City stipulates that it is an exempt organization as defined by the Limited Sales, Excise and Use Tax Act and, as such, is exempt from the payment of the sales tax on materials and supplies used in the performance of this Agreement. The Contractor shall issue exemption certificates to its suppliers and subcontractors in lieu of said sales tax for all such materials and supplies, and said exemption certificates must comply with the State Comptroller's Ruling No. 95-0.07 and shall be subject to the provision of the State Comptroller's Ruling No. 95-0.09, effective October 1, 1969.

16.02 Progress Payment Applications. The Contractor shall submit applications for payment as provided for herein. Applications for payment will be processed by City's Representative. Before the first Application for Payment, the Contractor shall submit to the City a schedule of values allocated to various portions of the Work, prepared in such form and supported by such data to substantiate its accuracy as the City may require ("Schedule of Values"). The Schedule of Values shall not overvalue early job activities and shall follow the trade divisions of the Specifications so far as possible. Modifications must be approved by City. This schedule, unless objected to by the City, shall be incorporated into this Agreement as a Contract Document and attached hereto as **Exhibit F**. The Schedule of Values shall be used as a basis for reviewing the Contractor's Applications for Payment. On or before the 15th day of each month, the Contractor shall submit to City's Representative, for approval or modification, an updated Project Schedule and a statement, backed by the Schedule of Values, showing as completely as practicable the total value of the actual work performed by the Contractor and accepted by the City up to and including the last day of the *preceding* month. The statement shall also include the value of all materials

not previously submitted for payment which have been delivered to the site but have not yet been incorporated into the Work.

16.03 Progress Payments. On or before the **30th** calendar day following the City's receipt of a progress payment application made in conformity with Section 16.02, the City shall pay to the Contractor the approved amount of the progress payment based on the Contractor's applications for payment, and the recommendation and approval of City's Representative. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage of Work completed by the Contractor and approved by the City, but in each case less the aggregate of payments previously made, less retainage, and less amounts as City's Representative shall determine and the City may withhold in accordance with this Agreement. Upon Final Completion, including the delivery of all close out documents, such as "as built" drawings, warranties, guarantees, required additional materials, releases, operation and maintenance manuals, and acceptance of the Work in accordance with this Agreement, the City shall pay the remainder of the balance due under this Agreement, less any sums withheld under other terms of this Agreement and less the retainage, which shall be retained for a period of thirty (30) calendar days from the date of Final Completion. Acceptance of retainage by Contractor shall constitute a Waiver and Release of all claims by Contractor.

☒ **16.04 Retainage.** From each approved statement, the City shall retain until final payment, ten percent (10%), where the full contract amount is less than \$400,000.00, and five percent (5%), where the full contract amount is \$400,000.00 or more. The City may also retain from each approved statement any other sums authorized under the terms of this Agreement.

OR:

☐ **16.04 Retainage.** This section has been removed. No retainage will be deducted.

16.05 If the actual amount of work to be done and the materials to be furnished differ from estimates and where the basis for payment is the unit price method, then payment shall be for the actual amount of accepted work done and materials furnished on the Project.

16.06 Reduction in the scope or quantity of work on unit price items shall merely reduce the number of units. In the event that materials have been delivered prior to notice of such reduction, the City will have the option either to pay freight & transportation costs and any re-stocking charges actually incurred by the Contractor or to purchase the materials. The Contractor shall never be entitled to anticipated or lost profits on the deleted or reduced portion of a job, whether bid on a unit price or lump sum basis.

16.07 The Contractor shall have the sole obligation to pay any and all charges or fees and give all notices necessary to and incidental to the lawful prosecution of the Work hereunder. The Contractor shall not and shall have no authority whatsoever to obligate the City to make any payments to another party nor make any promises or representation of any nature on behalf of the City, without the specific written approval of the City.

16.08 The Contractor shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the City may direct, but the Contractor shall not be required to employ persons or entities to whom the Contractor has reasonable objection.

16.09 Unless otherwise provided in the Contract Documents:

- (a) Allowances shall cover the cost to the Contractor of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;
- (b) Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit and other expenses contemplated for stated allowance amounts shall be included in the Contract Amount but not in the allowances; and
- (c) Whenever costs are more than or less than allowances, the Contract Amount shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 16.9(a) and (2) changes in the Contractor's costs under Section 16.9(b).

16.10 Suspension of Payments. The City, at any time, may suspend monthly progress payments on the Work if it determines that the projected liquidated damages may exceed retainage. The City, at any time, may suspend monthly progress payments if it believes that the Contractor will not complete the Work due to actual default or that the Contractor has represented or done some act that indicates that it will not complete the Work in accordance with this Agreement or within the time period submitted in its bid. Provided, however, City is in no way obligated to Contractor's surety to withhold payment pursuant to the provisions of this Section.

16.11 Withhold Funds. Regardless of any bond, the City may, on account of subsequently discovered evidence and in addition to the retainage withheld under Section 16.04, withhold funds or nullify all or part of any acceptance or certificate to such extent as may be necessary to protect itself from loss on account of any of the following, or as otherwise provided in this Agreement:

- (a) Defective work other than defects in design provided to Contractor by a person other than Contractor's agents, contractors, fabricators, or suppliers, or its consultants, of any tier for non-critical infrastructure.
- (b) Failure to timely disclose in writing to the City of a known defect, inaccuracy, inadequacy, or insufficiency in the plans, specifications or other design documents.
- (c) Claims made or reasonable evidence indicating probable filing of claims by unpaid vendors or other third parties.
- (d) Failure of the Contractor to make prompt payments to subcontractors for labor or material or materialmen.
- (e) Claims made or reasonable evidence indicating claims will be made for damage to another by the Contractor.
- (f) Claims made or reasonable evidence indicating claims will be made for damage to third parties, including adjacent property owners.
- (g) Claims made or reasonable evidence indicating claims will be made for unremedied damage to property owned by the City.
- (h) City's determination of an amount of liquidated damages.
- (i) Charges made for repairs to the Contractor's defective work or repairs made by the City to correct damage to other property.
- (j) Other amounts authorized under this Agreement or under any other agreement made between City and Contractor.
- (k) Corrections of mistakes, errors and overpayments in relation to prior pay applications and payments.

Provided, however, City is in no way obligated to Contractor's surety to withhold payment pursuant to the provisions of this Section.

16.12 Virtual Payment Method. For increased payment and financial information security, the Contractor must use the City's approved virtual payment card system or digital payment system for all payments, storing, and modifications of financial information used for City payments to the Contractor. Any related reasonable fees paid by the Contractor for use of the virtual payment card system or digital payment system may be passed through to the City.

17. EXTRA WORK CHARGES

17.01 No changes shall be made, nor will bills for changes, alterations, modifications, deviations, and extra orders be recognized or paid for except upon the written order from authorized personnel of the City.

17.02 City Manager Approval. When the original contract amount plus all change orders is **One Hundred Thousand Dollars (\$100,000)** or less, the City Manager or his designee may approve the written change order in accordance with 17.03 below, provided the change order does not increase the total amount set forth in the Contract to more than **One Hundred Thousand Dollars (\$100,000)**. For such contracts, when a change order results in a total contract amount that exceeds **One Hundred Thousand Dollars (\$100,000)**, the City Council of the City must approve such change order prior to commencement of the services or work.

☒ **17.03** For "Extra Work", as defined in this Agreement and authorized through written change orders, and pursuant to Section 252.048(d) of the Texas Local Government Code, the original Contract price may not be increased by more than **twenty-five percent (25%)**. Written change orders that do not exceed **twenty-five percent (25%)** of the original Contract Amount may be made or approved by the City Manager or his delegate if the change order is equal to or less than **Fifty Thousand Dollars (\$50,000.00)**. Changes in excess of **Fifty Thousand Dollars (\$50,000.00)** must be approved by the City Council prior to commencement of the services or work. **Any requests by the Contractor for a change to the Contract Amount shall be made prior to the beginning of the work covered by the proposed change or the right to payment for Extra Work shall be waived.** No course of conduct or dealings between the parties, nor implied acceptance of alterations or additions to the Work or changes to the Contract Schedule shall be the basis for any claim for an increase in compensation or change in time. Any cost incurred by Contractor in connection with any Extra Work shall be included in Contractor's requested change order and Contractor's failure to include any such cost shall act to Waive and Release any claim for such non-included cost.

OR:

☐ **17.03** For construction contracts funded in whole or in part by Certificates of Obligations, for "Extra Work," as defined in this Agreement and authorized through written change orders, and pursuant to Section 271.060 of the Texas Local Government Code, a contract with an original contract price of \$1 million or more may not be increased by more than **twenty-five percent (25%)**. If a change order for a construction contract funded in whole or in part with certificates of obligation that has an original price of less than \$1 million increases the Contract Amount to \$1 million or more, subsequent change orders may not increase the revised Contract Amount by more than **twenty-five percent (25%)**. Written change orders may be made or approved by the City Manager or his delegate if the change order is equal to or less than **Fifty Thousand Dollars (\$50,000.00)**. Changes in excess of **Fifty Thousand Dollars (\$50,000.00)** must be approved by the City Council prior to commencement of the services or work. **Any requests by the Contractor for a change to the Contract Amount shall be made prior to the beginning of the work covered by the proposed change or the right to payment for Extra Work shall be waived.** No course of conduct or dealings between the parties, nor implied acceptance of alterations or additions to the Work or changes to the Contract Schedule shall be the basis for any claim for an increase in compensation or change in time. Any cost incurred by Contractor in connection with any Extra Work shall be

included in Contractor's requested change order and Contractor's failure to include any such cost shall act to Waive and Release any claim for such non-included cost.

17.04 The Contractor shall complete all Work as specified or indicated in the Contract Documents. The Contractor shall complete all Extra Work in connection therewith. All work and materials shall be in strict conformity with the specifications. The Substantial Completion of the Work shall not excuse the Contractor from performing all the Work undertaken, whether of a minor or major nature, and thereby completing the Project in accordance with the Contract Documents. In the event that the Contractor fails to perform the Work as required for Substantial Completion or Final Completion, the City may contract with a third party to complete the Work and the Contractor shall assume and pay the costs of the performance of the Work as contracted.

(a) It is agreed that the Contractor shall perform all Extra Work under the direction of City's Representative when presented with a written work order signed by City.

(b) **No claim for Extra Work of any kind will be allowed unless ordered in writing by the City.** In case any orders or instructions appear to the Contractor to involve Extra Work for which it should receive compensation or an adjustment in the construction time, it shall make written request to City's Representative for a written order from City authorizing such Extra Work.

(c) Should a difference of opinion arise as to what does or does not constitute Extra Work, or as to the payment therefor, and the City insists upon its performance, then the Contractor shall proceed with the Work after making written requests for written orders in a change order and shall keep adequate and accurate account of the actual field costs therefor, as provided under Method C.

(d) It is also agreed that the compensation to be paid to the Contractor for performing Extra Work shall be determined by one or more of the following methods:

Method A - By agreed unit prices, or

Method B - By agreed lump sum, or

Method C - If neither Method A nor Method B is agreed upon before the Extra Work is commenced, then the Contractor shall be paid the actual field cost (as defined in subsection (g) below) of the Work.

(e) **Method A - Unit Prices.** The Contractor agrees to perform Extra Work for the unit prices in the Contractor's Proposal. The Contractor also agrees and warrants that when it is necessary to construct units not shown in the Contract Documents, it shall construct such units for a price arrived at as follows:

(1) The cost of materials shall be determined by the invoices;

(2) The cost of labor shall be the reasonable cost thereof, as determined by the City, but in no event shall it exceed an amount determined by calculating the ratio of the total labor costs to the total costs to the total material costs in the section of the Proposal involved, and multiplying the cost of materials for the unit in question by this ratio. Provided, however, that the ratio shall be calculated for only those units that are similar to the new unit for which a price is to be determined.

(f) **Method B - Lump Sum.** The lump sum shall be reasonably close to the amount for similar work previously done or combinations of similar units. Invoices for materials used shall be provided in support of the agreed lump sum.

(g) Method C - Actual Field Costs. The actual field cost is hereby defined to include the cost of all applicable workmen and laborers, as well as materials, supplies, teams, trucks, rentals on machinery and equipment, for the time actually employed or used for such Extra Work, plus actual transportation charges necessarily incurred, together with other costs reasonably incurred directly on account of such Extra Work, including social security, old age benefits, maintenance bonds, public liability, property damage, workers' compensation, and all other insurance as may be required by law or ordinances or required and agreed to by the City or City's Representative. City's Representative may direct the form in which accounts of the actual field costs shall be kept and records of these accounts shall be made available to City's Representative. Unless otherwise agreed upon, the prices for the use of machinery and equipment shall be determined by using one hundred percent (100%), unless otherwise specified, of the latest schedule of equipment and ownership expenses adopted by the Associated General Contractors of America. Where practical, the terms and prices for the use of machinery and equipment shall be incorporated in the written Extra Work order. Actual field costs shall not exceed the prevailing market price therefor within reasonable tolerances as determined by City's Representative. The amount due to Contractor for costs other than actual field costs shall be calculated in accordance with the following standards:

- (1)** No indirect or consequential damages will be allowed.
- (2)** All damages must be directly and specifically shown to be caused by a proven wrong. No recovery shall be based on a comparison by planned expenditures to total actual expenditures or on estimated losses of labor efficiency, or on a comparison of planned man loading to actual man loading, or any other analysis that is used to show damages indirectly.
- (3)** Damages are limited to extra costs specifically shown to have been directly caused by a proven wrong.
- (4)** The maximum daily limit on any recovery for delay shall be the amount established by the Contractor for job overhead costs, defined in the pay applications, divided by the total number of days specified for completion called for in the original Contract. Absent an overhead amount in the Schedule of Values, the amount estimated by Contractor for job overhead cost shall be used.

18. TIME OF COMPLETION

18.01 The date of beginning, the time for Substantial Completion and Final Completion of Work as specified in this Agreement are of the essence of this Agreement.

18.02 The Work embraced by this Agreement shall be commenced on the date specified in the notice to proceed. Said notice to proceed may be given orally or set by the City's Representative at the post-award conference.

18.03 The Work shall be Substantially Completed within the time bid, which shall run from the date when the notice to proceed is given by City's Representative. The Contractor bid calendar days for the time within which it shall reach Substantial Completion of the Project.

18.04 The Work shall reach Final Completion and be ready for final payment within **thirty (30) calendar days** from the date of Substantial Completion.

19. SUBSTANTIAL COMPLETION

19.01 The Contractor shall notify City's Representative when, in the Contractor's opinion, the Contract is Substantially Completed. Within ten (10) calendar days after the Contractor has given City's Representative written notice that the Work has been Substantially Completed, City's Representative shall inspect the Work for the preparation of a final punch list.

(a) If City's Representative and the City find that the Work is not Substantially Completed, then they shall so notify the Contractor who shall then complete the Work. City's Representative shall not be required to provide a list of unfinished work.

(b) If the City Representative and City find that the Work is Substantially Completed, the City shall issue to the Contractor its certificate of Substantial Completion.

19.02 The Substantial Completion of the Work shall not excuse the Contractor from performing all of the Work, whether of a minor or major nature, necessary for Final Completion and thereby completing the Project in accordance with the Contract Documents.

20. FINAL COMPLETION

20.01 Contractor shall notify the City's Representative when it believes that the Work has reached Final Completion as defined in this Agreement. If the City's Representative and the City accept and deems such Work Finally Complete, then Contractor shall be so notified and certificates of completion and acceptance, as provided herein, shall be issued. A complete itemized statement of this Agreement account, certified by the City's Representative as correct, shall then be prepared and delivered to Contractor. Contractor or City, as the case may be, shall pay the balance due as reflected by said statement within thirty (30) calendar days.

20.02 The Contractor shall procure all required certificates of acceptance or completions issued by state, municipal, or other authorities and submit the same to the City. The City may withhold any payments due under this Agreement until the necessary certificates are procured and delivered.

20.03 Neither the final payment nor any acceptance nor certificate nor any provision of this Agreement shall relieve the Contractor of any responsibility for faulty workmanship or materials. At the option of the City, the Contractor shall remedy any such defects and pay for any damage to other work which may appear after final acceptance of the Work.

21. DELAYS

21.01 The Contractor, in undertaking to complete the Work within the times herein fixed, has taken into consideration and made allowance for all hindrances and delays incident to such Work, whether growing out of delays in securing material or workmen or delays arising from inclement weather or otherwise.

21.02 The City may, in its sole discretion, delay the Work during inclement weather in order to preserve the Project, insure safety of work forces, and the preservation of materials and equipment. In such event and upon a written request from the Contractor, the City may grant an extension of time pursuant to Section 22 to offset for such stoppage of the Work.

21.03 No payment or compensation of any kind shall be made to the Contractor for damages because of hindrance or delay in the progress of the Work, unless such delays (i) are caused by the actual interference, fraud, bad faith or misrepresentation by the City or its agents, (ii) extend for an unreasonable length of time; or (iii) were not contemplated by the parties at the time of contracting. In the event of any delay entitling Contractor to an

increase in Contract Amount, except when due to City's intentional interference or fraud, Contractor's recovery shall be limited as outlined in Section 21.04 below. The City's reasonable exercise of any of its rights or remedies under the Contract, regardless of the extent or frequency, shall not under any circumstances be construed as interference with the Contractor's performance of the Work.

21.04 In the event of delays resulting from changes ordered in the Work by the City or other delays caused by the City or for the City's convenience, the Contractor may apply to the City for recovery of incidental damages resulting from increased storage costs or other costs necessary to protect the value of the Work. In no event shall any consequential or other damages be allowed or any other charges or claims be made by the Contractor for hindrances or delays resulting from any other cause.

22. EXTENSIONS OF TIME

22.01 The Contractor has submitted its proposal in full recognition of the time required for the completion of this Project, taking into consideration all factors including, but not limited to the average climatic range and industrial conditions. The Contractor has considered the liquidated damage provision of this Agreement and understands and agrees that it shall not be entitled to, nor will it request, an extension of time for either Substantial Completion or Final Completion, except when the Work has been delayed by one or more of the following:

- (a) An act or neglect of the City, the City's Representative, employees of the City, or other contractors employed by the City;
- (b) By changes ordered in the Work, or reductions thereto approved in writing;
- (c) By "rain days" (days with rainfall in excess of one-tenth of an inch) during the term of this Agreement that exceed the average number of rain days for such term for this locality, both as determined by the National Weather Service Forecast Office for Easterwood Airport in College Station, Texas (KCLL/CLL); or
- (d) By other causes that the City and the Contractor agree may reasonably justify delay and that were beyond the Contractor's reasonable control and ability to estimate, predict, or avoid, such as delays caused by unforeseen labor disputes, fire, natural disasters, acts of war, and other rare and unpredictable events. This term does **not** include normal delays incident to the delivery of materials, tools, or labor that reasonably could have been predicted and/or accounted for in the Contractor's Proposal or decision to bid.

22.02 If one or more of the foregoing conditions is present, the Contractor may apply in writing for an extension of time, within thirty (30) days of the occurrence of the event causing the delay, submitting therewith all written justification as may be required by the City's Representative. Within ten (10) calendar days after receipt of a written request for an extension of time, which is supported by all requested documentation, the City shall, in writing and in its sole discretion, grant or deny the request. Under no circumstances shall any extension of time by the City be valid and binding unless it is in writing and in conformity with the other terms of this Agreement.

23. LIQUIDATED DAMAGES

23.01 The time for the Substantial and Final Completion of the Work described herein are reasonable times for the completion of each, taking into consideration all conditions, including but not limited to the average climatic conditions and usual industrial conditions prevailing in this locality. The amount of liquidated damages for the Contractor's failure to meet the deadlines for Substantial and/or Final Completion are fixed and agreed on by the Contractor because of the impracticability and extreme difficulty in fixing and ascertaining the actual damages

that the City would in such an event sustain. The amounts to be charged are agreed to be damages the City would sustain and shall be retained by the City from current periodic estimates for payment or from final payment.

23.02 As a result of the difficulty in estimation, calculation and ascertainment of City's damages due to a failure of Contractor to achieve timely completion of the Work, if the Contractor should neglect, fail, or refuse to either Substantially Complete or Finally Complete the Work within the time herein specified, or any proper extension thereof granted by the City's Representative pursuant to the terms of Section 22 of this Agreement, then the Contractor does hereby agree as part of the consideration for the awarding of this Agreement that the City may permanently withhold from the Contractor's total compensation the sum of Two Hundred Fifty and NO /100 DOLLARS (\$ 250.00) for each and every calendar day that the Contractor shall be in default after the time stipulated for Substantial Completion and/or Final Completion, not as a penalty, but as liquidated damages for the breach of this Agreement. It being specifically understood that the assessment of liquidated damages may be made for any failure to meet either or both of the deadlines specified for Substantial Completion and/or Final Completion.

24. CHARGES FOR INJURY OR REPAIR

24.01 The Contractor shall be liable for any damages incurred or repairs made necessary by reason of its work and/or caused by it. Repairs of any kind required by the City will be made and charged to the Contractor by the City.

24.02 The Contractor shall take the necessary precautions to protect any areas adjacent to its Work.

24.03 The Work specified consists of all work, materials, and labor required by the City to repair any damage to the property of the City, including but not limited to structures, roadways, curbs, parking areas, and sidewalks.

25. WARRANTY

25.01 Upon issuance of a certificate of Final Completion, the Contractor warrants for a period of one (1) year as follows:

The Contractor warrants that all materials provided to the City under this Agreement shall be new unless otherwise approved in advance by City's Representative, and all work will be of good quality, free from faults and defects (other than defects from third parties as set out in Chapter 59 Texas Business and Commerce Code relating to non-critical infrastructure), and in conformance with this Agreement, the other Contract Documents, and recognized industry standards .

25.02 All work not conforming to these requirements, including but not limited to unapproved substitutions, may be considered defective.

25.03 This warranty is in addition to any rights or warranties expressed or implied by law and in addition to any consumer protection claims arising from misrepresentations by the Contractor.

25.04 Where more than a one (1) year warranty is specified for individual products, work, or materials, the longer warranty shall govern.

25.05 This warranty obligation shall be covered by any performance or payment bonds tendered in compliance with this Agreement.

25.06 Defective Work Discovered During Warranty Period. If any of the Work is found or determined to be either defective, including obvious defects under warranty as set forth in this Section 25, or otherwise not in accordance with this Agreement within one (1) year after the date of the issuance of a certificate of Final Completion of the Work or a designated portion thereof, whichever is longer, or within one (1) year after acceptance by the City of designated equipment, or within such longer period of time as may be prescribed by law or by the terms of any applicable special warranty required by this Agreement, the Contractor shall promptly, upon receipt of written notice by the City, correct the defective work at no cost to the City.

25.07 The obligation to correct any defective work shall survive the termination of this Agreement. The guarantee to correct the defective work shall not constitute the exclusive remedy of City, nor shall other remedies be limited to the terms of either the warranty or the guarantee.

25.08 If within ten (10) calendar days after the City has notified the Contractor of a defect, failure, or abnormality in the Work, the Contractor has not started to make the necessary corrections or adjustments, the City is hereby authorized to make the corrections or adjustments, or to order the Work to be done by a third party. The cost of the work shall be paid by the Contractor or its surety.

25.09 The cost of all materials, parts, labor, transportation, supervision, special instruments, and supplies required for the replacement or repair of parts and for correction of defects shall be paid by the Contractor or by the surety.

25.10 The guarantee shall be extended to cover all repairs and replacements furnished, and the term of the guarantee for each repair or replacement shall be one (1) year after the installation or completion. The one (1) year warranty shall cover all Work, equipment, and materials that are part of this Project, whether or not a warranty is specified in the individual section of the Contract Documents that prescribe that particular aspect of the Work.

26. PAYMENT OF EMPLOYEES, SUBCONTRACTORS & SUPPLIERS

26.01 Wage Rates. Pursuant to Section 2258.023(a) of the Texas Government Code, wage rates paid by the Contractor and any subcontractor on this Project shall be not less than the general prevailing rate of per diem wages for work of a similar character in this locality as specified in the schedule of general prevailing rates of per diem wages attached hereto as Exhibit A.

26.02 Statutory Penalty. Pursuant to Section 2258.023(b) of the Texas Government Code, if the Contractor or any subcontractor violates the requirements of Section 26.01, the Contractor or subcontractor as the case may be shall pay the City **sixty dollars (\$60.00)** for each worker employed for each calendar day or part of the day that the worker is paid less than the stipulated wage rates.

26.03 The Contractor and each subcontractors shall pay all of their employees engaged in work on the Project in full (less mandatory legal deductions) in cash or by check readily cashable, without discount, no less than once each week.

26.04 No later than the seventh (7th) calendar day following the payment of wages, the Contractor must file with City's Representative a certified, sworn, legible copy of such payroll. This shall contain the name of each employee, their classification, the number of hours worked on each day, rate of pay, and net pay. The affidavit

shall state that the copy is a true and correct copy of such payroll and that no rebates or deductions (except as shown) have been made or will be made in the future from the wages therein shown.

26.05 Payment of Subcontractors. The Contractor shall be solely and exclusively responsible for compensating any of the Contractor's employees, subcontractors, materialmen and/or suppliers of any type or nature whatsoever and for insuring that no claims or liens of any type arising out of or incidental to the performance of any services performed pursuant to this Agreement are filed against any property owned by the City. In the event a statutory lien notice is sent to the City, the Contractor shall, where no payment bond covers the Work, upon written notice from the City, immediately obtain a bond at its expense and hold the City harmless from any losses that may result from the filing or enforcement of any said lien notice. In the event that the Contractor defaults in the provision of the bond, the City may withhold such funds as are necessary to assure the payment of such claim until litigation determines to whom payment shall be made.

26.06 Affidavit of Bills Paid. Prior to Final Acceptance of the Project, the Contractor shall provide a notarized affidavit stating that all bills for labor, materials, and incidentals incurred have been paid in full, that any claims from manufacturers, materialmen, and subcontractors have been released, and that there are no claims pending of which the Contractor has been notified.

27. INSURANCE

27.01 The Contractor shall procure and maintain at its sole cost and expense for the duration 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 Work hereunder by the Contractor, its agents, representatives, volunteers, employees or subcontractors. The policies, coverages, limits and endorsements required are as set forth below.

During the term of this Agreement Contractor's insurance policies shall meet the minimum requirements of this section.

27.02 Types. Contractor shall have the following types of insurance:

- (a) Commercial General Liability.
- (b) Business Automobile Liability.
- (c) Excess Liability – required for contract amounts exceeding \$1,000,000.
- (d) Builder's Risk – provides coverage for contractor's labor and materials for a project during construction that involves a structure such as a building or garage, builder's risk policy shall be written on "all risks" form.
- (e) Workers' Compensation/ Employer's Liability.

27.03 General Requirements Applicable to All Policies. The following General requirements applicable to all policies shall apply:

- (a) Only licensed Insurance Carriers authorized to do business in the State of Texas will be accepted.
- (b) Deductibles shall be listed on the Certificate of Insurance and are acceptable only on a per occurrence basis for property damage only.
- (c) "Claims Made" policies are not accepted.
- (d) Coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the City of College Station.

- (e) The City of College Station, its agents, officials, employees and volunteers, are to be named as “Additional Insured” to the Commercial General, Umbrella and Business Automobile Liability policies. The coverage shall contain no special limitations on the scope of protection afforded to the City, its agents, officials, employees or volunteers.

27.04 Commercial General Liability. The following Commercial General Liability requirements shall apply:

- (a) General Liability insurance shall be written by a carrier rated “A:VIII” or better in accordance with the current A.M. Best Key Rating Guide.
- (b) Limit of \$1,000,000.00 per occurrence for bodily injury and property damage with an annual aggregate limit of \$2,000,000.00 which limits shall be endorsed to be per Project.
- (c) Coverage shall be at least as broad as ISO form GC 00 01.
- (d) No coverage shall be excluded from the standard policy without notification of individual exclusions being attached for the City’s review and acceptance.
- (e) The coverage shall not exclude the following: premises/operations with separate aggregate; independent contracts; products/completed operations; contractual liability (insuring the indemnity provided herein) Host Liquor Liability, Personal & Advertising Liability; and Explosion, Collapse, and Underground coverage.

27.05 Business Automobile Liability. The following Business Automobile Liability requirements shall apply:

- (a) Business Automobile Liability insurance shall be written by a carrier rated “A:VIII” or better in accordance with the current A.M. Best Key Rating Guide.
- (b) Minimum Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage.
- (c) The Business Auto Policy must show Symbol 1 in the Covered Autos Portion of the liability section in Item 2 of the declarations page.
- (d) The coverage shall include owned autos, leased or rented autos, non-owned autos, any autos and hired autos.
- (e) Pollution Liability coverage shall be provided by endorsement MCS-90, with a limit of \$1,000,000.00, where such exposures exist.

27.06 Excess Liability. The following Excess Liability requirements shall apply:

Unless otherwise agreed in writing, excess liability coverage following the form of the underlying coverage with a minimum limit of \$5,000,000.00 or the total value of the Agreement, whichever is greater, per occurrence/aggregate when combined with the lowest primary liability coverage, is required for contracts exceeding \$1,000,000 in total value.

27.07 Additional Insured.

Those policies set forth in Sections 27.04, 27.05, and 27.06 shall contain an endorsement listing the City as Additional Insured and further providing that the Contractor's policies are primary to any self-insurance or insurance policies procured by the City. The additional insured endorsement shall be in a form acceptable to the City. Waiver of subrogation in a form acceptable to the City shall be provided in favor of the City on all policies obtained by the Contractor in compliance with the terms of this Agreement. Contractor shall be responsible for all deductibles which may exist on any policies obtained in compliance with the terms of this Agreement. All coverage for subcontractors shall be subject to the requirements stated herein. All Certificates of Insurance and endorsements shall be furnished to the City's Representative at the time of execution of this Agreement, attached hereto as Exhibit C, and approved by the City before Work commences.

27.08 Builder's Risk

Until the Work is completed and accepted by the City, the Contractor shall purchase and maintain builder's risk insurance upon the entire Work at the Project site to the full insurable value thereof, including any increases in value due to duly authorized change orders to the Work and Project. The builder's risk insurance shall also cover portions of the Work stored off site after written approval of the City of the value established in the approval, and also portions of the Work in transit. This insurance shall include the interests of the City, the Contractor, subcontractors and sub-subcontractors in the Work and shall insure against the perils of fire, wind, storm, hail, lightning and extended coverage including flood and earthquake and shall include all-risk insurance for physical loss or damage, including, without duplication of coverage, theft, vandalism and malicious mischief. The insurance shall cover reasonable compensation for City's Consultant's services and expenses required as a result of an insured loss. This must be an all-risk policy incorporating the following language:

Permission is given for the Project insured hereunder to become occupied, the insurance remaining in full force and effect until such time as the Project has been accepted by the City, all as currently approved by the Texas Board of Insurance Commissioners

When permissible by law, the Certificate of Insurance must include the names of the insured Contractor and the City. The deductible under the policy, including that for flood shall not exceed \$100,000.00 without the written approval of the City.

27.09 Workers' Compensation/Employer's Liability Insurance. The following Workers' Compensation Insurance requirements shall apply.

- (a) Pursuant to the requirements set forth in Title 28, Section 110.110 of the Texas Administrative Code, all employees of the Contractor, all employees of any and all subcontractors, and all other persons providing services on the Project must be covered by a workers' compensation insurance policy: either directly through their employer's policy (the Contractor's or subcontractor's policy) or through an executed coverage agreement on an approved Texas Department of Insurance Division of Workers' Compensation (DWC) form. Accordingly, if a subcontractor does not have his or her own policy and a coverage agreement is used, contractors and subcontractors must use that portion of the form whereby the hiring contractor agrees to provide coverage to the employees of the subcontractor. The portion of the form that would otherwise allow them not to provide coverage for the employees of an independent contractor may not be used.
- (b) Workers' Compensation/ Employer's Liability insurance shall include the following terms:
 - 1. Employer's Liability minimum limits of \$1,000,000.00 for each accident/each disease/each

employee are required.

2. “Texas Waiver of Our Right to Recover From Others Endorsement, WC 42 03 04” shall be included in this policy.
3. 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.

- (c) Pursuant to the explicit terms of Title 28, Section 110.110(c) (7) of the Texas Administrative Code, the bid specifications, this Agreement, and all subcontracts on this Project must include the following terms and conditions in the following language, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:

“A. Definitions:

Certificate of coverage (“certificate”) – An original certificate of insurance, a certificate of authority to self-insure issued by the Division of Workers’ Compensation, or a coverage agreement (DWC-81, DWC-83, or DWC-84), showing statutory workers’ compensation insurance coverage for the person’s or entity’s employees providing services on a project, for the duration of the project.

Duration of the project - includes the time from the beginning of the Work on the project until the Contractor’s/person’s Work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project (“subcontractors” in § 406.096 [of the Texas Labor Code]) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent Contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. “Services” include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. “Services” does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

B. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.

C. The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.

D. If the coverage period shown on the Contractor’s current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been

extended.

E. The Contractor shall obtain from each person providing services on a project, and provide to the governmental entity:

(1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and

(2) no later than seven calendar days after receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.

F. The Contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.

G. The Contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the Contractor knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.

H. The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the Division of Workers' Compensation, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.

I. The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:

(1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;

(2) provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;

(3) provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;

(4) obtain from each other person with whom it contracts, and provide to the Contractor:

(a) A certificate of coverage, prior to the other person beginning work on the project; and

(b) A new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate

of coverage ends during the duration of the project;

(5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;

(6) notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and

(7) Contractually require each person with whom it contracts to perform as required by Sections (a) - (g), with the certificates of coverage to be provided to the person for whom they are providing services.

J. By signing this Agreement, or providing, or causing to be provided a certificate of coverage, the Contractor is representing to the governmental entity that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project; that the coverage will be based on proper reporting of classification codes and payroll amounts; and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the Commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.

K. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor that entitles the governmental entity to declare the Agreement void if the Contractor does not remedy the breach within ten calendar days after receipt of notice of breach from the governmental entity."

27.09 Certificates of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent on the most current State of Texas Department of Insurance-approved form, and shall contain the following provisions and warranties:

- (a)** The company is authorized to do business in the State of Texas.
- (b)** The insurance policies provided by the insurance company are underwritten on forms that have been provided by the Department of Insurance or ISO.
- (c)** Original endorsements affecting coverage required by this section shall be furnished with the certificates of insurance.

28. BOND PROVISIONS

28.01 Pursuant to Section 2253.021 of the Texas Government Code, for all public works contracts with governmental entities, a payment bond is required if the Contract Amount exceeds \$50,000, and a performance bond is required if the Contract Amount exceeds \$100,000. Below those amounts, the City *may* require payment and/or performance bonds. In the event a performance or payment bond or both is required either by law or in the City's discretion, such bonds shall be executed in accordance with all requirements of Chapter 3503 of the Texas Insurance Code, all other applicable law, and the following:

(a) The Contractor shall execute performance and payment bonds for the full Contract Amount and, if required by Contractor's surety to cover increases in the dollar amounts or amount of Work that is increased by a duly authorized change order, Contractor shall secure performance and payment bond riders to increase the dollar amounts and coverages of the performance and payment bonds.

(b) The bond surety shall be authorized under the laws of the State of Texas to provide a performance and payment bond and shall have attached proof of authorization of the surety to act in the performance and payment of bonds.

(c) The Contractor shall provide original, sealed, and complete counterparts of the executed bonds in the forms required by the Contract Documents, which are attached as Exhibit B, together with valid original powers of attorney, **at the time of execution of this Agreement by Contractor and prior** to the commencement of work. Copies of the executed bonds shall be attached hereto as **Exhibit B**.

(d) The performance and payment bonds, and any subsequently issued bond riders, shall remain in effect for a period of one (1) year after Final Completion of the Work and shall be extended for any warranty work to cover the warranty period.

(e) If at any time during the execution of this Agreement in the required period thereafter, the bond or bonds become invalid or ineffective for any reason, the Contractor shall promptly supply within ten (10) days such other bond or bonds, which bond or bonds shall assure performance or payment as required.

28.02 The Contractor may make such changes and alterations as the City may require in the Work or any part thereof without affecting the validity of this Agreement and any accompanying bond. If such changes or alterations diminish the quantity of the work to be done, they shall not constitute the basis for any claim for damages or anticipated profits. If the City makes changes or alterations that render useless any work already done or material already used in said work, then the City shall compensate the Contractor for any material or labor so used, and for any actual loss occasioned by such change due to actual expenses incurred in preparation for the Work as originally planned, in accordance with the provisions of Article 17.

29. SURETY

29.01 If the Contractor has abandoned the Project or the City has terminated the Contract for cause and the Contractor's Surety, after notice demanding completion is sent, fails to commence the completion of the Work in compliance with this Agreement, then the City at its option may provide for completion of the Work in either of the following manners:

(a) The City may employ such force of men and use of instruments, machinery, equipment, tools, materials, and supplies as said the City may deem necessary to complete the Work and charge the expense of such labor, machinery, equipment, tools, materials, and supplies to the Contractor, and the expense so charged shall be deducted and paid by the City out of such monies as may be due or that may thereafter at any time become due to the Contractor and Surety.

(b) The City may, after notice published as required by law, accept sealed bids and let this Agreement for the completion of the Work under substantially the same terms and conditions that are provided in this Agreement. In case of any increase in cost to the City under the new agreement as compared to what would have been the cost under this Agreement, such increase together with all of the City's damages due to Contractor's abandonment and/or default, including liquidated damages, as provided pursuant to Section 38, entitled "TERMINATION FOR CAUSE" shall be charged to the Contractor and the surety

shall be and remain bound therefor. However, should the cost to complete such new agreement prove to be less than that which would have been the cost to complete the Work under this Agreement, the Contractor shall be credited therewith after all deductions are made in accordance with this Agreement.

29.02 Should the cost to complete the Work exceed the Contract Amount and the Contractor fails to pay the amount due to the City within the time designated and there remains any machinery, equipment, tools, materials, or supplies on the Project site, notice thereof, together with an itemized list of such equipment and materials, shall be mailed to the Contractor at its respective address designated in this Agreement; provided, however, that actual written notice given in any manner shall satisfy this condition. After mailing, or otherwise giving such notice, such property shall be held at the risk of the Contractor subject only to the duty of City's Representative to exercise ordinary care to protect such property. After fifteen (15) calendar days from the date of said notice, City's Representative may sell such machinery, equipment, tools, materials, or supplies and apply the net sum derived from such sale to the credit of the Contractor. Such sale may be made at either public or private sale, with or without notice, as City's Representative may elect. City's Representative shall release any machinery, equipment, tools, materials, or supplies which remain on the job site and belong to persons other than the Contractor to their proper owners.

29.03 In the event the account shows that the cost to complete the Work is less than that which would have been the cost to City had the Work been completed by the Contractor under the terms of this Agreement, or when the Contractor shall pay the balance shown to be due by them to the City, then all machinery, equipment, tools, materials, or supplies left on the Project site shall be turned over to the Contractor.

30. COMPLIANCE WITH LAW

30.01 The Contractor's work and materials shall comply with all state and federal laws, municipal ordinances, regulations, codes, and directions of inspectors appointed by proper authorities having jurisdiction.

30.02 The Contractor shall perform and require all subcontractors to perform the Work in accordance with applicable laws, codes, ordinances, and regulations of the State of Texas and the United States and in compliance with OSHA and other laws as they apply to its employees. In the event any of the conditions of the specifications violate the code for any industry, then such code conditions shall prevail.

30.03 The Contractor shall follow all applicable state and federal laws, municipal ordinances, and guidelines concerning soil erosion and sediment control throughout the Project and warranty term.

31. SAFETY PRECAUTIONS

31.01 All safety measures, policies and precautions at the site are a part of the construction techniques and processes for which the Contractor shall be solely responsible. The Contractor is solely responsible for handling and use of hazardous materials or waste, and informing employees of any such hazardous materials or waste. The Contractor shall provide copies of all hazardous materials and waste data sheets to the College Station Fire Department marked "Attn.: Assistant Chief".

31.02 The Contractor has the sole obligation to protect or warn any individual of potential hazards created by the performance of the Work set forth herein. The Contractor shall, at its own expense, take such precautionary measures for the protection of persons, property, and the Work as may be necessary.

31.03 The Contractor shall be held responsible for all damages to property, personal injuries and/or death due to failure of safety devices of any type or nature that may be required to protect or warn any individual of potential

hazards created by the performance of the Work set forth herein; and when any property damage is incurred, the damaged portion shall immediately be replaced or compensated for by the Contractor at its own cost and expense.

31.04 Contractor agrees that it shall not transport to, use, generate, dispose of, or install at the Project site any Hazardous Substance (as defined in this Agreement, except in accordance with applicable Environmental Laws. Further, in performing the Work, Contractor shall not cause any release of Hazardous Substances into, or contamination of, the environment, including the soil, the atmosphere, any water course or ground water, except in accordance with applicable Environmental Laws (as defined in this Agreement). **In the event Contractor engages in any of the activities prohibited in this Section 31.04 to the fullest extent permitted by law, Contractor hereby indemnifies and holds City and all of its respective officials, agents and employees harmless from and against any and all claims, damages, losses, causes of action, suits and liabilities of every kind, including, but not limited to, expenses of litigation, court costs, punitive damages and attorneys' fees, arising out of, incidental to or resulting from the activities prohibited in this section 31.04.**

31.05 In the event Contractor encounters on the Project site any Hazardous Substance, or what Contractor may reasonably believe to be a Hazardous Substance, and which is being introduced to the Work, or exists on the Project site, in a manner violative of any applicable Environmental Laws, Contractor shall immediately stop work in the area affected and report the condition to City in writing. The Work in the affected area shall not thereafter be resumed except by written authorization of City if in fact a Hazardous Substance has been encountered and has not been rendered harmless. In the event Contractor fails to stop the Work upon encountering a Hazardous Substance at the Project site, **to the fullest extent permitted by law, Contractor hereby indemnifies and holds City and all of its officials, agents and employees harmless from and against any and all claims, damages, losses, causes of action, suits and liabilities of every kind, including, but not limited to, expenses of litigation, court costs, punitive damages and attorneys' fees, arising out of, incidental to or resulting from Contractor's failure to stop the Work.**

31.06 City and Contractor may enter into a separate agreement and/or Change Order for Contractor to remediate and/or render harmless the Hazardous Substance, but Contractor shall not be required to remediate and/or render harmless the Hazardous Substance absent such agreement. Contractor shall not be required to resume work in any area affected by the Hazardous Substance until such time as the Hazardous Substance has been remediated and/or rendered harmless.

31.07 It is the Contractor's responsibility to comply with all Environmental Laws (as defined in this Agreement) based on the law in effect at the time its services are rendered and to comply with any amendments to those laws for all services rendered after the effective date of any such amendments.

32. TRENCH SAFETY

The Contractor must comply with Texas law regarding trench excavation exceeding five feet in depth and in accordance with the following items:

32.01 The Contractor must comply with the requirements of Subchapter 756 of the Tex. Health & Safety Code Ann. §756.022-023, and the requirements of 29 C.F.R., Subpart P – Excavations (sections 1926.650 et. seq.) of the Occupational Safety and Health Administration Standards, as amended.

32.02 The Contractor must include a separate pay item for trench safety complying with trench safety requirements, stating a unit price per linear foot of trench safety systems, as measured along the centerline of trench including manholes and other line structures.

32.03 Before beginning work on this project, the Contractor must submit to the City a complete trench safety program that complies with state and federal regulations. It is the sole duty, responsibility and prerogative of the Contractor, not the City, to determine the specific applicability of the designed trench safety systems to each field condition encountered on the project.

32.04 The Contractor must provide the City the name of the “competent person” required by OSHA standards to perform the trench safety inspections. The Contractor must make daily inspections to ensure that the systems comply with all applicable laws and regulations, and must maintain a permanent record of daily inspections available for examination by the City or other government authority.

32.05 If evidence of possible cave-ins or slides is apparent, the Contractor must cease all work in the trench and surrounding area until the necessary precautions have been taken by the Contractor to safeguard personnel entering the trench.

33. INDEMNITY

33.01 CONTRACTOR SHALL PROTECT, DEFEND, HOLD HARMLESS AND INDEMNIFY THE CITY FROM ANY AND ALL CLAIMS, DEMANDS, EXPENSES, LIABILITY OR CAUSES OF ACTION FOR INJURY TO ANY PERSON, INCLUDING DEATH, AND FOR DAMAGE TO ANY PROPERTY, TANGIBLE OR INTANGIBLE, OR FOR ANY BREACH OF CONTRACT ARISING OUT OF OR IN ANY MANNER CONNECTED WITH THE WORK DONE BY ANY PERSON UNDER THE CONTRACT DOCUMENTS. IT IS THE INTENT OF THE PARTIES THAT THIS PROVISION SHALL EXTEND TO, AND INCLUDE, ANY AND ALL CLAIMS, CAUSES OF ACTION OR LIABILITY CAUSED BY THE CONCURRENT, JOINT AND/OR CONTRIBUTORY NEGLIGENCE OF THE CITY, AN ALLEGED BREACH OF AN EXPRESS OR IMPLIED WARRANTY BY THE CITY OR WHICH ARISES OUT OF ANY THEORY OF STRICT OR PRODUCTS LIABILITY.

33.02 The indemnification contained in Section 33.01 shall include but not be limited to the following specific instances:

- (a) The City is damaged due to the act, omission, mistake, fault or default of the Contractor.**
- (b) In the event of any claims for payment for goods or services brought by any material suppliers, mechanics, laborers, or other subcontractors.**
- (c) In the event of any and all injuries to or claims of adjacent property owners caused by the Contractor, its agents, employees, and representatives.**
- (d) In the event of any damage to the floor, walls, etc., caused by the Contractor's personnel or equipment during installation.**
- (e) The removal of all debris related to the Work.**
- (f) The acts and omissions of the subcontractors it hired.**
- (g) The Contractor's failure to comply with applicable federal, state, or local regulations, that touch upon or concern the maintenance of a safe and protected working environment and the safe use and operation of machinery and equipment in that working environment, no matter where fault or responsibility lies.**

33.03 The indemnification obligations of the Contractor under this section shall not extend to include the liability of any professional engineer, the architect, their consultants, and agents or employees of any of them arising out of (1) the preparation or approval of maps, drawings, opinions, reports, surveys, Change Orders, designs or specifications, or (2) the giving of or the failure to give directions or instructions by the professional engineer, the architect, their consultants, and agents and employees of any of them, provided such giving or failure to give is the primary cause of the injury or damage.

33.04 It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligation under Section 33.01, such legal limitations are made a part of the indemnification obligation and shall operate to amend the indemnification obligation to the minimum extent necessary to bring the provision into conformity with the requirements of such limitations, and as so modified, the indemnification obligation shall continue in full force and effect.

33.05 The indemnity provisions provided herein shall survive the termination or expiration of this Agreement.

33.06 The indemnification obligations under this section shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor under workers compensation acts, disability benefit acts or other employee benefit acts. There shall be no additional indemnification other than as set forth in this section. All other provisions regarding the same subject matter shall be declared void and of no effect.

34. RELEASE

34.01 The Contractor assumes full responsibility for the Work to be performed hereunder, and hereby releases, relinquishes, and discharges the City, its officers, agents, 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 (whether employees of either party or other third parties) and any loss of or damage to any property (whether property of either of the parties hereto, their employees, or of third parties) that is caused by or alleged to be caused by, arising out of, or in connection with the Contractor's Work 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 in the event of injury, death, property damage, or loss suffered by the Contractor, any subcontractor, or any person or organization directly or indirectly employed by any of them to perform or furnish work on the Project, this release shall apply regardless of whether such injury, death, loss, or damage was caused in whole or in part by the negligence of the City. There shall be no additional release or hold harmless provision other than as set forth in this section. All other provisions regarding the same subject matter shall be declared void and of no effect.

35. PERMITS AND LICENSES

35.01 The Contractor shall secure and pay for all necessary permits and licenses, governmental fees, and inspections necessary for the proper execution and completion of the Work. During this Agreement term and/or period during which the Contractor is working, it shall give all notices and comply with all laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of the Work.

36. ROYALTIES AND LICENSING FEES

36.01 THE CONTRACTOR SHALL PAY ALL ROYALTIES AND LICENSING FEES. THE CONTRACTOR SHALL HOLD THE CITY HARMLESS AND INDEMNIFY THE CITY FROM THE PAYMENT OF ANY ROYALTIES, DAMAGES, LOSSES OR EXPENSES INCLUDING ATTORNEY'S FEES FOR SUITS, CLAIMS OR OTHERWISE, GROWING OUT OF INFRINGEMENT OR ALLEGED INFRINGEMENT OF PATENTS, MATERIALS AND METHODS USED IN THE PROJECT. IT SHALL DEFEND ALL SUITS OR CLAIMS FOR INFRINGEMENT OF ANY PATENT RIGHTS. FURTHER, IF THE CONTRACTOR HAS REASON TO BELIEVE THAT THE DESIGN, SERVICE, PROCESS, OR PRODUCT SPECIFIED IS AN INFRINGEMENT OF A PATENT, IT SHALL PROMPTLY GIVE SUCH INFORMATION TO CITY'S REPRESENTATIVE.

37. BREACH OF CONTRACT & DAMAGES

37.01 The City shall have the right to declare the Contractor in breach of this Agreement for cause when the City determines that this Agreement is not being performed according to its understanding of the intent and meaning of this Agreement. Such breach shall not in any way invalidate, abrogate, or terminate the Contractor's obligations under this Agreement.

37.02 Without prejudice to any other legal or equitable right or remedy that the City would otherwise possess hereunder or as a matter of law, the City upon giving the Contractor five (5) calendar days prior written notice shall be entitled to damages for breach of contract, upon but not limited to the following occurrences:

- (a) If the Contractor shall fail to remedy any default after written notice thereof from City's Representative, as City's Representative shall direct; or
- (b) If the Contractor shall fail for any reason other than the failure by City's Representative to make payments called upon when due; or
- (c) If the Contractor commits a substantial default under any of the terms, provisions, conditions, or covenants contained in this Agreement.

38. TERMINATION FOR CAUSE

38.01 At any time, and without prejudice to any other legal or equitable right or remedy that the City would otherwise possess hereunder or as a matter of law, the City upon giving the Contractor five (5) calendar days prior written notice shall be entitled to terminate this Agreement in its entirety for any of the following:

- (a) If the Contractor becomes insolvent, commits any act of bankruptcy, makes a general assignment for the benefit of creditors, or becomes the subject of any proceeding commenced under any statute or law for the relief of debtors and, after notice, fails to provide adequate assurance that it can remedy all of its defaults; or
- (b) If a receiver, trustee, or liquidator of any of the property or income of the Contractor is appointed; or
- (c) If the Contractor fails to prosecute the Work or any part thereof with diligence necessary to insure its progress and completion as prescribed by the time schedules; or
- (d) If the Contractor fails to remedy any default within ten (10) calendar days after written notice thereof from City's Representative, as City's Representative shall direct; or

- (e) If the Contractor fails for any reason other than the failure by City's Representative to make payments called upon when due; or
- (f) If the Contractor abandons the Work.
- (g) If the Contractor commits a material default under any of the terms, provisions, conditions, or covenants contained in this Agreement.

39. TERMINATION FOR CONVENIENCE

39.01 The performance of the Work may be terminated at any time in whole or, from time to time, in part, by the City for its convenience. Any such termination shall be effected by delivery to the Contractor of a written notice (notice of termination) specifying the extent to which performance of the Work is terminated, and the date upon which termination becomes effective.

39.02 In the event of termination for convenience, the Contractor shall only be paid the reasonable value of the Work performed prior to the effective date of the termination notice and shall be further subject to any claim the City may have against the Contractor under other provisions of this Agreement or as a matter of law. In the event of termination for convenience, Contractor Waives and Releases any claim for lost profit, other than profit on Work performed prior to the effective date of such termination.

40. RIGHT TO COMPLETE

40.01 If this Agreement is terminated for cause, the City shall have the right but shall not be obligated to complete the Work itself or by others; and to this end, the City shall be entitled to take possession of and use such equipment, without rental obligation therefor, and materials as may be on the job site, and to exercise all rights, options, and privileges of the Contractor under its subcontracts, purchase orders, or otherwise; and the Contractor shall promptly assign such rights, options, and privileges to City. If the City elects to complete the Work itself or by others, pursuant to the foregoing, then the Contractor and/or Contractor's surety will reimburse City for all costs incurred by the City (including, without limitation, applicable, general, administrative expenses, field overhead, the cost of necessary equipment, materials, field labor, additional fees paid to architects, engineers, attorneys or others to assist the City in connection with the termination and liquidated damages) in completing and/or correcting work by the Contractor that fails to meet any requirement of this Agreement or the other Contract Documents.

41. CLOSE OUT

41.01 After receipt of a notice of termination, whether for cause or convenience, unless otherwise directed by City's Representative, the Contractor shall, in good faith and to the best of its ability, do all things necessary in the light of such notice to assure the efficient and proper closeout of the terminated work (including the protection of City's property). Among other things, the Contractor shall, except as otherwise directed or approved by City's Representative, do the following:

- (a) Stop the work on the date and to the extent specified in the notice of termination;
- (b) Place no further orders or subcontracts for services, equipment, or materials, except as may be necessary for completion of such portion of the Work as is not terminated;

- (c) Terminate all orders and subcontracts to the extent that they relate to the performance of the Work terminated by the notice of termination;
- (d) Assign to City's Representative, in the manner and to the extent directed by it, all of the right, title, and interest of the Contractor under the orders or subcontracts so terminated; in which case, City's Representative shall have the right to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- (e) With the approval of City's Representative, settle all outstanding liabilities and all claims arising out of such termination, orders, and subcontracts;
- (f) Deliver to City's Representative, when directed by City's Representative, all documents and all property, which if the Work had been completed, Contractor would have been required to account for or deliver to City's Representative, and transfer title to such property to City's Representative to the extent not already transferred.

42. TERMINATION CONVERSION

42.01 Upon determination of Court of competent jurisdiction that termination of the Contractor pursuant to Section 38 was wrongful and/or otherwise improper, such termination will be deemed converted to a termination for convenience pursuant to Section 39 and Contractor's remedy for such termination shall be limited to the recovery of the payments permitted for termination for convenience as set forth in Section 39.

43. HIRING

43.01 During the term of this Agreement and for a period of one (1) year thereafter, the Contractor agrees not to solicit for hire any employee or employees of the City that were associated with work specified under this Agreement. In the event that this provision is breached by the Contractor, the Contractor agrees to pay the City damages in the amount equal to twelve (12) months of the employee's total compensation plus any legal expenses associated with enforcement of this provision.

44. ASSIGNMENT

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

45. EFFECTIVE DATE

45.01 This Agreement goes into effect when duly approved by all the parties hereto and is contingent upon Contractor obtaining the bonds required herein.

46. OTHER TERMS

46.01 Invalidity. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties shall use their best efforts to replace

the respective provision or provisions of this Agreement with legal terms and conditions approximating the original intent of the parties.

46.02 Prioritization. Contractor and City agree that City is a political subdivision of the State of Texas and is thus subject to certain laws. Because of this there may be documents or portions thereof added by Contractor to this Agreement as exhibits that conflict with such laws, or that conflict with the terms and conditions herein excluding the additions by Contractor. In either case, the applicable law or the applicable provision of this Agreement excluding such conflicting addition by Contractor shall prevail. The parties understand this section comprises part of this Agreement without necessity of additional consideration.

46.03 Written Notice. Unless otherwise specified, written notice shall be deemed to have been duly served if delivered in person to the individual or to a member of the firm or to any officer of the corporation for whom it is intended or if it is delivered or sent certified mail to the last business address as listed herein. Each party will have the right to change its business address by at least thirty (30) calendar days written notice to the other parties in writing of such change.

46.04 Entire Agreement. It is understood that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements, or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent or employee of the City, either before or after the execution of this Agreement, shall affect or modify any of the terms or obligations hereunder.

46.05 Amendment. No amendment to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of both parties.

46.06 Mediation. After receipt of a written notice of a claim, the City may elect to refer the matter to the City's Consultant, City's Representative or another party for review. Contractor will attend meetings called to review and discuss the claims and mitigation of the problem, and shall furnish any reasonable factual backup for the claim requested. The City may also elect to defer consideration of the claim until the Work is completed, in which case the same review options shall be available to the City at the completion of the Work. At any stage, the City, at its sole discretion, is entitled to refer a claim to mediation under the Construction Industry Mediation Rules of the American Arbitration Association, and, if this referral is made, Contractor will take part in the mediation process. The filing, mediation or rejection of a claim does not entitle Contractor to stop performance of the Work. The Contractor shall proceed diligently with performance of the Contract during the pendency of any claim, excepting termination or under City's direction to stop the Work. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. The parties shall share the Mediator's fee and any filing fees equally and the Mediation shall be held in College Station, Texas.

46.07 Arbitration. In the event of a dispute and upon the mutual written consent of both parties, the parties may agree to arbitration without waiving any of their other rights hereunder.

46.08 Choice of Law and Place of Performance. This Agreement has been made under and shall be governed by the laws of the State of Texas. Performance and all matters related thereto shall be in Brazos County, Texas, United States of America.

46.09 Authority to do business. The Contractor represents that it has a certificate of authority, authorizing it to do business in the State of Texas, a registered agent and registered office during the duration of this Agreement.

46.10 Authority to Contract. Each party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective corporations.

46.11 Waiver. Failure of any party, at any time, to enforce a provision of this Agreement shall in no way constitute a waiver of that provision nor in any way affect the validity of this Agreement, any part hereof, or the right of the City thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

46.12 Headings, Gender, Number. The article headings are used in this Agreement for convenience and reference purposes only and are not intended to define, limit, or describe the scope or intent of any provision of this Agreement and shall have no meaning or effect upon its interpretation. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

46.13 Agreement Read. The parties acknowledge that they have had opportunity to consult with counsel of their choice, have read, understand and intend to be bound by the terms and conditions of this Agreement.

46.14 Multiple Originals. It is understood and agreed that this Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

46.15 Notice of Indemnification. City and Contractor hereby acknowledge and agree that this Agreement contains certain indemnification obligations and covenants.

46.16 Verification No Boycott. To the extent applicable, this Contract is subject to the following:

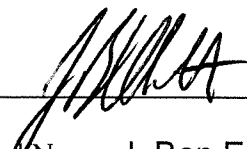
- (a) Boycott Israel. If this Contract is for goods and services subject to § 2270.002 Texas Government Code, Contractor verifies that it (i) does not boycott Israel; and (ii) will not boycott Israel during the term of this Contract;
- (b) Boycott Firearms. If this Contract is for goods and services subject to § 2274.002 Texas Government Code, Contractor verifies that it (i) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (ii) will not discriminate during the term of the contract against a firearm entity or firearm trade association; and
- (c) Boycott Energy Companies. Subject to § 2274.002 Texas Government Code Contractor herein verifies that it (i) does not boycott energy companies; and (ii) will not boycott energy companies during the term of this Contract.

46.17 Fraud Reporting. To reduce the risk of fraud and to protect the Contractor's financial information from fraud, the Contractor must report to the City in writing at VendorInvoiceEntry@cstx.gov if the Contractor reasonably suspects or knows if any of their financial information has been subject to fraudulent activity or suspected fraudulent activity.

List of Exhibits

- A. Wage Rates
- B. Performance & Payment Bonds
- C. Certificates of Insurance
- D. Plans & Specifications
- E. Construction Schedule
- F. Schedule of Values

ELLIOTT CONSTRUCTION, INC.

By: 

Printed Name: J. Ben Elliott

Title: Managing Member

Date: July 24, 2025

CITY OF COLLEGE STATION

By: _____

City Manager

Date: _____

APPROVED:

City Attorney

Date: _____

Assistant City Manager/CFO

Date: _____

EXHIBIT A
DAVIS BACON WAGE RATES

State: Texas

Construction Type: Heavy Dredging

Counties: Texas Statewide.

DREDGING PROJECTS ALONG THE TEXAS GULF COAST AREA INCLUDING ALL PUBLIC CHANNELS, HARBORS, RIVERS, TRIBUTARIES AND THE GULF INTRACOASTAL WATERWAYS

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(1).

If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:	◆ Executive Order 14026 generally applies to the contract. ◆ The contractor must pay all covered workers at least \$17.75 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2025.
If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:	◆ Executive Order 13658 generally applies to the contract. ◆ The contractor must pay all covered workers at least \$13.30 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours performing on that contract in 2025.

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at <http://www.dol.gov/whd/govcontracts>.

Modification Number Publication Date
0 02/07/2025

SUTX1994-001 01/18/1994

The following rates were revised pursuant to 29 CFR 1.6(c)(1) on 02/07/2025.

	Rates	Fringes
Derrick Operator.....	\$ 16.85	**
Dozer Operator.....	\$ 16.85	**
Dredge 16"" and Over		
DECKHAND.....	\$ 16.85	**
DREDGE TENDER OPERATOR.....	\$ 16.85	**
FIREMAN.....	\$ 16.85	**
FIRST ASSISTANT ENGINEER....	\$ 16.85	**
LEVERMAN.....	\$ 16.85	**
OILER.....	\$ 16.85	**
SECOND ASSISTANT ENGINEER...	\$ 16.85	**
SHOREMAN.....	\$ 16.85	**
THIRD ASSISTANT ENGINEER....	\$ 16.85	**
TRUCK DRIVER.....	\$ 16.85	**
WELDER.....	\$ 16.85	**

Dredge Under 16""		
DECKHAND.....	\$ 16.85	**
DREDGE TENDER OPERATOR.....	\$ 16.85	**
LEVERMAN.....	\$ 16.85	**
OILER.....	\$ 16.85	**

WELDER.....\$ 16.85 **

Hydraulic Dredging

FIRST COOK.....\$ 16.85 **
HANDYMAN.....\$ 16.85 **
JANITOR - CABIN PERSON.....\$ 16.85 **
MESS PERSON.....\$ 16.85 **
SECOND COOK.....\$ 16.85 **

Marsh Buggy Dragline

OILER.....\$ 16.85 **
OPERATOR.....\$ 16.85 **

WELDERS - Receive rate prescribed for craft performing
operation to which welding is incidental.

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** Workers in this classification may be entitled to a higher minimum wage under Executive Order 14026 (\$17.75) or 13658 (\$13.30). Please see the Note at the top of the wage determination for more information. Please also note that the minimum wage requirements of Executive Order 14026 are not currently being enforced as to any contract or subcontract to which the states of Texas, Louisiana, or Mississippi, including their agencies, are a party.

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at <https://www.dol.gov/agencies/whd/government-contracts>.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (iii)).

The body of each wage determination lists the classifications and wage rates that have been found to be prevailing for the type(s) of construction and geographic area covered by the wage determination. The classifications are listed in alphabetical order under rate identifiers indicating whether the particular rate is a union rate (current union negotiated rate), a survey rate, a weighted union average rate, a state adopted rate, or a supplemental classification rate.

Union Rate Identifiers

A four-letter identifier beginning with characters other than "SU", "UAVG", "SA", or "SC" denotes that a union rate was prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2024. PLUM is an identifier of the union whose collectively bargained rate prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. The date, 07/01/2024 in the example, is the effective date of the most current negotiated rate.

Union prevailing wage rates are updated to reflect all changes over time that are reported to WHD in the rates in the collective bargaining agreement (CBA) governing the classification.

Union Average Rate Identifiers

The UAVG identifier indicates that no single rate prevailed for those classifications, but that 100% of the data reported for the classifications reflected union rates. EXAMPLE: UAVG-OH-0010 01/01/2024. UAVG indicates that the rate is a weighted union average rate. OH indicates the State of Ohio. The next number, 0010 in the example, is an internal number used in producing the wage determination. The date, 01/01/2024

the example, indicates that the wage determination was updated to reflect the most current union average rate.

A UAVG rate will be updated once a year, usually in January, to reflect a weighted average of the current rates in the collective bargaining agreements on which the rate is based.

Survey Rate Identifiers

The ""SU"" identifier indicates that either a single non-union rate prevailed (as defined in 29 CFR 1.2) for this classification in the survey or that the rate was derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As a weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SUFL2022-007 6/27/2024. SU indicates the rate is a single non-union prevailing rate or a weighted average of survey data for that classification. FL indicates the State of Florida. 2022 is the year of the survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. The date, 6/27/2024 in the example, indicates the survey completion date for the classifications and rates under that identifier.

?SU? wage rates typically remain in effect until a new survey is conducted. However, the Wage and Hour Division (WHD) has the discretion to update such rates under 29 CFR 1.6(c)(1).

State Adopted Rate Identifiers

The ""SA"" identifier indicates that the classifications and prevailing wage rates set by a state (or local) government were adopted under 29 C.F.R 1.3(g)-(h). Example: SAME2023-007 01/03/2024. SA reflects that the rates are state adopted. ME refers to the State of Maine. 2023 is the year during which the state completed the survey on which the listed classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. The date, 01/03/2024 in the example, reflects the date on which the classifications and rates under the ?SA? identifier took effect under state law in the state from which the rates were adopted.

WAGE DETERMINATION APPEALS PROCESS

1) Has there been an initial decision in the matter? This can be:

- a) a survey underlying a wage determination
- b) an existing published wage determination
- c) an initial WHD letter setting forth a position on a wage determination matter
- d) an initial conformance (additional classification and rate) determination

On survey related matters, initial contact, including requests for summaries of surveys, should be directed to the WHD Branch of Wage Surveys. Requests can be submitted via email to davisbaconinfo@dol.gov or by mail to:

Branch of Wage Surveys
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

Regarding any other wage determination matter such as conformance decisions, requests for initial decisions should be directed to the WHD Branch of Construction Wage Determinations. Requests can be submitted via email to BCWD-Office@dol.gov or by mail to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2) If an initial decision has been issued, then any interested party (those affected by the action) that disagrees with the decision can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Requests for review and reconsideration can be submitted via email to dba.reconsideration@dol.gov or by mail to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210.

=====
END OF GENERAL DECISION"

1. Payment greater than prevailing wage rate as listed within this document not prohibited per Texas Government Code, Chapter 2258, Prevailing Wage Rates, Subchapter A. General Provisions.
2. Not less than the following hourly rates shall be paid for the various classifications of work required by this project. Workers in classifications where rates are not identified shall be paid not less than the general prevailing rate of "laborer" for the various classifications of work therein listed.
3. The hourly rate for legal holiday and overtime work shall not be less than one and one-half (1 & 1/2) times the base hourly rate.
4. The rates listed are journeyman rates. Helpers may be used on the project and may be compensated at a rate determined mutually by the worker and employer, commensurate with the experience and skill of the worker but not at a rate less than 60% of the journeyman's wage as shown. Apprentices (enrolled in a federally certified apprentice program) may be used at the percentage rates of the journeyman scale stipulated in their apprenticeship agreement. At no time shall a journeyman supervise more than two (2) apprentices or helpers. All apprentices or helpers shall be under the direct supervision of a journeyman working as a crew.
5. Except for Heavy/Highway Construction, building construction wage rates shall be paid to all workers except those workers engaged in site work and construction beyond five feet of buildings.

EXHIBIT B
PERFORMANCE AND PAYMENT BONDS

PERFORMANCE BOND

Bond No. 8054255

THE STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

THE COUNTY OF BRAZOS

§

§

THAT WE, Elliott Construction, LLC, as Principal, hereinafter called "Contractor" and the other subscriber hereto Amerisure Mutual Insurance Company, as Surety, do hereby acknowledge ourselves to be held and firmly bound to the City of College Station, a municipal corporation, in the sum of One Hundred Eighteen Thousand Twelve and 50 /100 Dollars (\$ 118,012.50) for the payment of which sum, well and truly to be made to the City of College Station and its successors, the said Contractor and Surety do bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

WHEREAS, the Contractor has on or about this day executed a Contract in writing with the City of College Station for 18" WW Repair Harvey Road at Carters Creek

all of such Work to be done as set out in full in said Contract Documents therein referred to and adopted by the City Council, all of which are made a part of this instrument as fully and completely as if set out in full herein.

NOW THEREFORE, if the said Contractor shall faithfully and strictly perform Contract in all its terms, provisions, and stipulations in accordance with its true meaning and effect, and in accordance with the Contract Documents referred to therein and shall comply strictly with each and every provision of the Contract, including all warranties and indemnities therein and with this bond, then this obligation shall become null and void and shall have no further force and effect; otherwise the same is to remain in full force and effect.

It is further understood and agreed that the Surety does hereby relieve the City of College Station or its representatives from the exercise of any diligence whatever in securing compliance on the part of the Contractor with the terms of the Contract, including the making of payments thereunder and, having fully considered its Principal's competence to perform the Contract in the underwriting of this Performance Bond, the Surety hereby waives any notice to it of any default, or delay by the Contractor in the performance of his Contract and agrees that it, the Surety, shall be bound to take notice of and shall be held to have knowledge of all acts or omissions of the Contractor in all matters pertaining to the Contract. The Surety understands and agrees that the provision in the Contract that the City of College Station shall retain certain amounts due the Contractor until the expiration of thirty (30) days from the acceptance of the Work is intended for the City's benefit, and the City of College Station shall have the right to pay or withhold such retained amounts or any other amount owing under the Contract without changing or affecting the liability of the Surety hereon in any degree.

It is further expressly agreed by Surety that the City of College Station or its representatives are at liberty at any time, without notice to the Surety, to make any change in the Contract Documents and in the Work to be

done thereunder, as provided in the Contract, and in the terms and conditions thereof, or to make any change in, addition to, or deduction from the Work to be done thereunder; and that such changes, if made, shall not in any way vitiate the obligation in this bond and undertaking or release the Surety therefrom. Surety, for value received, stipulates and agrees that any change in Contract Time or Contract Sum shall not in anywise affect its obligation on this bond and it does hereby waive notice of any such change in Contract Time or Contract Sum.

It is further expressly agreed and understood that the Contractor and Surety will fully indemnify and hold harmless the City of College Station from any liability, loss, cost, expense, or damage arising out of or in connection with the Work done by the Contractor under the Contract. In the event that the City of College Station shall bring any suit or other proceeding at law on the Contract or this bond or both, the Contractor and Surety agree to pay to the City the actual amounts of attorneys' fees incurred by the city in connection with such suit.

This bond and all obligations created hereunder shall be performable in Brazos County, Texas. This bond is given in compliance with the provisions of Chapter 2253 of the Texas Government Code, as amended, which is incorporated herein by this reference. However, all of the express provisions hereof shall be applicable whether or not within the scope of said statute.

Notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third day following deposit in a United State Postal Service post office or receptacle, with proper postage affixed (certified mail, return receipt requested), addressed to the respective other party at the address prescribed in the Contract Documents, or at such other address as the receiving party may hereafter prescribe by written notice to the sending party. A copy of surety agent's "Power of Attorney" must be attached hereto.

IN WITNESS THEREOF, the said Contractor and Surety have signed and sealed this instrument on the respective dates written below their signatures and have attached current Power of Attorney.

Bond No. 8054255

FOR THE CONTRACTOR:

ATTEST & SEAL: (if a corporation) (SEAL)
WITNESS: (if not a corporation)

ELLIOTT CONSTRUCTION, LLC.

(Name of Contractor)

By: Bethany A. Pepper
Name: Bethany H. Pepper
Title: Bookkeeper
Date: July 24, 2025

By: [Signature]
Name: J. Ben Elliott
Title: Member
Date: July 24, 2025

FOR THE SURETY:

ATTEST/WITNESS (SEAL)

Amerisure Mutual Insurance Company
(Full Name of Surety)

By: [Signature]
Name: Amy Erb
Title: Witness
Date: July 24, 2025

2821 W. 7th Street #500
Fort Worth, Texas 76107
(Address of Surety for Notice)

By: [Signature]
Name: Steven Tucker
Title: Attorney-in-Fact
Date: July 24, 2025

FOR THE CITY:

REVIEWED:

**THE FOREGOING BOND IS ACCEPTED ON
BEHALF OF THE CITY OF COLLEGE
STATION, TEXAS:**

City Attorney

City Manager

NOTE: Date of bonds must be on or after the date of execution by City.

TEXAS STATUTORY PAYMENT BOND

Bond No. 8054255

THE STATE OF TEXAS

§

§

THE COUNTY OF BRAZOS

§

KNOW ALL MEN BY THESE PRESENTS:

THAT WE, Elliott Construction, LLC, as Principal, hereinafter called "Principal" and the other subscriber hereto Amerisure Mutual Insurance Company, a corporation organized and existing under the laws of the State of Michigan, licensed to business in the State of Texas and admitted to write bonds, as Surety, herein after called "Surety", do hereby acknowledge ourselves to be held and firmly bound to the City of College Station, a municipal corporation, in the sum of One Hundred Eighteen Thousand Twelve and 50 /100 Dollars (\$ 118,012.50) for payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns jointly and severally.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

WHEREAS, Principal has entered into a certain contract with the City of College Station, dated the 24th day of July, 2025, for 18" WW Repair Harvey Road at Carters Creek

referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW THEREFORE, the condition of this obligation is such that if Principal shall pay all claimants supplying labor and material to him or a subcontractor in the prosecution of the Work provided for in said contract, then, this obligation shall be null and void; otherwise to remain in full force and effect;

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Chapter 2253 of the Texas Government Code and all liabilities on this bond shall be determined in accordance with the provisions, conditions and limitations of said Code to the same extent as if it were copied at length herein.

Surety, for value received, stipulates and agrees that any change in Contract Time or Contract Sum shall not in anywise affect its obligation on this bond, and it does hereby waive notice of any such change in Contract Time or Contract Sum. A copy of surety agent's "Power of Attorney" must be attached hereto.

IN WITNESS THEREOF, the said Principal and Surety have signed and sealed this instrument on the respective dates written below their signatures.

Bond No. 8054255

FOR THE CONTRACTOR:

ATTEST & SEAL: (if a corporation) (SEAL)
WITNESS: (if not a corporation)

ELLIOTT CONSTRUCTION, LLC.

(Name of Contractor)

By: Bethany A. Pepper

Name: Bethany A. Pepper

Title: Bookkeeper

Date: July 24, 2025

By: [Signature]

Name: S. Den Elliott

Title: Member

Date: July 24, 2025

FOR THE SURETY:

ATTEST/WITNESS (SEAL)

By: [Signature]

Name: Amy Erb

Title: Witness

Date: July 24, 2025

Amerisure Mutual Insurance Company
(Full Name of Surety)

2821 W. 7th Street #500

Fort Worth, Texas 76107
(Address of Surety for Notice)

By: [Signature]

Name: Steven Tucker

Title: Attorney-in-Fact

Date: July 24, 2025

FOR THE CITY:

REVIEWED:

**THE FOREGOING BOND IS ACCEPTED ON
BEHALF OF THE CITY OF COLLEGE
STATION, TEXAS:**

City Attorney

City Manager

NOTE: Date of bonds must be on or after the date of execution by City.



AMERISURE MUTUAL INSURANCE COMPANY
 AMERISURE INSURANCE COMPANY
 AMERISURE PARTNERS INSURANCE COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Amerisure Mutual Insurance Company, Amerisure Insurance Company and Amerisure Partners Insurance Company are corporations duly organized under the laws of the State of Michigan (herein collectively the "Companies"), and that the Companies do hereby make, constitute and appoint:

TRACY TUCKER, STEVEN TUCKER, KEVIN J. DUNN, W. LAWRENCE BROWN

BENNETT BROWN AND ROBERTA H. ERB

of Tucker Agency, Ltd., its true and lawful Attorney(s)-in Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge, for and on its behalf and as its act and deed, bonds or others writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts or suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

ONE HUNDRED MILLION (\$100,000,000.00) DOLLARS

This Power of Attorney is granted and signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of Amerisure Mutual Insurance Company, Amerisure Insurance Company and Amerisure Partners Insurance Company at meetings duly called and held on February 17, 2022.

"RESOLVED, that any two of the President & Chief Executive Officer, the Chief Financial Officer & Treasurer, the Senior Vice President Surety, the Vice President Surety, or the General Counsel & Corporate Secretary be, and each or any of them hereby is authorized to execute, a Power of Attorney qualifying the attorney-in-fact named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that President & Chief Executive Officer, Chief Financial Officer & Treasurer or General Counsel & Corporate Secretary each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company;

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto electronically/digitally or by facsimile, and any such Power of Attorney or certificate bearing such electronic/digital or facsimile signatures or electronic/digital or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached;

FURTHER RESOLVED, that any work carried out by the attorney-in-fact pursuant to this resolution shall be valid and binding upon the Company."



By:

Michael A. Ito, Senior Vice President Surety

By:

Aaron Green, Vice President Surety

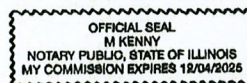


IN WITNESS WHEREOF, Amerisure Mutual Insurance Company, Amerisure Insurance Company and Amerisure Partners Insurance Company have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 26th day of April, 2023.

Amerisure Mutual Insurance Company
 Amerisure Insurance Company
 Amerisure Partners Insurance Company

State of Illinois
 County of Kane

On this 26th day of April, 2023, before me, a Notary Public personally appeared Michael A. Ito, of Amerisure Mutual Insurance Company, Amerisure Insurance Company and Amerisure Partners Insurance Company and Aaron Green of Amerisure Mutual Insurance Company, Amerisure Insurance Company and Amerisure Partners Insurance Company, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



M. Kenny, Notary Public

I, Christopher M. Spaude, the duly elected Chief Financial Officer & Treasurer of Amerisure Mutual Insurance Company, Amerisure Insurance Company and Amerisure Partners Insurance Company, do hereby certify and attest that the above and foregoing is a true and correct copy of a Power of Attorney executed by said Companies, which remains in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 24th day of July, 2025.

Christopher M. Spaude, Chief Financial Officer & Treasurer



Amerisure Mutual Insurance Company
Amerisure Insurance Company
Amerisure Partners Insurance Company
P.O. Box 9098
Farmington Hills, MI 48333-9098

Texas Important Notice

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call Amerisure Surety's toll-free telephone number for information or to make a complaint at:

1-800-257-1900

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights, or complaints at:

1-800-252-3439

You may write the Texas Department of

Insurance:

P.O. Box 12030

Austin, TX 78711-2030

Fax: (512) 490-1007

Web: www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim, you should contact the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener información o para presentar una queja:

Usted puede llamar al número de teléfono gratuito de Amerisure Surety's para obtener información o para presentar una queja al:

1-800-257-1900

Usted puede comunicarse con el Departamento de Seguros de Texas para obtener información sobre compañías, coberturas, derechos, o quejas al:

1-800-252-3439

Usted puede escribir al Departamento

de Seguros de Texas a:

P.O. Box 12030

Austin, TX 78711-2030

Fax: (512) 490-1007

Sitio web: www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

DISPUTAS POR PRIMAS DE SEGUROS O RECLAMACIONES:

Si tiene una disputa relacionada con su prima de seguro o con una reclamación, usted debe comunicarse con la compañía primero. Si la disputa no es resuelta, usted puede comunicarse con el Departamento de Seguros de Texas.

ADJUNTE ESTE AVISO A SU PÓLIZA: Este aviso es solamente para propósitos informativos y no se convierte en parte o en condición del documento adjunto.

EXHIBIT C
CERTIFICATES OF INSURANCE AND ENDORSEMENTS



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

07/02/2025

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 Tucker Agency, Ltd. P O Box 2285 Ft. Worth TX 76113		CONTACT NAME: Candice Rau PHONE (A/C, No, Ext): (817) 336-8520 E-MAIL ADDRESS: candice@tuckeragency.com FAX (A/C, No):	
INSURED Elliott Construction, LLC PO BOX 3788 Bryan TX 77805-3788		INSURER(S) AFFORDING COVERAGE INSURER A: Amerisure Insurance Company INSURER B: Amerisure Mutual Insurance Company INSURER C: The Hanover Insurance Company INSURER D: INSURER E: INSURER F:	
		NAIC # 19488 23396 22292	

COVERAGES**CERTIFICATE NUMBER:** 25-26**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:			CPP21261640101	07/01/2025	07/01/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY			CA 21261630101	07/01/2025	07/01/2026	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 \$			CU 21261650102	07/01/2025	07/01/2026	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
	☒ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N ☒ N	N / A	WC 40000650102	07/01/2025	07/01/2026	☒ 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
C	Installation Floater			RHD M069907 00	07/01/2025	07/01/2026	Limit per Single Location \$1,600,000 Limit per Disaster \$1,600,000

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

The GL and Auto policies include a blanket automatic additional insured endorsement providing additional insured status as required by written contract. The GL includes a blanket automatic additional insured endorsement for ongoing and completed operations providing additional insured status as required by written contract. The Umbrella policy includes follow form additional insured wording as required by written contract. The GL, Auto, and Umbrella policies include primary & non-contributory wording in favor of the additional insured as required by written contract. The GL, Auto, Work Comp, and Umbrella policies include a blanket automatic waiver of subrogation endorsement providing waiver of subrogation status as required by written contract. The policies include an endorsement providing 30 day notice of cancellation (10 for non-payment of premium) to the certificate holder.

CERTIFICATE HOLDER**CANCELLATION**

City of College Station 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
--	---

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AGENCY CUSTOMER ID: 00001250

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

Page ____ of ____

AGENCY Tucker Agency, Ltd.		NAMED INSURED Elliott Construction, LLC	
POLICY NUMBER			
CARRIER	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance: Notes

RE: 18" WW Repair Harvey Road at Carters Creek

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONTRACTOR'S BLANKET FLEX ADDITIONAL INSURED
ENDORSEMENT – FORM A**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Policy Number CPP21261640101	Agency Number 0775275	Policy Effective Date 07/01/2025
Policy Expiration Date 07/01/2026	Date 06/16/2024	Account Number 30011903
Named Insured ELLIOTT CONSTRUCTION, LLC	Agency TUCKER AGENCY, LTD.	Issuing Company AMERISURE INSURANCE COMPANY

A. SECTION II - WHO IS AN INSURED is amended to add as an additional insured:

- 1.** Any person or organization with whom you have agreed in a “written agreement” that such person or organization be added as an additional insured on this policy, and any other person or organization you are required to add as an additional insured under such “written agreement”.
- 2.** If “your work” began under a written letter of intent or written work order, any person or organization who issued the written letter of intent or written work order, but:
 - a.** such coverage will apply only for 30 calendar days following the date the written letter of intent or written work order was issued; and
 - b.** the person or organization is an additional insured only for, and to the extent of, liability arising out of “bodily injury”, “property damage”, or “personal and advertising injury” caused, in whole or in part, by your negligent acts or omissions, or the negligent acts or omissions of others working on your behalf, in the performance of your work as specified in the written letter of intent or written work order. This coverage does not apply to liability arising out of the independent acts or omissions of the additional insured.

For the purposes of the coverage provided by this endorsement, a “written agreement” means a written contract or written agreement that:

- 1.** requires you to include a person or organization as an additional insured for a period of time during the policy period; and
- 2.** is executed prior to the occurrence of “bodily injury”, “property damage”, or “personal and advertising injury” that forms the basis for a claim under this policy.

The insurance provided by this endorsement does not apply to any person or organization that is specifically listed as an additional insured on another endorsement attached to this policy.

B. The coverage provided to any person or organization added as an additional insured pursuant to Paragraph **A.1** is limited as follows:

- 1.** If the “written agreement” specifically and exclusively requires you to name the person or organization as an additional insured using the ISO CG 20 10 endorsement with edition dates of 11 85 or 10 01, or the ISO CG 20 37 10 01 endorsement, that person or organization is an additional insured, but only with respect to liability for “bodily injury”, “property damage”, or “personal and advertising injury” arising out of “your work” for that insured by or for you.
- 2.** If the “written agreement” requires you to name the person or organization as an additional insured using the ISO CG 20 10 and or CG 20 37 endorsements without specifically and exclusively requiring the 11 85 or 10 01 edition dates, that person or organization is an additional insured, but only with respect to liability for “bodily injury”, “property damage”, or “personal and advertising injury” caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf.
- 3.** If the “written agreement” requires you to name the person or organization as an additional insured for operations arising out of your work and does not specify an ISO additional insured endorsement, that person or organization is an additional insured, but only with respect to liability for “bodily injury”, “property damage”, or “personal and advertising injury” arising out of your acts or omissions, or the acts or omissions of others working on your behalf, in the performance of your work as specified in the “written agreement”. This coverage does not apply to liability arising out of the sole negligence of the additional insured unless specifically required in the “written agreement”.
- 4.** If none of the above paragraphs apply, then the person or organization is an additional insured only for, and to the extent of, liability arising out of “bodily injury”, “property damage”, or “personal and advertising injury” caused, in whole or in part, by your negligent acts or omissions, or the negligent acts or omissions of others working on your behalf, in the performance of your work as specified in the “written agreement”. This coverage does not apply to liability arising out of the independent acts or omissions of the additional insured.

However, the insurance afforded to such additional insured only applies to the extent permitted by law.

C. The insurance provided to an additional insured under this endorsement does not apply to:

- 1.** “Bodily injury” or “property damage” included in the “products-completed operations hazard” unless the “written agreement” specifically requires such coverage (including by specifically requiring the CG 20 10 11 85). To the extent the “written agreement” requires such coverage for a specified amount of time, the coverage provided by this endorsement is limited to the amount of time required for such coverage by the “written agreement”.
- 2.** “Bodily injury”, “property damage”, or “personal and advertising injury” arising out of an architect’s, engineer’s, or surveyor’s rendering of, or failure to render, any professional services, including but not limited to:
 - a.** The preparing, approving, or failing to prepare or approve:
 - (1)** Maps;
 - (2)** Drawings;
 - (3)** Opinions;
 - (4)** Reports;
 - (5)** Surveys;
 - (6)** Change orders;

(7) Design specifications; and

b. Supervisory, inspection, or engineering services.

- D. The limits of insurance that apply to the additional insured are the least of those specified in the “written agreement” or declarations of this policy.

Coverage provided by this endorsement for any additional insured shall not increase the applicable Limits of Insurance shown in the Declarations. The limits of insurance that apply to the additional insured are inclusive of, and not in addition to, the Limits of Insurance shown in the Declarations.

- E. With respect to the coverage provided by this endorsement, **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4. **Other Insurance** is deleted and replaced with the following:

4. Other Insurance.

- a. Coverage provided by this endorsement is excess over any other valid and collectible insurance available to the additional insured whether:

- (1) Primary;
- (2) Excess;
- (3) Contingent; or
- (4) On any other basis.

In addition, this insurance is excess over any self-insured retentions, deductibles, or captive retentions payable by the additional insured or payable by any person or organization whose coverage is available to the additional insured.

However, if the “written agreement” requires primary and non-contributory coverage, this insurance will be primary and non-contributory relative only to the other insurance available to the additional insured which covers that person or organization as a Named Insured, and we will not share with that other insurance. For any other insurance available to the additional insured where that person or organization is not a Named Insured, this policy will share coverage with that other insurance based on the terms specified in Paragraph b. Method of Sharing below.

b. Method of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this method, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS
CONTRACTOR'S GENERAL LIABILITY EXTENSION ENDORSEMENT

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This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Under **SECTION I – COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, paragraph **2. EXCLUSIONS**, provisions **1.** through **6.** of this endorsement are excess over any valid and collectible insurance (including any deductible) available to the insured, whether primary, excess or contingent (**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, paragraph **4. Other Insurance** is changed accordingly). Provisions **1.** through **6.** of this endorsement amend the policy as follows:

1. PROPERTY DAMAGE LIABILITY – ALIENATED PREMISES

- A.** Exclusion **j. Damage to Property**, subparagraph **(2)** is deleted.
- B.** The following paragraph is deleted from Exclusion **j. Damage to Property**;
Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

2. PROPERTY DAMAGE LIABILITY – ELEVATORS AND SIDETRACK AGREEMENTS

- A.** Exclusion **j. Damage to Property**, paragraphs **(3)**, **(4)**, and **(6)** do not apply to the use of elevators.
- B.** Exclusion **k. Damage to Your Product** does not apply to:
 - 1.** The use of elevators; or
 - 2.** Liability assumed under a sidetrack agreement.

3. PROPERTY DAMAGE LIABILITY – PROPERTY LOANED TO THE INSURED OR PERSONAL PROPERTY IN THE CARE, CUSTODY AND CONTROL OF THE INSURED

- A.** Exclusion **j. Damage to Property**, paragraphs **(3)** and **(4)** are deleted..
- B.** Coverage under this provision **3.** does not apply to "property damage" that exceeds \$25,000 per occurrence or \$25,000 annual aggregate.

4. PRODUCT RECALL EXPENSE

- A.** Exclusion **n. Recall of Products, Work or Impaired Property** does not apply to "product recall expenses" that you incur for the "covered recall" of "your product". This exception to the exclusion does not apply to "product recall expenses" resulting from:
 - 1.** Failure of any products to accomplish their intended purpose;
 - 2.** Breach of warranties of fitness, quality, durability or performance;
 - 3.** Loss of customer approval or any cost incurred to regain customer approval;
 - 4.** Redistribution or replacement of "your product", which has been recalled, by like products or substitutes;
 - 5.** Caprice or whim of the insured;
 - 6.** A condition likely to cause loss, about which any insured knew or had reason to know at the inception of this insurance;
 - 7.** Asbestos, including loss, damage or clean up resulting from asbestos or asbestos containing materials;
 - 8.** Recall of "your product(s)" that have no known or suspected defect solely because a known or suspected defect in another of "your product(s)" has been found.
- B.** Under **SECTION III – LIMITS OF INSURANCE**, paragraph **3.** is replaced in its entirety as follows and paragraph **8.** is added:
 - 3.** The Products-Completed Operations Aggregate Limit is the most we will pay for the sum of:

- a. Damages under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** because of "bodily injury" and "property damage" included in the "products-completed operations hazard" and

- b. "Product recall expenses".

- 8. Subject to paragraph 5. above [of the CGL Coverage Form], \$25,000 is the most we will pay for all "product recall expenses" arising out of the same defect or deficiency.

5. NONOWNED WATERCRAFT

Exclusion **g. Aircraft, Auto or Watercraft**, paragraph (2) is deleted and replaced with the following:

[This exclusion does not apply to:]

- (2) A watercraft you do not own that is:

- (a) Less than 75 feet long; and

- (b) Not being used to carry any person or property for a charge;

6. BLANKET CONTRACTUAL LIABILITY – RAILROADS

Under **SECTION V – DEFINITIONS**, paragraph **c.** of "Insured Contract" is deleted and replaced by the following:

- c. Any easement or license agreement;

Under **SECTION V – DEFINITIONS**, paragraph **f.(1)** of "Insured Contract" is deleted.

7. CONTRACTUAL LIABILITY – PERSONAL AND ADVERTISING INJURY

Under **SECTION I – COVERAGE B.**, paragraph 2. **Exclusions**, paragraph **e. Contractual Liability** is deleted.

8. SUPPLEMENTARY PAYMENTS

Under **SECTION I – SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**, paragraph **1.b.** is deleted and replaced with the following:

- 1. b. Up to \$5,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

9. BROADENED WHO IS AN INSURED

SECTION II – WHO IS AN INSURED is deleted and replaced with the following:

- 1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

2. Each of the following is also an insured:

- a.** Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees," other than either your "executive officers," (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insured for:

(1) "Bodily injury" or "personal and advertising injury":

- (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b)** To the spouse, child, parent, brother or sister of that co-"employee" or volunteer worker as a consequence of paragraph **(1)(a)** above;
- (c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in paragraphs **(1)(a)** or **(b)** above; or
- (d)** Arising out of his or her providing or failing to provide professional health care services except as provided in Provision **10.** of this endorsement.

Paragraphs **(1)(a)**, **(1)(b)** and **(1)(c)** above do not apply to your "employees" who are:

- (i)** Managers;
- (ii)** Supervisors;
- (iii)** Directors; or
- (iv)** Officers;

with respect to "bodily injury" to a co-"employee".

(2) "Property damage" to property:

- (a)** Owned, occupied or used by;
- (b)** Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees," "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b.** Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
- c.** Any person or organization having proper temporary custody of your property if you die, but only;
 - (1)** With respect to liability arising out of the maintenance or use of that property; and
 - (2)** Until your legal representative has been appointed.
- d.** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Form.
- e.** Your subsidiaries if:
 - (1)** They are legally incorporated entities; and
 - (2)** You own more than 50% of the voting stock in such subsidiaries as of the effective date of this policy.

If such subsidiaries are not shown in the Declarations, you must report them to us within 180 days of the inception of your original policy.

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- f.** Any person or organization, including any manager, owner, lessor, mortgagee, assignee or receiver of premises, to whom you are obligated under a written contract to provide insurance such as is afforded by this policy, but only with respect to liability arising out of the ownership, maintenance or use of that part of any premises or land leased to you, including common or public areas about such premises or land if so required in the contract.

However, no such person or organization is an insured with respect to:

- (1)** Any "occurrence" that takes place after you cease to occupy or lease that premises or land; or
- (2)** Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

- g.** Any state or political subdivision but only as respects legal liability incurred by the state or political subdivision solely because it has issued a permit with respect to operations performed by you or on your behalf.

However, no state or political subdivision is an insured with respect to:

- (1)** "Bodily injury", "property damage", "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2)** "Bodily injury" or "property damage" included within the "products-completed operations hazard."

- h.** Any person or organization who is the lessor of equipment leased to you, to whom you are obligated under a written contract to provide insurance such as is afforded by this policy, but only with respect to their liability arising out of the maintenance, operation or use of such equipment by you or a subcontractor on your behalf with your permission and under your supervision. However, if you have entered into a construction contract subject to Subchapter C of Chapter 151 of Subtitle C of Title 2 of the Texas Insurance Code with the additional insured, the insurance afforded to such person(s) or organization(s) only applies to the extent permitted by Subchapter C of Chapter 151 of Subtitle C of Title 2 of the Texas Insurance Code.

No such person or organization, however, is an insured with respect to any "occurrence" that takes place after the equipment lease expires.

- i.** Any architect, engineer, or surveyor engaged by you under a written contract but only with respect to liability arising out of your premises or "your work." However, if you have entered into a construction contract subject to Subchapter C of Chapter 151 of Subtitle C of Title 2 of the Texas Insurance Code with the additional insured, the insurance afforded to such person only applies to the extent permitted by Subchapter C of the Chapter 151 of Subtitle C of Title 2 of the Texas Insurance Code.

No architect, engineer, or surveyor, however, is an insured with respect to "bodily injury," "property damage," or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

- (1)** The preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
- (2)** Supervisory, inspection, or engineering services.

This paragraph **i.** does not apply if a separate Additional Insured endorsement providing liability coverage for architects, engineers, or surveyors engaged by you is attached to the policy.

If the written contract or written agreement requires primary and non-contributory coverage, the insurance provided by paragraphs **f.** through **i.** above will be primary and non-contributory relative to other insurance available to the additional insured which covers that person or organization as a Named Insured, and we will not share with that other insurance.

- 3.** Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a.** Coverage under this provision is afforded only until the end of the policy period;
 - b.** Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization;

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- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
 - d. Coverage **A** does not apply to "product recall expense" arising out of any withdrawal or recall that occurred before you acquired or formed the organization.
4. Any person or organization (referred to below as vendor) with whom you agreed under a written contract to provide insurance is an insured, but only with respect to "bodily injury" or "property damage" arising out of "your products" that are distributed or sold in the regular course of the vendor's business.

However, no such person or organization is an insured with respect to:

- a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement.
- b. Any express warranty unauthorized by you;
- c. Any physical or chemical change in "your product" made intentionally by the vendor;
- d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of "your products";
- f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the "your product";
- g. "Your products" which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor.
- h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (1) The exceptions contained in subparagraphs **d.** or **f.**; or
 - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

This paragraph **4.** does not apply to any insured person or organization from which you have acquired "your products", or any ingredient, part, or container, entering into, accompanying or containing "your products". This paragraph **4.** also does not apply if a separate Additional Insured endorsement, providing liability coverage for "bodily injury" or "property damage" arising out of "your product" that is distributed or sold in the regular course of a vendor's business, is attached to the policy.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

10. INCIDENTAL MALPRACTICE LIABILITY

As respects provision **9.**, **SECTION II – WHO IS AN INSURED**, paragraph **2.a.(1)(d)** does not apply to any nurse, emergency medical technician or paramedic employed by you to provide medical or paramedical services, provided that you are not engaged in the business or occupation of providing such services, and your "employee" does not have any other insurance that would also cover claims arising under this provision, whether the other insurance is primary, excess, contingent or on any other basis.

Under **SECTION III – LIMITS OF INSURANCE**, provisions **11.** through **14.** of this endorsement amend the policy as follows:

11. AGGREGATE LIMITS PER PROJECT

The General Aggregate Limit applies separately to each of your construction projects away from premises owned by or rented to you.

12. AGGREGATE LIMITS PER LOCATION

The General Aggregate Limit applies separately to each of your locations, but only when required by written contract or written agreement. As respects this provision **12.**, your locations are premises you own, rent or use involving the same or connecting lots or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad. However, your locations do not include any premises where you, or others acting on your behalf, are performing construction operations.

13. INCREASED MEDICAL PAYMENTS LIMITS

A. **SECTION III – LIMITS OF INSURANCE**, paragraph **7.**, the Medical Expense Limit, is subject to all the terms of **SECTION III – LIMITS OF INSURANCE** and is the greater of:

1. \$10,000; or
2. The amount shown in the Declarations for Medical Expense Limit.

B. This provision **13.** does not apply if **COVERAGE C MEDICAL PAYMENTS** is excluded either by the provisions of the Coverage Form or by endorsement.

14. DAMAGE TO PREMISES RENTED TO YOU – SPECIFIC PERILS AND INCREASED LIMIT

A. The word fire is changed to "specific perils" where it appears in:

1. The last paragraph of **SECTION I – COVERAGE A**, paragraph **2. Exclusions**;
2. **SECTION IV**, paragraph **4.b. Excess Insurance**.

B. The Limits of Insurance shown in the Declarations will apply to all damage proximately caused by the same event, whether such damage results from a "specific peril" or any combination of "specific perils."

C. The Damage To Premises Rented To You Limit described in **SECTION III -- LIMITS OF INSURANCE**, paragraph **6.**, is replaced by a new limit, which is the greater of:

1. \$1,000,000; or
2. The amount shown in the Declarations for Damage To Premises Rented To You Limit.

D. This provision **14.** does not apply if the Damage To Premises Rented To You Limit of **SECTION I – COVERAGE A** is excluded either by the provisions of the Coverage Form or by endorsement.

E. "Specific Perils" means fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; weight of snow, ice or sleet; or "water damage".

"Water damage" means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

15. BROADENED LEGAL LIABILITY COVERAGE FOR LANDLORD'S BUSINESS PERSONAL PROPERTY

Under **SECTION I – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, **2.**

Exclusions, j. Damage to Property, the first paragraph following paragraph **(6)** is deleted and replaced with the following:

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to a landlord's business personal property that is subject to, or part of, a premises lease or rental agreement with that landlord.

The most we will pay for damages under this provision **15.** is \$10,000. A \$250 deductible applies.

Under **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, provisions **16.** through **18.** of this endorsement amend the policy as follows:

16. BROADENED KNOWLEDGE OF OCCURRENCE

Under **2. Duties In The Event Of Occurrence, Offense, Claim, Or Suit**, paragraph **a.** is deleted and replaced and paragraphs **e.** and **f.** are added as follows:

- a.** You must see to it that we are notified as soon as practicable of an "occurrence" or an offense, regardless of the amount, which may result in a claim. Knowledge of an "occurrence" or an offense by your "employee(s)" shall not, in itself, constitute knowledge to you unless one of your partners, members, "executive officers," directors, or managers has knowledge of the "occurrence" or offense. To the extent possible, notice should include:
 - (1)** How, when and where the "occurrence" or offense took place;
 - (2)** The names and addresses of any injured persons and witnesses; and
 - (3)** The nature and location of any injury or damage arising out of the "occurrence" or offense.
- e.** If you report an "occurrence" to your workers compensation carrier that develops into a liability claim for which coverage is provided by this Coverage Form, failure to report such an "occurrence" to us at the time of the "occurrence" shall not be deemed a violation of paragraphs a., b., and c. above. However, you shall give written notice of this "occurrence" to us as soon you become aware that this "occurrence" may be a liability claim rather than a workers compensation claim.
- f.** You must see to it that the following are done in the event of an actual or anticipated "covered recall" that may result in "product recall expense":
 - (1)** Give us prompt notice of any discovery or notification that "your product" must be withdrawn or recalled. Include a description of "your product" and the reason for the withdrawal or recall;
 - (2)** Cease any further release, shipment, consignment or any other method of distribution of like or similar products until it has been determined that all such products are free from defects that could be a cause of loss under the insurance.

17. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

Paragraph **6. Representations** is deleted and replaced with the following:

6. Representations

By accepting this policy, you agree:

- a.** The statements in the Declarations are accurate and complete;
- b.** Those statements are based upon representations you made to us; and
- c.** We have issued this policy in reliance upon your representations.

We will not deny coverage under this Coverage Form if you unintentionally fail to disclose all hazards existing as of the inception date of this policy. You must report to us any knowledge of an error or omission in the description of any premises or operations intended to be covered by this Coverage Form as soon as practicable after its discovery. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

18. TRANSFER OF RIGHTS (BLANKET WAIVER OF SUBROGATION)

Paragraph **8. Transfer of Rights Of Recovery Against Others To Us** is deleted and replaced with the following:

- 8.** If the insured has rights to recover all or part of any payment we have made under this Coverage Form, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. However, if the insured has waived rights to recover through a written contract, or if "your work" was commenced under a letter of intent or work order, subject to a subsequent reduction to writing with customers whose customary contracts require a waiver, we waive any right of recovery we may have under this Coverage Form.

19. EXTENDED NOTICE OF CANCELLATION AND NONRENEWAL

Paragraph 2.b. of **A. Cancellation** of the **COMMON POLICY CONDITIONS** is deleted and replaced with the following:

- b.** 60 days before the effective date of the cancellation if we cancel for any other reason.

Under **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph **9. When We Do Not Renew** is deleted and replaced with the following:

9. When We Do Not Renew

- a.** We may elect not to renew this policy except, that under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the policyholder is an elected official.
- b.** If we elect not to renew this policy, we may do so by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this policy will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.
- c.** If notice is mailed, proof of mailing will be sufficient proof of notice.
- d.** The transfer of a policyholder between admitted companies within the same insurance group is not considered a refusal to renew.

20. MOBILE EQUIPMENT REDEFINED

Under **SECTION V – DEFINITIONS**, paragraph **12. "Mobile equipment"**, paragraph **f. (1)** does not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight that are not designed for highway use.

21. ADDITIONAL DEFINITIONS

- 1. SECTION V – DEFINITIONS**, paragraph **4. "Coverage territory"** is replaced by the following definition:

"Coverage territory" means anywhere in the world with respect to liability arising out of "bodily injury," "property damage," or "personal and advertising injury," including "personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication provided the insured's responsibility to pay damages is determined in a settlement to which we agree or in a "suit" on the merits, in the United States of America (including its territories and possessions), Puerto Rico and Canada.

- 2. SECTION V – DEFINITIONS** is amended by the addition of the following definitions:

"Covered recall" means a recall made necessary because you or a government body has determined that a known or suspected defect, deficiency, inadequacy, or dangerous condition in "your product" has resulted or will result in "bodily injury" or "property damage".

"Product Recall expenses" mean only reasonable and necessary extra costs, which result from or are related to the recall or withdrawal of "your product" for:

- a.** Telephone and telegraphic communication, radio or television announcements, computer time and newspaper advertising;
- b.** Stationery, envelopes, production of announcements and postage or facsimiles;
- c.** Remuneration paid to regular employees for necessary overtime or authorized travel expense;
- d.** Temporary hiring by you or by agents designated by you of persons, other than your regular employees, to perform necessary tasks;
- e.** Rental of necessary additional warehouse or storage space;
- f.** Packaging of or transportation or shipping of defective products to the location you designate; and
- g.** Disposal of "your products" that cannot be reused. Disposal expenses do not include:
 - (1)** Expenses that exceed the original cost of the materials incurred to manufacture or process such product; and

- (2) Expenses that exceed the cost of normal trash discarding or disposal, except as are necessary to avoid “bodily injury” or “property damage”.

22. REASONABLE FORCE – BODILY INJURY OR PROPERTY DAMAGE

Under **SECTION I – COVERAGE A.**, paragraph **2. Exclusions**, subparagraph **a. Expected Or Intended Injury** is deleted and replaced with the following:

[This insurance does not apply to:]

a. Expected Or Intended Injury

“Bodily injury” or “property damage” expected or intended from the standpoint of the insured. This exclusion does not apply to “bodily injury” or “property damage” resulting from the use of reasonable force to protect persons or property.

23. BROADENED LIABILITY COVERAGE FOR DAMAGE TO YOUR PRODUCT AND YOUR WORK

- A. Under **SECTION I – COVERAGE A.**, paragraph **2. Exclusions**, exclusion **k. Damage to Your Product** and exclusion **l. Damage to Your Work** are deleted and replaced with the following:

[This insurance does not apply to:]

k. Damage to Your Product

“Property damage” to “your product” arising out of it or any part of it, except when caused by or resulting from:

- (1) Fire;
- (2) Smoke;
- (3) “Collapse”; or
- (4) Explosion.

For purposes of exclusion k. above, “collapse” means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

l. Damage to Your Work

“Property damage” to “your work” arising out of it or any part of it and included in the “products-completed operations hazard”. This exclusion does not apply:

- (1) If the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor; or
- (2) If the cause of loss to the damaged work arises as a result of:
 - (a) Fire;
 - (b) Smoke;
 - (c) “Collapse”; or
 - (d) Explosion.

For purposes of exclusion l. above, “collapse” means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

- B. The following paragraph is added to **SECTION III – LIMITS OF INSURANCE**:

Subject to **5.** above [of the CGL Coverage Form], \$100,000 is the most we will pay under Coverage **A** for the sum of damages arising out of any one "occurrence" because of "property damage" to "your product" and "your work" that is caused by fire, smoke, collapse or explosion and is included within the "product-completed operations hazard". This sublimit does not apply to "property damage" to "your work" if the damaged work, or the work out of which the damage arises, was performed on your behalf by a subcontractor.

24. BROADENED BODILY INJURY COVERAGE

Under **SECTION V – DEFINITIONS**, the definition of "bodily injury" is deleted and replaced with the following:

3. "Bodily injury"

a. Means physical:

- (1)** Injury;
- (2)** Disability;
- (3)** Sickness; or
- (4)** Disease;

sustained by a person, including death resulting from any of these at any time.

b. Includes mental:

- (5)** Anguish;
- (6)** Injury;
- (7)** Humiliation;
- (8)** Fright; or
- (9)** Shock;

directly resulting from any "bodily injury" described in paragraph **3.a.**

c. All "bodily injury" described in paragraph **3.b. shall be deemed to have occurred at the time the "bodily injury" described in paragraph **3.a.** occurred.**

25. DESIGNATED COMPLETED PROJECTS – AMENDED LIMITS OF INSURANCE

When a written contract or written agreement between you and another party requires project-specific limits of insurance exceeding the limits of this policy;

- A.** for "bodily injury" or "property damage" that occurs within any policy period for which we provided coverage; and
- B.** for "your work" performed within the "products-completed operation hazard"; and
- C.** for which we previously issued Amendment Of Limits Of Insurance (Designated Project Or Premises) CG 71 94 either during this policy term or a prior policy term; and
- D.** that designated project is now complete;

the limits of insurance shown in the CG 71 94 schedule will replace the limits of insurance of this policy for the designated project and will continue to apply for the amount of time the written contract or written agreement requires, subject to the state statute of repose of the project location. These limits are inclusive of and not in addition to the replaced limits.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARLIER NOTICE OF CANCELLATION PROVIDED BY US

Number of Days Notice 30

For any statutorily permitted reason **other than nonpayment of premium**, the number of days required for notice of cancellation is increased to the number of days shown in the Schedule above.

If this policy is cancelled by us we will send the Named Insured and any party listed in the following schedule notice of cancellation based on the number of days notice shown above.

SCHEDULE

Name of Person or Organization

The Name of Person or Organization is any person or organization holding a certificate of insurance issued for you, provided the certificate:

1. Refers to this policy;
2. States that notice of:
 - a. Cancellation;
 - b. Nonrenewal; or
 - c. Material change reducing or restricting coverage;will be provided to that person or organization;
3. Is in effect at the time of the:
 - a. Cancellation;
 - b. Nonrenewal; or
 - c. Material change reducing or restricting coverage; and
4. Is on file at your agent or broker's office for this policy.

Mailing Address

The Mailing Address is the address shown for that person or organization in that certificate of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS ADVANTAGE COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT

This endorsement modifies insurance provided under the

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The premium for this endorsement is \$ _____

1. BROAD FORM INSURED

SECTION II - LIABILITY COVERAGE, A.1. Who Is An Insured is amended by the addition of the following:

- d. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or a majority interest, will qualify as a Named Insured. However,
 - (1) Coverage under this provision is afforded only until the end of the policy period;
 - (2) Coverage does not apply to "accidents" or "loss" that occurred before you acquired or formed the organization; and
 - (3) Coverage does not apply to an organization that is an "insured" under any other policy or would be an "insured" but for its termination or the exhausting of its limit of insurance.
- e. Any "employee" of yours using:
 - (1) A covered "auto" you do not own, hire or borrow, or a covered "auto" not owned by the "employee" or a member of his or her household, while performing duties related to the conduct of your business or your personal affairs; or
 - (2) An "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business. However, your "employee" does not qualify as an insured under this paragraph (2) while using a covered "auto" rented from you or from any member of the "employee's" household.
- f. Your members, if you are a limited liability company, while using a covered "auto" you do not own, hire or borrow and while performing duties related to the conduct of your business or your personal affairs.
- g. Any person or organization with whom you agree in a written contract, written agreement or permit, to provide insurance such as is afforded under this policy, but only with respect to your covered "autos".

This provision does not apply:

 - (1) Unless the written contract or agreement is executed or the permit is issued prior to the "bodily injury" or "property damage";
 - (2) To any person or organization included as an insured by an endorsement or in the Declarations; or
 - (3) To any lessor of "autos" unless:
 - (a) The lease agreement requires you to provide direct primary insurance for the lessor;
 - (b) The "auto" is leased without a driver; and

- (c) The lease had not expired.

Leased "autos" covered under this provision will be considered covered "autos" you own and not covered "autos" you hire.

- h. Any legally incorporated organization or subsidiary in which you own more than 50% of the voting stock on the effective date of this endorsement.

This provision does not apply to "bodily injury" or "property damage" for which an "insured" is also an insured under any other automobile policy or would be an insured under such a policy, but for its termination or the exhaustion of its limits of insurance, unless such policy was written to apply specifically in excess of this policy.

2. COVERAGE EXTENSIONS - SUPPLEMENTARY PAYMENTS

Under **Section II - LIABILITY COVERAGE, A.2.a. Supplementary Payments**, paragraphs (2) and (4) are deleted and replaced as follows:

- (2) Up to \$2,500 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

3. AMENDED FELLOW EMPLOYEE EXCLUSION

Under **SECTION II - LIABILITY COVERAGE, B. EXCLUSIONS**, paragraph 5. **Fellow Employee** is deleted and replaced by the following:

5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business. However, this exclusion does not apply to your "employees" that are officers, managers, supervisors or above. Coverage is excess over any other collectible insurance.
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of paragraph a. above.

4. HIRED AUTO PHYSICAL DAMAGE COVERAGE AND LOSS OF USE EXPENSE

- A. Under **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE**, the following is added:

If any of your owned covered "autos" are covered for Physical Damage, we will provide Physical Damage coverage to "autos" that you or your "employees" hire or borrow, under your name or the "employee's" name, for the purpose of doing your work.

We will provide coverage equal to the broadest physical damage coverage applicable to any covered "auto" shown in the Declarations, Item Three, Schedule of Covered Autos You Own, or on any endorsements amending this schedule.

- B. Under **SECTION III - PHYSICAL DAMAGE COVERAGE, A.4. Coverage Extensions**, paragraph b. **Loss Of Use Expenses** is deleted and replaced with the following:

b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision, only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

- (2) Specified Causes of Loss, only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision, only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$30 per day, to a maximum of \$2,000.

C. Under **SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance**, paragraph **b.** is replaced by the following:

b. For Hired Auto Physical Damage, the following are deemed to be covered "autos" you own:

- 1. Any covered "auto" you lease, hire, rent or borrow; and
- 2. Any covered "auto" hired or rented by your "employees" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto", nor is any "auto" you hire from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households.

5. LOAN OR LEASE GAP COVERAGE

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, A. COVERAGE**, the following is added:

If a covered "auto" is owned or leased and if we provide Physical Damage Coverage on it, we will pay, in the event of a covered total "loss", any unpaid amount due on the lease or loan for a covered "auto", less:

- (a) The amount paid under the Physical Damage Section of the policy; and
- (b) Any:
 - (1) Overdue lease or loan payments including penalties, interest or other charges resulting from overdue payments at the time of the "loss";
 - (2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - (3) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease;
 - (4) Security deposits not refunded by a lessor; and
 - (5) Carry-over balances from previous loans or leases.

6. RENTAL REIMBURSEMENT

Under **SECTION III - PHYSICAL DAMAGE COVERAGE, A.4. Coverage Extensions**, paragraph **a. Transportation Expenses** is deleted and replaced by the following:

a. Transportation Expenses

- (1) We will pay up to \$75 per day to a maximum of \$2,000 for transportation expense incurred by you because of covered "loss". We will pay only for those covered "autos" for which you carry Collision Coverage or either Comprehensive Coverage or Specified Causes of Loss Coverage. We will pay for transportation expenses incurred during the period beginning 24 hours after the covered "loss" and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss". This coverage is in addition to the otherwise applicable coverage you have on a covered "auto". No deductibles apply to this coverage.

- (2) This coverage does not apply while there is a spare or reserve “auto” available to you for your operation.

7. AIRBAG COVERAGE

Under **SECTION III - PHYSICAL DAMAGE, B. EXCLUSIONS**, paragraph **3.** is deleted and replaced by the following:

- 3.** We will not pay for “loss” caused by or resulting from any of the following unless caused by other “loss” that is covered by this insurance:
- (1) Wear and tear, freezing, mechanical or electrical breakdown. However, this exclusion does not include the discharge of an airbag.
 - (2) Blowouts, punctures or other road damage to tires.

8. GLASS REPAIR – WAIVER OF DEDUCTIBLE

Section III – PHYSICAL DAMAGE COVERAGE, D. Deductible is amended to add the following:

No deductible applies to glass damage if the glass is repaired rather than replaced.

9. COLLISION COVERAGE – WAIVER OF DEDUCTIBLE

Under **Section III - PHYSICAL DAMAGE COVERAGE, D. Deductible** is amended to add the following:

When there is a loss to your covered “auto” insured for Collision Coverage, no deductible will apply if the loss was caused by a collision with another “auto” insured by us.

10. KNOWLEDGE OF ACCIDENT

Under **SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit Or Loss**, paragraph **a.** is deleted and replaced by the following:

- a.** You must see to it that we are notified as soon as practicable of an “accident”, claim, “suit” or “loss”. Knowledge of an “accident”, claim, “suit” or “loss” by your “employees” shall not, in itself, constitute knowledge to you unless one of your partners, executive officers, directors, managers, or members (if you are a limited liability company) has knowledge of the “accident”, claim, “suit” or “loss”. Notice should include:
- (1) How, when and where the “accident” or “loss” occurred;
 - (2) The “insured’s” name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.

11. TRANSFER OF RIGHTS (BLANKET WAIVER OF SUBROGATION)

Under **SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions** paragraph **5. Transfer Of Rights Of Recovery Against Others To Us** is deleted and replaced by the following:

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after “accident” or “loss” to impair them. However, if the “insured” has waived rights to recover through a written contract, or if your work was commenced under a letter of intent or work order, subject to a subsequent reduction in writing with customers whose customary contracts require a waiver, we waive any right of recovery we may have under this Coverage Form.

12. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

Under **SECTION IV - BUSINESS AUTO CONDITIONS , B. General Conditions** , paragraph **2. Concealment, Misrepresentation Or Fraud** is amended by the addition of the following:

We will not deny coverage under this Coverage Form if you unintentionally fail to disclose all hazards existing as of the inception date of this policy. You must report to us any knowledge of an error or omission in your representations as soon as practicable after its discovery. This provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

13. BLANKET COVERAGE FOR CERTAIN OPERATIONS IN CONNECTION WITH RAILROADS

When required by written contract or written agreement, the definition of "insured contract" is amended as follows:

- The exception contained in paragraph **H.3.** relating to construction or demolition operations on or within 50 feet of a railroad; and
- Paragraph **H.a.**

are deleted with respect to the use of a covered "auto" in operations for, or affecting, a railroad.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION, NONRENEWAL OR MATERIAL CHANGE – THIRD PARTY

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
COMMERCIAL GENERAL LIABILITY COVERAGE FORM
COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
TRUCKERS COVERAGE FORM

Subject to the cancellation provisions of the Coverage Form to which this endorsement is attached, we will not:

1. Cancel;
2. Nonrenew; or,
3. Materially change (reduce or restrict)

this Coverage Form, except for nonpayment of premium, until we provide at least 30 days written notice of such cancellation, nonrenewal or material change. Written notice will be to the person or organization named in the Schedule. Such notice will be by certified mail with return receipt requested.

This notification of cancellation, nonrenewal or material change to the person or organization named in the Schedule is intended as a courtesy only. Our failure to provide such notification will not:

1. Extend any Coverage Form cancellation date;
2. Negate the cancellation as to any insured or any certificate holder;
3. Provide any additional insurance that would not have been provided in the absence of this endorsement;
or
4. Impose liability of any kind upon us.

This endorsement does not entitle the person or organization named in the Schedule to any benefits, rights or protection under this Coverage Form.

SCHEDULE

Name Of Person Or Organization

Mailing Address

Any person or organization holding a certificate of insurance issued for you, provided the certificate:

The address shown for that person or organization in that certificate of insurance

1. Refers to this policy;
2. States that notice of:
 - a. Cancellation;
 - b. Nonrenewal; or
 - c. Material change reducing or restricting coverage;will be provided to that person or organization;
3. Is in effect at the time of the:
 - a. Cancellation;
 - b. Nonrenewal; or
 - c. Material change reducing or restricting coverage; and
4. Is on file at your agent or broker's office for this policy

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.

Schedule1. ☐ 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:

3. Premium:

The premium charge for this endorsement shall be ____ 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:

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No.

Endorsement No.
Premium:

Insurance Company

Countersigned by _____

WC 42 03 04 B

(Ed. 06-2014)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION OR NONRENEWAL - THIRD PARTY

This endorsement modifies insurance provided under the following:

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

Subject to the cancellation provisions of the Policy to which this endorsement is attached, we will not:

1. Cancel; or
2. Nonrenew

this Policy, except for nonpayment of premium, until we provide at least 30 days written notice of such cancellation or nonrenewal. Written notice will be to the person or organization named in the Schedule. Such notice will be by certified mail with return receipt requested.

This notification of cancellation or nonrenewal to the person or organization named in the Schedule is intended as a courtesy only. Our failure to provide such notification will not:

1. Extend any Policy cancellation date;
2. Negate the cancellation as to any insured or any certificate holder;
3. Provide any additional insurance that would not have been provided in the absence of this endorsement; or
4. Impose liability of any kind upon us.

This endorsement does not entitle the person or organization named in the Schedule to any benefits, rights or protection under this Policy.

SCHEDULE

Name Of Person Or Organization

Mailing Address

Any person or organization holding a certificate of insurance issued for you, provided that certificate:

The address shown for that person or organization in that certificate of insurance

1. Refers to this policy;
2. States that notice of:
 - a. Cancellation;
 - b. Nonrenewal; or
 - c. Material change reducing or restricting coverage;will be provided to that person or organization
3. Is in effect at the time of the:
 - a. Cancellation;
 - b. Nonrenewal; or
 - c. Material change reducing or restricting coverage; and
4. Is on file at your agent or broker's office for this policy

- (3) Any person or organization having proper temporary custody of your property if you die, but only:
 - (a) With respect to liability arising out of the maintenance or use of that property; and
 - (b) Until your legal representative has been appointed.
 - (4) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
 - c. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - (1) Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - (2) Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - (3) Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
2. Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":
- a. You are an insured.
 - b. Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:
 - (1) The owner or anyone else from whom you hire or borrow a "covered auto". This exception does not apply if the "covered auto" is a trailer or semitrailer connected to a "covered auto" you own.
 - (2) Your "employee" if the "covered auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a "covered auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a "covered auto".
 - (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a "covered auto" owned by him or her or a member of his or her household.
 - (6) "Employees" with respect to "bodily injury" to:
 - (a) Any fellow "employee" of the insured arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
 - (b) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (a) above.
 - c. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.
3. Any additional insured under any policy of "underlying insurance" will automatically be an insured under this insurance.
- Subject to Section III – Limits Of Insurance, if coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:
- a. Required by the contract or agreement, less any amounts payable by any "underlying insurance"; or
 - b. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.
- Additional insured coverage provided by this insurance will not be broader than coverage provided by the "underlying insurance".
- No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

SCHEDULE

Name Of Person(s) Or Organization(s):

ANY PERSON OR ORGANIZATION REQUIRED BY WRITTEN CONTRACT OR CERTIFICATE OF
INSURANCE

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph **9. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Conditions:**

We waive any right of recovery against the person(s) or organization(s) shown in the Schedule above because of payments we make under this Coverage Part. This endorsement applies only to the person(s) or organization(s) shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY NON-CONTRIBUTORY COVERAGE WHEN REQUIRED BY WRITTEN AGREEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM

With respect to any additional insured coverage provided under this policy, or by any endorsement to this policy, **SECTION IV – CONDITIONS**, paragraph **5. Other Insurance** is deleted and replaced by the following:

5. Other Insurance

- a. Coverage provided by this endorsement is excess over any other valid and collectible insurance available to the additional insured whether:

- (1) Primary;
- (2) Excess;
- (3) Contingent; or
- (4) On any other basis.

In addition, this insurance is excess over any self-insured retentions, deductibles, or captive retentions payable by the additional insured or payable by any person or organization whose coverage is available to the additional insured.

However, if a “written agreement” requires primary and non-contributory coverage, this insurance will be primary and non-contributory relative only to the other insurance available to the additional insured which covers that person or organization as a Named Insured, and we will not share with that other insurance. For any other insurance available to the additional insured where that person or organization is not a Named Insured, this policy will share coverage with that other insurance based on the terms specified in Paragraph b. Method of Sharing below.

b. Method of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this method, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

For the purposes of the coverage provided by this endorsement, a “written agreement” means a written contract or written agreement that:

1. requires you to include a person or organization as an additional insured for a period of time during the policy period; and
2. is executed prior to the occurrence of “bodily injury”, “property damage”, or “personal and advertising injury” that forms the basis for a claim under this policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION, NONRENEWAL OR MATERIAL CHANGE – THIRD PARTY

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
COMMERCIAL GENERAL LIABILITY COVERAGE FORM
COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
TRUCKERS COVERAGE FORM

Subject to the cancellation provisions of the Coverage Form to which this endorsement is attached, we will not:

1. Cancel;
2. Nonrenew; or,
3. Materially change (reduce or restrict)

this Coverage Form, except for nonpayment of premium, until we provide at least 30 days written notice of such cancellation, nonrenewal or material change. Written notice will be to the person or organization named in the Schedule. Such notice will be by certified mail with return receipt requested.

This notification of cancellation, nonrenewal or material change to the person or organization named in the Schedule is intended as a courtesy only. Our failure to provide such notification will not:

1. Extend any Coverage Form cancellation date;
2. Negate the cancellation as to any insured or any certificate holder;
3. Provide any additional insurance that would not have been provided in the absence of this endorsement;
or
4. Impose liability of any kind upon us.

This endorsement does not entitle the person or organization named in the Schedule to any benefits, rights or protection under this Coverage Form.

SCHEDULE

Name Of Person Or Organization

Mailing Address

Any person or organization holding a certificate of insurance issued for you, provided the certificate:

The address shown for that person or organization in that certificate of insurance

1. Refers to this policy;
2. States that notice of:
 - a. Cancellation;
 - b. Nonrenewal; or
 - c. Material change reducing or restricting coverage;will be provided to that person or organization;
3. Is in effect at the time of the:
 - a. Cancellation;
 - b. Nonrenewal; or
 - c. Material change reducing or restricting coverage; and
4. Is on file at your agent or broker's office for this policy

EXHIBIT D
PLANS AND SPECIFICATIONS

If the plans and specifications from the RFP/CSP are not physically inserted here, then they are fully incorporated into this contract by reference.

Furnish all labor, services, materials, tools and necessary equipment for the repair of 18" WW Harvey Road at Carters Creek and to perform the work required for the at the location set out by the Contract Documents.

see more detailed information below.

EXHIBIT E
CONSTRUCTION SCHEDULE

90 days from Notice to proceed.

EXHIBIT F
SCHEDULE OF VALUES

See attached

Elliott Construction, LLC 18" WW Harvey Rd and Carters Creek - 6/9/25

ITEM	QTY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	1	LS	<u>18 In Wastewater Line Repair</u> - Mobilize, cut encasement straps to release existing concrete block support. Excavate for concrete footer. Jack up wastewater line and encasement back to grade. Provide and install steel beam or concrete beam casing support. Provide and install casing spacers and straps to new casing. Seed disturbed areas within 30 ft of creek bank in accordance with BCS United Standards.	\$31,600.00	\$31,600.00
2	12	LF	<u>38 In Diameter 0.5 In Thick Steel Encasement</u> - Provide and install split casing using a certified welder. Contractor to confirm encasement diameter etc prior to bid.	\$1,250.00	\$15,000.00
3	18.5	CY	<u>10 ft x 10 ft x 5 ft deep Concrete Footer</u> - Provide, form, and pour footer.	\$525.00	\$9,712.50
4	1	DAY	<u>Bypass Pumping</u> - Providing wastewater bypass pumping prior and during jacking of the wastewater line and encasement.	\$1,800.00	\$1,800.00
5	370	LF	<u>TV Camera Inspection</u> - Provide TV camera inspection of the 18 In Wastewater line to evaluate grade and joints after jacking.	\$10.00	\$3,700.00
6	150	CY	<u>12 In Diameter Rock Rubble and Grout</u> - Provide and install rock rubble and grout in place to stabilize encasement, footer, and adjacent creek bank.	\$250.00	\$37,500.00
A1	10	CY	<u>Access Road Base Material</u> - Provide and install base material to access road as directed by City.	\$100.00	\$1,000.00
A2	20	LF	<u>18 In DIP Wastewater Line Replacement</u> - Excavate, Cut, Remove, and Dispose, and Replace 18 Inch DIP Pipe and Fittings as directed by the City. Contractor to provide additional Trench Control as Needed to meet OSHA Standards. Backfill, Compact Trench, and Seed in accordance with BCS Standards.	\$610.00	\$12,200.00
A3	1	LS	<u>Payment Bond</u> - Required by Contractor Subsidiary to Above Items if Total over \$50,000	\$5,500.00	\$5,500.00
TOTAL:					\$118,012.50

July 24, 2025
Item No. 7.8.
Facility Use Agreement for TAAF

Sponsor: Gene Ballew, Assistant Director Parks & Recreation

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on delegating authority to the City Manager to execute a Facility Use Agreement and other related contracts with Texas A&M University for the 2025 TAAF Summer Games of Texas for an amount not to exceed \$250,000.

Relationship to Strategic Goals:

Diverse & Growing Economy

Recommendation(s): Staff recommends approval of the contract.

Summary: In 2021, staff bid on the 2025 – 2026 TAAF Summer Games of Texas to be held in College Station and Bryan to encourage economic growth through tourism. Staff has worked with TAAF, Texas A&M University, City of Bryan and Destination Bryan to ensure execution of the event. The event is expected to bring in over 10,000 athletes and their families with an estimated economic impact to the community of \$6,000,000 in direct visitor spending. The following sports will be held in College Station - Track and Field, Boxing, Tennis, Soccer, Judo and Opening Ceremonies.

Budget & Financial Summary: To execute the Track and Field event, the City anticipates costs will be approximately \$250,000 out of the Hotel Occupancy Tax fund.

Attachments:

None

July 24, 2025
Item No. 8.1.
BVSWMA, Inc. FY 2026 Budget Presentation

Sponsor: Pete Caler, Assistant Director of Public Works

Reviewed By CBC:

Agenda Caption: Presentation, discussion, and possible action regarding the Fiscal Year 2026 BVSWMA, Inc. budget.

Relationship to Strategic Goals:

1. Financially Sustainable City
2. Core Services and Infrastructure

Recommendation(s): Staff recommends approval of the FY 2026 BVSWMA, Inc. budget.

Summary: The BVSWMA, Inc. proposed budget was considered and approved by BVSWMA, Inc. Board of Directors on June 18, 2025.

According to the BVSWMA, Inc. By-Laws and Operating Agreement, the BVSWMA, Inc. budget will be presented to the College Station and Bryan City Councils for consideration after being approved by the BVSWMA Board. The City of Bryan considered and approved this item on July 8, 2025.

Budget & Financial Summary: The FY2026 BVSWMA, Inc. Budget Total Revenue is \$13,454,000. The Total Expenses are \$9,827,514 and Capital Expenses are \$4,643,000.

The budget also continues the gate rate for both cities at \$0.00 per ton.

Attachments:

1. FYE2026 BVSWMA Budget

BVSWMA, Inc. Budget
Fiscal Year Ending September 30, 2026

APPROVED AND ADOPTED BY VOTE OF THE BOARD OF DIRECTORS OF THE
BRAZOS VALLEY SOLID WASTE MANAGEMENT AGENCY, INC. AT A
REGULAR MEETING HELD ON THE 18th DAY OF JUNE, 2025.

APPROVED:

Rate Sheet

BVSWMA, Inc.
Fiscal Year Ending 2026 Proposed Budget

**2024/2025 Rates****City Landfill Rates**

\$0.00\ton MSW
\$0.00\ton Sludge & Grit
\$15.00\ton Manifested Special Waste

Third Party Landfill Rates

\$30.00\ton MSW \$3.00 minimum
\$40.00\ton Special Waste 1 ton minimum
\$50.00\ton Hard to Handle Waste 1 ton minimum

City Compost Facility Rates

\$9.00 Brush \$10.00 minimum
\$15.00 Sludge

Third Party Compost Facility Rates

\$23.00\ton \$10.00 minimum

Special Fees

Standard Tires	\$5.00
Oversized	\$20.00

Clean Up Fee (new)	\$20.00
Freon Unit	\$11.00
Pull Off	\$25.00
Unsecured Load Fee	\$30.00
Backhoe Assist	\$50.00
Forklift Assist	\$50.00
Equipment Assist	\$25.00

Proposed 2025/2026**City Landfill Rates**

\$0.00\ton MSW
\$0.00\ton Sludge & Grit
\$15.00\ton Manifested Special Waste

Third Party Landfill Rates

\$32.00\ton MSW \$3.00 minimum
\$42.00\ton Special Waste 1 ton minimum
\$52.00\ton Hard to Handle Waste 1 ton minimum

City Compost Facility Rates

\$9.00 Brush \$10.00 minimum
\$15.00 Sludge

Third Party Compost Facility Rates

\$23.00\ton \$10.00 minimum

Special Fees

Standard Tires	\$5.00
Oversized	\$20.00

Clean Up Fee (new)	\$20.00
Freon Unit	\$11.00
Pull Off	\$25.00
Unsecured Load Fee	\$30.00
Backhoe Assist	\$50.00
Forklift Assist	\$50.00
Equipment Assist	\$25.00

	2025 Projected Results	2026 Proposed Budget			
Landfill Volume					
City of College Station	71,265	72,000			
City of Bryan	64,995	64,500			
Third party	404,145	400,000			
Total Tons	540,405	536,500			
Landfill Rates					
City of College Station	\$ -	\$ -	Rate	TCEQ	Net
City of Bryan	\$ -	\$ -	\$ -	\$ 0.94	\$ (0.94)
Third party	\$ 29.06	\$ 31.06	\$ 32.00	\$ 0.94	\$ 31.06
OPERATING REVENUE					
Landfill Revenue	\$ 11,713,028	\$ 12,424,000			
Compost Facility	\$ 208,386	\$ -			
Gas System Royalty Income	\$ 2,963,570	\$ 1,000,000			
Other Operating Revenues	\$ 32,401	\$ 30,000			
Total Operating Revenue	\$ 14,917,385	\$ 13,454,000			
OPERATING EXPENSES					
Other Expenses					
Debt Serv.Interest - City of College Station	\$ 55,675	\$ 41,550			
Debt Serv.Interest - City of Bryan	\$ 57,387	\$ 44,826			
Bad Debt - Uncollectible Accounts	\$ -	\$ 1,000			
Contingency	\$ -	\$ 100,000			
Community Support - Household Haz.Waste	\$ 575,000	\$ 600,000			
Community Support - Misc. Activities	\$ 51,990	\$ 50,000			
Community Support - COB/COCS TCEQ Fees	\$ 138,954	\$ 128,310			
Total Other Expenses	\$ 879,006	\$ 965,686			
Maintenance Expense					
Maintenance - Computer Software	\$ 30,000	\$ 30,000			
Office Maintenance - Other	\$ -	\$ 1,000			
Office Maintenance - Equipment	\$ 1,000	\$ 1,000			
Office Maintenance - Furniture	\$ 3,000	\$ 7,000			
Office Maintenance - Computer	\$ 1,146	\$ 2,000			
Maintenance - Building	\$ 35,000	\$ 35,000			
Maintenance - Grounds	\$ 40,944	\$ 35,000			
Maintenance - Fence & Gates	\$ 3,000	\$ 7,500			
V&E Maintenance - Machine/Tool	\$ 502	\$ 1,500			
V&E Maintenance - Heavy Equipment	\$ 588,820	\$ 600,000			
V&E Maintenance - Radios	\$ 10,728	\$ 12,000			
V&E Maintenance - Phones	\$ 5,000	\$ 4,000			
V&E Maintenance - Pagers/Other	\$ 8,458	\$ 13,000			
V&E Maintenance - Pumps/Motors	\$ 15,000	\$ 20,000			
V&E Maintenance - Motor Vehicle	\$ 15,000	\$ 15,000			
V&E Maintenance - Other	\$ 3,500	\$ 3,500			
Wet Weather Access	\$ 300,000	\$ 300,000			
Total Maintenance Expense	\$ 1,061,098	\$ 1,087,500			
Closure, Post Closure & Pre-Closure Costs					
Closure Costs - Twin Oaks LF	\$ 230,990	\$ 278,003			
Post Closure Maintenance Costs-Twin Oaks LF	\$ 294,234	\$ 278,003			
Pre-Closure & Interim Cover Costs-Twin Oaks	\$ 134,840	\$ 142,637			
Total Closure, Post Closure & Pre-Closure Costs	\$ 660,064	\$ 698,643			

Purchased Services

Advertising & Promotional Services	\$ 10,000	\$ 20,000
Insurance - Liability & Property	\$ 132,684	\$ 140,000
Other Services - Other	\$ 13,000	\$ 18,000
Other Services - Contract Labor	\$ 215,367	\$ 150,000
Other Services - Security	\$ 30,000	\$ 30,000
Printing - External	\$ 2,056	\$ 2,000
Printing - Signs & Banners	\$ 4,000	\$ 7,500
Prof. Service - Audit	\$ 48,960	\$ 43,000
Prof. Service - Engineering	\$ 201,104	\$ 200,000
Prof. Service - Legal	\$ 25,000	\$ 45,000
Prof. Service - Medical	\$ 500	\$ 1,000
Prof. Service - Spec. Studies	\$ 56,000	\$ 90,000
Prof. Service - Other	\$ 205,000	\$ 205,000
Rentals - Equipment	\$ 65,000	\$ 65,000
Sundry - Credit Card Fees	\$ 70,000	\$ 73,000
Sundry - Freight	\$ 35,000	\$ 35,000
Sundry - Permits & Licenses	\$ 2,500	\$ 5,000
Sundry - Penalty & Interest	\$ -	\$ 500
Sundry - Postage	\$ 1,000	\$ 2,500
Sundry-Bank Service Charges	\$ 70	\$ 500
Tech. Service - Janitorial	\$ 50,000	\$ 50,000
Tech. Service - Pest Control	\$ 4,032	\$ 4,500
Tech. Service - Inspection & License Fees	\$ 9,000	\$ 11,000
Training - Inhouse Training	\$ 500	\$ 1,000
Training - Memberships	\$ 7,666	\$ 7,000
Training - Outside Training	\$ 14,934	\$ 15,000
Training - Subscriptions	\$ -	\$ 2,500
Training - Travel & Lodging	\$ 17,241	\$ 17,000
Training-Travel Meals & Ent.	\$ -	\$ 2,000
Utility Service - Cable Services	\$ 4,078	\$ 4,000
Utility Service - Disposal Fees	\$ 40,000	\$ 50,000
Utility Service - Electric	\$ 65,000	\$ 75,000
Utility Service - Local Phone	\$ 3,500	\$ 3,500
Utility Service - Mobile Phone	\$ 10,000	\$ 12,000
Utility Service - Water	\$ 74,960	\$ 60,000

Total Purchased Services	\$ 1,418,151	\$ 1,447,500
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Salaries & Benefits

Administrative	\$ 650,000	\$ 675,000
Fulltime Labor	\$ 1,750,000	\$ 1,890,000
Overtime	\$ 575,000	\$ 585,000
Bonuses	\$ 54,000	\$ 54,000
FICA/Medicare & Unemployment Taxes	\$ 212,461	\$ 220,000
Retirement	\$ 378,000	\$ 425,000
Group Health Insurance	\$ 900,000	\$ 970,000
Group Life Insurance	\$ 10,000	\$ 10,000
Workers Compensation	\$ 60,000	\$ 85,000
Group Long-Term Disability Insurance	\$ 10,121	\$ 10,000
Non-Taxable Employee Benefits	\$ 500	\$ 500
Taxable Employee Benefits	\$ 7,800	\$ 10,000
Supplemental Insurance	\$ 34,297	\$ 40,000

Total Salaries & Benefits	\$ 4,642,180	\$ 4,974,500
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Supplies

Office Supplies - General	\$ 16,200	\$ 15,000
Office Supplies - Minor Equipment	\$ 4,500	\$ 3,500
Office Supplies - Computer Hardware	\$ 12,000	\$ 10,000
Office Supplies - Computer Software	\$ 2,000	\$ 2,000
V&E - Oil & Lubricants	\$ 80,000	\$ 80,000
V&E - Fuel	\$ 30,000	\$ 32,000
V&E - Diesel	\$ 720,000	\$ 800,000

V&E - Minor Tools	\$	17,033	\$	20,000
V&E - Other	\$	4,000	\$	7,000
Clothing - Uniforms	\$	24,818	\$	27,000
Chemical - Janitorial	\$	15,802	\$	16,000
Chemical - Pesticide	\$	500	\$	1,000
Crew - Safety	\$	15,000	\$	15,000
Misc. Supply - Promo Mater	\$	7,500	\$	10,000
Misc. Supply - Goodwill	\$	1,000	\$	2,500
Misc. Supply - Food & Ice	\$	23,962	\$	25,000
Misc. Supply - Other	\$	20,000	\$	20,000

Total Supplies	\$	994,315	\$	1,086,000
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NON-OPERATING REVENUES & (EXPENSES)

Investment Income	\$	863,438	\$	800,000
Gain (loss) on sale of assets	\$	150,000		
Non-Operating Revenue	\$	996	\$	2,500
Host Fee Expense	\$	(343,140)	\$	(370,185)

\$ 0.69 /ton

Total Non Operating Revenue (Expense)	\$	671,294	\$	432,315
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Summary

Revenue	\$	14,917,385	\$	13,454,000
Total Expenses	\$	8,983,520	\$	9,827,514
Capital	\$	4,982,668	\$	4,643,000
Cash Flow	\$	951,196	\$	(1,016,514)

BVSWMA, Inc.
Capital Budget

	0	1	2	3	4	5	6
	2025	2026	2027	2028	2029	2030	2031
Equipment Capital							
Roll Off Back Order	\$ 217,949						
Tahoe Replacement (Carry Over 2024)	\$ 54,420						
Utility Vehicle	\$ 23,025						
Tractor	\$ 94,621						
Shredder	\$ 24,726						
Generator	\$ 100,000						
Water Truck	\$ 120,000						
6" Diesel Pump	\$ 64,171						
ForkLift	\$ 119,250						
850 Dozer 35	\$ 424,500						
950 Dozer	\$ 685,640						
Radios	\$ 15,000						
UPS	\$ 35,000						
Tarp machine BUMP FROM 24	\$ 150,000						
Backhoe (Addition to Fleet)	\$ 132,250						
Pressure Washer	\$ 18,061						
Tahoe replacement	\$ 52,095						
Gas Analyzer	\$ 12,960						
Tarps	\$ 16,000						
Camera Archive Storage	\$ 8,000						
836 Compactor		\$ 1,555,000					
Crew Pickup		\$ 50,000					
Tahoe replacement		\$ 60,000					
Radios		\$ 25,000					
Trackhoe (Big)		\$ 600,000					
Utility Vehicle		\$ 27,000					
Utility Vehicle		\$ 27,000					
Evaporator		\$ 90,000					
GPS Dozer		\$ 75,000					
IT - Server Replacement		\$ 25,000					
Zero Turn Mower		\$ 18,000					
Tarps		\$ 16,000					
Grinder			\$ 1,000,000				
Dump Truck			\$ 600,000				
D8			\$ 850,000				
Trackhoe (Little)			\$ 350,000				
Crew Truck			\$ 50,000				
Utility Vehicle			\$ 27,000				
6" Electric Pump Bump from 25			\$ 25,000				
Backhoe (original)			\$ 120,000				
Office Vehicle			\$ 40,000				
Compactor				\$ 1,555,000			
GPS				\$ 600,000			
D6				\$ 450,000			
Dumptruck					\$ 600,000		
Capital Repairs	\$ 100,000		\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Future Estimate				\$ 750,000	\$ 1,500,000	\$ 3,000,000	\$ 3,000,000
Debt Service							
City of College Station	\$ 275,000	\$ 290,000	\$ 305,000	\$ 310,000	\$ 325,000		
City of Bryan	\$ 320,000	\$ 335,000	\$ 350,000	\$ 365,000	\$ 201,413		
Capital Projects							
Landfill Cell Development	\$ 1,020,000		\$ 1,500,000	\$ 1,500,000			\$ 1,500,000
Twin Oaks site projects	\$ 100,000	\$ 100,000		\$ 50,000			

Twin Oaks Entry/Exit Road Repairs	\$ 300,000	\$ 450,000						
Wheel Wash		\$ 400,000						
East Expansion	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	
other			\$ 250,000					
Total Capital	\$ 4,982,668	\$ 4,643,000	\$ 6,167,000	\$ 6,280,000	\$ 3,326,413	\$ 3,700,000	\$ 5,200,000	

BVSWMA, Inc.
Cash Flow

Price & Cost increase assumption				3%	3%	3%	3%	3%						
	2024	2025	2026	2027	2028	2029	2030	2031						
Landfill Volume														
City of College Station		71,265	72,000	72,000	72,000	72,000	72,000	72,000						
City of Bryan		64,995	64,500	64,500	64,500	64,500	64,500	64,500						
Third party		404,145	400,000	401,600	403,206	404,819	406,439	408,064						
Total Tons		540,405	536,500	538,100	539,706	541,319	542,939	544,564						
Landfill Rates														
City of College Station	\$	-	\$	-	\$	-	\$	-						
City of Bryan	\$	-	\$	-	\$	-	\$	-						
Third party	\$	29.06	\$	31.06	\$	31.99	\$	32.95	\$	33.94	\$	34.96	\$	36.01
OPERATING REVENUE														
Landfill Revenue	\$	11,713,028	\$	12,424,000	\$	12,847,907	\$	13,286,277	\$	13,739,605	\$	14,208,401	\$	14,693,191
Compost Facility	\$	208,386	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Gas System Royalty Income	\$	2,963,570	\$	1,000,000	\$	1,000,000								
Other Operating Revenues	\$	32,401	\$	30,000	\$	30,000	\$	30,000	\$	30,000	\$	30,000	\$	30,000
Total Operating Revenue	\$	14,917,385	\$	13,454,000	\$	13,877,907	\$	13,316,277	\$	13,769,605	\$	14,238,401	\$	14,723,191
OPERATING EXPENSES														
Other Expenses														
Debt Serv.Interest - City of College Station	\$	55,675	\$	41,550	\$	55,675	\$	41,550	\$	26,675	\$	14,400	\$	4,875
Debt Serv.Interest - City of Bryan	\$	76,043	\$	67,001	\$	57,386	\$	44,825	\$	36,657	\$	22,657	\$	8,057
Bad Debt - Uncollectible Accounts	\$	-	\$	1,000	\$	1,030	\$	1,061	\$	1,093	\$	1,126	\$	1,159
Contingency	\$	-	\$	100,000	\$	103,000	\$	106,090	\$	109,273	\$	112,551	\$	115,927
Community Support - Household Haz.Waste	\$	575,000	\$	600,000	\$	618,000	\$	636,540	\$	655,636	\$	675,305	\$	695,564
Community Support - Misc. Activities	\$	575,000	\$	50,000	\$	51,500	\$	53,045						
Community Support - Misc. Activities	\$	138,954	\$	128,310	\$	132,159	\$	136,124	\$	140,208	\$	144,414	\$	148,746
Total Other Expenses	\$	879,006	\$	965,686	\$	1,018,750	\$	1,019,235	\$	969,541	\$	970,452	\$	974,329
Maintenance Expense														
Maintenance - Computer Software	\$	30,000	\$	30,000	\$	30,900	\$	31,827	\$	32,782	\$	33,765	\$	34,778
Office Maintenance - Other	\$	-	\$	1,000	\$	1,030	\$	1,061	\$	1,093	\$	1,126	\$	1,159
Office Maintenance - Equipment	\$	1,000	\$	1,000	\$	1,030	\$	1,061	\$	1,093	\$	1,126	\$	1,159
Office Maintenance - Furniture	\$	3,000	\$	7,000	\$	7,210	\$	7,426	\$	7,649	\$	7,879	\$	8,115
Office Maintenance - Computer	\$	1,146	\$	2,000	\$	2,060	\$	2,122	\$	2,185	\$	2,251	\$	2,319
Maintenance - Building	\$	35,000	\$	35,000	\$	36,050	\$	37,132	\$	38,245	\$	39,393	\$	40,575
Maintenance - Grounds	\$	40,944	\$	35,000	\$	36,050	\$	37,132	\$	38,245	\$	39,393	\$	40,575
Maintenance - Fence & Gates	\$	3,000	\$	7,500	\$	7,725	\$	7,957	\$	8,195	\$	8,441	\$	8,695
V&E Maintenance - Machine/Tool	\$	502	\$	1,500	\$	1,545	\$	1,591	\$	1,639	\$	1,688	\$	1,739
V&E Maintenance - Heavy Equipment	\$	588,820	\$	600,000	\$	618,000	\$	636,540	\$	655,636	\$	675,305	\$	695,564
V&E Maintenance - Radios	\$	10,728	\$	12,000	\$	12,360	\$	12,731	\$	13,113	\$	13,506	\$	13,911
V&E Maintenance - Phones	\$	5,000	\$	4,000	\$	4,120	\$	4,244	\$	4,371	\$	4,502	\$	4,637
V&E Maintenance - Pagers/Other	\$	8,458	\$	13,000	\$	13,390	\$	13,792	\$	14,205	\$	14,632	\$	15,071
V&E Maintenance - Pumps/Motors	\$	15,000	\$	20,000	\$	20,600	\$	21,218	\$	21,855	\$	22,510	\$	23,185
V&E Maintenance - Motor Vehicle	\$	15,000	\$	15,000	\$	15,450	\$	15,914	\$	16,391	\$	16,883	\$	17,389
V&E Maintenance - Other	\$	3,500	\$	3,500	\$	3,605	\$	3,713	\$	3,825	\$	3,939	\$	4,057
Wet Weather Access	\$	300,000	\$	300,000	\$	309,000	\$	318,270	\$	327,818	\$	337,653	\$	347,782
Total Maintenance Expense	\$	1,061,098	\$	1,087,500	\$	1,120,125	\$	1,153,729	\$	1,188,341	\$	1,223,991	\$	1,260,711
Closure, Post Closure & Pre-Closure Costs														
Closure Costs - Twin Oaks LF	\$	230,990	\$	278,003	\$	278,832	\$	279,664	\$	280,500	\$	281,339	\$	282,182
Post Closure Maintenance Costs-Twin Oaks LF	\$	294,234	\$	278,003	\$	278,832	\$	279,664	\$	280,500	\$	281,339	\$	282,182
Pre-Closure & Interim Cover Costs-Twin Oaks	\$	134,840	\$	142,637	\$	143,062	\$	143,490	\$	143,918	\$	144,349	\$	144,781
Total Closure, Post Closure & Pre-Closure Costs	\$	660,064	\$	698,643	\$	700,726	\$	702,818	\$	704,918	\$	707,027	\$	709,144
Purchased Services														
Advertising & Promotional Services	\$	10,000	\$	20,000	\$	20,600	\$	21,218	\$	21,855	\$	22,510	\$	23,185
Insurance - Liability & Property	\$	132,684	\$	140,000	\$	144,200	\$	148,526	\$	152,982	\$	157,571	\$	162,298
Other Services - Other	\$	13,000	\$	18,000	\$	18,540	\$	19,096	\$	19,669	\$	20,259	\$	20,867
Other Services - Contract Labor	\$	215,367	\$	150,000	\$	154,500	\$	159,135	\$	163,909	\$	168,826	\$	173,891
Other Services - Security	\$	30,000	\$	30,000	\$	30,900	\$	31,827	\$	32,782	\$	33,765	\$	34,778
Printing - External	\$	2,056	\$	2,000	\$	2,060	\$	2,122	\$	2,185	\$	2,251	\$	2,319
Printing - Signs & Banners	\$	4,000	\$	7,500	\$	7,725	\$	7,957	\$	8,195	\$	8,441	\$	8,695
Prof. Service - Audit	\$	48,960	\$	43,000	\$	44,290	\$	45,619	\$	46,987	\$	48,397	\$	49,849
Prof. Service - Engineering	\$	201,104	\$	200,000	\$	206,000	\$	212,180	\$	218,545	\$	225,102	\$	231,855
Prof. Service - Legal	\$	25,000	\$	45,000	\$	46,350	\$	47,741	\$	49,173	\$	50,648	\$	52,167
Prof. Service - Medical	\$	500	\$	1,000	\$	1,030	\$	1,061	\$	1,093	\$	1,126	\$	1,159
Prof. Service - Spec. Studies	\$	56,000	\$	90,000	\$	92,700	\$	95,481	\$	98,345	\$	101,296	\$	104,335
Prof. Service - Other	\$	205,000	\$	205,000	\$	211,150	\$	217,485	\$	224,009	\$	230,729	\$	237,651
Rentals - Equipment	\$	65,000	\$	65,000	\$	66,950	\$	68,959	\$	71,027	\$	73,158	\$	75,353
Sundry - Credit Card Fees	\$	70,000	\$	73,000	\$	75,190	\$	77,446	\$	79,769	\$	82,162	\$	84,627
Sundry - Freight	\$	35,000	\$	35,000	\$	36,050	\$	37,132	\$	38,245	\$	39,393	\$	40,575
Sundry - Permits & Licenses	\$	2,500	\$	5,000	\$	5,150	\$	5,305	\$	5,464	\$	5,628	\$	5,796
Sundry - Penalty & Interest	\$	-	\$	500	\$	515	\$	530	\$	546	\$	563	\$	580
Sundry - Postage	\$	1,000	\$	2,500	\$	2,575	\$	2,652	\$	2,732	\$	2,814	\$	2,898
Sundry-Bank Service Charges	\$	70	\$	500	\$	515	\$	530	\$	546	\$	563	\$	580

Tech. Service - Janitorial	\$ 50,000	\$ 50,000	\$ 51,500	\$ 53,045	\$ 54,636	\$ 56,275	\$ 57,964
Tech. Service - Pest Control	\$ 4,032	\$ 4,500	\$ 4,635	\$ 4,774	\$ 4,917	\$ 5,065	\$ 5,217
Tech. Service - Inspection & License Fees	\$ 9,000	\$ 11,000	\$ 11,330	\$ 11,670	\$ 12,020	\$ 12,381	\$ 12,752
Training - Inhouse Training	\$ 500	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159
Training - Memberships	\$ 7,666	\$ 7,000	\$ 7,210	\$ 7,426	\$ 7,649	\$ 7,879	\$ 8,115
Training - Outside Training	\$ 14,934	\$ 15,000	\$ 15,450	\$ 15,914	\$ 16,391	\$ 16,883	\$ 17,389
Training - Subscriptions	\$ -	\$ 2,500	\$ 2,575	\$ 2,652	\$ 2,732	\$ 2,814	\$ 2,898
Training - Travel & Lodging	\$ 17,241	\$ 17,000	\$ 17,510	\$ 18,035	\$ 18,576	\$ 19,134	\$ 19,708
Training-Travel Meals & Ent.	\$ -	\$ 2,000	\$ 2,060	\$ 2,122	\$ 2,185	\$ 2,251	\$ 2,319
Utility Service - Cable Services	\$ 4,078	\$ 4,000	\$ 4,120	\$ 4,244	\$ 4,371	\$ 4,502	\$ 4,637
Utility Service - Disposal Fees	\$ 40,000	\$ 50,000	\$ 51,500	\$ 53,045	\$ 54,636	\$ 56,275	\$ 57,964
Utility Service - Electric	\$ 65,000	\$ 75,000	\$ 77,250	\$ 79,568	\$ 81,955	\$ 84,413	\$ 86,946
Utility Service - Local Phone	\$ 3,500	\$ 3,500	\$ 3,605	\$ 3,713	\$ 3,825	\$ 3,939	\$ 4,057
Utility Service - Mobile Phone	\$ 10,000	\$ 12,000	\$ 12,360	\$ 12,731	\$ 13,113	\$ 13,506	\$ 13,911
Utility Service - Water	\$ 74,960	\$ 60,000	\$ 61,800	\$ 63,654	\$ 65,564	\$ 67,531	\$ 69,556
Total Purchased Services	\$ 1,418,151	\$ 1,447,500	\$ 1,490,925	\$ 1,535,653	\$ 1,581,722	\$ 1,629,174	\$ 1,678,049
Salaries & Benefits							
Administrative	\$ 650,000	\$ 675,000	\$ 695,250	\$ 716,108	\$ 737,591	\$ 759,718	\$ 782,510
Fulltime Labor	\$ 1,750,000	\$ 1,890,000	\$ 1,946,700	\$ 2,005,101	\$ 2,065,254	\$ 2,127,212	\$ 2,191,028
Overtime	\$ 575,000	\$ 585,000	\$ 602,550	\$ 620,627	\$ 639,245	\$ 658,423	\$ 678,175
Bonuses	\$ 54,000	\$ 54,000	\$ 55,620	\$ 57,289	\$ 59,007	\$ 60,777	\$ 62,601
FICA/Medicare & Unemployment Taxes	\$ 212,461	\$ 220,000	\$ 226,600	\$ 233,398	\$ 240,400	\$ 247,612	\$ 255,040
Retirement	\$ 378,000	\$ 425,000	\$ 437,750	\$ 450,883	\$ 464,409	\$ 478,341	\$ 492,691
Group Health Insurance	\$ 900,000	\$ 970,000	\$ 999,100	\$ 1,029,073	\$ 1,059,945	\$ 1,091,744	\$ 1,124,496
Group Life Insurance	\$ 10,000	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255	\$ 11,593
Workers Compensation	\$ 60,000	\$ 85,000	\$ 87,550	\$ 90,177	\$ 92,882	\$ 95,668	\$ 98,538
Group Long-Term Disability Insurance	\$ 10,121	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255	\$ 11,593
Supplemental Insurance	\$ 500	\$ 500	\$ 515	\$ 530	\$ 546	\$ 563	\$ 580
Taxable Employee Benefits	\$ 7,800	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255	\$ 11,593
Non-Taxable Employee Benefits	\$ 34,297	\$ 40,000	\$ 41,200	\$ 42,436	\$ 43,709	\$ 45,020	\$ 46,371
Total Salaries & Benefits	\$ 4,642,180	\$ 4,974,500	\$ 5,123,735	\$ 5,277,447	\$ 5,435,770	\$ 5,598,844	\$ 5,766,809
Supplies							
Office Supplies - General	\$ 16,200	\$ 15,000	\$ 15,450	\$ 15,914	\$ 16,391	\$ 16,883	\$ 17,389
Office Supplies - Minor Equipment	\$ 4,500	\$ 3,500	\$ 3,605	\$ 3,713	\$ 3,825	\$ 3,939	\$ 4,057
Office Supplies - Computer Hardware	\$ 12,000	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255	\$ 11,593
Office Supplies - Computer Software	\$ 2,000	\$ 2,000	\$ 2,060	\$ 2,122	\$ 2,185	\$ 2,251	\$ 2,319
V&E - Oil & Lubricants	\$ 80,000	\$ 80,000	\$ 82,400	\$ 84,872	\$ 87,418	\$ 90,041	\$ 92,742
V&E - Fuel	\$ 30,000	\$ 32,000	\$ 32,960	\$ 33,949	\$ 34,967	\$ 36,016	\$ 37,097
V&E - Diesel	\$ 720,000	\$ 800,000	\$ 824,000	\$ 848,720	\$ 874,182	\$ 900,407	\$ 927,419
V&E - Minor Tools	\$ 17,033	\$ 20,000	\$ 20,600	\$ 21,218	\$ 21,855	\$ 22,510	\$ 23,185
V&E - Other	\$ 4,000	\$ 7,000	\$ 7,210	\$ 7,426	\$ 7,649	\$ 7,879	\$ 8,115
Clothing - Uniforms	\$ 24,818	\$ 27,000	\$ 27,810	\$ 28,644	\$ 29,504	\$ 30,389	\$ 31,300
Chemical - Janitorial	\$ 15,802	\$ 16,000	\$ 16,480	\$ 16,974	\$ 17,484	\$ 18,008	\$ 18,548
Chemical - Pesticide	\$ 500	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159
Crew - Safety	\$ 15,000	\$ 15,000	\$ 15,450	\$ 15,914	\$ 16,391	\$ 16,883	\$ 17,389
Misc. Supply - Promo Mater	\$ 7,500	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255	\$ 11,593
Misc. Supply - Goodwill	\$ 1,000	\$ 2,500	\$ 2,575	\$ 2,652	\$ 2,732	\$ 2,814	\$ 2,898
Misc. Supply - Food & Ice	\$ 23,962	\$ 25,000	\$ 25,750	\$ 26,523	\$ 27,318	\$ 28,138	\$ 28,982
Misc. Supply - Other	\$ 20,000	\$ 20,000	\$ 20,600	\$ 21,218	\$ 21,855	\$ 22,510	\$ 23,185
Total Supplies	\$ 994,315	\$ 1,086,000	\$ 1,118,580	\$ 1,152,137	\$ 1,186,702	\$ 1,222,303	\$ 1,258,972
NON-OPERATING REVENUES & (EXPENSES)							
Investment Income	\$ 863,438	\$ 800,000	\$ 824,000	\$ 848,720	\$ 874,182	\$ 900,407	\$ 927,419
Gain (loss) on sale of assets	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Operating Revenue	\$ 996	\$ 2,500	\$ 2,575	\$ 2,652	\$ 2,732	\$ 2,814	\$ 2,898
Host Fee Expense	\$ (343,140)	\$ (370,185)	\$ (381,291)	\$ (392,729)	\$ (404,511)	\$ (416,646)	\$ (429,146)
Total Non Operating Revenue (Expense)	\$ 671,294	\$ 432,315	\$ 445,284	\$ 458,643	\$ 472,402	\$ 486,574	\$ 501,172
Summary							
Revenue	\$ 14,917,385	\$ 13,454,000	\$ 13,877,907	\$ 13,316,277	\$ 13,769,605	\$ 14,238,401	\$ 14,723,191
Total Expenses	\$ 8,983,520	\$ 9,827,514	\$ 10,127,557	\$ 10,382,376	\$ 10,594,592	\$ 10,865,216	\$ 11,146,842
Capital	\$ 4,982,668	\$ 4,643,000	\$ 6,167,000	\$ 6,280,000	\$ 3,326,413	\$ 3,700,000	\$ 5,200,000
Cash Flow	\$ 951,196	\$ (1,016,514)	\$ (2,416,650)	\$ (3,346,099)	\$ (151,400)	\$ (326,815)	\$ (1,623,651)
Cash and Investments	\$ 12,103,623						
Transfer to Rock Prairie Closure 9/30/23		\$ 13,054,820	\$ 12,038,306	\$ 9,621,656	\$ 6,275,557	\$ 6,124,157	\$ 5,797,342

BVSWMA, Inc.
Twin Oaks Closure Funds

Closure/Post Closure Cost Estimate

JBS Engineering February 19, 2025	\$	23,609,352	
Conservative Estimate		115%	
	\$	27,150,755	
Accrued to date 9/30/2024	\$	4,244,367	
Projected current FY	\$	525,224	
Remaining accrual	\$	22,381,164	
Remaining Airspace current FY		21,595,997	tons
Accrual Rate	\$	1.04	\$/ton

Interium Closure & Pre Post Closure

Assumed 25% of closure/post closure	\$	6,787,689	
Accrued to date 9/30/2024	\$	911,207	
Projected current FY	\$	134,840	
Remaining accrual	\$	5,741,642	
Remaining Airspace current FY		21,595,997	tons
Accrual Rate	\$	0.27	\$/ton

Year	2025	2026	2027	2028	2029	2030	2031	2032
Landfill Tons		536,500	538,100	539,706	541,319	542,939	544,564	546,197

Twin Oaks Closure/Post Closure Fund

Starting	\$	4,244,367	\$ 4,769,591	\$ 5,325,596	\$ 5,883,260	\$ 6,442,589	\$ 7,003,589	\$ 7,566,267	\$ 8,130,630
Additional Funds	\$	525,224	\$ 556,006	\$ 557,664	\$ 559,329	\$ 561,000	\$ 562,678	\$ 564,363	\$ 566,055
Ending	\$	4,769,591	\$ 5,325,596	\$ 5,883,260	\$ 6,442,589	\$ 7,003,589	\$ 7,566,267	\$ 8,130,630	\$ 8,696,684

Interium & Pre-Post closure Fund

Starting	\$	911,207	\$ 1,046,047	\$ 1,188,684	\$ 1,331,747	\$ 1,475,236	\$ 1,619,155	\$ 1,763,504	\$ 1,908,285
Rate/ton	\$	134,840	\$ 142,637	\$ 143,062	\$ 143,490	\$ 143,918	\$ 144,349	\$ 144,781	\$ 145,215
Ending	\$	1,046,047	\$ 1,188,684	\$ 1,331,747	\$ 1,475,236	\$ 1,619,155	\$ 1,763,504	\$ 1,908,285	\$ 2,053,500

BVSWMA, Inc.
Rock Prairies Closure Funds

Rock Prairie Closure & Post Closure Reserve

	2025	2026	2027	2028	2029	2030	2031	2032
PC Years Remaining	22	21	20	19	18	17	16	15
Starting	\$ 2,390,358	\$ 2,255,358	\$ 2,152,841	\$ 2,050,325	\$ 1,947,809	\$ 1,845,293	\$ 1,742,776	\$ 1,640,260
Additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenses	\$ (135,000)	\$ (102,516.25)	\$ (102,516)	\$ (102,516)	\$ (102,516)	\$ (102,516)	\$ (102,516)	\$ (102,516)
Ending	\$ 2,255,358	\$ 2,152,841	\$ 2,050,325	\$ 1,947,809	\$ 1,845,293	\$ 1,742,776	\$ 1,640,260	\$ 1,537,744

July 24, 2025

Item No. 8.2.

Convention Center Feasibility Study Phase Two

Sponsor: Jeremiah Cook, Assistant Director - Tourism

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action on the second phase of the Convention Center Feasibility Study

Relationship to Strategic Goals:

Diverse & Growing Economy

Recommendation(s): Staff recommends the council receive the presentation and provide direction.

Summary: In October 2024, the City Council approved a contract with Hunden Strategic Partners to perform a convention center needs analysis. The analysis was broken into two phases, with phase one determining the potential market demand for a facility, and phase two determining the facility and programming, site evaluation, feasibility, financing options, economic impact analysis, and return on investment. On February 27th, the Council received the first phase of the study and provided direction to proceed with phase two. Attached is an executive summary of the first phase of the study. During this workshop, Hunden Strategic Partners will present their findings as it relates to phase two.

Budget & Financial Summary: Phase one of the Convention Center Feasibility Study was conducted at a cost of \$40,050, and phase two was conducted at a cost of \$32,875. The study also included a maximum reimbursable travel expenses of \$7,075, for a total contract cost of \$80,000.

Attachments:

1. Convention Center Feasibility Phase 1 Summary

College Station, Texas Convention Center & Hotel

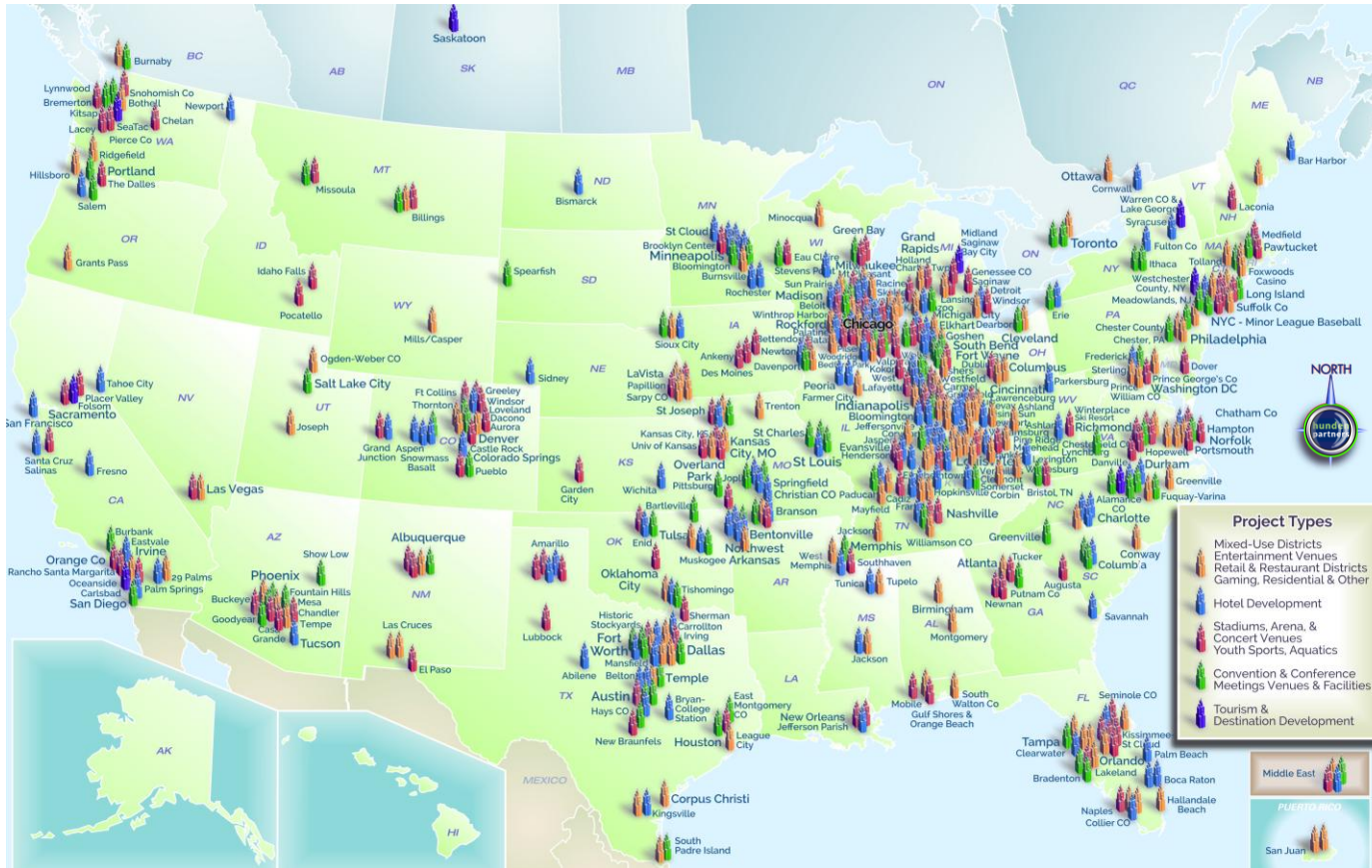
Market Demand, Financial
Feasibility & Impact Study

Phase 1: Council Presentation

February 27, 2025



hunden partners applies market realities to Live / Work / Play / Visit placemaking



HUNDEN QUALIFICATIONS: Hunden Partners is a full-service global real estate development advisory practice, providing public and private sector clients with confidence and results so they can move their projects from concept through execution. With more than 28 years of experience on 1,000+ projects, Mr. Hunden and his team are relied-upon guides and advisors that provide owner's representation services, project management and strategy, and the individual components of the process: feasibility and financing studies, impact analysis, governance/management structures, deal negotiation and team-assembly – managing RFQ/P processes for developers, architects, construction, management companies and service providers.

Hunden Partners professionals have provided all the above services for hundreds of client projects worldwide for the public, non-profit and private sectors. In addition, our professionals have prior professional career experience in municipal and state government, economic and real estate development, real estate law, hotel operations, and non-profit management. More than 80 percent of our clients are public entities, such as municipalities, counties, states, convention bureaus, authorities and other quasi-government entities empowered to conduct real estate, economic development, and tourism activities.

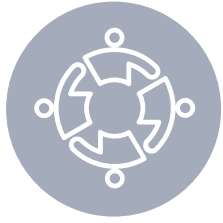
- Entertainment Venues & Mixed-Use Districts
- Stadiums, Arenas & Event Centers
- **Convention & Conference Centers**
- **Headquarters, Conference & Boutique Hotels**
- Tournament Sports Complexes
- Retail, Restaurant, Residential, Office
- University Assets & Districts
- Fairgrounds & Expos
- Fine Arts Venues, Distilleries & Attractions

Why We're Here

Potential Opportunity: *A multipurpose convention/event center designed to attract external business, including conventions, meetings, niche indoor sports, and live-ticketed entertainment.*

- College Station loses business to other markets without a dedicated large convention and event facility
- Texas A&M event space is hard to market to outside groups
- Goal to diversify the economy and drive tourism during slow periods
- Local events are outgrowing available venues

Study Methodology & Project Overview



Where are you now?



How do you stack up?



What are the opportunities?



How do we get there?

Phase I



Phase II

- **Current College Station & Surrounding Market Assessment**
- **Market Opportunities Assessment & Future Recommendations**

- **Site Selection/ Financial & Impact Projections, Funding Analysis**

Strong Market Position

College Station, part of the rapidly growing “Texas Triangle,” has seen significant population growth from 2010 to 2024, driven largely by Texas A&M University’s expanding enrollment. While growth is expected to slow, it will remain positive through 2029.

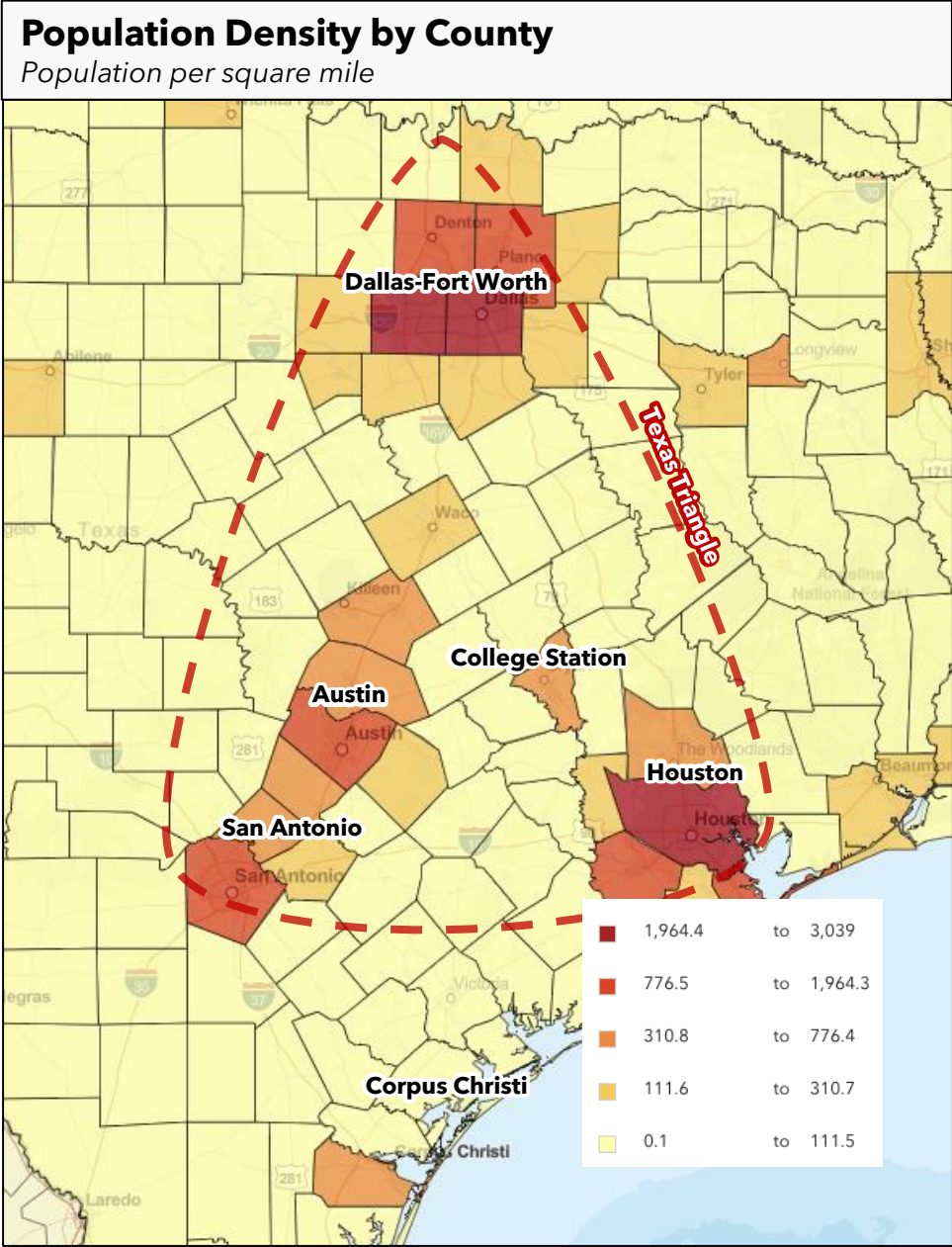
College Station Population Growth Rates

34 %

2010 - 2024
Population Growth

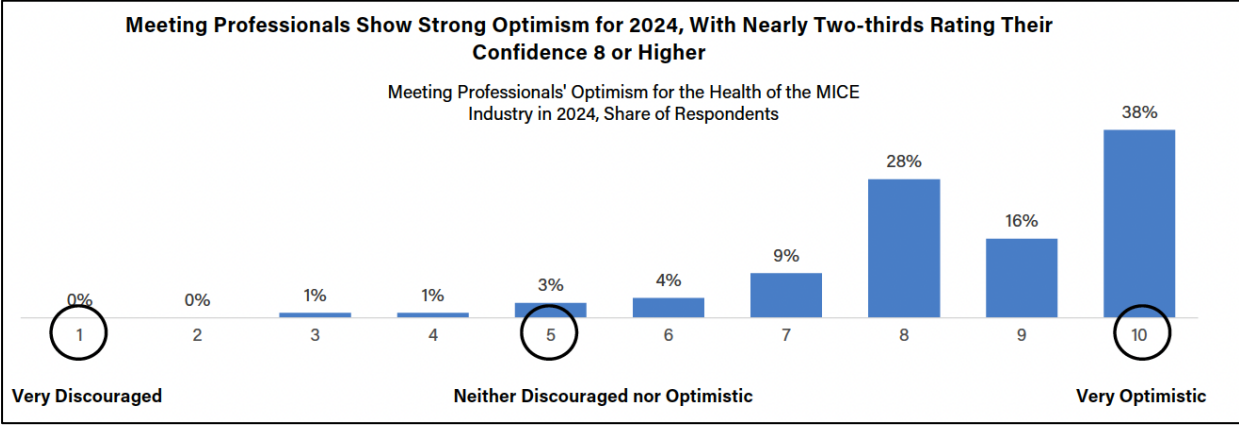
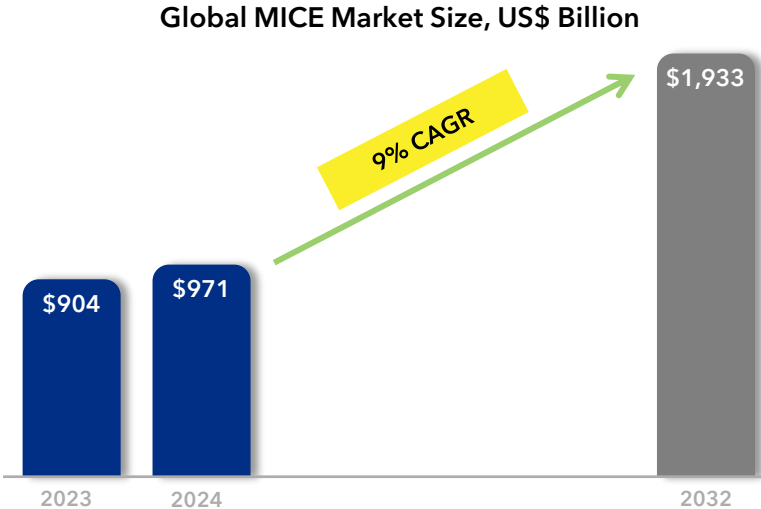
10 %

2020 - 2029
Population Growth



Meetings Industry Recovery and Growth Outlook

- **Demand Growth Accelerating:** The meetings sector is expected to achieve a compound annual growth rate (CAGR) of nine percent by 2032 as the demand for in-person meetings accelerates.
- **Industry Confidence Is High:** 82 percent of meetings professionals rate their optimism at 8 or above, with 38 percent giving a perfect 10 – mirroring the positive outlook of travel CEOs for the future of events.
- **Groups Implementing Cost Control Strategies:** Companies are adjusting budgets by opting for more cost-effective solutions, such as choosing three-star hotels instead of four-star accommodations.



Source: Skift Research State of Travel Report 2024
*MICE: Meetings, Incentives, Conferences, and Exhibitions

Convention Center Industry

Key Takeaways & Lessons Learned

Convention centers are vital community assets. While often operating at a loss, they play a crucial role in enhancing quality of life, attracting visitors, and spurring local development.

- **Walkable/connected hotels** are a necessity
- **Well-balanced mix of meeting space** sizes and types
- **Professional management** ensures operational efficiency and revenue growth
- **Creative event programming** curbs seasonality and diversifies revenue streams
- Walkable **food & beverage and entertainment enhance guest experience**
- **Capital improvement plan** ensures long-term viability
- Convention Centers **are economic catalysts that spur additional development**



Stakeholder Feedback Summary

20

Stakeholder Meetings

12

Associations, Event Planners, User Groups

2

Regional Convention Centers

Associations, Event Planners, User Groups

- Texas Society of Association Executives (TSAE)
- Meeting Planners International (MPI)
- Texas Association of School Administrators (TASA)
- Texas Energy Managers Association (TEMA)
- Texas Municipal League (TML)
- Texas Association of Counties (TAC)
- Texas Agricultural Aviation Association (TAAA)
- PRA Event Management
- Freeman Company
- Various Sports User Groups

Local & Regional Stakeholders

- Visit College Station
- Hilton College Station
- Texas A&M
- Texas A&M Conference Center Hotel
- Greater Brazos Partnership
- ASM Global
- Live Nation
- Waco Convention Center
- Plano Convention Center

Stakeholder Feedback Themes

The following themes capture the key focus areas from stakeholder discussions and support the formulation of recommendations and study conclusions.

Rotating state associations would consider College Station if a new convention center is built. These groups prioritize ample ballroom and breakout space

An optimal development would include approximately **100,000 to 200,000 square feet of sellable function** space and at **least 250 hotel rooms**

A new facility should feature a **50,000- to 75,000-square-foot exhibit hall** for trade shows and conferences. Exhibit space is oftentimes overdone; prioritize ballroom and meeting space

Divisible ballroom space of **25,000 to 55,000 square feet** with seating for at least 500 guests is crucial for larger gatherings. Ballroom space is often underserved in regional facilities

Walkable hotels are preferred; however, a connected hotel is most ideal

Limited airlift poses challenges for corporate events, but College Station's central location and drive-in accessibility appeal to state associations

The facility should be multipurpose, with the ability to accommodate live entertainment and various sports groups

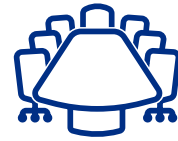
Walkable amenities such as restaurants, bars, and attractions are highly desirable

Texas A&M's event facilities prioritize athletics and student groups, which can lead to scheduling challenges and limited reliability for corporate and association events

Lost Business

The figure to the right outlines the reasons College Station lost business from 2022 to 2024.

- Of the 131 total lost events, 62 were due to facility gaps, unavailable dates, and other space-related reasons
- Lost events ranged from large conventions to youth sports tournaments
- Room night and economic impact calculations shown are based solely on the 62 events lost due to space constraints



62
Events Lost

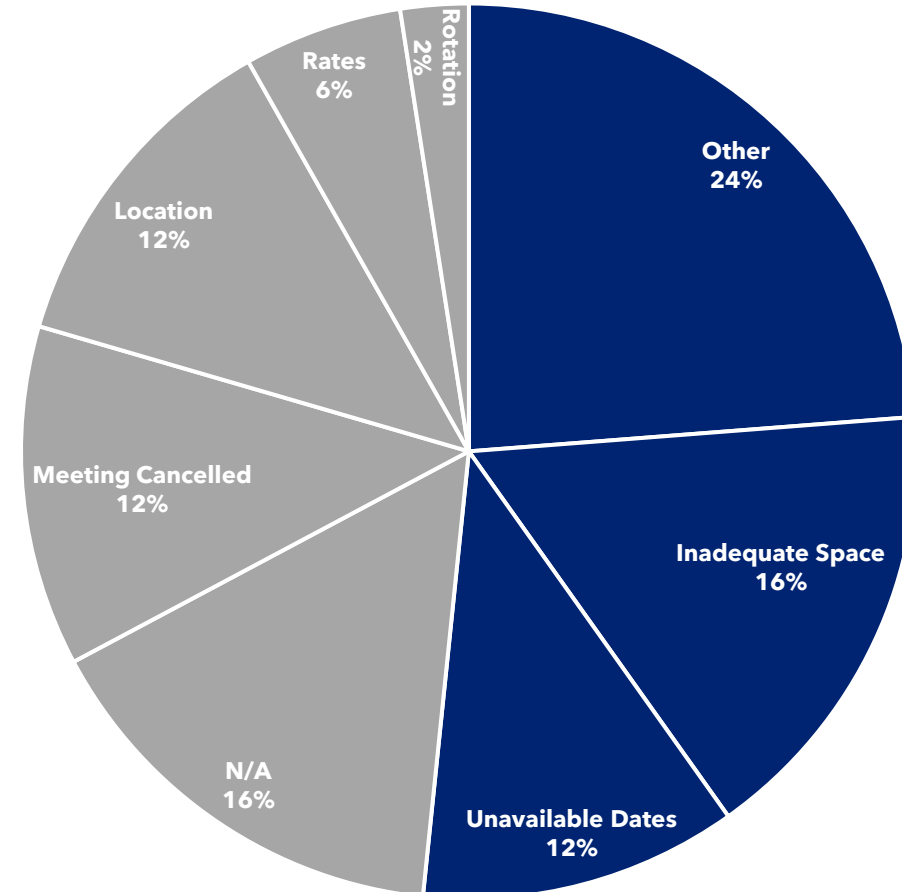


24.8K
Room Nights



\$13.2M
Economic Impact

2022-2024 Lost Business Report - Reasons



College Station Meetings Market

College Station-Bryan has eight relevant meeting venues with over 5,000 SF of function space. The Brazos County Expo is the only facility with exhibit space, while the Hilton is the only venue with ample function space and a walkable hotel package. Texas A&M facilities prioritize university events and are not considered competitive.

Facility	Location	Facility Type	Total Function Space (SF)
Brazos County Expo Center	Bryan, TX	Event Center	41,600
Legends Event Center	Bryan, TX	Sports Facility	41,500
Hilton College Station & Conference Center	College Station, TX	Conf. Center / Hotel	25,919
The Brazos Center	Bryan, TX	Event Center	20,468
Texas A&M Hotel and Conference Center	College Station, TX	Conf. Center / Hotel	20,453
Embassy Suites by Hilton College Station	College Station, TX	Hotel	7,296
Cavalry Court	College Station, TX	Hotel	6,270
The George	College Station, TX	Hotel	5,236

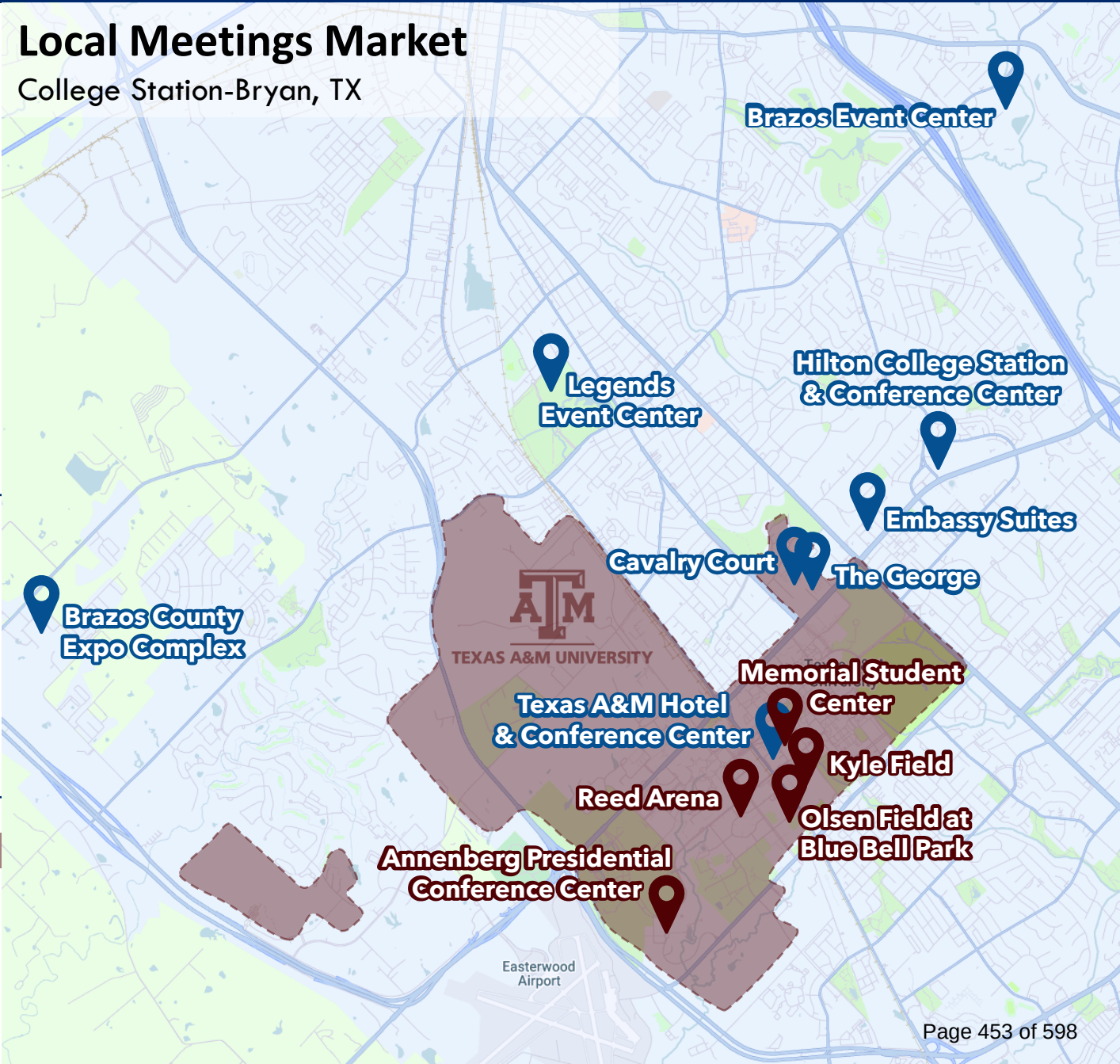
Average21,093

TEXAS A&M FACILITIES

Kyle Field	College Station, TX	Football Stadium	87,913
Memorial Student Center	College Station, TX	Student Center	38,527
Reed Arena	College Station, TX	Basketball Arena	30,600
Annenberg Presidential Conference Center	College Station, TX	Conference Center	11,100
Olsen Field at Blue Bell Park	College Station, TX	Ball Park	5,478

Local Meetings Market

College Station-Bryan, TX



Competitive Regional Texas Meetings Market (50K - 200K SF)

Texas ranks third nationally for prime exhibit space, offering a variety of convention and conference facilities. The adjacent table outlines mid-sized venues (50,000-200,000 SF) in suburban-urban markets primarily serve local corporate events and rotating state associations.

Regional Competitive Environment - Convention Centers (sorted by total function space)						
Facility	Location	Miles from College Station	Total Function Space	Number of Adjacent / Connected Hotels	Adjacent / Connected Hotel Rooms	Hotel Rooms / 1,000 SF of Exhibit Space
Loews Arlington Hotel & Convention Center	Arlington	188	191,504	2	1,188	27.5
Lone Star Convention Center & Expo Center	Conroe	66	141,700	–	–	0.0
American Bank Center Convention Center	Corpus Christi	237	135,588	–	–	0.0
Richard M. Borchard Regional Fairgrounds	Robstown	239	102,651	–	–	0.0
El Paso / Judson F. Williams Convention Center	El Paso	665	94,900	–	–	10.4
Moody Gardens Hotel, Spa and Convention Center	Galveston	143	92,945	1	433	8.2
McAllen Convention Center	McAllen	371	87,272	–	–	10.2
Irving Convention Center at Las Colinas	Irving	192	85,459	1	350	20.2
Amarillo Civic Center	Amarillo	512	82,178	–	–	3.7
Waco Convention Center	Waco	90	80,309	1	195	14.9
Galveston Island Convention Center at The San Luis Resort	Galveston	142	69,800	–	–	16.8
Kalahari Resorts & Conventions - Austin	Round Rock, TX	92	71,796	1	975	0.0
Lubbock Memorial Civic Center	Lubbock	431	67,334	–	–	14.3
Marriott Dallas Allen Hotel & Convention Center	Allen	195	66,600	1	300	11.3
The Woodlands Waterway Marriott Hotel & Convention Center	The Woodlands	72	66,532	1	348	17.5
Hampton Inn & Suites Dallas-Mesquite	Mesquite	174	57,738	1	160	9.3
Wichita Falls Multi-Purpose Events Center	Wichita Falls	289	57,270	–	–	5.3
Ford Arena	Beaumont	169	56,332	–	–	0.0
Embassy Suites Frisco Hotel & Convention Center	Frisco	204	60,338	1	330	0.0
Hilton DFW Lakes Executive Conference Center	Grapevine	202	53,558	1	397	0.0
The Woodlands Resort & Conference Center	The Woodlands	70	52,679	1	402	0.0
Average			84,499	1	242	8.1

Source: Various Facilities, Smith Travel Research

Overall Market Lift of HQ Hotel Development

- Hunden assessed over 12 convention markets for the impact of surrounding hotels when a new headquarters convention hotel was built
- **Data shows that a HQ hotel benefits both Primary and Secondary hotels, with even stronger gains for Secondary properties due to market compression**

Conclusion: A connected or adjacent convention hotel is essential to maximizing the venue’s success and citywide economic impact.

Performance of Primary & Secondary Hotel Sets			
10 Years Before & After Introduction of Convention HQ Hotel			
ADR - Average Annual Growth Rate			
	Performance Before HQ Hotel	Performance After HQ Hotel	10-Year Cumulative Diff
Primary Set	1.3%	3.5%	22.4%
Secondary Set	1.3%	4.6%	32.9%
Occupancy - Average Annual Growth Rate			
	Performance Before HQ Hotel	Performance After HQ Hotel	10-Year Cumulative Diff
Primary Set	0.6%	1.4%	8.0%
Secondary Set	0.2%	1.6%	14.1%
RevPar - Average Annual Growth Rate			
	Performance Before HQ Hotel	Performance After HQ Hotel	10-Year Cumulative Diff
Primary Set	1.9%	5.1%	31.8%
Secondary Set	1.5%	6.5%	49.9%
Total Revenue - Average Annual Growth Rate			
	Performance Before HQ Hotel	Performance After HQ Hotel	10-Year Cumulative Diff
Primary Set	5.1%	9.0%	39.0%
Secondary Set	7.0%	9.7%	27.5%

Source: Smith Travel Research, Hunden Partners

Competitive Hotel Market Overview

Hunden’s key takeaways from the competitive hotel set are as follows:

- **Post-Pandemic Growth:** Occupancy and ADR have surpassed 2019 levels, with steady demand and supply growth
- **Supply Expansion:** Hotel supply has more than doubled since 2016, but demand has yet to fully absorb it
- **Recent Additions:** 229 new rooms were added in two years, including the recently opened 160-room Drury Plaza Hotel

2024 Key Market Indicators (Competitive Set)	Occupancy 64.1%	ADR \$177.95	YOY ADR Growth 8.9%	RevPAR \$114.04
Development Pipeline (10-Mile Radius)	Current Supply 6,268 Rooms	Delivered Past 2 Yrs 229 Rooms	Delivered Next 2 Yrs 0 Rooms	Proposed Next 2 Yrs 272 Rooms

Implications

Convention Center, Meetings, Entertainment & Hotel Market Analysis

Limited Meeting Space Supply

College Station lacks meeting space necessary to attract regional events, leading to lost business. Texas A&M's facilities are not widely accessible.

State Association Demand

Rotating state associations have shown interest in College Station and would consider the city as a host destination if a new convention center were developed.

Flexible Space

A convention center should focus on ballrooms and breakout rooms while adding an exhibit hall to expand event options.

Hotel Supply Growth & Demand Lag

Hotel supply has doubled since 2016, but demand has not kept pace, keeping occupancy below 2016 levels.

Limited Group Business

A lack of meeting space limits group travel, leading to lower weekday occupancy and lost revenue opportunities.



Implications

Case Studies & Best Practices Analysis

HQ Hotels Boost Competitiveness

Developing an HQ hotel has significantly improved convention centers' ability to attract regional and national events, expanding their market reach beyond local business.

Walkability & Activation Drives Success

A lack of walkable hotels is a key competitive disadvantage. Adjacent retail, dining, and entertainment enhance destination appeal for meetings and events.

Private Management Ensures Smooth Operations

While not all successful convention centers are privately operated, leading private firms drive revenue, align with municipal goals, and maximize economic impact.



Preliminary Conclusions

Multipurpose Flexibility is Essential: College Station lacks high-quality, adaptable space for various events. A versatile venue would ensure year-round activity by attracting conventions, conferences, sports, and entertainment events

Strong Hotel Package Drives Convention Demand: A successful convention facility needs a connected, walkable hotel package to attract overnight events

Suburban Venue Offers Cost-Effective Alternative: A suburban facility provides a more affordable option than large, full-service hotels and offers appropriately sized space for small to mid-sized events

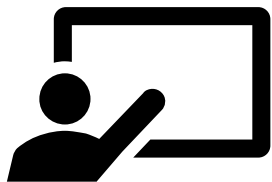
Differentiation Through Walkability & Amenities: The development must stand out from established venues in the region by emphasizing walkability and integrating nearby dining, shopping, and entertainment options

Leveraging Texas A&M Facilities to Boost Demand: Stronger integration with Texas A&M's event facilities could attract association and group business, reducing the need for a fully dedicated convention center

Recommendations

Feature

Capacity



Convention Center Program

Exhibit Hall / Flexible Event Floor, Grand & Junior Ballroom, Meeting Rooms

70,000 - 100,000 SF

Total Sellable Function Space



Connected Hotel Program

In-House Meeting Space - Grand & Junior Ballroom, Meeting Rooms

275 - 400 Keys

24,000 - 30,000 SF Function Space

147,000 - 212,000 SF Total (Full Convention Center Sizing Including Back-Of-House)

Minimum Land Needed w/ Structured Parking: 7 - 9.5 Acres*

Minimum Land Needed w/ Surface Parking: 15 - 20 Acres*

***acreage includes hotel**

July 24, 2025
Item No. 8.3.
Veterans Park Master Plan

Sponsor: Kelsey Heiden

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding a presentation of the Veterans Park and Athletic Complex (VPAC) Master Plan.

Relationship to Strategic Goals:

Core Services and Infrastructure

Recommendation(s):

Summary: Presentation and discussion regarding the Veterans Park and Athletic Complex Master Plan.

Budget & Financial Summary:

Attachments:

None

July 24, 2025
Item No. 8.4.
VPAC Ballfields Concept Plan

Sponsor: Kelsey Heiden

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding a presentation on the conceptual plan for the Veterans Park and Athletic Complex (VPAC) Baseball Fields Project.

Relationship to Strategic Goals:

Recommendation(s):

Summary: Presentation on the conceptual plan for the Veterans Park and Athletic Complex (VPAC) Baseball Fields Project.

Budget & Financial Summary:

Attachments:

None

July 24, 2025
Item No. 9.1.
FY 2026 Budget Public Hearing

Sponsor: Mary Ellen Leonard, Director of Fiscal Services

Reviewed By CBC: City Council

Agenda Caption: Public Hearing, presentation, discussion, and possible action on the City of College Station FY2025- 2026 Proposed Budget.

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 hold a public hearing on the FY 2025- 2026 Proposed Budget and receive citizen input. Council should then provide direction to staff on the budget.

Summary: The City Charter requires that the City Council call and hold a public hearing on the proposed budget; and that after such public hearing, the Council may insert or decrease items so long as the total of any increases and insertions do not increase the total budget by more than 3%.

The Proposed Budget was presented to the City Council on July 07, 2025. On July 7, 2025, the City Council called a public hearing on the FY2025-20206 Proposed Budget. A notice announcing the public hearing was published in accordance with City Charter and State Law requirements.

The FY2025- 2026 Budget is scheduled to be adopted on August 28, 2025.

Budget & Financial Summary: The following is an overall summary of the proposed budget.

Subtotal Operation and Maintenance:	\$390,078,560
Subtotal Capital:	84,147,138
Total Proposed Budget:	\$474,225,698

Attachments:

None

July 24, 2025

Item No. 9.2.

General Obligation Bonds Parameters Ordinance

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 general obligation bonds; delegating the authority to certain city officials to execute certain documents relating to the sale of the bonds; approving and authorizing an official statement and instruments and procedures relating to said bonds; and enacting other provisions relating to the subject.

Relationship to Strategic Goals:

Financially Sustainable City, and Providing Core Services and Infrastructure.

Recommendation(s): Council move to approve an ordinance authorizing the issuance of general obligation bonds; delegating the authority to certain city officials to execute certain documents relating to the sale of the bonds; approving and authorizing an official statement and instruments and procedures relating to said bonds; and enacting other provisions relating to the subject.

Summary: On November 8th 2022, the citizens of College Station approved three propositions authorizing General Obligation Bond authority.

Proposition A: New fire station and acquisition of fire trucks and public safety equipment, and the acquisition of land and interest in land for such projects.

Proposition B: Rock Prairie Road East corridor from Town Lake Drive to William D Fitch Parkway.

Proposition D: Demolition and reconstruction of restrooms, concession and storage space for the Bachmann Little League Building and Senior League/Soccer Building; pickleball and futsal courts at Anderson Park including lighting, parking and restrooms; demolition and reconstruction of the Central Park Operations Shop facility; pavilions, lighting, shade areas, irrigation, sidewalks, pathways, playgrounds/recreational areas, historical markers and signage at Mabel Clare Thomas Park; tennis courts, lighting and fencing at Bee Creek and Central Parks; restrooms, sidewalks and pathways at Lincoln Center/W.A. Tarrow Park.

The ordinance authorizes the issuance of up to \$17,200,000 in GO Bonds for (i) constructing, designing, improving and equipping parks and recreational facilities consisting of the following: demolition and reconstruction of restrooms, concession and storage space for the Bachmann Little League Building and Senior League/Soccer Building; pickleball and futsal courts at Anderson Park including lighting, parking and restrooms; demolition and reconstruction of the Central Park Operations Shop facility; pavilions, lighting, shade areas, irrigation, sidewalks, pathways, playgrounds/recreational areas, historical markers and signage at Mabel Clare Thomas Park; tennis courts, lighting and fencing at Bee Creek and Central Parks; restrooms, sidewalks and pathways at Lincoln Center/W.A. Tarrow Park; (ii) new fire station and acquisition of fire trucks and public safety equipment, and the acquisition of land and interest in land for such projects; and (iii) paying costs of issuance of the Bonds.

The parameters that must be satisfied are: (i) the true interest cost of the Bonds shall not exceed

5.00% per annum; (ii) the final maturity of the Bonds shall not exceed February 15, 2045 and (iii) the pricing must occur within one year. The blanks in Exhibit A of the ordinance are intentional and will be completed via the pricing certificate on the date of pricing.

Budget & Financial Summary: Staff reviewed and discussed the impact of the General Obligation Bonds on the City's ability to meet debt service requirements and the effect they may have on the ad valorem tax rate during the FY25 budget.

Attachments:

1. Ordinance (GO Bonds Series 2025) (ver 1)
2. POS-College Station GO-CO Series 2025
3. 2025 Debt Issue - Final

THE STATE OF TEXAS §
BRAZOS COUNTY §
CITY OF COLLEGE STATION, TEXAS §

1. The City Council convened in a regular meeting on July 24, 2025 at the regular designated meeting place, and the roll was called of the duly constituted officers and members of the City Council, to wit:

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

was duly introduced for the consideration of the City Council. It was then duly moved and seconded that the Order be passed; and, after due discussion, the motion, carrying with it the passage of the Order, prevailed and carried, with all members of the City Council shown present above voting "Aye," except as noted below:

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

3. The Mayor of the City Council has approved and hereby approves the Ordinance; and the Mayor and the City Secretary of the 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 JUNE 24, 2025

Tanya D. Smith
City Secretary

John Nichols
Mayor

(CITY SEAL)

ORDINANCE NO. 2025-

ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS; DELEGATING THE AUTHORITY TO CERTAIN CITY OFFICIALS TO EXECUTE CERTAIN DOCUMENTS RELATING TO THE SALE OF THE BONDS; APPROVING AND AUTHORIZING AN OFFICIAL STATEMENT AND INSTRUMENTS AND PROCEDURES RELATING TO THE BONDS; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, by virtue of a special bond election held within the City of College Station, Texas ("the Issuer"), this City Council became authorized to issue, sell and deliver the general obligation bonds of the Issuer, of which there has been previously issued and are authorized to be issued by this Ordinance, as described in *Schedule I* attached hereto and incorporated herein;

WHEREAS, this City Council finds and determines that it is necessary and proper to authorize the issuance, sale and delivery of a portion of such voted bonds;

WHEREAS, the Issuer is an "Issuer" under 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 Bonds hereinafter authorized to be issued are to be issued, sold and delivered pursuant to the general laws of the State of Texas, including Texas Government Code, Chapters 1251, 1331 and 1371, as amended and the City's Home Rule Charter; 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 the 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 BONDS.

(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 Bond 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 "Bonds" shall mean the Bonds authorized to be issued and delivered by this Ordinance, unless such series designation is changed in the Pricing Certificate to reflect the actual sale of the Bonds.

(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 Bonds 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 Bonds.

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

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

(b) The City of College Station, Texas (the "Issuer") hereby authorizes to be issued and delivered the Bonds, in one or more series, for the following public purposes: (i) constructing, designing, improving and equipping parks and recreational facilities consisting of the following: demolition and reconstruction of restrooms, concession and storage space for the Bachmann Little League Building and Senior League/Soccer Building; pickleball and futsal courts at Anderson Park including lighting, parking and restrooms; demolition and reconstruction of the Central Park Operations Shop facility; pavilions, lighting, shade areas, irrigation, sidewalks, pathways, playgrounds/recreational areas, historical markers and signage at Mabel Clare Thomas Park; tennis courts, lighting and fencing at Bee Creek and Central Parks; restrooms, sidewalks and pathways at Lincoln Center/W.A. Tarrow Park; (ii) new fire station and acquisition of fire trucks and public

safety equipment, and the acquisition of land and interest in land for such projects; and (iii) paying costs of issuance of the Bonds (collectively, the "Projects"). The maximum par amount of the Bonds to be issued for the purposes above may not exceed \$17,200,000.

(c) Each Bond issued pursuant to this Ordinance shall be designated: "CITY OF COLLEGE STATION, TEXAS, GENERAL OBLIGATION BOND, SERIES 2025", and initially there shall be issued, sold, and delivered hereunder fully registered Bonds for each series, without interest coupons, payable to the respective registered owners thereof (with the initial bonds being made payable to the initial purchaser as described in Section 10 hereof), or to the registered assignee or assignees of the bonds or any portion or portions thereof (in each case, the "Registered Owner"). The Bonds shall be in the respective denominations and principal amounts, shall be numbered, shall mature and be payable on the date or dates in each of the years and in the principal amounts, and shall bear interest to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the Pricing Certificate for such series of Bonds.

(d) As authorized by Sections 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 Bonds, carrying out the other procedures specified in this Ordinance, including, determining the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, whether the Bonds 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 Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment and record dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Bonds and obtaining municipal insurance for all or any portion of the Bonds and providing for the terms and provisions thereof applicable to the Bonds, all of which shall be specified in the Pricing Certificate.

(e) No series of Bonds shall be issued pursuant to this Ordinance unless each of the following parameters are satisfied as specified in the Pricing Certificate:

(i) the aggregate principal amount of the Bonds shall not exceed \$17,200,000;

(ii) the true interest cost of the Bonds shall not exceed 5.00% per annum;

(iii) the final maturity of the Bonds shall not exceed February 15, 2045;

(iv) the delegation made hereby shall expire if not exercised by the Pricing Officer on or prior one year from the date of adoption of this Ordinance; and

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

(f) In establishing the aggregate principal amount of the Bonds, 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 (b) hereof, which shall

be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The Bonds shall be sold with and subject to such terms as set forth in the Pricing Certificate.

(g) The Bonds 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.

(h) The City Council hereby determines that the delegation of the authority to the Pricing Officer to approve the final terms of the Bonds 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 BONDS.

(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. (the "Paying Agent/Registrar"), books or records for the registration and transfer of the Bonds (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 Bond to which payments with respect to the Bonds 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 Bond 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 Bond, 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 Bond or any such portion thereof registered in the name of such assignee or assignees. Upon the assignment and transfer of any Bond or any portion thereof, a new substitute Bond or Bonds shall be issued in exchange therefor in the manner herein provided.

(b) The entity in whose name any Bond 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 Bond 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 Bond shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond 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 Bonds, and to act as its agent to exchange or replace Bonds, 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 Bonds, and of all exchanges thereof, and all replacements thereof, as provided in this Ordinance.

(d) Each Bond may be exchanged for fully registered Bonds in the manner set forth herein. Each Bond 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 Bonds, without interest coupons, in the form prescribed in the FORM OF BOND, in an Authorized Denomination (subject to the requirement hereinafter stated that each substitute Bond 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 Bond or Bonds so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same principal maturity date and bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided herein, and each fully registered Bond or Bonds delivered in exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Ordinance shall constitute one of the Bonds for all purposes of this Ordinance, and may again be exchanged or replaced. It is specifically provided, however, that any Bond delivered in exchange for or replacement of another Bond prior to the first scheduled interest payment date on the Bonds (as stated on the face thereof) shall be dated the same date as such Bond, but each substitute Bond 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 Bond is delivered, unless such substitute Bond 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 Bond the interest on the Bond for which it is being exchanged has not been paid, then such substitute Bond shall be dated as of the date to which such interest has been paid in full. On each substitute Bond issued in exchange for or replacement of any Bond or Bonds 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 BOND (the "Authentication Certificate"). An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such substitute Bond, date such substitute Bond in the manner set forth above, and manually sign and date the Authentication Certificate, and no such substitute Bond shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all Bonds 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 Bonds or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bond in the manner prescribed herein. Pursuant to Chapter 1206, Texas Government Code, the duty of exchange or replacement of any Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of

Authentication Certificate, the exchanged or replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds 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 Bond 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 Bond.

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

(f) The City shall pay the Paying Agent/Registrar's reasonable and customary fees and charges for making transfers of Bonds, but the registered owner of any Bond requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The registered owner of any Bonds requesting any exchange shall pay the Paying Agent/Registrar's reasonable and standard or customary fees and charges for exchanging any such Bond 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 Bond or Bonds 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 Bonds 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 Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer or registration of Bonds solely to the extent above provided, and with respect to the exchange of Bonds solely to the extent above provided.

(g) The City covenants with the registered owners of the Bonds that at all times while the Bonds 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 Bonds 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 Bonds, 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 Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

Section 4. FORM OF BONDS. The form of the Bonds, 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 Bonds initially issued and delivered pursuant to this Ordinance, shall be in substantially the form as set forth in Exhibit A to this Ordinance. The Bonds shall numbered consecutively from R-1 upward, with the Initial Bond being numbered T-1, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance and with the FORM OF BOND to be modified pursuant to, and completed with information set forth in the Pricing Certificate. The FORM OF BOND as it appears in Exhibit A shall be completed, amended and modified by Bond Counsel to incorporate the information set forth in the Pricing Certificate but it is not required for the FORM OF BOND to reproduced as an exhibit to the Pricing Certificate. The printer of the Bonds is hereby authorized to print on the Bonds (i) the form of bond counsel's opinion relating to the Bonds, 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 Bonds.

Section 5. REDEMPTION PROVISIONS.

(a) *Optional Redemption.* The Bonds may be subject to optional redemption prior to maturity on the dates and at the redemption prices as set forth in the Pricing Certificate. The Pricing Officer is hereby delegated to make such modifications to the provisions of this section in the Pricing Certificate as are necessary to complete the sale and delivery of the Bonds.

(b) *Notice of Redemption.* At least thirty days prior to the date fixed for any redemption of Bonds, or portions thereof, prior to maturity, the Issuer shall cause written notice of such redemption to be sent by United States mail, first class, postage prepaid, to each Registered Owner of a Bond to be redeemed, in whole or in part, at the address of the Registered Owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing of such notice. All notices of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Registered Owner.

(c) *Firm Banking and Financial Arrangements.* By the date fixed for any prior redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof that are to be redeemed. If written notice of redemption is mailed and if due provision for such payment is made, all as provided above, the Bonds or portions thereof that are to be redeemed shall automatically be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond having

the same maturity date, bearing interest at the same rate, in an Authorized Denomination, at the written request of the Registered Owner, and in an 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 Issuer.

(d) *Selection of Bonds for Redemption.* If less than all Bonds of the same maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall randomly select by lot the Bonds within such maturity to be redeemed.

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

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

(a) A special fund or account, to be designated the "City of College Station Series 2025 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 respective series of Bonds. All ad valorem taxes levied and collected for and on account of the Bonds shall be deposited, as collected, to the credit of the respective Interest and Sinking Fund. During each year while any of the Bonds 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 Bonds 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 Bonds 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 Bonds 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 Bonds 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 Bonds, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

(b) Application of Chapter 1208, Government Code. Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of ad valorem taxes granted by the City

under this section, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the ad valorem taxes 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 Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

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

(d) 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 Bonds.

(e) 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 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.

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

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

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

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

(e) *Authority for Issuing Replacement Bonds.* In accordance with Section 1201.067, Texas Government Code, this Section of this Ordinance shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the City or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 4(d) of this Ordinance for Bonds issued in conversion and exchange of other Bonds.

Section 8. FEDERAL INCOME TAX MATTERS.

(a) *Covenants.* The Issuer covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the Registered Owner for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

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

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

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

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

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

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

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

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

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

(vii) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage); and

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

(b) *Rebate Fund.* To facilitate compliance with subsection (a)(viii), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the Registered Owners. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) *Proceeds.* The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of refunded obligations expended prior to the date of issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional

requirements which are applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the City Manager or Assistant City Manager/Chief Financial Officer to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

Section 9. DISPOSITION OF PROJECT. The Issuer covenants that the property financed with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of such Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 10. ALLOCATION OF, AND LIMITATION ON, EXPENDITURES FOR THE PROJECT. The Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the construction and acquisition of the Project on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed. The foregoing notwithstanding, the Issuer shall not expend sale proceeds or investment earnings thereon more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such expenditure will not adversely affect the status, for federal income tax purposes, of the Bonds or the interest thereon. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 11. Reserved.

Section 12. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS. The City Manager or the Assistant City Manager/Chief Financial Officer of the City is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such certificate. The Bonds thus registered shall remain in the custody of the Assistant City Manager/Chief Financial Officer (or the designee thereof) until delivered to the Purchaser (as defined in Section 16 of this Ordinance).

Section 13. DTC REGISTRATION. The Bonds initially shall be issued and delivered in such manner that no physical distribution of the Bonds will be made to the public, and The Depository Trust Company ("DTC"), New York, New York, initially will act as depository for the Bonds. 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 Bonds 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 Bonds on behalf of the Purchaser and its participants. So long as each Bond 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 Bonds 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 Bonds initially deposited with DTC shall be immobilized and not be further exchanged for substitute Bonds 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 Bonds. 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 Bonds, 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 Bonds is duly filed with the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this Ordinance, substitute Bonds 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 Bonds. 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 14. 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 (or as otherwise provided in the Pricing Certificate). The City will update and provide the information in Tables numbered 1 through 6 and 8 through 20 within six months after the end of each fiscal year ending in and after 2025. 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 2025. 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 Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions 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 Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bondholders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of 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; 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.

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 Bonds 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 Bonds 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 Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be

relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCE SHALL THE CITY BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE 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 Bonds 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 Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the registered owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the 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 Bonds. 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 Bonds in the primary offering of the Bonds.

Section 15. DEFEASANCE.

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

(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 Bonds 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 Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (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 Bonds.* In the event that the City elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

(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 Bonds.

(e) The Pricing Officer is authorized to modify the categories of Defeasance Securities that are eligible to defease the Bonds.

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

Section 16. SALE OF BONDS; OFFICIAL STATEMENT.

(a) The Bonds 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 Bonds are designated. The Bonds 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 Bonds shall be designated. The Bonds shall initially be registered in the name of the Purchaser thereof as set forth in the Pricing Certificate.

(b) The City hereby approves the form and content of the draft preliminary official statement relating to the Certificates in the form attached hereto as **Exhibit B** 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 Bonds, 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 Bonds. 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/Chief Financial Officer 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 Bonds, the sale of the Bonds, the Purchase Agreement and the Official Statement. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 17. FURTHER PROCEDURES. The Mayor, the City Secretary, the City Manager, Assistant City Manager/Chief Financial Officer 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 Bonds 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 Bonds, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

Section 18. 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 2025 GO Bonds 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 Bonds 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 Bonds shall be deposited to the credit of the Interest and Sinking Fund.

Section 19. INTEREST EARNINGS. The interest earnings derived from the investment of proceeds from the sale of the Bonds may be used along with other proceeds for the construction of the permanent improvements set forth in Section 1 hereof for which the Bonds 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 Bonds from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

Section 20. 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 Bonds when the same becomes due and payable or (ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the

failure to perform which materially, adversely affects the rights of the registered owners of the Bonds, 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.* 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. It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all registered owners of Bonds 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 Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(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 Bond 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 21. RESERVED.

Section 22. 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.* 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 BOND" shall refer to the form of the Bonds 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) *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.

PASSED, APPROVED AND EFFECTIVE THIS JUNE 25, 2025.

City Secretary; City of College Station

Mayor; City of College Station

(CITY SEAL)

APPROVED:

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



[Remainder of page intentionally left blank.]

SCHEDULE I – SCHEDULE OF VOTED BOND AUTHORIZATION

November 8, 2022 Special Bond Election			
Purpose	Amount Authorized	Amount Previously Issued	Unissued Balance
Proposition A: new fire station and acquisition of fire trucks and public safety equipment, and the acquisition of land and interest in land for such projects	\$18,000,000	\$2,500,000	\$15,500,000
Proposition B: Rock Prairie Road East corridor from Town Lake Drive to William D Fitch Parkway	\$16,100,000	\$2,000,000	\$14,100,000
Proposition D: demolition and reconstruction of restrooms, concession and storage space for the Bachmann Little League Building and Senior League/Soccer Building; pickleball and futsal courts at Anderson Park including lighting, parking and restrooms; demolition and reconstruction of the Central Park Operations Shop facility; pavilions, lighting, shade areas, irrigation, sidewalks, pathways, playgrounds/recreational areas, historical markers and signage at Mabel Clare Thomas Park; tennis courts, lighting and fencing at Bee Creek and Central Parks; restrooms, sidewalks and pathways at Lincoln Center/W.A. Tarrow Park	\$22,000,000	\$2,400,000	\$19,600,000

EXHIBIT A

FORM OF BOND

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

The "[-]" in this section are intentional.

NO. [R][T]-1

UNITED STATES OF AMERICA
STATE OF TEXAS
BRAZOS COUNTY

PRINCIPAL
AMOUNT
\$ _____

CITY OF COLLEGE STATION, TEXAS
GENERAL OBLIGATION BOND, SERIES 2025

MATURITY DATE	INTEREST RATE	DELIVERY DATE	CUSIP NO.
_____	_____	_____, 2025	_____

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, 202[], and semiannually on each August 15 and February 15 thereafter until maturity or prior redemption; except that if this Bond is required to be authenticated and the date of its authentication is later than February 15, 202[], such interest is payable semiannually on each August 15 and February 15 following such date.

THE PRINCIPAL OF AND INTEREST ON this Bond 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 Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond 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 Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check, 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 Bond (the "Bond 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 Bond for payment at the Designated Trust Office of the Paying Agent/Registrar. The City covenants with the registered owner of this Bond that on or before each principal and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IN THE EVENT OF NON-PAYMENT of interest on a scheduled payment date, and for thirty 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 Bond 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 Bond 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 BOND is one of a Series of Bonds dated as of [], 2025, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$[], for the following public purposes: (i) constructing, designing, improving and equipping parks and recreational facilities consisting of the following: demolition and reconstruction of restrooms, concession and storage space for the Bachmann Little League Building and Senior League/Soccer Building; pickleball and futsal courts at Anderson Park including lighting, parking and restrooms; demolition and reconstruction of the Central Park Operations Shop facility; pavilions, lighting, shade areas, irrigation, sidewalks, pathways, playgrounds/recreational areas, historical markers and signage at Mabel Clare Thomas Park; tennis courts, lighting and fencing at Bee Creek and Central Parks; restrooms, sidewalks and pathways at Lincoln Center/W.A. Tarrow Park; (ii) new fire station and

acquisition of fire trucks and public safety equipment, and the acquisition of land and interest in land for such projects; and (iii) paying costs of issuance of the Bonds (collectively, the "Projects").

ON FEBRUARY 15, 203[], or on any date thereafter, the Bonds of this Series maturing on February 15, 203[] 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 Bonds called for redemption at the option of the City prior to their stated maturity shall be selected by the City. The Bonds 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 Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds 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 Bond 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 Bond 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 Bond, 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 Bond or any portion hereof. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in 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 Bonds 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 BONDS OF THIS SERIES are issuable solely as fully registered Bonds, without interest coupons, in Authorized Denominations. As provided in the Bond Ordinance, this Bond may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for a like aggregate principal amount of fully registered Bonds, 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 Bond to the Paying Agent/Registrar at its Designated Trust Office for cancellation, all in accordance with the form and procedures set forth in the Bond Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar 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 Bond or any portion or portions hereof in an Authorized Denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The foregoing notwithstanding, in the case of the exchange of an assigned and transferred Bond or Bonds 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 Bond 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 Bonds and ending at the close of business on the day of such mailing, or (2) to transfer or exchange any Bonds so selected for redemption when such redemption is scheduled to occur within 45 calendar days.

WHENEVER the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond 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 Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Bond 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 Bonds.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that this Bond is a direct obligation of said City, issued on the full faith and credit thereof; and that in accordance

with the terms of the Bond Ordinance, annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said City, and have been pledged for such payment, within the limit prescribed by law.

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

IN WITNESS WHEREOF, this Bond 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 Bond.

City Secretary

Mayor

(CITY SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the proceedings adopted by the City as described in the text of this Bond; and that this Bond has been issued in exchange for or replacement of a Bond 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.
Dallas, Texas
Paying Agent/Registrar

By: _____
Authorized Representative

FORM OF COMPTROLLER'S CERTIFICATE [ATTACHED TO BOND 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 true and correct copy of the opinion of the Attorney General of the State of Texas approving this Bond and that this Bond has been registered this day 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 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints: _____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____.

Signature Guaranteed:

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

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

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

- i. immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO. _____" shall be deleted.
- 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>
<u> </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, 202[] 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 Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

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

EXHIBIT B

PRELIMINARY OFFICIAL STATEMENT

(Omitted as it is included in Transcript)



OFFICIAL STATEMENT
Dated _____, 2025

Ratings:
Moody's: Applied for
S&P: Applied for
See "OTHER INFORMATION – Ratings" herein

NEW ISSUE - Book-Entry-Only

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds 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 including the alternative minimum tax on certain corporations.



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

\$16,375,000*
GENERAL OBLIGATION BONDS, SERIES 2025

Dated Date: Date of Delivery

Due: February 15, as shown on page 2

Interest Accrual Date: Date of Delivery

PAYMENT TERMS. . . Interest on the \$16,375,000* City of College Station, Texas General Obligation Bonds, Series 2025 (the "Bonds") will accrue from the date of delivery, and will be payable February 15 and August 15 of each year commencing February 15, 2026 until maturity or prior redemption and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds 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 Bonds may be acquired in denominations of \$5,000 of principal amount or any integral multiples thereof within a maturity. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Bonds 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 Bonds. See "THE OBLIGATIONS – 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 OBLIGATIONS – Paying Agent/Registrar").

AUTHORITY FOR ISSUANCE. . . Bonds are issued pursuant to the Constitution and general laws of the State of Texas, including particularly Chapters 1251, 1371 and 1331 of the Texas Government Code, as amended, an election held in the City of College Station, Texas (the "City") on November 8, 2022 and an ordinance to be adopted by the City Council of the City (the "Bond Ordinance"). In the Bond Ordinance, the City Council will delegate to a designated officer of the City pursuant to certain provisions of Chapter 1371, authority to effect the sale of the Bonds and to establish certain terms related to the issuance and sale of the Bonds. The terms of the sale will be included in a "Pricing Certificate," which will complete the sale of the Bonds (such ordinance and the Pricing Certificate for the Bonds are jointly referred to as the "Bond Ordinance"). The Bonds constitute direct obligations of the City, payable from a continuing ad valorem tax levied on all taxable property within the City within the limits prescribed by law, as provided in the Bond Ordinance (see "THE OBLIGATIONS - Authority for Issuance").

PURPOSE. . . Proceeds from the sale of the Bonds will be used for (i) a new fire station and acquisition of fire trucks and public safety equipment; transportation and mobility infrastructure; (ii) a parks and recreational facilities, and; (iii) professional services rendered in relation to such projects and the issuance costs of the Bonds.

CUSIP PREFIX: 194469

MATURITY SCHEDULE & 9 DIGIT CUSIP
See Schedule on page 2

SEPARATE ISSUES . . . The Bonds are being offered by the City concurrently with the issuance of the \$17,550,000* City of College Station, Texas, Certificates of Obligation, Series 2025 (the "Certificates") under a common Official Statement. The Bonds and the Certificates are separate and distinct securities offerings being issued and sold independently except for this Official Statement, and such Bonds and Certificates are hereinafter sometimes referred to collectively as the "Obligations." While the Bonds and Certificates share certain common attributes, each issue is separate from the other and should be reviewed and analyzed independently, including without limitation the type of obligation being offered, its terms of payment, the rights of the City to redeem the Obligations of either series, the federal, state or local tax consequences of the purchase, ownership or disposition of the Obligations and other features.

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

DELIVERY. . . It is expected that the Bonds will be available for delivery through the services of DTC on or about August 28, 2025.

BIDS DUE _____, _____, 2025 AT 10:30 A.M. CDT

* Preliminary, subject to change.

MATURITY SCHEDULE*

\$16,375,000*
General Obligation Bonds, Series 2025

Due Feb. 15	Principal	Interest Rate	Yield	CUSIP ⁽¹⁾
2026	\$ 825,000			
2027	790,000			
2028	830,000			
2029	865,000			
2030	915,000			
2031	960,000			
2032	1,010,000			
2033	570,000			
2034	600,000			
2035	630,000			
2036	665,000			
2037	695,000			
2038	730,000			
2039	770,000			
2040	810,000			
2041	850,000			
2042	895,000			
2043	940,000			
2044	985,000			
2045	1,040,000			

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard and Poor's Financial Services LLC on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the City nor the Financial Advisor shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

OPTIONAL REDEMPTION . . . The City reserves the right, at its option, to redeem Bonds having stated maturities on and after February 15, 2035, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2034, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE OBLIGATIONS – Optional Redemption").

MANDATORY SINKING FUND REDEMPTION . . . In addition to the foregoing optional redemption provision, if in connection with the pricing of the Bonds the principal amounts designated in the maturity schedule herein are combined to create Term Bonds, each Term Bond shall be subject to mandatory sinking fund redemption commencing on February 15 of the first year which has been combined to form such Term Bond and continuing on February 15 in each year thereafter until the stated maturity date of that Term Bond, 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 OBLIGATIONS – Mandatory Sinking Fund Redemption").

* Preliminary, subject to change.



(See "Continuing Disclosure of Information" herein)

OFFICIAL STATEMENT
Dated _____, 2025

Ratings:
Moody's: Applied for
S&P: Applied for
See "OTHER INFORMATION – Ratings" herein

NEW ISSUE - Book-Entry-Only

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



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

\$17,550,000*
CERTIFICATES OF OBLIGATION, SERIES 2025

Dated Date: Date of Delivery

Due: February 15, as shown on page 4

Interest Accrual Date: Date of Delivery

PAYMENT TERMS. . . Interest on the \$17,550,000* City of College Station, Texas Certificates of Obligation, Series 2025 (the "Certificates") will accrue from the date of delivery, and will be payable February 15 and August 15 of each year commencing February 15, 2026 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 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 OBLIGATIONS - 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 OBLIGATIONS - 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, 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 Certificate Ordinance. In the Certificate Ordinance, the City Council will delegated to a designated officer of the City pursuant to certain provisions of Chapter 1371, authority to effect the sale of the Certificates and to establish certain terms related to the issuance and sale of the Certificates. The terms of the sale will be included in a "Pricing Certificate," which will complete the sale of the Certificates (such ordinance and the Pricing Certificate for the Certificates are jointly referred to as the "Certificate Ordinance" (see "THE OBLIGATIONS - Authority for Issuance of the Obligations" and "THE OBLIGATIONS - Security and Source of Payment").

PURPOSE. . . Proceeds from the sale of the Certificates will be used for (i) city-wide radio and communication equipment; (ii) improvements and extensions to the City's waterworks and sewer systems including new water wells, distribution, transmission, system lines, lift stations, pumps, outfall, filtration and plant improvements; and (iii) professional services rendered in relation to such projects and the issuance costs of the Certificates.

CUSIP PREFIX: 194469

MATURITY SCHEDULE & 9 DIGIT CUSIP

See Schedule on page 4

SEPARATE ISSUES . . . The Certificates are being offered by the City concurrently with the issuance of the \$16,375,000* City of College Station, Texas, General Obligation Bonds, Series 2025 (the "Bonds") under a common Official Statement. The Bonds and the Certificates are separate and distinct securities offerings being issued and sold independently except for this Official Statement, and such Bonds and Certificates are hereinafter sometimes referred to collectively as the "Obligations." While the Bonds and Certificates share certain common attributes, each issue is separate from the other and should be reviewed and analyzed independently, including without limitation the type of obligation being offered, its terms of payment, the rights of the City to redeem the Obligations of either series, the federal, state or local tax consequences of the purchase, ownership or disposition of the Obligations and other features.

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

DELIVERY. . . It is expected that the Certificates will be available for delivery through the services of DTC on or about August 28, 2025.

BIDS DUE _____, _____, 2025 AT 10:00 A.M. CDT

* Preliminary, subject to change.

MATURITY SCHEDULE*

\$17,550,000*
Certificates of Obligation, Series 2025

Due Feb. 15	Principal	Interest Rate	Yield	CUSIP ⁽¹⁾
2026	\$ 1,040,000			
2027	1,010,000			
2028	1,070,000			
2029	1,120,000			
2030	1,175,000			
2031	1,240,000			
2032	1,305,000			
2033	540,000			
2034	565,000			
2035	595,000			
2036	625,000			
2037	655,000			
2038	690,000			
2039	725,000			
2040	760,000			
2041	800,000			
2042	840,000			
2043	885,000			
2044	930,000			
2045	980,000			

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard and Poor's Financial Services LLC on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the City nor the Financial Advisor shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

OPTIONAL REDEMPTION . . . The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2035, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2034, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE OBLIGATIONS – 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 OBLIGATIONS – 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 Obligations 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 or the Initial Purchasers. 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 Obligations. Neither the City, the Financial Advisor nor the Initial Purchasers shall be responsible for the selection or correctness of the CUSIP numbers shown on the inside cover page.

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

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

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

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

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

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

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

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

OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Obligations 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 OBLIGATIONS The Bonds are issued as 16,375,000* City of College Station, Texas General Obligation Bonds, Series 2025. The Bonds are issued as serial bonds maturing on February 15 in each of the years 2026–2045, inclusive (see “THE OBLIGATIONS – General Description”).

The Certificates are issued as \$17,550,000* City of College Station, Texas Certificates of Obligation, Series 2025. The Certificates are issued as serial certificates maturing on February 15 in each of the years 2026-2045, inclusive (see “THE OBLIGATIONS - General Description”).

The Bonds and the Certificates are sometimes referred to collectively herein as the “Obligations”.

PAYMENT OF INTEREST Interest on the Obligations will accrue from the date of delivery, and will be payable February 15 and August 15 of each year commencing February 15, 2026 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 OBLIGATIONS - General Description”).

AUTHORITY FOR ISSUANCE . The Bonds are authorized and issued pursuant to the Constitution and general laws of the State, particularly Chapters 1251, 1371 and 1331, Texas Government Code, as amended, an election held within the City on November 8, 2022 and an ordinance to be passed by the City Council of the City (the “Bond Ordinance”) (see “THE OBLIGATIONS - Authority for Issuance”).

The Certificates are issued pursuant to the Constitution and general laws of the State, particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended, and an ordinance to be passed by the City Council of the City (the “Certificate Ordinance”) (see “THE OBLIGATIONS – Authority of Issuance”).

SECURITY FOR THE BONDS .. The Bonds are direct obligations of the City payable from the levy and collection of a direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property located within the City, as provided in the Bond Ordinance (see “THE OBLIGATIONS - Security and Source of Payment”).

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 OBLIGATIONS - 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 Obligations of either series having stated maturities on and after February 15, 2035, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2034, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see “THE OBLIGATIONS – Optional Redemption”).

TAX EXEMPTION In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Obligations 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 including the alternative minimum tax on certain corporations.

* Preliminary, subject to change.

USE OF PROCEEDS Proceeds from the sale of the Bonds will be used for (i) a new fire station and acquisition of fire trucks and public safety equipment; transportation and mobility infrastructure; (ii) parks and recreational facilities, and (iii) professional services rendered in relation to such projects and issuance costs of the Bonds.

Proceeds from the sale of the Certificates will be used for (i) city-wide radio and communication equipment; (ii) improvements and extensions to the City's waterworks and sewer systems including new water wells, distribution, transmission, system lines, lift stations, pumps, outfall, filtration and plant improvements; and (iii) 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 contract ratings on the Obligations.

BOOK-ENTRY-ONLY

SYSTEM The definitive Obligations 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 Obligations may be acquired in denominations of \$5,000 of principal amount or any integral multiples thereof. No physical delivery of the Obligations will be made to the beneficial owners thereof. Principal of and interest on the Obligations 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 Obligations (see "THE OBLIGATIONS - 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
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	234,995,275	1,882	2.24%	98.87%
2023	126,056	11,964,153,544	94,911	220,478,586	1,749	1.84%	98.90%
2024	128,370	14,246,823,212	110,982	235,555,000	1,835	1.65%	99.33%
2025	131,579	15,135,864,468	115,033	234,885,000 ⁽⁴⁾	1,785 ⁽⁴⁾	1.55% ⁽⁴⁾	90.70% ⁽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 Obligations. Preliminary, subject to change.

(5) Collections as of April 30, 2025. 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, 2025.

GENERAL FUND CONSOLIDATED STATEMENT SUMMARY

	For Fiscal Year Ended September 30,				
	2024	2023	2022	2021	2020
Beginning Balance	\$ 82,221,767	\$ 76,473,305	\$ 48,320,092	\$ 35,742,062	\$ 28,360,567
Total Revenue	106,062,906	97,295,155	87,126,314	85,609,997	74,456,870
Total Expenditures	124,199,245	116,197,510	81,696,727	87,680,867	85,856,082
Other Financing Sources	32,276,911	24,675,817	22,723,626	16,166,209	18,780,707
Prior Period Adjustment	-	(25,000)	-	(1,517,309)	-
Ending Balance	\$ 96,362,339	\$ 82,221,767	\$ 76,473,305	\$ 48,320,092	\$ 35,742,062

UTILITY SYSTEM CONDENSED STATEMENT OF OPERATIONS

	For Fiscal Year Ended September 30,				
	2024	2023	2022	2021	2020
Revenues:					
Electric	\$ 123,718,003	\$ 127,341,875	\$ 111,860,621	\$ 102,794,575	\$ 100,369,952
Water and Wastewater	44,333,575	44,138,292	43,115,216	37,512,695	37,628,189
Interest	8,312,001	5,504,832	621,501	216,542	1,322,832
Other	6,031,014	4,760,879	4,520,337	4,508,068	4,400,186
Total Revenues	<u>\$ 182,394,593</u>	<u>\$ 181,745,878</u>	<u>\$ 160,117,675</u>	<u>\$ 145,031,880</u>	<u>\$ 143,721,159</u>
Expenses:					
Total Expenses	<u>\$ 104,489,086</u>	<u>\$ 103,852,062</u>	<u>\$ 103,835,235</u>	<u>\$ 133,786,264 ⁽¹⁾</u>	<u>\$ 80,521,607</u>
Net Available for Debt Service	<u>\$ 77,905,507</u>	<u>\$ 77,893,816</u>	<u>\$ 56,282,440</u>	<u>\$ 11,245,616</u>	<u>\$ 63,199,552</u>
Water Average Montly Consumption (MGW)	385,128	409,702	463,182	381,256	361,040
Wastewater Average Daily Treatment (000's gal.)	9,767	9,215	8,389	9,430	7,500
Electric Average Monthly Consumption (KWH)	81,442	83,543	82,445	75,878	73,817

(1) The increase in expenses relative to prior years was due predominantly for costs associated with providing electricity during winter storm Uri in February, 2021.

CITY OFFICIALS, STAFF AND CONSULTANTS

ELECTED OFFICIALS

Name	Position	Length of Service	Term Expiration	Occupation
John Nichols	Mayor	12.5 Years	November 2026	Retired Professor
Mark Smith	Council Member 1	2.5 Years	November 2026	Retired Public Servant
William Wright	Council Member 2	2.5 Years	November 2026	Production Manager
David White	Council Member 3	6 Months	November 2028	President/CEO
Melissa McIlhaney	Council Member 4	6 Months	November 2028	Business Owner
Bob Yancy	Council Member 5	2.5 Years	November 2028	Retired CEO
Scott Shafer	Council Member 6	6 Months	November 2028	Professor

Note: After the November 2024 elections for Places 4 and 6, these positions will now 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	6.5 ⁽¹⁾
Jeff Capps	Deputy City Manager	32.0 ⁽²⁾
Jeff Kersten	Assistant City Manager, CFO	34.0 ⁽³⁾
Jennifer Prochazka	Assistant City Manager	25.0 ⁽⁴⁾
Michael Ostrowski	Chief Development Officer	4.5 ⁽⁵⁾
Adam C. Falco	City Attorney	18.0 ⁽⁶⁾
Tanya D. Smith	City Secretary	17.0 ⁽⁷⁾
Ty Elliott	Internal Auditor	18.0
Mary Ellen Leonard	Director of Finance	9.0
Gary Mechler	Director of Water Services	7.0 ⁽⁸⁾
Glenn Gavit	Interim Director of Electric Utility	6.0 ⁽⁹⁾
Samuel Rivera	Chief Information Officer	6.0 ⁽¹⁰⁾
Kelsey Heiden	Director of Parks and Recreation	1.5 ⁽¹¹⁾
Anthony Armstrong	Director of Planning and Development Services	9.0 ⁽¹²⁾
Emily Fisher	Director of Public Works	12.0 ⁽¹³⁾
Alison Pond	Director of Human Resources	16.5
Colin Killian	Public Communications Director	15.0 ⁽¹⁴⁾

- (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) Chief Development Officer since 2024, previously served as Director of Planning and Development.
(6) City Attorney since 2022, previously served as Senior City Attorney since 2009.
(7) Appointed City Secretary in July 2017; previously served as Deputy City Secretary since 2008.
(8) New hire Director of Water Services in August 2018.
(9) Deputy Director of Electric Utility since 2024; has been with the City since 2019..
(10) New hire as Assistant Director of Information Technology in July 2019. Appointed CIO in December 2021.
(11) New hire as Director of Parks and Recreation in November 2023.
(12) Director of Planning and Development since 2024, previously served as the City's land development review administrator.
(13) Director of Public Works since 2022; previously served as CIP Manager.
(14) Public Communications Director since 2023, previously served as interim director.

CONSULTANTS AND ADVISORS

Auditors Weaver and Tidwell, L.L.P.
The Woodlands, Texas

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

Financial AdvisorHilltop Securities Inc.
Dallas, Texas

For additional information regarding the City, please contact:

Jeff Kersten, CFO Assistant City Manager, CFO City of College Station 1101 Texas Avenue College Station, Texas 77840 (979) 764-3555 Phone	or	Marti Shew Managing Director Hilltop Securities Inc. 717 N Harwood, Suite 3400 Dallas, Texas 75201 (214) 953-4000
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PRELIMINARY OFFICIAL STATEMENT
RELATING TO
CITY OF COLLEGE STATION, TEXAS
(a Home-Rule City located in Brazos County, Texas)
\$16,375,000*
GENERAL OBLIGATION BONDS, SERIES 2025
\$17,550,000*
CERTIFICATES OF OBLIGATION, SERIES 2025

INTRODUCTION

This Official Statement, which includes the cover pages and Appendices hereto, provides certain information regarding the issuance of the \$16,375,000* General Obligation Bonds, Series 2025 (the "Bonds") and \$17,550,000* City of College Station, Texas Certificates of Obligation, Series 2025 (the "Certificates," and together with the Bonds, herein collectively referred to as the "Obligations"). Capitalized terms used in this Official Statement have the same meanings assigned to such terms in the respective ordinances (the "Bond Ordinance" with respect to the Bonds and the "Certificate Ordinance" with respect to the Certificates). The Bond Ordinance and the Certificate Ordinance are herein collectively referred to as the "Ordinances".

There follows in this Official Statement descriptions of the Obligations 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 2020 Census population was 120,511 and the current estimated population of the City is 131,579. The City covers approximately 51.6 square miles.

THE OBLIGATIONS

GENERAL DESCRIPTION . . . The Obligations will bear interest from the date of delivery to the Initial Purchaser and mature on February 15 in each of the years and in the amounts shown on pages 2 and 4 hereof. Interest on the Obligations 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, 2026 until maturity or prior redemption. The definitive Obligations 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 Obligations will be made to the beneficial owners thereof. Principal of and interest on the Obligations 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 Obligations (see "Book-Entry-Only System").

AUTHORITY FOR ISSUANCE OF THE OBLIGATIONS. . . The Bonds are being authorized and issued pursuant to the Constitution and general laws of the State, particularly Chapters 1251, 1371 and 1331, Texas Government Code, as amended, an election held in the City on November 8, 2022 (the "Election"), and the Bond Ordinance. In the Bond Ordinance, the City Council will delegate to a designated officer of the City pursuant to certain provisions of Chapter 1371, authority to effect the sale of the Bonds and to establish certain terms related to the issuance and sale of the Bonds. The terms of the sale will be included in a "Pricing Certificate," which will complete the sale of the Bonds (such ordinance and the Pricing Certificate for the Bonds are jointly referred to as the "Bond Ordinance" (see "Table 11 - Authorized But Unissued General Obligation Bonds").

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, and the Certificate Ordinance. In the Certificate Ordinance, the City Council will delegated to a designated officer of the City pursuant to certain provisions of Chapter 1371, authority to effect the sale of the Certificates and to establish certain terms related to the issuance and sale of the Certificates. The terms of the sale will be included in a "Pricing Certificate," which will complete the sale of the Certificates (such ordinance and the Pricing Certificate for the Certificates are jointly referred to as the "Certificate Ordinance").

* Preliminary, subject to change.

SECURITY AND SOURCE OF PAYMENT . . . The Obligations 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.

OPTIONAL REDEMPTION . . . The City reserves the right, at its option, to redeem Obligations having stated maturities on and after February 15, 2035, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2034, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Obligations are to be redeemed, the City shall determine the Obligations, or portions thereof, within such maturity to be redeemed. If Obligations (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Obligations (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 the event any of the Obligations are structured as "term" Obligations, such term Obligations will be subject to mandatory sinking fund redemption in accordance with the applicable provisions of the Ordinances, which provisions will be included in the final Official Statement.

NOTICE OF REDEMPTION . . . Not less than 30 days prior to a redemption date for the Obligations, 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 Obligations 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 OBLIGATIONS CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY OBLIGATION OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH OBLIGATION OR PORTION THEREOF SHALL CEASE TO ACCRUE.

With respect to any optional redemption of the Obligations, unless certain prerequisites to such redemption required by the Ordinances have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Obligations 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 Obligations and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Obligations have not been redeemed.

BOOK-ENTRY-ONLY SYSTEM . . . *This section describes how ownership of the Obligations is to be transferred and how the principal of and interest on the Obligations are to be paid to and credited by the DTC while the Obligations 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 Initial Purchaser cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Obligations, 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 Obligations), 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 Obligations. The Obligations 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 Obligations, 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 Obligations 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 Obligations ("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 Obligations 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 Obligations, except in the event that use of the book-entry system described herein is discontinued.

To facilitate subsequent transfers, all Obligations 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 Obligations 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 Obligations; DTC's records reflect only the identity of the Direct Participants to whose accounts such Obligations 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 Obligations may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Obligations, such as redemptions, tenders, defaults, and proposed amendments to the Obligation documents. For example, Beneficial Owners of Obligations may wish to ascertain that the nominee holding the Obligations 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 Obligations 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 Obligations 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 Obligations are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Obligations 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 Obligations 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, Obligations 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, Obligations 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 Obligations 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 Obligations, 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 Ordinances will be given only to DTC.

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

PAYING AGENT/REGISTRAR . . . The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A., Dallas, Texas. In the Ordinances, 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 Obligations 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 Obligations. Upon any change in the Paying Agent/Registrar for the Obligations, the City will promptly cause a written notice thereof to be sent to each registered owner of the Obligations 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 Obligations 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. Obligations may be assigned by the execution of an assignment form on the respective Obligations or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. New Obligations will be delivered by the Paying Agent/Registrar, in lieu of the Obligations 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 Obligations issued in an exchange or transfer of Obligations 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 Obligations 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 Obligations 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 Obligations 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 Obligations. Neither the City nor the Paying Agent/Registrar will be required to transfer or exchange any Obligation 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 Obligation.

RECORD DATE FOR INTEREST PAYMENT . . . The record date ("Record Date") for determining the person to whom the interest is payable on the Obligations 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 an Obligation 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 Ordinances provide for the defeasance of the Obligations when the payment of the principal of and premium, if any, on the Obligations, 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 Obligations. The Ordinances provide 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 Obligations. The City may modify or restrict the categories of eligible of Defeasance Securities to accommodate requests from the Initial Purchaser. The City has additionally reserved the right, subject to satisfying the requirement of (1) and (2) above, to substitute other Defeasance Securities for the Defeasance Securities originally deposited, to reinvestment the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

There is no assurance that the current law will not be changed in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Obligations. Because the Ordinances do not contractually limit such investments, registered owners will be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality as those currently permitted under State law. There is no assurance that the ratings for U.S. Treasury securities used for defeasance purposes or that for any other Governmental Security will be maintained at any particular rating category.

REMEDIES OF HOLDERS OF OBLIGATIONS. . . The Ordinances establish specific events of default with respect to the Obligations. If the City defaults in the payment of the principal of or interest on the Obligations 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 Obligations including but not limited to, their prospect or ability to be repaid in accordance with the Ordinances, and the continuation thereof for a period of 60 days after notice of such default is given by any owner to the City, the Ordinances 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 Obligations or the Ordinances 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 Obligations, 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 Ordinances 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 Obligations in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Ordinances do not provide for the appointment of a trustee to represent the interest of the holders of the Obligations upon any failure of the City to perform in accordance with the terms of the Ordinances, or upon any other condition and accordingly all legal actions to enforce such remedies would have to undertaken of the initiative of, and be financed by, the registered owners of the Obligations. 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 Obligations may not be able to bring such a suit against City for breach of the of covenants contained in the Ordinances. 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 Obligations.

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 Obligations 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 Obligations 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 OBLIGATIONS PROCEEDS . . . Proceeds from the sale of the Obligations, are expected to be expended as follows:

Sources of Funds	The Bonds	The Certificates
Par Amount		
Issue Premium		
Total Uses of Funds	\$ -	\$ -
Use of Funds		
Deposit to Project Fund		
Deposit to Escrow 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 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. 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 2020 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.

PROPERTY ASSESSMENT AND TAX PAYMENT . . . Property within the City is generally assessed as of January 1 of each year. Business inventory may, at the option of the taxpayer, be assessed as of February 15. Oil and gas reserves are assessed on the basis of a valuation process which uses an average of the daily price of oil and gas for the prior year. Taxes become due October 1 of the same year, and become delinquent on February 1 of the following year. Taxpayers 65 years old or older are permitted by State law to pay taxes on homesteads in four installments with the first due on February 15 of each year and the final installment due on August 15.

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 2023, which may be applied to a city’s tax rate in tax years 2021 through 2024 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 Obligations.

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. This plan was updated in 2020 to reflect the evolving market and identify strategic initiatives and targeted industries. The plan outlined the following initiatives that the City's economic development program area should focus its efforts on: attract and expand destination entertainment and hospitality activities; support retail and redevelopment opportunities; enhance community health and wellness; support expansion of population and corporate investment; partner with regional allies to attract and expand high-end investment; and enhance high quality of life.

Furthermore, the Plan also detailed ongoing monitoring, and identified 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.

TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT

2024/2025 Market Valuation Established by Brazos Central Appraisal District (excluding exempt property)		\$ 16,457,984,007
Less Exemptions/Reductions at 100% Market Value:		
Productivity Loss	\$ 120,710,879	
Over 65 Homestead Exemptions	132,174,187	
Cap Loss	389,329,271	
Circuit Breaker Limitation	39,297,052	
Pollution Control	243,636	
Medical Exemption	232,175,827	
Member Armed Service Surviving Spouse	526,910	
Solar	541,357	
Freeport	5,912,286	
Disabled Veteran	129,963,460	
Homestead	270,106,405	
First Responders Surviving Spouse	1,138,269	1,322,119,539
2024/2025 Taxable Assessed Valuation		\$ 15,135,864,468 ⁽¹⁾
Debt Payable from Ad Valorem Taxes (as of 5/1/2025)		
Certificates of Obligation, Series 2013	\$ 5,035,000	
General Obligation Improvement and Refunding Bonds, Series 2013	4,055,000	
General Obligation Improvement and Refunding Bonds, Series 2014	9,205,000	
Certificates of Obligation, Series 2016	13,805,000	
General Obligation Improvement and Refunding Bonds, Series 2016	15,435,000	
General Obligation Improvement and Refunding Bonds, Series 2017	18,790,000	
Certificates of Obligation, Series 2017	37,540,000	
Certificates of Obligation, Series 2018	25,720,000	
Certificates of Obligation, Series 2019	54,575,000	
Certificates of Obligation, Series 2020	16,590,000	
General Obligation Refunding Bonds, Series 2020	9,155,000	
General Obligation Refunding Bonds, Series 2020A	8,060,000	
Certificates of Obligation, Series 2021	45,050,000	
Certificates of Obligation, Series 2022	60,715,000	
General Obligation Bonds, Series 2023	6,010,000	
Certificates of Obligation, Series 2023	22,985,000	
General Obligation Refunding and Improvement Bonds, Series 2024	26,205,000	
Certificates of Obligation, Series 2024	34,815,000	
The Bonds ⁽²⁾	16,375,000	
The Certificates ⁽²⁾	17,550,000	447,670,000
Less: Self Supporting Debt ⁽³⁾		\$ 212,785,000
Less: Interest and Sinking Fund as of 5/1/2025		8,914,603
Net Debt Payable from Ad Valorem Taxes ⁽⁴⁾		\$ 225,970,397
Ratio of Net Debt Payable from Ad Valorem Taxes to Taxable Assessed Valuation ⁽⁴⁾		1.49%
2025 Estimated Population - 131,579		
Per Capita Taxable Assessed Valuation - \$115,033		
Per Capita Net Funded Debt - \$1,717		

- (1) Certified taxable assessed valuation for tax year 2024 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 OBLIGATIONS - 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, 2025.

TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY

Category	Taxable Appraised Value, Fiscal Year Ending September 30,					
	2025		2024		2023	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 9,552,604,805	58.04%	\$ 8,956,400,669	57.87%	\$ 7,275,649,496	57.17%
Real, Residential, Multi-Family	3,117,120,922	18.94%	2,970,468,686	19.19%	2,416,751,377	18.99%
Real, Vacant Lots/Tracts	189,844,876	1.15%	182,455,889	1.18%	185,802,426	1.46%
Real, Acreage (Land Only)	122,042,023	0.74%	126,632,304	0.82%	124,109,083	0.98%
Real, Farm and Ranch Improvements	91,129,207	0.55%	91,011,311	0.59%	75,424,161	0.59%
Real, Commercial/Industrial	2,413,005,334	14.66%	2,330,743,296	15.06%	1,958,551,230	15.39%
Real, Oil, Gas & Other Mineral Reserves	8,372,271	0.05%	9,014,568	0.06%	8,912,023	0.07%
Real and Tangible Personal, Utilities	75,513,172	0.46%	72,137,049	0.47%	61,792,187	0.49%
Tangible Personal, Business	829,795,135	5.04%	671,446,762	4.34%	558,179,677	4.39%
Tangible Personal, Other	4,146,164	0.03%	3,618,463	0.02%	2,216,385	0.02%
Real Property Inventory	24,561,162	0.15%	36,631,568	0.24%	31,834,604	0.25%
Special Inventory	29,848,936	0.18%	26,143,815	0.17%	27,926,395	0.22%
Total Appraised Value Before Exemptions	\$ 16,457,984,007	100.00%	\$ 15,476,704,380	100.00%	\$ 12,727,149,044	100.00%
Less: Total Exemptions/Reductions	1,322,119,539		1,229,881,168		762,995,490	
Taxable Assessed Value	<u>\$ 15,135,864,468</u>		<u>\$ 14,246,823,212</u>		<u>\$ 11,964,153,554</u>	

Category	Taxable Appraised Value, Fiscal Year Ending September 30,			
	2022		2021	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 6,149,791,788	55.97%	\$ 5,811,512,587	55.20%
Real, Residential, Multi-Family	2,205,779,501	20.07%	2,152,451,222	20.44%
Real, Vacant Lots/Tracts	192,135,685	1.75%	176,239,728	1.67%
Real, Acreage (Land Only)	122,899,435	1.12%	107,408,833	1.02%
Real, Farm and Ranch Improvements	74,092,458	0.67%	70,754,199	0.67%
Real, Commercial/Industrial	1,704,356,374	15.51%	1,675,685,747	15.92%
Real, Oil, Gas & Other Mineral Reserves	2,362,709	0.02%	5,628,541	0.05%
Real and Tangible Personal, Utilities	50,984,103	0.46%	41,370,586	0.39%
Tangible Personal, Business	434,294,250	3.95%	413,595,878	3.93%
Tangible Personal, Other	2,278,571	0.02%	2,317,808	0.02%
Real Property Inventory	27,019,742	0.25%	43,992,153	0.42%
Special Inventory	21,708,275	0.20%	27,647,427	0.26%
Total Appraised Value Before Exemptions	\$ 10,987,702,891	100.00%	\$ 10,528,604,709	100.00%
Less: Total Exemptions/Reductions	503,818,512		449,134,677	
Taxable Assessed Value	<u>\$ 10,483,884,379</u>		<u>\$ 10,079,470,032</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
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	234,995,275	2.24%	1,882
2023	126,056	11,964,153,544	94,911	220,478,586	1.84%	1,749
2024	128,370	14,246,823,212	110,982	235,555,000	1.65%	1,835
2025	131,579	15,135,864,468	115,033	234,885,000 ⁽⁴⁾	1.55% ⁽⁴⁾	1,785 ⁽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 2023 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 Obligations.

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
2021	\$ 0.5346	\$ 0.3182	\$ 0.2164	\$ 52,501,620	99.55%	99.55%
2022	0.5346	0.3182	0.2164	54,446,371	99.42%	99.42%
2023	0.5246	0.3132	0.2114	60,936,346	99.32%	99.32%
2024	0.5130	0.3016	0.2114	70,899,447	99.33%	99.33%
2025	0.5130	0.3016	0.2114	74,435,521	90.70% ⁽¹⁾	90.70% ⁽¹⁾

(1) Collections as of April 30, 2025. 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, 2025.

TABLE 5 - TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2024/2025 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Fujifilm Diosynth Biotechnologies Texas LLC	Technology	\$ 270,985,355	1.79%
SHP- The Callaway House LP	Real Estate	114,280,956	0.76%
College Station Properties KP6 LLC	Real Estate	83,795,739	0.55%
Sterling-A&M High Rise LLC	Apartment Buildings	81,701,302	0.54%
CPP College Station I LLC	Real Estate	77,000,000	0.51%
SZ Northpoint Apartments LP	Apartment Buildings	66,734,444	0.44%
The Standard at College Station LLC	Apartment Buildings	66,500,000	0.44%
Northpoint Crossing Residential II Owner LLC	Real Estate	65,633,211	0.43%
Texas Essentials Housing Public Facility Corporation	Developer	63,225,806	0.42%
Weinberg Israel	Apartment Buildings	61,515,925	0.41%
		<u>\$ 951,372,738</u>	<u>6.29%</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 OBLIGATIONS - Tax Rate Limitation").

TABLE 6 - TAX ADEQUACY

Net Maximum Tax Supported Principal and Interest Requirements (2025).....	\$ 30,902,230 ⁽¹⁾
\$0.20623 Tax Rate at 99% Collection Produces	\$ 30,902,546
Net Average Tax Supported Principal and Interest Requirements (2025-2045).....	\$ 15,895,832 ⁽¹⁾
\$0.10609 Tax Rate at 99% Collection Produces	\$ 15,897,062

(1) Includes the Obligations 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.

	2024/25 Taxable Assessed Value	2025 Tax Rate	Total Net Tax Debt as of 5/1/2025	Estimated % Applicable	City's Overlapping Tax Debt as of 5/1/2025
City of College Station	\$ 15,135,864,468 ⁽¹⁾	0.5130	\$ 225,970,397 ⁽²⁾	100.00%	\$ 225,970,397
Rock Prairie Management District #2	158,846,482	0.6500	10,645,000	100.00%	10,645,000
Brazos County	31,977,022,495	0.4200	89,480,000	47.06%	42,109,288
Bryan ISD	12,262,282,310	0.9470	243,310,000	4.94%	12,019,514
College Station ISD	14,553,307,765	0.9730	391,815,000	86.29%	338,097,164
Total Direct and Overlapping Funded Tax Debt					\$ 628,841,363
Ratio of Direct and Overlapping Funded Tax Debt to Taxable Assessed Valuation					4.155%
Per Capita Overlapping Funded Tax Debt					\$ 4,779

Source: Municipal Advisory Council of Texas.

- (1) Certified taxable assessed valuation for tax year 2024 as reported by the Brazos Central Appraisal. This amount is subject to change during ensuing year.
- (2) Projected, includes the Obligations; excludes self-supporting debt.

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DEBT INFORMATION

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

Year	Outstanding Debt Service			The Bonds ⁽¹⁾			The Certificates ⁽²⁾			Less:	Total Net	% of
End										Self-Supporting	Tax Supported	Principal
9/30	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Debt Service ⁽³⁾	Debt Service	Retired
2025	\$ 38,050,000	\$ 17,413,303	\$ 55,463,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,561,073	\$ 30,902,230	
2026	34,395,000	15,848,961	50,243,961	825,000	723,073	1,548,073	1,040,000	771,063	1,811,063	24,940,014	28,663,082	
2027	32,005,000	14,336,259	46,341,259	790,000	757,750	1,547,750	1,010,000	800,250	1,810,250	22,920,958	26,778,302	
2028	31,060,000	12,996,219	44,056,219	830,000	717,250	1,547,250	1,070,000	748,250	1,818,250	21,640,892	25,780,827	
2029	29,560,000	11,732,285	41,292,285	865,000	674,875	1,539,875	1,120,000	693,500	1,813,500	20,557,041	24,088,619	35.54%
2030	28,515,000	10,514,694	39,029,694	915,000	630,375	1,545,375	1,175,000	636,125	1,811,125	18,854,302	23,531,892	
2031	27,890,000	9,306,880	37,196,880	960,000	583,500	1,543,500	1,240,000	575,750	1,815,750	18,642,438	21,913,692	
2032	26,250,000	8,171,538	34,421,538	1,010,000	534,250	1,544,250	1,305,000	512,125	1,817,125	18,124,070	19,658,842	
2033	26,130,000	7,104,005	33,234,005	570,000	494,750	1,064,750	540,000	466,000	1,006,000	17,074,699	18,230,056	
2034	25,840,000	6,069,914	31,909,914	600,000	465,500	1,065,500	565,000	438,375	1,003,375	16,323,795	17,654,994	65.08%
2035	23,840,000	5,159,665	28,999,665	630,000	434,750	1,064,750	595,000	409,375	1,004,375	14,492,556	16,576,234	
2036	24,690,000	4,321,315	29,011,315	665,000	402,375	1,067,375	625,000	378,875	1,003,875	14,504,431	16,578,134	
2037	23,555,000	3,475,723	27,030,723	695,000	368,375	1,063,375	655,000	346,875	1,001,875	14,074,968	15,021,005	
2038	19,395,000	2,700,409	22,095,409	730,000	332,750	1,062,750	690,000	313,250	1,003,250	13,191,521	10,969,888	
2039	17,635,000	2,031,450	19,666,450	770,000	295,250	1,065,250	725,000	277,875	1,002,875	11,824,088	9,910,488	88.94%
2040	13,380,000	1,472,063	14,852,063	810,000	255,750	1,065,750	760,000	240,750	1,000,750	9,339,619	7,578,944	
2041	12,580,000	978,138	13,558,138	850,000	214,250	1,064,250	800,000	201,750	1,001,750	8,062,275	7,561,863	
2042	9,635,000	513,725	10,148,725	895,000	170,625	1,065,625	840,000	160,750	1,000,750	5,860,100	6,355,000	
2043	4,730,000	201,000	4,931,000	940,000	124,750	1,064,750	885,000	117,625	1,002,625	3,613,525	3,384,850	
2044	2,660,000	53,200	2,713,200	985,000	76,625	1,061,625	930,000	72,250	1,002,250	2,165,050	2,612,025	99.58%
2045	-	-	-	1,040,000	26,000	1,066,000	980,000	24,500	-	1,004,500	61,500	100.00%
	<u>\$ 451,795,000</u>	<u>\$ 134,400,742</u>	<u>\$ 586,195,742</u>	<u>\$ 16,375,000</u>	<u>\$ 8,282,823</u>	<u>\$ 24,657,823</u>	<u>\$ 17,550,000</u>	<u>\$ 8,185,313</u>	<u>\$ 24,730,813</u>	<u>\$ 301,771,912</u>	<u>\$ 333,812,465</u>	

(1) Average life of the Bonds – 10.126 years. Interest calculated at an average rate for purposes of illustration. Preliminary, subject to change.

(2) Average life of the Certificates – 9.329 years. Interest calculated at an average rate for purposes of illustration. Preliminary, subject to change.

(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 "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, 2025 ⁽¹⁾		\$	30,902,230
Interest and Sinking Fund, September 30, 2024	\$ 7,205,180		
Budgeted Interest and Sinking Fund Tax Levy	29,812,323		
Budgeted Investment Earnings	300,000		
Budgeted Transfers	-		37,317,503
Estimated Balance, September 30, 2025		\$	6,415,273

(1) Excludes self-supporting debt. Includes the Obligations. 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
2025	\$ 8,705,944	\$ 7,894,261	\$ 7,630,193	\$ 330,675	\$ 24,561,073
2026	8,444,684	8,513,638	7,650,142	331,550	24,940,014
2027	7,234,704	8,289,001	7,065,577	331,675	22,920,958
2028	7,089,744	7,924,318	6,302,430	324,400	21,640,892
2029	6,628,393	7,768,869	5,829,904	329,875	20,557,041
2030	5,765,625	7,773,105	5,315,572	-	18,854,302
2031	5,587,081	7,758,985	5,296,372	-	18,642,438
2032	5,263,721	7,773,548	5,086,801	-	18,124,070
2033	4,764,349	7,402,613	4,907,738	-	17,074,699
2034	4,170,174	7,247,359	4,906,263	-	16,323,795
2035	3,565,221	6,466,499	4,460,836	-	14,492,556
2036	3,569,204	6,472,363	4,462,865	-	14,504,431
2037	3,568,136	6,470,959	4,035,872	-	14,074,968
2038	3,561,441	6,141,903	3,488,177	-	13,191,521
2039	3,133,053	5,449,597	3,241,438	-	11,824,088
2040	3,134,097	3,819,691	2,385,831	-	9,339,619
2041	3,135,494	2,720,594	2,206,188	-	8,062,275
2042	2,172,975	2,016,275	1,670,850	-	5,860,100
2043	1,455,600	1,084,450	1,073,475	-	3,613,525
2044	703,800	941,200	520,050	-	2,165,050
2045	-	625,250	379,250	-	1,004,500
	<u>\$ 99,955,494</u>	<u>\$ 127,759,994</u>	<u>\$ 94,996,085</u>	<u>\$ 1,977,225</u>	<u>\$ 324,688,798</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	The Bonds ⁽¹⁾	Unissued
11/8/2022	Fire Station & Equip (Prop A)	\$ 18,000,000	\$ 2,500,000	\$ 13,500,000	\$ 2,000,000
11/8/2022	Rock Prairie Road (Prop B)	16,100,000	2,000,000	-	14,100,000
11/8/2022	Park & Rec Facilities (Prop D)	22,000,000	15,600,000	3,550,000	2,850,000
		<u>\$ 56,100,000</u>	<u>\$ 20,100,000</u>	<u>\$ 17,050,000</u>	<u>\$ 18,950,000</u>

(1) Includes premium. Preliminary, subject to change.

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

The City has obtained office space, machinery and equipment through long-term operating leases. The terms and conditions for these leases varies. The leases are fixed, periodic payments over the lease terms of the individual contracts, which ranges from 1-2 years. At September 30, 2024, the City leases consisted of the following:

Governmental Type			
Year Ended			
September 30,	Principal	Interest	Total
2025	\$ 91,550	\$ 6,495	\$ 98,045
2026	69,985	4,210	74,195
2027	61,075	2,286	63,361
2028	51,747	781	52,528
	<u>\$ 274,357</u>	<u>\$ 13,772</u>	<u>\$288,129</u>

Business Type			
Year Ended			
September 30,	Principal	Interest	Total
2025	\$ 200,430	\$ 37,319	\$ 237,749
2026	121,572	56,740	178,312
	<u>\$ 322,002</u>	<u>\$ 94,059</u>	<u>\$ 416,061</u>

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 934 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, 2023 valuation and measurement date are as follows:

Inactive employees or beneficiaries currently receiving benefits	617
Inactive employees entitled to but not yet receiving benefits	736
Active employees	953
Total	<u>2,306</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 12.65% and 13.05% in calendar years 2024 and 2023, respectively. The City's contributions to TMRS for fiscal year 2024 were \$13,411,755 which exceeded the required contributions of \$10,020,783.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2023, 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, 2023 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 110% of the Public Safety table used for males and 100% of the General Employee table used for females. The rates are projected on a fully generational basis with scale MP-2021.

Actuarial assumptions used in the December 31, 2023 valuation were based on the results of actuarial experience studies of TMRS over the four year period from December 31, 2022. 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	35.00%	6.70%
Core Fixed Income	6.00%	4.70%
Non-Core Fixed Income	20.00%	8.00%
Other Public and Private Markets	12.00%	8.00%
Real Estate	12.00%	7.60%
Hedge Funds	5.00%	6.40%
Private Equity	10.00%	11.60%
Total	<u>100.00%</u>	

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 12/31/2022 (Measurement Date)	\$ 374,163,990	\$ 320,737,625	\$ 53,426,365
Changes for the year:			
Service Cost	11,353,317	-	11,353,317
Interest (on the Total Pension Liability)	25,044,924	-	25,044,924
Differences between expected and actual experience	3,336,483	-	3,336,483
Changes of assumptions	(1,924,469)	-	(1,924,469)
Contributions - employer	-	12,446,091	(12,446,091)
Contributions - employee	-	5,099,559	(5,099,559)
Net investment income (loss)	-	37,118,994	(37,118,994)
Benefit payments, including refunds of employee contributions;	(17,609,470)	(17,609,470)	-
Administrative expenses	-	(236,160)	236,160
Other changes	-	(1,650)	1,650
Net changes	20,200,785	36,817,364	(16,616,579)
Ending Balance at 12/31/2023 (Measurement Date)	\$ 394,364,775	\$ 357,554,989	\$ 36,809,786

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	\$ 93,121,098	\$ 36,809,786	\$ (9,316,532)

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, 2024, the City recognized pension expense of \$9,151,330.

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

At September 30, 2024, 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	\$ 4,974,807	\$ (136,656)
Changes in assumptions	-	(1,467,350)
Net difference between projected and actual earnings	8,627,207	-
Contributions subsequent to the measurement date	8,712,133	-
Total	<u>\$ 22,314,147</u>	<u>\$ (1,604,006)</u>

\$8,712,133 reported as deferred outflows of resources 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, 2024 and recognized in the City's financial statements as of September 30, 2025.

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
2025	\$ 3,543,972
2026	4,132,413
2027	7,345,029
2028	(3,023,406)
	<u>\$ 11,998,008</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, 2024 membership consisted of the following:

	Medical and/or Dental Benefits	Life Insurance Benefits
Retirees and Retiree Spouses	43	170
Active Employees	945	945
	<u>988</u>	<u>1,115</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, 2024, the City’s average contribution rate was 0.64% of covered-employee payroll. The City’s contributions to the plan for fiscal year 2024 was \$462,556 which meets the actuarially determined contribution of \$62,486.

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

Concentrations: Assets of the OPEB plan are held in Trust by PARS which is fully discussed in Note 22 in the City’s financial statements.

Rate of return: For the year ended December 31, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 15.38%. 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, 2024.

Allocated Insurance Contracts

The OPEB plan has no allocated insurance contracts excluded from OPEB plan assets at September 30, 2024.

Reserves

The OPEB plan has no reserves recorded at September 30, 2024.

Net OPEB Liability

The components of the net OPEB liability of the City at September 30, 2024 based on the December 31, 2023 measurement and actuarial valuation date, were as follows:

Total OPEB liability - ending	\$ 7,540,345
Plan fiduciary net position - ending	(7,162,648)
Net OPEB liability - ending	<u>\$ 377,697</u>
Plan fiduciary net position as a percentage of total OPEB liability	94.99%

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Changes in the Net OPEB Liability (Asset)

For the year ended September 30, 2024, the City recognized change of \$104,929 in its net OPEB liability (asset). Components of the change in net OPEB liability (asset) are as follows:

	Increase (Decrease) Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances as of December 31, 2022 (Measurement Date)	<u>\$ 6,690,408</u>	<u>\$ 6,207,782</u>	<u>\$ 482,626</u>
Changes for the year:			
Service cost	251,275	-	251,275
Interest	444,700	-	444,700
Differences between expected and actual experience	450,404	-	450,404
Changes of assumptions of other inputs	881,203	-	881,203
Contributions-employer	-	1,177,645	(1,177,645)
Net investment income	-	954,866	(954,866)
Benefit payments	(1,177,645)	(1,177,645)	-
Net changes	<u>849,937</u>	<u>954,866</u>	<u>(104,929)</u>
Balances as of December 31, 2023 (Measurement Date)	<u><u>\$ 7,540,345</u></u>	<u><u>\$ 7,162,648</u></u>	<u><u>\$ 377,697</u></u>

Actuarial assumptions. The total OPEB liability for the year ended September 30, 2024 as measured as of December 31, 2023 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	2.8%
Salary increases	3.85% to 12.10%
Discount rate	6.75%
Healthcare cost trend rates	8.00% in FY25 decreasing 0.50% per year to an ultimate rate of 4.75% for FY32 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 2010. The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period December 31, 2018 to December 31, 2022. 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, d ultimate MP projection Scale projected generationally from the year 2019.

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 6.75%. 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% + 2.75% - 0.75% = 6.75%). This result is then rounded to the nearest 25 basis points to obtain the Expected Long-Term Rate of Return of 6.75%.

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, 2024 liability to reflect the actuary’s best expectation of future plan experience. The long-term expected rate of return for the plan is 6.75%. 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 (asset) to changes in the discount rate. The following presents the net OPEB liability (asset) of the City, as well as what the City’s net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage-point higher (7.75%) than the current discount rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB liability (asset)	\$ 988,200	\$ 377,697	\$ (173,844)

Sensitivity of the net OPEB liability (asset) to changes in the healthcare cost trend rates. The following presents the net OPEB liability (asset) of the City, as well as what the City’s net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.00% decreasing to 3.75%) or 1-percentage-point higher (9.00% decreasing to 5.75%) than the current healthcare cost rend rates:

	1% Decrease (7.00% decreasing to 3.75%)	Current Healthcare Cost Trend Rates (8.00% decreasing to 4.75%)	1% Increase (9.00% decreasing to 5.75%)
Net OPEB liability (asset)	\$ (282,180)	\$ 377,697	\$ 1,144,380

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

For the fiscal year ended September 30, 2024, the City recognized OPEB expense/(income) of (\$92,669). At September 30, 2024, 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	\$ 649,948	\$ (193,936)
Changes of assumptions	1,519,783	(798,898)
Difference between projected and actual earning on OPEB plan investments	320,307	-
Contributions subsequent to the measurement date	356,440	-
Total	<u>\$ 2,846,478</u>	<u>\$ (992,834)</u>

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\$356,440 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability)or an increase of the net OPEB asset) for the measurement year ending December 31, 2024 and recognized in the City's financial statements as of September 30, 2025. 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:	Net Deferred Outflows (inflows) of Resources
2025	\$ 96,823
2026	294,496
2027	572,383
2028	135,844
2029	241,002
Thereafter	156,656
	<u>\$ 1,497,204</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, 2024 the trust's balance was \$7,162,648.

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FINANCIAL INFORMATION

TABLE 12 - GENERAL FUND REVENUES AND EXPENDITURE HISTORY

	Fiscal Year Ended September 30,				
	2024	2023	2022	2021	2020
Revenues:					
Taxes	\$ 85,333,720	\$ 79,660,261	\$ 73,904,402	\$ 68,484,636	\$ 62,576,440
Licenses & Permits	2,953,392	2,894,017	2,862,819	2,617,660	1,978,515
Intergovernmental	3,164,407	1,193,462	1,202,336	6,138,879	1,117,729
Charges for Services	5,184,909	5,750,585	5,067,985	4,850,627	3,654,911
Fines, Forfeits and Penalties	2,896,005	2,905,671	2,414,408	2,421,960	2,955,723
Investment Income	5,010,849	3,498,920	507,575	78,929	264,215
Rents & Royalties	657,037	653,649	627,582	579,416	100,409
Contributions	714	773	1,532	9,992	251
Other	861,873	737,817	537,675	427,898	1,808,677
Total Revenues	\$ 106,062,906	\$ 97,295,155	\$ 87,126,314	\$ 85,609,997	\$ 74,456,870
Expenditures:					
General Government	\$ 14,371,508	\$ 12,609,245	\$ 7,885,143	\$ 9,784,872	\$ 7,629,456
Fiscal Services	5,877,719	5,400,679	5,007,950	4,535,506	4,424,965
Police Department*	32,332,749	30,054,906	10,627,727 *	23,841,799	23,798,584
Fire Department	29,004,440	25,639,366	22,850,999	20,238,097	19,957,114
Planning & Development Services	5,215,082	5,367,522	4,573,374	3,906,537	4,112,986
Parks and Recreation	10,530,617	9,482,203	9,419,475	7,775,598	7,569,136
Information Technology	8,318,922	7,468,888	6,530,030	5,634,704	5,463,764
Public Works	7,410,507	6,657,326	8,396,348	7,257,706	8,512,549
Library Services	1,310,745	1,285,095	1,302,332	1,205,559	1,207,017
Contributions	1,891,732	1,844,978	1,652,220	1,568,126	1,623,437
Other	-	-	-	-	-
Capital Improvement Projects	7,935,224	10,387,302	3,451,129	1,932,363	1,557,074
Total Expenditures	\$ 124,199,245	\$ 116,197,510	\$ 81,696,727	\$ 87,680,867	\$ 85,856,082
Other Financing Sources (Uses):					
Sale of General Fixed Assets	\$ 3,269,950	\$ 1,520,262	\$ 2,471,525	\$ -	\$ -
Operating Transfers In	31,871,969	26,465,555	29,433,354	23,628,416	22,015,275
Operating Transfers Out	(2,865,008)	(3,310,000)	(9,181,253)	(7,462,207)	(3,234,568)
Total Other Financing Sources (Uses)	\$ 32,276,911	\$ 24,675,817	\$ 22,723,626	\$ 16,166,209	\$ 18,780,707
Net Change in Fund Balance	\$ 14,140,572	\$ 5,773,462	\$ 28,153,213	\$ 14,095,339	\$ 7,381,495
Fund Balance, Beginning of Year	82,221,767	76,473,305	48,320,092	35,742,062	28,360,567
Prior Period Adjustment	-	(25,000)	-	(1,517,309)	-
Fund Balance, End of Year	\$ 96,362,339	\$ 82,221,767	\$ 76,473,305	\$ 48,320,092	\$ 35,742,062

* Note: FYE 2022 Reduction due to ARPA Funding for government services.

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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 Obligations. Collections and enforcements are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly. In May 1990, the voters of the City approved the imposition of an additional sales and use tax of one-half of one percent ($\frac{1}{2}$ of 1%) for property tax reduction. The total sales tax rate for the City is 1.5%.

Fiscal Year Ended	Total Collected ⁽¹⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽²⁾
9/30				
2020	\$ 30,063,950	57.79%	\$ 0.31	\$ 245
2021	34,840,327	66.36%	0.35	279
2022	39,171,137	71.94%	0.38	314
2023	40,983,631	67.26%	0.35	325
2024	24,276,491 ⁽³⁾	34.66%	0.18	189

(1) Provided by the City.

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

(3) Collections as of April 30, 2025.

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 2024-2025 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 20% 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 10% 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 19 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.

College Station's drinking water is sourced entirely from groundwater, pumped from 10 wells primarily located in northwest Brazos County. The Brazos Valley Groundwater Conservation District regulates groundwater use and oversees permitting for both existing and future development. The District has approved permits for three additional wells, which are currently under development and expected to become operational in the coming years. This added capacity will strengthen the City's water supply and support reliable service during peak demand, drought conditions, and periods of reduced aquifer levels.

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, 2024. 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		13.65 per mo.	3/4"
		17.15 per mo.	1"
		25.50 per mo.	1 1/2"
		40.30 per mo.	2"
		127.15 per mo.	3"
		188.95 per mo.	4"
		230.00 per mo.	6"
		230.00 per mo.	8"
Residential	\$3.00 for usage from 0-10,000 gallons		
	\$3.95 for usage from 11,000-15,000 gallons		
	\$4.85 for usage from 16,000-20,000 gallons		
	\$5.70 for usage from 21,000-25,000 gallons		
	\$6.65 for usage from 26,000 gallons and more		
Commercial	\$3.35 per 1,000 gallons		
Commercial Irrigation Usage Charge	\$3.60 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, 2023

Residential (metered water)	\$22.55 including 4,000 gallons of metered water
Usage Charge	\$4.50 per 1,000 gallons of additional metered water
	\$49.70 maximum per month
Residential (without meter to each unit).....	\$28.70 per unit per month
Commercial and Industrial	\$19.35 per month
Usage Charge	\$5.35 per 1,000 gallons of metered water usage

There are 3,363 customers (units) who receive their water from other water providers, but sewer is provided by the City of College Station. Those customers pay an initial usage charge of \$49.70 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.

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, 2023. 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 \$0.0175 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.....	\$0.1187 per kWh
	Tax.....	1.50%
	Transmission Delivery Adjustment (TDA).....	\$0.018 per kWh
Master Metered Multiple Dwelling Units.	Service Charge.....	\$100.00 per month per master meter
	plus:	
	kWh.....	\$0.1187 per kWh
	Tax.....	1.50%
	TDA.....	\$0.018 per kWh
Small Commercial (1-10 KW demand).....	Service Charge.....	\$9.00 per month
	plus:	
	First 1,000 kWh.....	\$0.1379 per kWh
	Over 1,000 kWh.....	\$0.1032 per kWh
	Tax.....	8.25%
	TDA.....	\$0.018 per kWh

Medium Commercial (15-300 KW).....	Service Charge.....	\$25.00 per month
	plus:	
	Demand Charge (Per KW).....	\$11.44 per KW
	Energy Charge All kWh.....	\$0.0703 per KW
	Minimum Monthly Charge.....	\$199.10
	Tax.....	8.25%
	TDA.....	\$0.018 per kWh
Large Commercial (300 – 1,500 KW).....	Service Charge.....	\$75.00 per month
	plus:	
	Demand Charge (Per KW).....	\$11.44 per KW
	Energy Charge All kWh.....	\$0.0674 per KW
	Minimum Monthly Charge.....	\$3,514.50
	Tax.....	8.25%
	TDA.....	\$0.018 per kWh
Industrial (1,500 KW and over).....	Service Charge.....	\$250.00 per month
	plus:	
	Demand Charge (Per KW).....	\$10.84
	Energy Charge (first 500,000 kWh).....	\$0.0651 per KW
	Minimum Monthly	\$16,538.34
	Tax.....	8.25%
	TDA.....	\$0.018 per kWh

WIND WATT RATES

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

Participation Level: Residential Rates:

10%.....	\$0.1192 per kWh
50%.....	\$0.1214 per kWh
100%.....	\$0.1242 per kWh

TABLE 14 - HISTORICAL UTILITY USERS (UNITS SERVED)

	Fiscal Year Ended September 30,				
	2024 ⁽¹⁾	2023	2022	2021	2020
Water	45,047	42,026	41,279	40,356	40,221
Wastewater	28,971	43,967	44,101	43,169	43,098
Electric	40,099	45,546	45,240	44,700	42,710

	Fiscal Year Ended September 30,				
	2024	2023	2022	2021	2020
Water Avg. Monthly Consumption (MGW)	385,128	409,702	463,182	381,256	361,040
Wastewater Avg. Daily Treatment (000's gal.)	9,767	9,215	8,389	9,430	7,500
Electric Avg. Monthly Consumption (KWH)	81,442	83,543	82,445	75,878	73,817

- (1) The City has implemented a new utility billing system. The users for electric are now based on the active meters billed, and the users for water and sewer are based on number of taps billed. Due to the change in system, there is not a reduction in users, but rather a consolidation of reporting entities.

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TABLE 15 - TEN LARGEST UTILITY CUSTOMERS

Utility Customer	Type of Business	FY 2024 KWH Consumption	Total Percent of KWH Consumed
CSISD	Schools	28,137,325	3.03%
City of College Station	Municipality	26,841,771	2.89%
Fuji Film Diosynth Biotechnologies Texas LLC	Medical	19,352,378	2.08%
Scott & White	Clinic/Hospital/Pharmacy	14,869,200	1.60%
SZ Northpoint Apartments LP	Multi-Family Complex	7,463,000	0.80%
CHI St Joseph Health CS Hospital	Hospital	6,859,453	0.74%
Herndon Partners dba Castlerock Apartments	Apartment Complex	6,488,400	0.70%
CBL & Associates	Retail	5,723,280	0.62%
Dealer Computer Services Inc	Retail	5,723,280	0.62%
Woodlands Apartments	Apartment Complex	4,961,483	0.53%
		<u>126,419,570</u>	<u>13.61%</u>

TABLE 16 - CONDENSED STATEMENT OF OPERATIONS

	For Fiscal Year Ended September 30,				
	2024	2023	2022	2021	2020
Revenues:					
Electric	\$ 123,718,003	\$ 127,341,875	\$ 111,860,621	\$ 102,794,575	\$ 100,369,952
Water and Wastewater	44,333,575	44,138,292	43,115,216	37,512,695	37,628,189
Interest	8,312,001	5,504,832	621,501	216,542	1,322,832
Other	6,031,014	4,760,879	4,520,337	4,508,068	4,400,186
Total Revenues	<u>\$ 182,394,593</u>	<u>\$ 181,745,878</u>	<u>\$ 160,117,675</u>	<u>\$ 145,031,880</u>	<u>\$ 143,721,159</u>
Expenses:					
Total Expenses	<u>\$ 104,489,086</u>	<u>\$ 103,852,062</u>	<u>\$ 103,835,235</u>	<u>\$ 133,786,264 ⁽¹⁾</u>	<u>\$ 80,521,607</u>
Net Available for Debt Service	<u>\$ 77,905,507</u>	<u>\$ 77,893,816</u>	<u>\$ 56,282,440</u>	<u>\$ 11,245,616</u>	<u>\$ 63,199,552</u>
Water Average Montly Consumption (MGW)	385,128	409,702	463,182	381,256	361,040
Wastewater Average Daily Treatment (000's gal.)	9,767	9,215	8,389	9,430	7,500
Electric Average Monthly Consumption (KWH)	81,442	83,543	82,445	75,878	73,817

(1) The increase in expenses relative to prior years was due predominantly for the costs associated with providing electricity during winter storm Uri in February 2021.

TABLE 17 – VALUE OF THE SYSTEM

	Fiscal Year Ended September 30,				
	2024	2023	2022	2021	2020
Utility Systems	\$ 812,546,661	\$ 787,200,208	\$ 705,850,379	\$ 685,380,672	\$ 656,481,245
Construction in Progress	44,851,174	31,806,005	86,404,259	74,758,797	60,688,724
	<u>\$ 857,397,835</u>	<u>\$ 819,006,213</u>	<u>\$ 792,254,638</u>	<u>\$ 760,139,469</u>	<u>\$ 717,169,969</u>
Less: Accumulated Depreciation	361,795,380	338,254,192	317,298,514	301,465,663	282,503,564
Net System Value	<u>\$ 495,602,455</u>	<u>\$ 480,752,021</u>	<u>\$ 474,956,124</u>	<u>\$ 458,673,806</u>	<u>\$ 434,666,405</u>

TABLE 18 – CITY’S EQUITY IN THE SYSTEM

Resources	Fiscal Year Ended September 30,				
	2024	2023	2022	2021	2020
Net System Value	\$ 495,602,455	\$ 480,752,021	\$ 474,956,124	\$ 458,673,806	\$ 434,666,405
Current Assets	196,757,984	177,100,085	113,368,992	92,857,877	137,070,915
Restricted Assets	27,979,687	23,041,748	37,429,167	33,795,202	17,826,724
Deferred Charges	5,146,897	7,170,690	2,913,573	3,111,022	3,460,814
Total	\$ 725,608,528	\$ 688,064,544	\$ 628,667,856	\$ 588,437,907	\$ 593,024,858
Obligations					
Current Liabilities	\$ 52,200,643	\$ 25,311,753	\$ 15,509,615	\$ 14,547,777	\$ 16,876,003
Current Liabilities Payable from					
Restricted Assets	5,530,146	7,069,361	22,408,786	20,860,751	19,656,598
General Obligation Debt	45,913,932	38,822,502	38,822,501	46,376,401	44,570,802
Certificates of Obligation	187,169,707	196,060,233	175,444,978	152,211,425	133,490,618
Other Debt ⁽¹⁾	10,680,364	10,855,187	6,369,843	8,558,478	8,633,818
Total Liabilities	\$ 301,494,792	\$ 278,119,036	\$ 258,555,723	\$ 242,554,832	\$ 223,227,839
City's Equity in System	\$ 424,113,736	\$ 409,945,508	\$ 370,112,133	\$ 345,883,075	\$ 369,797,019
Percentage of Equity in System	58.45%	59.58%	58.87%	58.78%	62.36%

(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 9/30/2024
2013 ⁽²⁾	10,230,000	5,735,000
2013 ⁽¹⁾⁽³⁾	20,760,000	5,560,000
2014 ⁽¹⁾⁽³⁾	35,865,000	3,445,000
2016 ⁽²⁾	25,720,000	19,265,000
2016 ⁽¹⁾⁽³⁾	40,890,000	19,455,000
2017 ⁽²⁾	57,725,000	40,085,000
2017 ⁽¹⁾⁽³⁾	29,800,000	21,115,000
2018 ⁽²⁾	37,380,000	27,275,000
2019 ⁽²⁾	74,510,000	58,415,000
2020 ⁽²⁾	21,055,000	17,590,000
2020 ⁽¹⁾	15,355,000	10,575,000
2020A ⁽¹⁾	16,930,000	9,150,000
2021 ⁽²⁾	55,395,000	30,755,000
2022 ⁽²⁾	69,500,000	63,125,000
2023 ⁽²⁾	28,585,000	23,860,000
2024 ⁽²⁾	40,850,000	40,850,000
	<u>\$ 580,550,000</u>	<u>\$ 396,255,000</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 April 30, 2025, the City’s investable funds were invested in the following categories:

Investment Type	Book Value	Market Value
Cash	\$ 5,000,000	\$ 5,000,000
Local Government Investment Pool	144,253,738	144,253,738
Money Market Mutual Fund	383,302,333	383,302,333
	<u>\$ 532,556,071</u>	<u>\$ 532,556,071</u>

TAX MATTERS

OPINION . . . On the date of initial delivery of the Obligations, 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 Obligations for federal income tax purposes will be excludable from the “gross income” of the holders thereof and (2) the Obligations 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 Obligations. See APPENDIX C - Forms of Opinions 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 Ordinances authorizing the Obligations relating to certain matters, including arbitrage and the use of the proceeds of the Obligations and the property financed or refinanced therewith. Failure of the City to comply with these representations or covenants could cause the interest on the Obligations, 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 Obligations in order for interest on the Obligations 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 Obligations to be included in gross income retroactively to the date of issuance of the Obligations. 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 Obligations.

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 Obligations.

A ruling was not sought from the Internal Revenue Service by the Issuer with respect to the Obligations or the property financed or refinanced with proceeds of the Obligations. No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Obligations, 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 Obligations 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 Obligations may be less than the principal amount thereof or one or more periods for the payment of interest on the Obligations may not be equal to the accrual period or be in excess of one year (the “Original Issue Discount Obligations”). In such event, the difference between (i) the “stated redemption price at maturity” of each Original Issue Discount Obligation, and (ii) the initial offering price to the public of such Original Issue Discount Obligation would constitute original issue discount. The “stated redemption price at maturity” means the sum of all payments to be made on the Obligations 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 Obligation 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 Obligation 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 Obligation prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Obligation 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 Obligation was held by such initial owner) is includable in gross income.

Under Existing Law, the original issue discount on each Original Issue Discount Obligation 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 Obligation 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 Obligation.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Obligations 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 Obligations 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 Obligations 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 Obligations.

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 Obligations. 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 OBLIGATIONS.

Interest on the Obligations may be includable in certain corporation's “adjusted financial statement income” determined under section 56A of the Code to calculate the alternative minimum tax imposed by section 55 of the Code.

Under section 6012 of the Code, holders of tax-exempt obligations, such as the Obligations, 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 Obligations, 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 Obligations 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.

INFORMATION REPORTING AND BACKUP WITHHOLDING . . . Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Obligations 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 Obligations under federal or state law, and could affect the market price or marketability of the Obligations. 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 Obligations should consult their own tax advisors regarding the foregoing matters.

CONTINUING DISCLOSURE OF INFORMATION

In the Ordinances, the City has made the following agreement for the benefit of the holders and beneficial owners of Obligations. The City is required to observe the agreement for so long as it remains obligated to advance funds to pay the Obligations. 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 2025. 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 2025. 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 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 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 Obligations, or other material events affecting the tax status of the Obligations; (7) modifications to rights of holders of the Obligations, if material; (8) Obligation calls, 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, 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 Obligations nor the Ordinances 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 Obligations 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 Obligations 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 Obligations 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 Obligations 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 Obligations. 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.

OTHER INFORMATION

RATINGS

The presently outstanding tax supported debt of the City is rated “Aa1” by Moody’s and “AA+” by S&P, without regard to credit enhancement. Applications have been made to Moody’s and S&P for contract ratings on the Obligations. 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 Obligations.

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 OBLIGATIONS FOR SALE

The sale of the Obligations 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 Obligations have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Obligations been qualified under the securities acts of any jurisdiction. The City assumes no responsibility for qualification of the Obligations under the securities laws of any jurisdiction in which the Obligations may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Obligations 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 Obligations 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 Obligations by municipalities or other political subdivisions or public agencies of the State of Texas, the PFIA requires that the Obligations 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 Obligations 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 Obligations 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 Obligations for any of the foregoing purposes or limit the authority of such institutions or entities to purchase or invest in the Obligations for such purposes. No review by the City has been made of the laws in other states to determine whether the Obligations are legal investments for various institutions in those states.

LEGAL MATTERS

The City will furnish to the Initial Purchaser a complete transcript of proceedings had incident to the authorization and issuance of the Obligations, including the unqualified approving legal opinion of the Attorney General of Texas approving the Initial Obligations and to the effect that the Obligations are valid and legally binding obligations of the City, and based upon examination of such transcript of proceedings, the approving legal opinions of Bond Counsel. The customary closing papers, including a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Obligations or which would affect the provision made for their payment or security, or in any manner questioning the validity of the Obligations will also be furnished. In its capacity as Bond Counsel, such firm has reviewed the information describing the Obligations in the Notices of Sale and Bidding Instructions, the Official Bid Forms and this Official Statement to verify that such information conforms to the provisions of the Ordinances. In connection with the transactions described in the Official Statement, Bond Counsel represents only the City. The City expects to pay the legal fees of Bond Counsel for services rendered in connection with the issuance of the Obligations from proceeds of the Obligations. The legal opinion will accompany the Obligations deposited with DTC or will be printed on the Obligations in the event of the discontinuance of the Book-Entry-Only System.

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

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 Obligations. The Financial Advisor's fee for services rendered with respect to the sale of the Obligations is contingent upon the issuance and delivery of the Obligations. 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 Obligations, 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.

FORWARD-LOOKING STATEMENTS

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

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

INITIAL PURCHASER

After requesting competitive bids for the Bonds, the City accepted the bid of _____ (the “Initial Purchaser of the Bonds”) to purchase the Bonds at the interest rates shown on page 2 of this Official Statement at a price of _____. The Initial Purchaser of the Bonds can give no assurance that any trading market will be developed for the Bonds after their sale by the City to the Initial Purchaser of the Bonds. The initial yields shown on page 2 of this Official Statement will be established by and are the sole responsibility of the Initial Purchaser of the Bonds and may subsequently be changed at the sole discretion of the Initial Purchaser of the Bonds. The City has no control over the determination of the initial yields and has no control over the prices at which the Bonds are sold in the secondary market.

After requesting competitive bids for the Certificates, the City accepted the bid of _____ (the “Initial Purchaser of the Certificates” and, together with the Initial Purchaser of the Bonds, the “Initial Purchaser”) to purchase the Certificates at the interest rates shown on page 4 of this Official Statement at a price of _____. The Initial Purchaser of the Certificates can give no assurance that any trading market will be developed for the Certificates after their sale by the City to the Initial Purchaser of the Certificates. The initial yields shown on page 4 of this Official Statement will be established by and are the sole responsibility of the Initial Purchaser of the Certificates and may subsequently be changed at the sole discretion of the Initial Purchaser of the Certificates. The City has no control over the determination of the initial yields and has no control over the prices at which the Certificates are sold in the secondary market.

CERTIFICATION OF THE OFFICIAL STATEMENT AND NO-LITIGATION CERTIFICATE

At the time of payment for and delivery of the Obligations, the Initial Purchaser will be furnished a certificate, executed by a proper City official, acting in such person’s official capacity, to the effect that to the best of such person’s knowledge and belief: (a) the descriptions and statements of or pertaining to the City contained in its Official Statement and any addenda, supplement or amendment thereto, for its Obligations on the date of such Official Statement, on the date of purchase of said Obligations, and on the date of delivery, were and are true and correct in all material respects; (b) insofar as the City and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements, including financial data, of, or pertaining to, entities other than the City and their activities contained in such Official Statement are concerned, such statements and data have been obtained from sources which the City believes to be reliable and that the City has no reason to believe that they are untrue in any material respect; (d) there has been no material adverse change in the financial condition of the City since September 30, 2024, the date of the last audited financial statements of the City and (e) no litigation of any nature has been filed or is pending, as of the date of delivery of the Obligations, of which the City has notice to restrain or enjoin the issuance, execution or delivery of the Obligations, in any manner questioning the authority or proceedings for the issuance, execution, or delivery of the Obligations; or which would affect the provisions made for their payment or security, or in any manner question the validity of the Obligations.

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 Ordinances will also approve the form and content of this Official Statement, and any addenda, supplement or amendment hereto, and authorize its further use in the reoffering of the Obligations by the Initial Purchaser.

Mayor
City of College Station, Texas

ATTEST:

City Secretary
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 605 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 872 miles of wastewater and water lines. The City owns the electrical distribution system with approximately 528 miles of distribution lines and 20 miles of 138kv transmission lines.

The City has a fully equipped police department with 236 budgeted personnel positions. The department has 54 police patrol vehicles. The fire department consists of 186 budgeted personnel positions. There are six stations and a total of 8 engines, 9 ambulances, 2 command vehicles, 1 rescue truck, 2 ladder trucks, 1 tanker truck, and 1 grass fire truck. A 7th station is under construction.

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 May 4, 2024 the voters passed 2 of 2 bond propositions for \$53.47 million for the School District that includes renovations and additions to athletic facilities.

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 77,500 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. New additions to the Baylor Scott and White College Station campus include a clinic, sleep center and an ambulatory surgical center, just to name a few.

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. 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 1,895 acres of parks and facilities spread throughout the city. This includes 4 dog parks, 1 skate park, 109 playgrounds, 4 recreation centers, 12 ponds, 2 pools, 2 splash pads, 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 77,500 students, with more than 574,000 former students worldwide. As one of only 71 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.

The Texas A&M University System RELLIS Campus is more than a research and educational facility. It is an ecosystem of transformative innovation like few others in the world. Through partnerships with Texas A&M University System, Blinn College, workforce training organizations and the private sector, RELLIS is the first integrated education, research and testing institution in the state of Texas. The educational programs at RELLIS focus on collaboration beyond institutional affiliation, and the campus will serve as a model for the future of higher education by cultivating powerful opportunities for students. This multi-industry and education model provides unique opportunities for both global enterprises and companies located in the Bryan-College Station area. By assembling a diverse spectrum of engineering and technology tenants into one location, the campus fosters collaboration between enterprises that seek to shape the future through transformation, innovation, and education. Current initiatives underway at RELLIS are the Army Future Command's Bush Combat Development Complex, work with 5G technology, autonomous vehicle driving, and transportation material testing and labs are just a few to mention.

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 new expansion houses the 4141 locomotive engine that carried President Bush to his final resting place and the Marine One helicopter President Bush used. 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 years. 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 2024 season with average attendance of 102,847 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.

MAJOR CITY EMPLOYERS

<u>Firm Name</u>	<u>Product</u>	<u>Number of Employees</u>
Texas A&M University and System	Education/Research	27,000+
College Station ISD	Education	2000+
City Of College Station	Government	1000+
Reynolds & Reynolds	Computer Hardware and Software	500-999
Fujifilm Diosynth Biotechnologies	Biotechnology	500-999
Baylor Scott & White	Health Service	500-999
G-Con Manufacturing	Biotechnology	250-499
Cognizant Technology Solutions	Professional Services	250-499
Kelsey-Seybold Clinin	Back Office	100-249
C.C. Creations	Manufacturing	100-249
Matica Biotechnology	Biotechnology	100-249

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 2024, the U-Haul Growth Index ranked College Station the #6 growth market in the U.S.

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 BioCorridor (160 acres).

LABOR STATISTICS

College Station

Year	Labor Force	Total Employment	Unemployment	Rate
2021	62,952	60,360	2,592	4.1%
2022	65,450	63,204	2,246	3.4%
2023	67,527	65,131	2,396	3.5%
2024	69,969	67,476	2,493	3.6%
2025 ⁽¹⁾	72,579	70,002	2,577	3.6%

Brazos County

Year	Labor Force	Total Employment	Unemployment	Rate
2021	120,099	114,896	5,203	4.3%
2022	125,111	120,908	4,203	3.4%
2023	129,497	125,103	4,394	3.4%
2024	134,148	129,607	4,541	3.4%
2025 ⁽¹⁾	139,138	134,458	4,680	3.4%

Source: Texas Workforce Commission.

(1) Average as of April 2025.

BUILDING PERMITS

College Station has grown rapidly over the past 30 years as evidenced by an increase in population from 93,857 in 2010 to 120,511 in 2020. As of 2025, the estimated population of College Station was 131,579. 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
2021	778	\$ 218,422,224	94	\$ 191,348,463	7,943	\$ 99,300,343	8,815	\$ 509,071,030
2022	681	165,204,392	80	176,841,576	7,067	92,793,996	7,828	434,839,964
2023	552	173,799,085	57	278,780,038	5,991	104,408,217	6,600	556,987,340
2024	652	163,441,008	59	296,930,922	5,761	169,856,515	6,472	630,228,445
2025*	350	83,774,678	19	183,438,500	2,739	305,420,948	3,108	572,634,126

Source: The City.

* As of April 30, 2025.

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.

APPENDIX B

EXCERPTS FROM THE
CITY OF COLLEGE STATION, TEXAS
ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2024

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, 2024, 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

2025 Debt Issue

General Government 2022 General Obligation Authorization					
Facility Projects					
Total	\$	13,500,000	Fire Station #7	GG2306	20 Yrs
		13,500,000			
Park Projects					
		250,000	Bachmann Little League and Senior League/Soccer Buildings	PK2304	20 Yrs
		2,300,000	Thomas Park Re-Development	PK2307	7 Yrs
		650,000	Lincoln Center Area Improvements	PK2308	7 Yrs
		350,000	Central Park Operations Shop	PK2309	20 Yrs
Total	\$	3,550,000			
All GOB Subtotal	\$	17,050,000			
General Government Certificates of Obligation					
Vertical, Facilities, IT Projects					
Total	\$	4,000,000	City-Wide Radio Replacements	CO2501	7 Yrs
		4,000,000			
Governmental CO Subtotal	\$	4,000,000			
Utility Certificates of Obligation					
Water Projects					
Total	\$	5,000,000	New Water Wells	WA2400	20 Yrs
		5,000,000			
Wastewater Projects					
		4,000,000	CC Diversion Lift Station & Force Main	WW1800002	20 Yrs
		750,000	CCWWTP Outfall Rehabilitation	WW2202	20 Yrs
		3,500,000	CCWWTP Filter Improvements	WW2400	20 Yrs
Total	\$	8,250,000			
Utility CO Subtotal	\$	13,250,000			
All CO Subtotal	\$	17,250,000			
Total Debt Issue	\$	34,300,000			

July 24, 2025
Item No. 9.3.
Certificates Parameters Ordinance

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; delegating the authority to certain city officials to execute certain documents relating to the sale of the certificates; approving and authorizing an official statement and instruments and procedures relating to said certificates; and enacting other provisions relating to the subject.

Relationship to Strategic Goals:

Financially Sustainable City, and Providing Core Services and Infrastructure.

Recommendation(s): Council move to approve an ordinance authorizing the issuance of certificates of obligation; delegating the authority to certain city officials to execute certain documents relating to the sale of the certificates; approving and authorizing an official statement and instruments and procedures relating to said 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 22, 2025, 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 29th and June 5th 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, 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.

The ordinance authorizes the issuance of up to \$17,250,000 (i) city-wide radio and communication equipment; (ii) improvements and extensions to the City's waterworks and sewer systems including new water wells, distribution, transmission, system lines, lift stations, pumps, outfall, filtration and plant improvements; and (iii) the payment of fiscal, engineering and legal fees incurred in connection

therewith.

The parameters that must be satisfied are: (i) the aggregate principal amount of the Certificates shall not exceed \$17,250,000; (ii) the true interest cost of the Certificates shall not exceed 5.00% per annum; (iii) the final maturity of the Certificates shall not exceed February 15, 2045 and (iv) the pricing must occur within 90 days. (This usually says one year but in the past year, the OAG has really clamped down on limiting the CO delegation to 90 days). The blanks in Exhibit A of the ordinance are intentional and will be completed via the pricing certificate on the date of pricing.

The Preliminary Official Statement and final project list are attached to item 9.2.

Budget & Financial Summary: Staff reviewed and discussed 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 during the FY25 budget.

Attachments:

1. Ordinance (CO Series 2025) (ver 1)

THE STATE OF TEXAS §
BRAZOS COUNTY §
CITY OF COLLEGE STATION, TEXAS §

1. The City Council convened in a regular meeting on July 24, 2025 at the regular designated meeting place, and the roll was called of the duly constituted officers and members of the City Council, to wit:

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

was duly introduced for the consideration of the City Council. It was then duly moved and seconded that the Order be passed; and, after due discussion, the motion, carrying with it the passage of the Order, prevailed and carried, with all members of the City Council shown present above voting "Aye," except as noted below:

Page 558 of 598

3. The Mayor of the City Council has approved and hereby approves the Ordinance; and the Mayor and the City Secretary of the 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 24, 2025

Tanya D. Smith
City Secretary

John Nichols
Mayor

(CITY SEAL)

ORDINANCE NO. 2025-[]

ORDINANCE AUTHORIZING THE ISSUANCE OF CERTIFICATES OF OBLIGATION; DELEGATING THE AUTHORITY TO CERTAIN CITY OFFICIALS TO EXECUTE CERTAIN DOCUMENTS RELATING TO THE SALE OF THE CERTIFICATES; APPROVING AND AUTHORIZING AN OFFICIAL STATEMENT AND 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 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;

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 Certificates 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 City Manager and the Assistant City Manager/Chief Financial Officer 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 waterworks, sewer and electric systems that remain after the payment of all maintenance and operation expenses thereof, and all debt service, reserve and other

requirements in connection with all of the Issuer's revenue obligations (now or hereafter outstanding) that are secured by a lien on all or any part of the net revenues of the Issuer's waterworks, sewer and electric systems.

(b) The Certificates are hereby authorized to be issued and delivered in the principal amount not to exceed \$17,250,000 for paying all or a portion of the City's contractual obligations incurred in connection with: (i) city-wide radio and communication equipment; (ii) improvements and extensions to the City's waterworks and sewer systems including new water wells, distribution, transmission, system lines, lift stations, pumps, outfall, filtration and plant improvements; and (iii) 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.

(b) No series of Certificates shall be issued pursuant to this Ordinance unless each of the following parameters are satisfied as specified in the Pricing Certificate:

- (i) the aggregate principal amount of the Certificates shall not exceed \$17,250,000;
- (ii) the true interest cost of the Certificates shall not exceed 5.00% per annum;
- (iii) the final maturity of the Certificates shall not exceed February 15, 2045;

(iv) the delegation made hereby shall expire if not exercised by the Pricing Officer on or prior to ninety days from the date of adoption of this Ordinance; 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.

(c) Each Certificate issued pursuant to this Ordinance shall be designated: "CITY OF COLLEGE STATION, TEXAS, CERTIFICATES OF OBLIGATION, SERIES 2025."

(d) 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 (b) and subsection (c) 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.

(e) 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.

(f) 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. (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. The Certificates shall 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. REDEMPTION PROVISIONS.

(a) *Optional Redemption.* The Certificates may be subject to optional redemption prior to maturity on the dates and at the redemption prices as set forth in the Pricing Certificate. The Pricing Officer is hereby delegated to make such modifications to the provisions of this section in the Pricing Certificate as are necessary to complete the sale and delivery of the Certificates.

(b) *Notice of Redemption.* At least thirty days prior to the date fixed for any redemption of Certificates, or portions thereof, prior to maturity, the Issuer shall cause written notice of such redemption to be sent by United States mail, first class, postage prepaid, to each Registered Owner of a Certificate 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 at the close of business on the business day next preceding the date of mailing of such notice. All notices of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Registered Owner.

(c) *Firm Banking and Financial Arrangements.* By the date fixed for any prior redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates or portions thereof that are to be redeemed. If written notice of redemption is mailed and if due provision for such payment is made, all as provided above, the Certificates or portions thereof that are to be redeemed shall automatically be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Certificate shall be redeemed, a substitute Certificate having the same maturity date, bearing interest at the same rate, in an Authorized Denomination, at the written request of the Registered Owner, and in an 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 Issuer.

(d) *Selection of Certificates for Redemption.* If less than all Certificates of the same maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall randomly select by lot the Certificates within such maturity to be redeemed.

(e) *Conditional Notice of Redemption.* With respect to any optional redemption of the Certificates, unless certain prerequisites to such redemption required by this Order 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 Issuer, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Issuer shall not redeem such 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.

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

(a) A special fund or account, to be designated the "Series 2025 CO 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 respective series of 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 respective 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) The Certificates are additionally secured by and shall be payable from a limited pledge (not to exceed \$1,000) of Surplus Revenues. 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. 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.

(c) 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 this section, 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.

(d) 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.

(e) 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.

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

Section 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES.

(a) *Replacement Certificates.* 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.* 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.* 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.* 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.* 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 4(d) of this Ordinance for Certificates issued in conversion and exchange of other Certificates.

Section 8. FEDERAL INCOME TAX MATTERS.

(a) *Covenants.* The Issuer covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Certificates as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the

Registered Owner for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(i) to take any action to assure that no more than 10 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Resolution 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;

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

(iii) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the 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;

(iv) 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;

(v) 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;

(vi) 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:

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

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

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

(vii) 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

(viii) 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.

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

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

Section 9. DISPOSITION OF PROJECT. The Issuer covenants that the property financed with the proceeds of the Certificates will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of such bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to

comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 10. ALLOCATION OF, AND LIMITATION ON, EXPENDITURES FOR THE PROJECT. The Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the construction and acquisition of the Project on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed. The foregoing notwithstanding, the Issuer shall not expend sale proceeds or investment earnings thereon more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates, or (2) the date the Certificates are retired, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such expenditure will not adversely affect the status, for federal income tax purposes, of the Certificates or the interest thereon. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 11. Reserved.

Section 12. CUSTODY, APPROVAL, AND REGISTRATION OF CERTIFICATES. The City Manager or the Assistant City Manager/Chief Financial Officer 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 Assistant City Manager/Chief Financial Officer (or the designee thereof) until delivered to the Purchaser (as defined in Section 16 of this Ordinance).

Section 13. DTC REGISTRATION. 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 14. 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 2025. 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 2025. 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; 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.

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.

Section 15. 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) The Pricing Officer is authorized to modify the categories of Defeasance Securities that are eligible to defease the Certificates.

(f) *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.

Section 16. 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 B** 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/Chief Financial Officer 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 17. FURTHER PROCEDURES. The Mayor, the City Secretary, the City Manager, the Assistant City Manager/Chief Financial Officer 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 18. 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 2025 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 19. INTEREST EARNINGS. 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 20. 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.* 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. 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 21. 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.* 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) *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 24, 2025.

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 reproduced as an exhibit to the Pricing Certificate.

The '[' in this section are intentional.

NO. [R][T]-1

UNITED STATES OF AMERICA
STATE OF TEXAS
BRAZOS COUNTY

PRINCIPAL
AMOUNT
\$ _____

CITY OF COLLEGE STATION, TEXAS
CERTIFICATE OF OBLIGATION,
SERIES 2025

<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>DELIVERY DATE</u>	<u>CUSIP NO.</u>
_____	_____	[], 2025	_____

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, 202[], 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, 202[], 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., Dallas, Texas, 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 [], 2025, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$[17,550,000], for the purpose of paying all or a portion of the City's contractual obligations incurred in connection with (i) city-wide radio and communication equipment; (ii) improvements and extensions to the City's waterworks and sewer systems including new water wells, distribution, transmission, system lines, lift stations, pumps, outfall, filtration and plant improvements; and (iii) 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 waterworks, sewer and electric systems remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve, and other requirements in connection with all of the City's revenue bonds or other obligations (now or hereafter outstanding), which are payable from all or any part of the net revenues of the City's waterworks, sewer and electric systems 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.

City Secretary

Mayor

(CITY 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.
Dallas, Texas
Paying Agent/Registrar

By: _____
Authorized Representative

FORM OF COMPTROLLER'S CERTIFICATE
[ATTACHED TO 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 true and correct copy of the opinion of the Attorney General of the State of Texas approving this Certificate and that this Certificate has been registered this day 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, 202[] 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

PRELIMINARY OFFICIAL STATEMENT

(Omitted as it is included in Transcript)

July 24, 2025
Item No. 9.4.
LOI with Bombers

Sponsor: Bryan Woods, City Manager

Reviewed By CBC: N/A

Agenda Caption: Presentation, discussion, and possible action regarding a Letter of Intent (LOI) with the Brazos Valley Bombers.

Relationship to Strategic Goals:

Diverse & Growing Economy

Recommendation(s):

Summary: The Letter of Intent (LOI) with the Brazos Valley Bombers details the planned future agreement regarding their use of a baseball facility.

Budget & Financial Summary:

Attachments:

1. LOI - Bombers

BOMBERS LETTER OF INTENT

This Letter of Intent ("LOI") is entered into, by and between the **Brazos Valley Bombers** ("Team") and the **City of College Station** ("City"), collectively referred to as the "Parties."

1. Purpose

The purpose of this LOI's purpose is to outline the Parties' intent to enter into a future agreement for the Team's use of a future baseball facility ("Facility") to be built in the City of College Station. The future agreement will detail the Team's participation in the design, sponsorship rights, concessions, gate control, and other operational aspects.

2. Design Participation

The City acknowledges the Team's interest in participating in all design phases of the Facility to ensure the ballpark meets the necessary operational and functional needs of the Team and the City. The City agrees to involve the Team in design discussions, providing opportunities for recommendations regarding seating, amenities, and game-day operations.

3. Facility Specifications

The Facility may be designed to include, at a minimum:

- a. Seating Capacity:** Adequate seating capacity to host collegiate level baseball games.
- b. Concessions:** Full-Service Indoor Concession Building.
- c. Premium Group Areas:** Covered or indoor areas to be used for large groups such as party decks or party rooms to host businesses on site during events.
- d. Indoor Press Box:** A fully functional press box with appropriate media accommodations for both broadcast and in-house PA and sound.
- e. VIP Suites:** Indoor or outdoor suites.
- f. Wi-Fi Connectivity:** Facility-wide Wi-Fi to support fans, staff, and media operations.
- g. Scoreboard:** Digital video board system.
- h. Lights:** Stadium Lighting suitable for NCAA play.
- i. Field & Surface:** Turf field, with a removable pitcher's mound. Two (2) traditional dugouts, two dual lane bullpens, and a padded outfield wall.
- j. On-Site Hitting / Pitching Cages:** Minimum of two (2) hitting/pitching cages
- k. Fan Safety:** Professional-Grade Backstop Net for safety.
- l. Building Code:** Designed to meet International and Local Building Code requirements for sports venues.
- m. Family & Fan Amenities:** Common area with suitable electricity for activities.
- n. Clubhouse:** Clubhouse(s) for team(s).
- o. Other Indoor Space:** Space for ticket and other sales, and storage.
- p. Stadium Equipment:** Access to equipment for pre-game warmups.

4. Sponsorship & Signage Rights

The Parties shall negotiate the rights to control and sell sponsorships, including facility signage, throughout the Facility.

5. Concessions & Alcohol Sales

The Parties shall negotiate the rights over concessions, including but not limited to food, beverage, and merchandise sales.

6. Gate & Ticketing Control

The Parties will negotiate the gate and ticketing operations, as well as any revenue share.

7. Facility Use Payment

The Parties will negotiate the financial payment due to the City for the use of the facility.

8. Next Steps

The Parties agree to negotiate in good faith toward a definitive future agreement, using the terms outlined herein as the foundation for further discussions. While this LOI is not legally binding, it reflects a formal commitment to advancing negotiations.

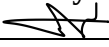
Additionally, the Parties acknowledge that in exchange for the Team's use of the facility, the Bombers will provide additional financial contributions beyond tax revenues to help cover ongoing operations and maintenance (O&M) costs. These contributions will be structured in alignment with comparable Texas Collegiate League teams to ensure the long-term viability of the Bombers utilizing this facility as their home field.

9. Expiration & Governing Law

This LOI shall remain in effect until a formal agreement is approved or until terminated in writing by either Party. This LOI shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the undersigned Parties have executed this Letter of Intent as of last date written below.

Brazos Valley Bombers

By:  _____

Uri Geva, Founder & Co-Owner

Date: 7/18/2025

CITY OF COLLEGE STATION

By: _____

Mayor

Date: _____

ATTEST:

City Secretary

Date: _____

July 24, 2025

Item No. 10.1.

Items of Community Interest and Council Calendar

Sponsor: City Council

Reviewed By CBC: City Council

Agenda Caption: Items of Community Interest and Council Calendar: The Council may discuss upcoming events and 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.

Relationship to Strategic Goals:

- Good Governance

Recommendation(s): None.

Summary: A current calendar of upcoming community events can be found in more detail at cstx.gov/calendar and official meetings or public notices are posted at cstx.gov/agendas.

Meetings and events from the days of July 30th thru August 14th:

July 30 - Tourism Committee

July 31 - Business After Hours

August 1 - Ribbon Cutting - Hilton College Station

August 1 - Games of Texas Opening Ceremonies

August 1 - SARC "An Evening Under the Stars 2025"

August 4 - Historic Preservation Committee Meeting

August 4 - Zoning Board of Adjustments Meeting

August 6 - B/CS MPO Policy Board Meeting (FY 2025)

August 6 - BVFB - Feast of Caring August 6 - Legislative Affairs Committee Meeting

August 6 - Economic Development Committee Meeting

August 7&8 - TML-TAMCC Newly Elected City Officials' Orientation

August 7 - Planning & Zoning Commission Meeting

August 8 - Brazos County Regional Mobility Authority Board Meeting

August 11 - Bicycle, Pedestrian & Greenway Board Meeting

August 12 - Parks Board Meeting

August 14 - Rock Prairie Management District No. 2

August 14 - City Council Meeting Day

Budget & Financial Summary: None.

Attachments:

None

July 24, 2025

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: Aggieland Humane Society, The Art Center of Brazos Valley, Architectural Advisory Committee, Audit Committee, Bicycle, Pedestrian, and Greenways Advisory Board, Bio-Corridor Board of Adjustments, Brazos County Health Dept., Brazos Valley Council of Governments, Brazos Transit District, Brazos Valley Economic Development Corporation, Brazos Valley Council of Gov't Board of Directors, Bryan/College Station Chamber of Commerce, Budget and Finance Committee, BVSWMA, BVWACS, CDBG Public Service Agency Funding Review Committee, Census Committee Group, Compensation and Benefits Committee, Comprehensive Plan Evaluation Committee, Construction Board of Adjustments & Building and Construction Standards Commission, Design Review Board, Economic Development Committee, Gulf Coast Strategic Highway Coalition, Historic Preservation Committee, Housing Plan Advisory Committee, Intergovernmental Local Committee, Keep Brazos Beautiful, Legislative Engagement Committee, 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, Tourism Committee, YMCA, Zoning Board of Adjustments. (Notice of Agendas posted on City Hall bulletin board.)

Budget & Financial Summary: None.

Attachments:

None