AGENDA
ELGIN CITY COUNCIL
SPECIAL MEETING
THURSDAY, JUNE 1, 2017
CITY ANNEX COUNCIL CHAMBERS, 310 NORTH MAIN STREET
7:00 PM

I. CALL TO ORDER

II. ROLL CALL

III. INVOCATION

IV. PLEDGE OF ALLEGIANCE

V. PUBLIC COMMENT

Individuals may request to speak on items on the agenda, and items not on the agenda, by requesting to speak during the meeting and under "PUBLIC COMMENT" and will be required to fill out a "PUBLIC COMMENT FORM" and present it, along with any material, handouts or information for Council, to the City Secretary prior to commencement of the Council meeting. Speaker comments are limited to three (3) minutes.

No formal action can be taken by the City Council on items not posted on the agenda. Items requiring a Public Hearing will allow a member of the public an opportunity to speak during the Public Hearing and does not require submission of a "PUBLIC COMMENT FORM". Speakers must address their comments to the Mayor or Presiding Officer rather than to an individual Council Member or member of Staff. All speakers must limit their comments to the specific subject matter noted on the "PUBLIC COMMENT FORM" and refrain from personal attacks or derogatory comments directed at any Council Member, member of Staff, other individual or group.

VI. EXECUTIVE SESSION

The City Council may announce that it will adjourn the public meeting at any time during the meeting and convene in Executive Session pursuant to Chapter 551 of the Texas Government Code to discuss any matter as specifically listed on the agenda and/or as permitted by Chapter 551 of the Texas Government Code.

1. Adjourn into Executive Session pursuant to (1) Section §551.072 Deliberations about Real Property: to receive a staff briefing and deliberate the purchase, exchange, lease, or value of certain real property located on Highway 290, and (2) Section § 551.087 Deliberation Regarding Economic Development Negotiations: to deliberate the offer of a financial or other incentive to a business prospect.

VII. RECONVENE

The City Council will return to open session for possible discussion and action as a result of the Executive Session.

VIII. NEW BUSINESS

1. A RESOLUTION OF THE CITY OF ELGIN, TEXAS EVIDENCING INTENT TO REIMBURSE EXPENDITURES WITH PROCEEDS OF DEBT, AND MAKING CERTAIN FINDINGS RELATED THERETO
2. A RESOLUTION OF THE CITY OF ELGIN, TEXAS APPROVING AND AUTHORIZING THE HIDDEN OAKS HIGHWAY 290 PROPERTY FINANCING PLAN FOR THE ACQUISITION OF CERTAIN REAL PROPERTY AND MAKING CERTAIN FINDINGS RELATED THERETO
3. AN ORDINANCE OF THE CITY OF ELGIN, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF ELGIN, TEXAS, TAX NOTES, TAXABLE SERIES 2017; LEVYING A TAX IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT
4. A RESOLUTION OF THE CITY OF ELGIN, TEXAS APPROVING THE EXPENDITURE OF $900,000 MORE OR LESS BY THE ELGIN ECONOMIC DEVELOPMENT CORPORATION FOR THE PARTIAL PAYMENT TO PURCHASE 60.803 ACRES LOCATED ON HIGHWAY 290 AND ROY RIVERS ROAD, AND MAKING CERTAIN FINDINGS RELATED THERETO

IX. **ADJOURNMENT**

NOTICE

Notice of Assistance at Public Meetings, the City of Elgin is committed to compliance with the Americans with Disabilities Act. Elgin City Hall and Council Chambers are wheelchair accessible and special marked parking is available. Persons with Disabilities who plan to attend this meeting and who may need assistance are requested to contact the City Secretary's Office at (512) 281-5724. Please provide forty-eight hours notice when feasible.

I, Amelia Sanchez, City Secretary for the City of Elgin, hereby certify this notice was posted at the City Hall Annex of the City of Elgin, Texas on or before May 26, 2017 prior to 7:00 p.m. in accordance with Chapter 551 of the Texas Government Code.

Amelia Sanchez

Amelia Sanchez, City Secretary

ELGIN CITY COUNCIL MEETING
AGENDA ITEM EXECUTIVE SUMMARY

ITEM:

Adjourn into Executive Session pursuant to (1) Section §551.072 Deliberations about Real Property: to receive a staff briefing and deliberate the purchase, exchange, lease, or value of certain real property located on Highway 290, and (2) Section § 551.087 Deliberation Regarding Economic Development Negotiations: to deliberate the offer of a financial or other incentive to a business prospect.

DEPARTMENT: Administration

PROPOSED ACTION:

Consider information presented by staff and/or the City Attorney in Executive Session

BACKGROUND:

Under Texas Open Meetings law, there are seven exceptions that generally authorize closed meetings, also known as "Executive Sessions." The exceptions include discussions involving: (1) purchase or lease of real property; (2) security measures; (3) receipt of gifts; (4) consultation with attorney; (5) personnel matters; (6) economic development; and (7) certain homeland security matters. However, any and all final actions, decisions, or votes of the Elgin City Council related to such Executive Session items will be made in an open meeting

BUDGET/FINANCIAL IMPACT:

Funding for this item was ○included ○not included in the current-year budget ◉N/A

RECOMMENDATION:

Direction to staff and/or City Attorney as appropriate on matters discussed in Executive Session

ATTACHMENTS:

◉ **Staff will be making a detailed presentation on this agenda item at the meeting.**
○ **Staff will provide brief comments and answer questions on this item at the meeting.**
○ **This is a routine procedural item and no presentation is planned for the meeting.**

Councilmembers who have any detailed questions or would like to request additional information regarding this item are encouraged to contact the City Manager at their earliest convenience.

ELGIN CITY COUNCIL MEETING
AGENDA ITEM EXECUTIVE SUMMARY

ITEM:
A RESOLUTION OF THE CITY OF ELGIN, TEXAS EVIDENCING INTENT TO REIMBURSE EXPENDITURES WITH PROCEEDS OF DEBT, AND MAKING CERTAIN FINDINGS RELATED THERETO

DEPARTMENT: Administration

PROPOSED ACTION:
Consideration of a Resolution authorizing the City to reimburse itself for all capital expenditures paid and to be paid in connection with land acquisition and/or capital project construction from the proceeds of debt obligations to be issued subsequent to the payment of all or a portion of such capital expenditures

BACKGROUND:
In conjunction with the Elgin Economic Development Corporation, city staff has developed a project that would include the acquisition of certain real estate for authorized needs and purposes. This Resolution is a procedural step related to the financing of said project, creating expanded opportunities for funding options.

BUDGET/FINANCIAL IMPACT:
Funding for this item was ○included○not included in the current-year budget◉N/A

RECOMMENDATION:
Approval of the Resolution as presented.

ATTACHMENTS:
Resolution

○ **Staff will be making a detailed presentation on this agenda item at the meeting.**
◉ **Staff will provide brief comments and answer questions on this item at the meeting.**
○ **This is a routine procedural item and no presentation is planned for the meeting.**

Councilmembers who have any detailed questions or would like to request additional information regarding this item are encouraged to contact the City Manager at their earliest convenience.

RESOLUTION NO. _________________

A RESOLUTION OF THE CITY OF ELGIN, TEXAS EVIDENCING INTENT TO REIMBURSE EXPENDITURES WITH PROCEEDS OF DEBT, AND MAKING CERTAIN FINDINGS RELATED THERETO

WHEREAS, the City of Elgin (the "Issuer") intends to issue either tax-advantaged or taxable obligations (the "Obligations") to finance the acquisition of certain real estate for authorized needs and purposes, including but not limited to the development of a medical facility and construction of streets (collectively, the "Project"); and,

WHEREAS, the Issuer desires to pay capital expenditures of acquiring and constructing the Project from its General Fund, and reimburse itself with the proceeds of the Obligations to be issued subsequent to the payment of such capital expenditures.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ELGIN, TEXAS THAT:

Section 1. The Issuer hereby expresses its intent to reimburse itself for all capital expenditures paid and to be paid in connection with the acquisition and construction of the Project from the proceeds of the Obligations to be issued subsequent to the payment of all or a portion of such capital expenditures.

Section 2. In lieu of incurring debt at this time, the Issuer expects to pay a portion of the capital expenditures associated with the acquisition and construction of the Project from the Issuer's General Fund and/or unencumbered cash reserves.

Section 3. The Issuer expects that debt service on the Obligations to be issued to reimburse the Issuer for the capital expenditures to be paid in connection with the acquisition and construction of the Project will be paid from the Issuer's revenues.

Section 4. The maximum principal amount of the Obligations to be issued to finance the acquisition and construction of the Project will be no more than $4,080,000.

PASSED AND ADOPTED this 1st day of June, 2017

____
CHRIS CANNON, Mayor
City of Egin, Texas

ATTEST:

____
AMELIA SANCHEZ, City Secretary

ELGIN CITY COUNCIL MEETING
AGENDA ITEM EXECUTIVE SUMMARY

ITEM:
A RESOLUTION OF THE CITY OF ELGIN, TEXAS APPROVING AND AUTHORIZING THE HIDDEN OAKS HIGHWAY 290 PROPERTY FINANCING PLAN FOR THE ACQUISITION OF CERTAIN REAL PROPERTY AND MAKING CERTAIN FINDINGS RELATED THERETO

DEPARTMENT: Administration

PROPOSED ACTION:
Consideration of an Resolution approving and authorizing the Financing Plan for a 60-acre tract of land known as the Hidden Oaks Highway 290 Property.

BACKGROUND:
In conjunction with the Elgin Economic Development Corporation, city staff has developed a project that would include the acquisition of certain real estate for authorized needs and purposes. This Resolution represents a procedural step related to the financing of said project.

BUDGET/FINANCIAL IMPACT:
Funding for this item was ○ included ○ not included in the current-year budget ◉ N/A

RECOMMENDATION:
Approval of the Resolution as presented.

ATTACHMENTS:
Resolution

◉ **Staff will be making a detailed presentation on this agenda item at the meeting.**

○ **Staff will provide brief comments and answer questions on this item at the meeting.**
○ **This is a routine procedural item and no presentation is planned for the meeting.**

Councilmembers who have any detailed questions or would like to request additional information regarding this item are encouraged to contact the City Manager at their earliest convenience.

RESOLUTION NO. _________________

A RESOLUTION OF THE CITY OF ELGIN, TEXAS APPROVING AND AUTHORIZING THE HIDDEN OAKS HIGHWAY 290 PROPERTY FINANCING PLAN FOR THE ACQUISITION OF CERTAIN REAL PROPERTY AND MAKING CERTAIN FINDINGS RELATED THERETO

WHEREAS, the City of Elgin and the Elgin Economic Development Corporation (EDC) are committed to working together to foster economic growth within the city and to support the development of projects and services that best serve the interests of Elgin residents and property owners; and,

WHEREAS, the City of Elgin and the Elgin Economic Development Corporation have now developed a mutually-agreeable plan and partnership to finance the acquisition of a certain tract of land containing 60+/- acres also known as the Hidden Oaks Highway 290 Property for authorized needs and purposes; and,

WHEREAS, the City Council has reviewed and considered the Hidden Oaks Highway 290 Property Financing Plan that includes the possible combination of various city resources that may include, but not be limited to, tax notes, long-term financing, short-term financing, bond proceeds, EDC funds, and/or cash reserves.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ELGIN, TEXAS THAT:

Section 1. That the above recitals are true and correct; and the Mayor and City Council do hereby authorize and approve the Hidden Oaks Highway 290 Property Financing Plan as recommended by the City Manager, a copy of said Plan being attached hereto and made part of this Resolution as if copied verbatim therein.

Section 2. This Resolution shall take effect immediately upon passage.

PASSED AND ADOPTED this 1st day of June, 2017.

____
CHRIS CANNON, Mayor
City of Egin, Texas

ATTEST:

____
AMELIA SANCHEZ, City Secretary

ELGIN CITY COUNCIL MEETING
AGENDA ITEM EXECUTIVE SUMMARY

ITEM:
AN ORDINANCE OF THE CITY OF ELGIN, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF ELGIN, TEXAS, TAX NOTES, TAXABLE SERIES 2017; LEVYING A TAX IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

DEPARTMENT: Administration

PROPOSED ACTION:
Consideration of an Ordinance authorizing the issuance of tax notes to finance the acquisition of certain real property (land).

BACKGROUND:
In conjunction with the Elgin Economic Development Corporation, city staff has developed a project that would include the acquisition of certain real estate for authorized needs and purposes, including but not limited to the development of a medical facility and construction of city streets. This Ordinance is a procedural step related to the financing of said project, creating expanded opportunities for funding options.

BUDGET/FINANCIAL IMPACT:
Funding for this item was ○ included ◉ not included in the current-year budget ○ N/A

RECOMMENDATION:
Approval of the Ordinance as presented and as may be warranted

ATTACHMENTS:
Ordinance

○ **Staff will be making a detailed presentation on this agenda item at the meeting.**
◉ **Staff will provide brief comments and answer questions on this item at the meeting.**
○ **This is a routine procedural item and no presentation is planned for the meeting.**

Councilmembers who have any detailed questions or would like to request additional information regarding this item are encouraged to contact the City Manager at their earliest convenience.

ORDINANCE NO. __________

AUTHORIZING THE ISSUANCE OF

$__________
CITY OF ELGIN, TEXAS
TAX NOTES, TAXABLE SERIES 2017

Adopted: __________, 2017

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

ARTICLE II

SECURITY FOR THE NOTES

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE NOTES

ARTICLE IV

REDEMPTION OF NOTES BEFORE MATURITY

ARTICLE V

PAYING AGENT/REGISTRAR

ARTICLE VI

FORM OF THE NOTES

ARTICLE VII

SALE OF THE NOTES; CONTROL AND DELIVERY OF THE NOTES

ARTICLE VIII

CREATION OF FUNDS AND ACCOUNTS; DEPOSIT OF PROCEEDS; INVESTMENTS

ARTICLE IX

PARTICULAR, REPRESENTATIONS AND COVENANTS

ARTICLE X

DEFAULT AND REMEDIES

ARTICLE XI

DISCHARGE

ARTICLE XII

MISCELLANEOUS

AN ORDINANCE OF THE CITY OF ELGIN, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF ELGIN, TEXAS, TAX NOTES, TAXABLE SERIES 2017; LEVYING A TAX IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, pursuant to Chapter 1431, Texas Government Code, as amended (the "Act"), the governing body of a municipality is authorized to issue the Notes hereinafter authorized (the "Notes") to pay contractual obligations incurred or to be incurred for the purposes set forth in Section 3.01 hereof; and

WHEREAS, this governing body (the "City Council") of the City of Elgin, Texas (the "City"), hereby finds and determines that it is necessary and in the best interest of the City and its citizens to issue such Notes for the purposes herein described and that such Notes shall be payable from and secured by ad valorem taxes levied, within the limits prescribed by law, on all taxable property within the City; and

WHEREAS, the Notes hereinafter authorized shall mature before the seventh anniversary of the date that the Attorney General of the State of Texas approves the Notes, as required by the Act; and

WHEREAS, it is affirmatively found that this City Council is authorized to proceed with the issuance and sale of such Notes as authorized by the Constitution and laws of the State of Texas, particularly the Act; and

WHEREAS, the City Council has found and determined that it is necessary and in the best interest of the City and its citizens that it authorize by this Ordinance the issuance and delivery of its Notes at this time; 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 Chapter 551, Texas Government Code, as amended; Now Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ELGIN, TEXAS:

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions. Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Ordinance the following terms shall have the meanings specified below:

"Bond Counsel" means Andrews Kurth Kenyon LLP or any successor thereto.

"Business Day" means a day that is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the city where the Designated Payment/Transfer Office is located are required or authorized by law or executive order to close.

"Debt Service Fund" means the Debt Service Fund established by Section 8.01(a).

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar, its corporate trust office or such other location designated by the Paying Agent/Registrar, and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

"Event of Default" means the occurrence of an event described in Section 10.1 of this Ordinance.

"Fiscal Year" means such fiscal year as shall from time to time be set by the City Council.

"Initial Note" means the Note described in Section 3.04(d).

"Interest Payment Date" means the date or dates upon which interest on the principal of the Notes is scheduled to be paid until the maturity or prior redemption of the Notes, such dates being January 15 and July 15 of each year commencing January 15, 2018, until maturity or prior redemption.

"Issuance Date" means the date of the initial delivery of and payment for the Notes.

"Maximum Lawful Rate" means the lesser of (a) the maximum rate of interest allowed by Chapter 1204, Texas Government Code, or any successor provision of (b) the maximum nonusurious rate of interest permitted to be charged by applicable federal or Texas law from time to time in effect.

"Note" or "Notes" means the City's Notes entitled "City of Elgin, Texas Tax Notes, Taxable Series 2017" authorized to be issued by Section 3.01.

"Ordinance" means this Ordinance.

"Owner" means the person who is the registered owner of the Notes, as shown in the Register.

"Paying Agent/Registrar" means _________________________, or any successor thereto as provided in this Ordinance.

"Paying Agent/Registrar Agreement" means the Paying Agent/Registrar Agreement between the Paying Agent/Registrar and the City relating to the Notes.

"Private Placement Letter" means that certain private placement letter between the City and the Purchaser, as described in Section 7.01 of this Ordinance.

"Purchaser" means _________________________.

"Record Date" means, for any Interest Payment Date, the close of business on the last day of the month next preceding an Interest Payment Date.

"Register" means the Register specified in Section 3.06(a).

"Special Payment Date" means the Special Payment Date prescribed by Section 3.03(b).

"Special Record Date" means the Special Record Date prescribed by Section 3.03(b).

"Unclaimed Payments" means money deposited with the Paying Agent/Registrar for the payment of the principal of or interest on the Notes as the same become due and payable and remaining unclaimed by the Owners of such Notes for 90 days after the applicable payment or redemption date.

Section 1.02. Other Definitions. The terms "Act," "City Council" and "City" shall have the meanings assigned in the preamble to this Ordinance.

Section 1.03. Findings. The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.04. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Article and section references shall mean references to articles and sections of this Ordinance unless designated otherwise.

(c) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Ordinance.

(d) Any action required to be taken on a date which is not a Business Day shall be taken on the next succeeding Business Day and have the same effect as if taken on the date so required.

ARTICLE II

SECURITY FOR THE NOTES

Section 2.01. Tax Levy for Payment of Notes.

While the Notes or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually levied, assessed and collected in due time, form and manner, and at the same time other City taxes are levied, assessed and collected, in each year, a continuing direct annual ad valorem tax, within the limits prescribed by law, upon all taxable property in the City sufficient to pay the current interest on the Notes as the same becomes due, and to provide and maintain a sinking fund adequate to pay the principal of the Notes as such principal matures, but never less than two percent (2%) of the original principal amount of the Notes each year, full allowance being made for delinquencies and costs of collection, and such taxes when collected shall be applied to the payment of the interest on and principal of the Notes and to no other purpose. The proceeds from all taxes levied, assessed and collected for and on account of the Notes authorized by this Ordinance shall be deposited into the Debt Service Fund created pursuant to Section 8.01 herein.

Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Debt Service Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Notes when and as due and payable in accordance with their terms and this Ordinance.

To pay debt service coming due on the Notes 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.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE NOTES

Section 3.01. Authorization. The City's Notes to be designated "City of Elgin, Texas Tax Notes, Taxable Series 2017," are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, particularly the Act, in the aggregate principal amount of $________ for the purpose of providing funds to pay contractual obligations incurred or to be incurred (i) for the acquisition of certain real estate for authorized needs and purposes, including the development of a medical facility and construction of streets and (ii) to pay the costs of issuance related thereto.

Section 3.02. Date, Denomination, Maturities, Numbers and Interest.

(a) The Notes shall be dated ________, 2017 and shall be in fully registered form, without coupons, in the denomination of $100,000 and any integral multiple of $5,000 in excess thereof and shall be numbered separately from R-1 upward, except the Initial Note, which shall be numbered I-1.

(b) The Notes shall mature on July 15 in the years 2018 through and including 2023 and on ________, 2024, and in the principal amounts set forth in the following schedule:

Maturity	Principal Amount	Interest Rate
	$	%

(c) Interest shall accrue and be paid on each Note respectively until the principal amount thereof has been paid or provision for such payment has been made, from the later of the Issuance Date or the most recent Interest Payment Date to which interest has been paid or provided for at the rate per annum for each respective maturity specified in the schedule contained in subsection (b) above. Such interest shall be payable semiannually on each Interest Payment Date, computed on the basis of a 360-day year composed of twelve 30-day months. In no event, however, may the rate of interest on the Notes exceed the Maximum Lawful Rate.

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of and interest on the Notes shall be paid in lawful money of the United States of America as provided in this Section.

(b) Interest on the Notes shall be payable to the Owners whose names appear in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest 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 (the "Special Payment Date"), which shall be at least 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 the Owner of the Notes appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day next preceding the date of mailing of such notice.

Interest on the Notes shall be paid by wire or check (dated as of the Interest Payment Date) or by such other method as agreed to by the City, the Purchaser and the Paying Agent, and sent by the Paying Agent/Registrar to the person entitled to such payment, United States mail, first class postage prepaid, to the address of such person as it appears in the Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements.

(c) The principal of the Notes shall be paid to the person in whose name such Notes are registered on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Notes at the Designated Payment/Transfer Office; provided, however, that for so long as the Notes are held by a single Owner, mandatory sinking fund redemption or optional redemption payments made prior to final maturity will be noted by the Paying Agent/Registrar in their official records but will not require the presentation and surrender of the Notes.

(d) If a date for the payment of the principal of or interest on the Notes is not a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

(e) Subject to any applicable escheat, unclaimed property, or similar law, including Title 6 of the Texas Property Code, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment or redemption date shall be paid to the City and thereafter neither the City, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Owners of such Notes for any further payment of such unclaimed moneys or on account of any such Note.

Section 3.04. Execution and Initial Registration.

(a) The Notes shall be executed on behalf of the City by the Mayor or City Manager and City Clerk of the City, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Notes shall have the same effect as if the Notes had been signed manually and in person by each of said officers, and such facsimile seal on the Notes shall have the same effect as if the official seal of the City had been manually impressed upon the Notes.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Notes ceases to be such officer before the authentication of such Notes or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Notes shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Note delivered on the Issuance Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State of Texas or by her duly authorized agent, which certificate shall be evidence that the Initial Note has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Issuance Date, one Note (the "Initial Note"), executed by manual or facsimile signature of the Mayor or City Manager and City Clerk of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the Purchaser or its designee against payment therefor.

Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Note is registered as the absolute Owner of such Note for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Note is registered on the Record Date or Special Record Date, as applicable), and for all other purposes, whether or not such Note is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Owner of any Note in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Note to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Notes remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of the Notes in accordance with this Ordinance.

Subject to the restrictions contained in the Private Placement Letter, the ownership of a Note may be transferred only upon the presentation and surrender of the Note at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Note shall be effective until entered in the Register. A new Note or Notes will be delivered by the Paying Agent/Registrar, in lieu of the Note being transferred or exchanged, at the Designated Payment/Transfer Office, or sent by United States mail, first class, posted prepaid, to the Owner or his designee.

(b) The Notes shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office for Notes of the same maturity and interest rate and in any denomination or denominations of any integral multiple of $100,000 and any integral multiple of $5,000 in excess thereof, and in an aggregate principal amount equal to the unpaid principal amount of the Notes presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Notes transferred or exchanged for other Notes in accordance with this Section.

(c) Each exchanged Note delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Note in lieu of which such exchange Note is delivered.

(d) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different denomination of the Note. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Note.

(e) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Note called for redemption, in whole or in part, where such redemption is scheduled to occur within 45 calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Note.

Section 3.07. Cancellation and Authentication. A Note paid or redeemed before scheduled maturity in accordance with this Ordinance, and a Note in lieu of which an exchange Note or a replacement Note is authenticated and delivered in accordance with this Ordinance, shall be cancelled upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall dispose of the cancelled Note in accordance with the Securities Exchange Act of 1934.

Section 3.08. Replacement Notes.

(a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Note, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Note of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Note to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Note is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Note has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Note of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Note;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

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

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Note has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Note, may pay such Note.

(e) Each replacement Note delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Notes or Note in lieu of which such replacement Note is delivered.

ARTICLE IV

REDEMPTION OF NOTES BEFORE MATURITY

Section 4.01. Limitation on Redemption.

The Notes shall be subject to redemption before scheduled maturity only as provided in this ARTICLE IV.

Section 4.02. Optional Redemption.

The Notes are subject to optional redemption prior to maturity, in whole or in part on [any date after the Issuance Date], [or after July 15, 20__] at a redemption price of par plus accrued interest to such date of redemption.

Section 4.03. Partial Redemption.

(a) If less than all of the Notes are to be redeemed pursuant to Section 4.02 hereof, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot, or other customary method that results in random selection, the Notes, or portions thereof, within such maturity or maturities and in such principal amounts for redemption.

(b) A portion of a single Note of a denomination greater than $100,000 may be redeemed, but only in a principal amount equal to $100,000 or any integral multiple of $5,000 in excess thereof. If such a Note is to be partially redeemed, the Paying Agent/Registrar shall treat each integral multiple of $100,000 or any integral multiple of $5,000 in excess thereof of the Note as though it were a single Note for purposes of selection for redemption.

(c) The Paying Agent/Registrar shall promptly notify the City in writing of the principal amount to be redeemed of any Note as to which only a portion thereof is to be redeemed.

Section 4.04. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of the Notes by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owners of each Note (or portions thereof) to be redeemed, at the address shown on the Register at the close of business on the Business Day next preceding the date of mailing such notice.

(b) The City reserves the right to give notice of its election or direction to redeem the Notes under Section 4.02 conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Notes subject to conditional redemption where redemption has been rescinded shall remain outstanding.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.05. Payment Upon Redemption.

(a) Before or on each redemption date, the City shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Notes to be redeemed on such date by setting aside and holding in trust such amounts as are received by the Paying Agent/Registrar from the City and shall use such funds solely for the purpose of paying the principal of, redemption premium, if any, and accrued interest on the Notes being redeemed.

(b) Upon presentation and surrender of any Note called for redemption at the Designated Payment/Transfer Office of the Paying Agent/Registrar on or after the date fixed for redemption , the Paying Agent/Registrar shall pay the principal of, redemption premium, if any, and accrued interest on such Note to the date of redemption from the money set aside for such purpose; provided, however, that for so long as the Notes are held by a single Owner, optional redemption payments made prior to final maturity will be noted by the Paying Agent/Registrar in their official records but will not require the presentation and surrender of the Notes.

Section 4.06. Effect of Redemption.

(a) When the Notes have been called for redemption in whole or in part and due provision has been made to redeem same as herein provided, the Notes or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Note or portion thereof called for redemption shall terminate on the date fixed for redemption. If the City shall fail to make provision for payment of all sums due on a redemption date, then any Note or portion thereof called for redemption shall continue to bear interest at the rate stated on the Note until due provision is made for the payment of same.

(b) If the City shall fail to make provision for payment of all sums due on a redemption date, then any Note or portion thereof called for redemption shall continue to bear interest at the rate stated on the Note until due provision is made for the payment of same by the City.

Section 4.07. Lapse of Payment. Money set aside for the redemption of the Notes and remaining unclaimed by the Owners thereof shall be subject to the provisions of Section 3.03(f) hereof.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

_________________________ is hereby appointed as the initial Paying Agent/Registrar for the Notes. The form of Paying Agent/Registrar Agreement is hereby approved.

Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Notes.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Notes are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance. The Mayor or the City Manager is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar. The signature of the Mayor or the City Manager shall be attested by the City Clerk.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement, provided, that such resignation shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Notes.

Section 5.04. Termination. The City, upon not less than 45 days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided, that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Notes.

Section 5.05. Notice of Change. Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner by first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, and executing the Paying Agent/Registrar Agreement, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby and thereby.

Section 5.07. Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Notes to the successor Paying Agent/Registrar.

ARTICLE VI

FORM OF THE NOTES

Section 6.01. Form Generally.

(a) The Notes, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Notes, (i) shall be substantially in the form set forth in Exhibit A, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance, and (ii) may have such letters, numbers, or other marks of identification and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Notes, as evidenced by their execution thereof.

(b) Any portion of the text of any Note may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Note.

(c) The Notes, including the Initial Note submitted to the Attorney General of Texas, shall be typed, printed, lithographed, photocopied or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Notes, as evidenced by their execution thereof.

Section 6.02. Legal Opinion. The approving legal opinion of Bond Counsel may be printed on or attached to each Note over the certification of the City Clerk of the City, which may be executed in facsimile.

ARTICLE VII

SALE OF THE NOTES; CONTROL AND DELIVERY OF THE NOTES

Section 7.01. Sale of Notes; Private Placement Letter.

(a) The Notes are hereby sold and shall be delivered to the Purchaser at a price of $________, representing the par amount of the Notes in accordance with the terms of the Private Placement Letter, presented to and hereby approved by the City Council, which price and terms are hereby found and determined to be the most advantageous reasonably obtainable by the City. The Mayor or City Manager and other appropriate officials of the City are hereby authorized to execute the Private Placement Letter on behalf of the City and to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Notes and the approving opinion of the Attorney General of Texas.

(b) All officers and officials of the City are authorized to take such actions and to execute such documents, certificates and receipts, and to make such elections with respect to the tax-exempt status of the Notes, as they may deem necessary and appropriate in order to consummate the delivery of the Notes. Further, in connection with the submission of the record of proceedings for the Notes to the Attorney General of the State of Texas for examination and approval of such Notes, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10th of 1% of the principal amount of the Notes or (ii) $9,500, but in no case less than $750).

(c) The obligation of the Purchaser to accept delivery of the Notes is subject to the Purchaser being furnished with the final, approving opinion of Bond Counsel, which opinion shall be dated as of and delivered on the Issuance Date.

Section 7.02. Control and Delivery of Notes.

(a) The Mayor or her designee is hereby authorized to have control of the Initial Note and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Notes shall be made to the Purchaser under and subject to the general supervision and direction of the Mayor or City Manager, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor is absent or otherwise unable to execute any document or take any action authorized herein, the City Manager shall be authorized to execute such documents and take such actions, and the performance of such duties by the City Manager shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor.

ARTICLE VIII

CREATION OF FUNDS AND ACCOUNTS; DEPOSIT OF PROCEEDS; INVESTMENTS

Section 8.01. Debt Service Fund.

(a) The City hereby establishes a special fund or account to be designated the "City of Elgin, Texas, Tax Notes, Taxable Series 2017 Debt Service Fund" (the "Debt Service Fund") with said fund to be maintained at an official depository bank of the City separate and apart from all other funds and accounts of the City. The taxes levied under Section 2.01 shall be deposited to the credit of the Debt Service Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on the Notes.

(b) If the amount of money in the Debt Service Fund is at least equal to the aggregate principal amount of the outstanding Notes plus the aggregate amount of interest due and that will become due and payable on such Notes, no further deposits to that fund need be made.

(c) Money on deposit in the Debt Service Fund shall be used to pay the principal of and interest on the Notes as such become due and payable.

Section 8.02. Deposit of Proceeds.

Proceeds from the sale of the Notes are appropriated for the purposes and shall, promptly upon receipt by the City, be applied as follows:

(a) Note proceeds in the amount of $__________ shall be used for the purposes identified in Section 3.01(i) hereof.

(b) Note proceeds in the amount of $__________ shall be used to pay the costs of issuance.

(c) Any amounts remaining after paying costs of issuance may be used for the purposes described in subsection (a). Any amounts remaining after accomplishing such purposes and paying costs of issuance shall be deposited to the Debt Service Fund and applied to the payment of debt service on the Notes.

ARTICLE IX

PARTICULAR, REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of Notes. While the Notes are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Debt Service Fund, money sufficient to pay the interest on and the principal of the Notes, as applicable, as will accrue or mature on each applicable Interest Payment Date and principal payment date.

Section 9.02. Accounts. For so long as the Purchaser is the sole Owner of the Notes, the City agrees to maintain an account with the Purchaser to facilitate the payment of debt service on the Notes.

Section 9.03. Other Representations and Covenants.

(a) The City is a duly organized and existing political subdivision of the State of Texas under the Constitution and laws of the State of Texas.

(b) The City is duly authorized under the laws of the State of Texas to issue the Notes; all action on its part for the creation and issuance of the Notes has been duly and effectively taken; and the Notes in the hands of the Owners thereof are and will be valid and enforceable obligations of the City in accordance with their terms.

(c) The City will faithfully perform, at all times, any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in the Notes; the City will promptly pay or cause to be paid the principal of and interest on the Notes on the dates and at the places and manner prescribed in the Notes; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

Section 9.04. Ordinance a Contract - Amendments.

This Ordinance shall constitute a contract with the Owners from time to time, be binding on the City, and shall not be amended or repealed by the City so long as the Notes remain outstanding except as permitted in this Section. The City may, without the consent of or notice to any Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of the Owners holding a majority in aggregate principal amount of Notes then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the written consent of all Owners, no such amendment, addition, or rescission shall (a) extend the time or times of payment of the principal of and interest on the Notes, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal and interest thereon; (b) give any preference to any Notes over any other Notes; or (c) reduce the aggregate principal amount of Notes required to be held by Owners for consent to any such amendment, addition, or rescission.

Section 9.05. Reserved.

Section 9.06. Declaration of Intent to Reimburse Expenditures. The City has paid within the last 60 days and anticipates that after the date hereof and prior to the issuance of the Notes, it will be obligated to pay certain costs constituting expenditures (the "Expenditures") properly chargeable to a capital account (under general federal income tax principals) in connection with projects being financed, in whole or in part, with the Notes. The aggregate amount of the Expenditures is not expected to exceed $4,080,000. The City reasonably expects that it will be reimbursed for a portion of the Expenditures with the proceeds of the Notes.

ARTICLE X

DEFAULT AND REMEDIES

Section 10.01. Events of Default.

In addition to the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City:

(a) fails to make payment of the interest and principal when the same becomes due and payable; or

(b) defaults in the observance or performance of any of the other covenants, conditions or obligations set forth in this Ordinance, which default materially and adversely affects the rights of the Owners, including but not limited to their prospect or ability to be repaid in accordance with the Ordinance, and the continuation thereof for a period of thirty days after notice of such default is given by any Owner to the City; or

(c) An order of relief shall be issued by the Bankruptcy Court of the United States District Court having jurisdiction, granting the City any relief under any applicable law, or any other court having valid jurisdiction shall issue an order or decree under applicable federal or state law providing for the appointment of a receiver, liquidator, assignee, trustee, sequestrator, or other similar official for the City as applicable, of any substantial part of its property, affairs or assets, and the continuance of any such decree or order unstayed and in effect for a period of 90 consecutive days.

Section 10.02. Remedies.

(a) Upon the occurrence of an Event of Default, any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies. It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Notes then outstanding. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power shall be exercised from time to time and as often as may be deemed expedient.

(b) 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 Notes or now or hereafter existing at law or in equity; provided, however, the right to accelerate the debt evidence by the Notes shall not be available as a remedy under this Ordinance.

ARTICLE XI

DISCHARGE

Section 11.01. Discharge. The City reserves the right to defease, discharge or refund the Notes in any manner now or hereinafter permitted by applicable law.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Changes to Ordinance.

Bond Counsel is hereby authorized to make changes to the terms of this Ordinance if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Notes by the Attorney General of Texas.

Section 12.02. Partial Invalidity.

If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 12.03. Repealer.

All ordinances or resolutions, or parts thereof, heretofore adopted by the City and inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such conflict.

Section 12.04. Individuals Not Liable.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member of City Council or agent or employee of City Council or of the City in his or her individual capacity and neither the members of City Council nor any officer thereof, nor any agent or employee of City Council or of the City, shall be liable personally on the Notes, or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 12.05. Related Matters.

To satisfy in a timely manner all of the City's obligations under this Ordinance, the Mayor, City Manager or the City Clerk and all other appropriate officers and agents of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms and purposes of this Ordinance.

Section 12.06. Public Approval. It is found, determined and declared that a sufficient written notice of the date, hour, place and subject of the public hearing to be conducted by the City shall be published no less than 14 days before the date of said hearing in a newspaper of general circulation available to residents of the City and the hearing shall be conducted in a manner that provides a reasonable opportunity for persons with differing views on the issuance of the Notes to be heard, all as required by section 147(f) of the Code and the applicable Regulations thereunder. The mayor, or his designee, is hereby appointed as the Hearing Officer for the public hearing required by this Section and, based on the Hearing Officer's report on such hearing, the Mayor is hereby authorized to execute a certificate of the kind required by such Section 147(f) of the Code with respect to the Notes and the project to be financed thereby. All actions taken by the City, its officers and its employees with respect to the publication of the notice of such public hearing and the conducting of such public hearing are hereby authorized and, approved and ratified.

Section 12.07. Force and Effect.

This Ordinance shall be in full force and effect from and after its final passage, and it is so ordained.

[Signature Page Follows]

PASSED, APPROVED AND EFFECTIVE on this ____ day of ________, 2017.

____
Mayor
City of Elgin, Texas

____
City Clerk
City of Elgin, Texas

[SEAL]

EXHIBIT A

Form of the Notes

The form of the Notes, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Note, shall be substantially as follows:

(a) Form of Note.

THIS NOTE MAY NOT BE TRANSFERRED IN WHOLE OR IN PART EXCEPT AS PROVIDED IN SECTION 3.06 OF THE ORDINANCE AND AS PROVIDED HEREIN

REGISTERED	REGISTERED
NO. _____	$_____

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF ELGIN, TEXAS
TAX NOTES
TAXABLE SERIES 2017

INTEREST RATE:	MATURITY DATE:	ISSUANCE DATE:
____%	______________	________, 2017

The City of Elgin (the "City"), in Jefferson County, State of Texas, for value received, hereby promises to pay to

____

or registered assigns, on the Maturity Date specified above, the sum of

____

unless the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on such principal amount hereof from the later of the Issuance Date specified above or the most recent interest payment date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on January 15 and July 15 of each year, commencing on January 15, 2018.

The principal of this Note (or so much thereof as shall not have been paid or deemed to have been paid upon prior redemption) shall be payable without exchange or collection charges in lawful money of the United States of America on the Maturity Date specified above (unless redeemed prior thereto as provided in this Note) upon presentation and surrender of this Note at the corporate trust office in __________, Texas (the "Designated Payment/Transfer Office"), of __________________________, as initial Paying Agent/Registrar, or, with respect to a successor Paying Agent/Registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Note is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the person to whom interest is to be paid. For the purpose of the payment of interest on this Note, the registered owner shall be the person in whose name this Note is registered at the close of business on the "Record Date," which shall be the close of business on the fifteenth day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest 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 (the "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 Owner of a Note appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on this Note is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office 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 a Saturday, Sunday, legal holiday, or day on which such 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 Note is dated ________, 2017 and is one of a series of fully registered notes specified in the title hereof issued in the aggregate principal amount of $________ (herein referred to as the "Notes"), pursuant to a certain ordinance approved by the City Council of the City (the "Ordinance") for the purpose of (i) providing funds for the acquisition of certain real estate for authorized needs and purposes, including the development of a medical facility and construction of streets and (ii) paying the costs of issuance related thereto.

This Note and the interest thereon are payable from the levy of a direct and continuing ad valorem tax levied, within the limit prescribed by law, against all taxable property in the City as described and provided in the Ordinance.

The Notes are subject to optional redemption prior to maturity, in whole or in part [on any date after the Issuance Date], [on or after July 15, 20__,] at a redemption price of par plus accrued interest to such date of redemption.

Not less than 30 days prior to a redemption date for the Notes, the City shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the Owners of the Notes to be redeemed at the address of the 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 such notice.

The City reserves the right to give notice of its election or direction to redeem Notes pursuant to an optional redemption conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Notes subject to conditional redemption and such redemption has been rescinded shall remain Outstanding and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the City to make moneys and or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

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 and subject, in the, case of an optional redemption, to any rights or conditions reserved by the City in the notice, the Notes called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any Notes or portion thereof has not been surrendered for payment, interest on such Notes or portions thereof shall cease to accrue.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Note is transferable upon surrender of this Note for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar, and, thereupon, one or more new fully registered Note of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Notwithstanding any of the foregoing, this Note may only be transferred in whole and not in part and only to (x) an affiliate of the Purchaser, (y) a trust or custodial arrangement established by the Purchaser or one of its affiliates, the owners of the beneficial interests in which are limited to qualified institutional buyers, as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the "1933 Act"), or (z) an entity that is both a qualified institutional buyer and a commercial bank having capital and surplus, determined as of the date of any transfer of the Note, of $10,000,000,000 or more that has executed and delivered to the City a Private Placement Letter in a form acceptable to the City. Notwithstanding the foregoing, if the outstanding principal amount of the Notes is less than $250,000, a Note may not be transferred without the prior written consent of the City.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Note is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Note be overdue, and neither the City nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Note is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Notes has been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Notes, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, this Note has been duly executed on behalf of the City, under its official seal, in accordance with law.

______________________________	______________________________
City Clerk City of Elgin, Texas	Mayor City of Elgin, Texas

[SEAL]

(b) Payment Schedule.

PAYMENT SCHEDULE

Maturity Date	Principal Amount	Principal Amount Paid	Date of Payment	Remaining Principal Balance of Maturity

(c) Form of Certificate of Paying Agent/Registrar.

CERTIFICATE OF PAYING AGENT/REGISTRAR

The Initial Note of this series was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas and that this is one of the Notes referred to in the within mentioned Ordinance.

________________________,
as Paying Agent/Registrar

Dated: ________________

By:______________________

Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and ZIP Code of transferee:_________________________________

____

(Social Security or other identifying number: ____________________) the within Note and all rights hereunder and hereby irrevocably constitutes and appoints ____________________ attorney to transfer the within Note on the books kept for registration hereof, with full power of substitution in the premises.

Date: _________________________ ____

Signature Guaranteed By:

____

____

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

(e) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Note:

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

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

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Note, and that this Note has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this ______________________.

____
Comptroller of Public Accounts
of the State of Texas

[SEAL]

(f) The Initial Note shall be in the form set forth in paragraphs (a), (b), (d) and (e) of this Section, except for the following alterations:

(i) immediately under the name of the Note, the headings "INTEREST RATE" AND "MATURITY DATE" shall both be completed with the expression "As Shown Below"; and

(ii) in the first paragraph of the Note, the words "on the Maturity Date specified above, the sum of _______________ DOLLARS" shall be deleted and the following will be inserted: "on July 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:"

(Information to be inserted from Section 3.02 of the Ordinance)

(iii) the Initial Note shall be numbered "I-1".

ELGIN CITY COUNCIL MEETING
AGENDA ITEM EXECUTIVE SUMMARY

ITEM:

A RESOLUTION OF THE CITY OF ELGIN, TEXAS APPROVING THE EXPENDITURE OF $900,000 MORE OR LESS BY THE ELGIN ECONOMIC DEVELOPMENT CORPORATION FOR THE PARTIAL PAYMENT TO PURCHASE 60.803 ACRES LOCATED ON HIGHWAY 290 AND ROY RIVERS ROAD, AND MAKING CERTAIN FINDINGS RELATED THERETO

DEPARTMENT: Administration

PROPOSED ACTION:

Consideration of an Resolution authorizing the Elgin Economic Development Corporation's expenditure of certain funds as described.

BACKGROUND:

In conjunction with the Elgin Economic Development Corporation, city staff has developed a project that would include the acquisition of certain real estate for authorized needs and purposes. This Resolutionis a procedural step related to the financing of said project and allows for expanded opportunities for funding at this time.

BUDGET/FINANCIAL IMPACT:

Funding for this item was ◉ included ○ not included in the current-year budget ○ N/A

RECOMMENDATION:

Approval of the Resolution as presented and as may be warranted

ATTACHMENTS:

Resolution

◉ **Staff will be making a detailed presentation on this agenda item at the meeting.**

○ **Staff will provide brief comments and answer questions on this item at the meeting.**
○ **This is a routine procedural item and no presentation is planned for the meeting.**

Councilmembers who have any detailed questions or would like to request additional information regarding this item are encouraged to contact the City Manager at their earliest convenience.

RESOLUTION NO. _______________

A RESOLUTION OF THE CITY OF ELGIN, TEXAS APPROVING THE EXPENDITURE OF $900,000 MORE OR LESS BY THE ELGIN ECONOMIC DEVELOPMENT CORPORATION FOR THE PARTIAL PAYMENT TO PURCHASE 60.803 ACRES LOCATED ON HIGHWAY 290 AND ROY RIVERS ROAD, AND MAKING CERTAIN FINDINGS RELATED THERETO

WHEREAS, the City of Elgin, Texas (the "City") has caused to be created the Elgin Economic Development Corporation (the "Corporation") pursuant to the provisions of Chapter 505 of the Texas Local Government Code, being the ("Act"); and,

WHEREAS, the Corporation desires to expend $900,000 more or less to pay a partial payment for 60.803 acres located on highway 290 and Roy Rivers Road; and,

WHEREAS, solely for satisfying the requirements of the Act, and for no other purposes whatsoever, the City is willing to approve said expenditures.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ELGIN, TEXAS THAT:

Section 1. That the above recitals are true and correct; and that the City Council hereby approves the expenditure of $900,000 more or less for 60.803 acres.

Section 2. That it is officially found and determined that this approval is given solely to satisfy the requirements of the Act and for no other purpose whatsoever. In particular, the City shall have no liability whatsoever in regard to the expenditures, which will be solely the liability of the Corporation.

PASSED AND ADOPTED this 1st day of June, 2017

____

CHRIS CANNON, Mayor
City of Egin, Texas

ATTEST:

____

AMELIA SANCHEZ, City Secretary