



# City of Killeen

## Agenda

### City Council Workshop

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Tuesday, November 7, 2017

5:00 PM

Utility Collections  
Conference Room  
210 West Avenue C  
Killeen, Texas 76541

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#### Items for Discussion at Workshop

[DS-17-107](#) Discuss Agenda Items for the Regular City Council Meeting of November 14, 2017

[DS-17-108](#) Discuss Regulation of TNCs and Amending the Taxi and Ground Transportation Ordinance

Attachments: [Draft Ordinance](#)  
[Presentation](#)

[DS-17-109](#) Discuss City Council Meeting Schedule

[DS-17-110](#) Planning Session

· Review and Discuss Financial Policy

Attachments: [Presentation](#)

[DS-17-111](#) Discuss Rosewood Drive Extension/Heritage Oaks Hike & Bike Trail ROW Acquisition

#### Items for Regular City Council Meeting November 14, 2017

#### Minutes

[MN-17-026](#) Consider Minutes of Regular City Council Meeting of October 24, 2017.

Attachments: [Minutes](#)

#### Public Hearings

[PH-17-047A](#) Consider a memorandum/resolution approving a Professional Services Agreement with Garver, LLC, for the design, bidding services, and construction phase services for passenger boarding bridge improvements at the Killeen-Fort Hood Regional Airport.

Attachments: [Staff Report](#)  
[Agreement](#)  
[Certificate of Interested Parties](#)

[Presentation](#)

[PH-17-047B](#) HOLD a public hearing and consider an ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services of the City of Killeen by increasing the AIP Grant revenue account and increasing various Aviation Department expenditure accounts.

**Attachments:** [Staff Report](#)

[Ordinance](#)

[Presentation](#)

[PH-17-048A](#) Consider an ordinance authorizing the issuance and sale of General Obligation Refunding Bonds.

**Attachments:** [Staff Report](#)

[Ordinance](#)

[Presentation](#)

[PH-17-048B](#) HOLD a public hearing and consider an ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services of the City of Killeen by increasing revenue and expenditure accounts for the issuance of General Obligation Refunding Bonds.

**Attachments:** [Staff Report](#)

[Ordinance](#)

[Presentation](#)

[PH-17-049](#) HOLD a public hearing and consider an ordinance requested by V Bar Properties, L.P., (Case# Z17-24) to rezone approximately 1.855 acres out of W. H. Cole Survey, Abstract No. 200, from "B-3" (Local Business District) to "R-2" (Two Family Residential District). The property is located on the east and west rights-of-way of Taylor Renee Drive, north of Chaparral Road, Killeen, Texas.

**Attachments:** [Staff Report](#)

[Exhibits - Maps](#)

[Minutes](#)

[Ordinance](#)

[Objections](#)

[Presentation](#)

## Adjournment

*I certify that the above notice of meeting was posted on the Internet and on the bulletin boards at Killeen City Hall and at the Killeen Police Department on or before 5:00 p.m. on November 3, 2017.*

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Dianna Barker, City Secretary

*The public is hereby informed that notices for City of Killeen meetings will no longer distinguish between matters to be discussed in open or closed session of a meeting. This practice is in accordance with rulings by the Texas Attorney General that, under the Texas Open Meetings Act, the City Council may convene a closed session to discuss any matter listed on the agenda, without prior or further notice, if the matter is one that the Open Meetings Act allows to be discussed in a closed session..*

*This meeting is being conducted in accordance with the Texas Open Meetings Law [V.T.C.A., Government Code, § 551.001 et seq.]. This meeting is being conducted in accordance with the Americans with Disabilities Act [42 USC 12101 (1991)]. The facility is wheelchair accessible and handicap parking is available. Requests for sign interpretive services are available upon requests received at least 48 hours prior to the meeting. To make arrangements for those services, please call 254-501-7700, City Manager's Office, or TDD 1-800-734-2989.*

## **Notice of Meetings**

*The Mayor and/or City Council have been invited to attend and/or participate in the following meetings/conferences/events. Although a quorum of the members of the City Council may or may not be available to attend this meeting, this notice is being posted to meet the requirements of the Texas Open Meetings Act and subsequent opinions of the Texas Attorney General's Office. No official action will be taken by Council.*

**Dedicated Service -- Every Day, for Everyone!**



# City of Killeen

## Legislation Details

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**File #:** DS-17-107    **Version:** 1    **Name:** Discuss Agenda Items  
**Type:** Discussion Items    **Status:** Discussion Items  
**File created:** 10/13/2017    **In control:** City Council Workshop  
**On agenda:** 11/7/2017    **Final action:**  
**Title:** Discuss Agenda Items for the Regular City Council Meeting of November 14, 2017  
**Sponsors:** City Manager Department  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
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# City of Killeen

## Legislation Details

<b>File #:</b>	DS-17-108	<b>Version:</b>	1	<b>Name:</b>	Discuss Regulation of TNCs and Amending the Taxi and Ground Transportation Ordinance
<b>Type:</b>	Discussion Items	<b>Status:</b>			Discussion Items
<b>File created:</b>	10/20/2017	<b>In control:</b>			City Council Workshop
<b>On agenda:</b>	11/7/2017	<b>Final action:</b>			
<b>Title:</b>	Discuss Regulation of TNCs and Amending the Taxi and Ground Transportation Ordinance				
<b>Sponsors:</b>	City Attorney Department, City Manager Department				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Draft Ordinance</a> <a href="#">Presentation</a>				

Date	Ver.	Action By	Action	Result
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## Chapter 29

### Transportation

#### **DIVISION 1.    GENERALLY**

##### **Sec. 29-1.        Purpose and applicability of chapter.**

It is the city's policy to promote adequate and efficient ground transportation service in the city. To this end, this chapter provides for the regulation of ground transportation services to be carried out in a manner that protects the public health and safety, promotes the public convenience and necessity, and respects the concept of free enterprise.

##### **Sec. 29-2.        Definitions.**

- (1) *Ground transportation service* means providing chauffeured vehicle for hire for the transportation of passengers within the city, including but not limited to taxicabs, limousines, shuttles, and shuttles.
- (2) *Holder* means a person who is authorized to operate a ground transportation service, and includes the agents and employees of a holder.
- (3) *Operating Authority* means the written authority granted by the city council to provide a ground transportation service.
- (4) *Taxicab* means a chauffeured motor vehicle equipped with a taximeter with a rated passenger capacity of eight (8) or less used to transport persons, and which typically operates on irregular routes, on irregular schedules, and on a call and demand basis.
- (5) *Taximeter* means a device used in a taxicab to compute a fare.
- (6) *Transportation network company* means a corporation, partnership, sole proprietorship, or other entity that, for compensation, enables a passenger to prearrange with a driver, exclusively through the entity's digital network, a digitally prearranged ride, and that is permitted to operate by the Texas Department of License and Regulation.

##### **Sec. 29-3.        Penalties.**

- (A) An offense under this chapter is a class C misdemeanor, punishable by a fine not to exceed \$500.
- (B) Prosecution of an offense under this chapter does not preclude other enforcement remedies under this chapter, and the enforcement of other remedies under this chapter does not prevent prosecution for a violation of this chapter.

##### **Sec. 29-4.        Exceptions.**

This chapter does not apply to:

- (1) A vehicle owned, operated, or subcontracted by the federal government, the state, or a political subdivision when providing service exclusively to the governmental entity.

- (2) A courtesy vehicle that routinely provides transportation to and from the principal place of business of a courtesy vehicle provider and a public transportation terminal or is operated by a corporation that qualifies for exemption from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended.
- (3) An ambulance or other vehicle providing non-emergency medical transports.
- (4) Ground transportation services originating outside of the city.
- (5) Transportation provided by a Transportation Network Company permitted by the Texas Department of License and Regulation.

## **DIVISION 2. OPERATING AUTHORITY**

### **Sec. 29-5. Operating Authority Required.**

A person may not operate a ground transportation service within in the City of Killeen for the pickup of passengers inside the City of Killeen without first having obtained an operating authority from the city issued under the terms and provisions of this chapter.

### **Sec. 29-6. Permit Application.**

- (A) To obtain an operating authority for a ground transportation service, a person must make written application to the city council on a form prescribed by the city manager or his designee. The application must be sworn or affirmed.
- (B) A person may apply for multiple operating authorities on a single application form, provided that the application describes each service applied for and complies with this chapter.

### **Sec. 29-7. Permit Terms and Conditions.**

- (A) An operating authority issued under this division is valid for five (5) years.
- (B) To amend an operating authority, a holder must submit a written request to the city secretary describing in detail the proposed amendment. Any amendment must be approved by the City Council, except for increasing or reducing the number of vehicles or substituting vehicles.
- (C) A holder of an operating authority may not transfer or assign an operating authority.

### **Sec. 29-8. Window Permits.**

- (A) Upon city council approval of an operating authority, the city secretary shall provide a vehicle permit to the holder for each vehicle approved in the operating authority and that meets the requirements of section 29-9. Before a vehicle is placed in service, the holder must affix the permit to the vehicle on the passenger side of the windshield in the lower left corner inside the glass.
- (B) Vehicle permits expire December 31<sup>st</sup> of each year. A renewal application along with the required fee shall be submitted to the City Secretary to renew a vehicle permit.
- (C) A person commits an offense if he:
  - (1) operates a vehicle with an expired permit; or
  - (2) attaches a permit to a vehicle not authorized to operate.

**Sec. 29-9. Vehicle Requirements**

Before a vehicle permit may be issued to a ground transportation service vehicle, the holder must present written proof to the city secretary showing that each vehicle has a current State of Texas registration and inspection and pay the fee required in section 29-20.

**Sec. 29-10. Insurance.**

- (A) It shall be unlawful to operate a ground transportation service in the city unless the holder maintains in force during the authorized period of its operating authority the amount and character of insurance coverage for all vehicles used in such service as follows:
- (1) bodily injury of \$50,000.00 per person and \$100,000.00 per accident;
  - (2) property damage of \$25,000.00 per accident;
  - (3) all vehicles are to be properly insured 6 months in advance;
  - (4) Carried with an insurance company authorized to do business in the State of Texas; and
  - (5) the city is named as an additional insured.
- (B) Each policy must contain a cancellation provision or coverage change endorsement that provides 30 days' notice to the city before the policy is canceled or materially changed to reduce or restrict the coverage. The notice must be mailed to the city secretary.
- (C) Instead of obtaining the insurance policy required by subsection (A) of this section, a holder may furnish proof of compliance with subchapter E of chapter 601 of the Texas Transportation Code.

**DIVISION 3. DRIVER'S PERMITS**

**Sec. 29-11. Driver's Permits Required; Exception.**

- (A) A person may not drive a ground transportation service vehicle for trips originating in the city unless that person has a driver's permit issued by the city.
- (B) A holder may not employ or contract with a driver or otherwise allow a person to drive a ground transportation service vehicle owned, controlled or operated by the holder unless the person has a valid driver's permit issued under this division, except as provided in (c).
- (C) A driver of a ground transportation service vehicle with an occupancy capacity of 16 persons or greater, including the driver, is exempt from the permit requirement of this section if the individual possesses a valid class "B" or "C" commercial driver's license with a passenger endorsement issued to the driver by the state of Texas.

**Sec. 29-12. Driver Qualifications.**

To qualify for a driver's permit, a person must:

- (1) be at least eighteen (18) years old;
- (2) possess a valid driver's license;
- (3) have a valid contract with or currently be employed by a holder;



- (4) provide authorization to work in the United States if the person is not a citizen;
- (5) not have been convicted in a three-year period preceding the application date of:
  - (a) more than three (3) moving violations; or
  - (b) fleeing or attempting to elude a police officer, reckless driving, driving without a valid driver's license;
- (6) not have been convicted in the preceding seven-year period of driving while intoxicated, use of a motor vehicle to commit a felony, any felony involving property damage, fraud, theft, an act of violence, or an act of terrorism; and
- (7) not be registered as a sex offender.

**Sec. 29-13. Application and Investigation.**

- (A) To obtain a driver's permit, a person must file a completed written application with the police department on the prescribed form and pay the fee required by this chapter.
- (B) The police department shall conduct such investigation as it considers necessary to determine whether a person is qualified for a driver's permit. The police department shall review criminal history information using the criteria established by the Texas Occupations Code, Chapter 53.

**Sec. 29-14. Issuance and Denial.**

- (A) If the police department determines an applicant is qualified, a driver's permit shall be issued.
- (B) An application for a driver's permit may be denied if:
  - (1) the person is not qualified under this division; or
  - (2) the person falsifies, materially alters or omits information in the application.

**Sec. 29-15. Suspension or Revocation.**

- (A) A driver's permit may be suspended by the police chief or designee for up to sixty (60) days if the holder rescinds sponsorship of a driver in writing to the police department.
- (B) A driver's permit may be revoked by the chief of police or designee at any time if the permittee no longer meets the qualifications to possess a permit.

**Sec. 29-16. Appeal.**

- (A) An individual whose driver's permit is suspended or revoked may appeal the revocation or suspension to the city manager or his designee not later than the 10<sup>th</sup> day after receipt of the notice of suspension. The city manager or designee shall provide a written response no later than thirty (30) days after receiving an appeal.
- (B) An individual whose driver's permit is suspended or revoked shall not drive a ground transportation service vehicle during the pendency of an appeal.

**Sec. 29-17. Permit term.**

A driver's permit is valid for a 12-month period from the date of issuance, unless the permit is revoked or suspended before the period expires.

**DIVISION 4. FARES AND FEES.**

**Sec. 29-18. Rates of Fare.**

(A) The following fares shall be the maximum rate charged by taxicabs operating in the city of Killeen:

- (1) For the first one-tenth mile ("drop charge") ..... \$2.50
- (2) For each additional one-tenth mile ("per mile") ..... 0.285
- (3) For waiting time, per hour ("wait time") ..... 25.00
- (4) For each additional passenger over one, per person ("extras") ..... 1.00
- (5) For each trip, per trip ("minimum fare") ..... 5.00
- (6) Meter ..... Time On

(B) A fuel surcharge as provided in this section may be added to a taxicab fare per trip and any surcharge shall be based on the retail price of regular grade unleaded gasoline. The gasoline price shall be determined by the Oil Price Information Service, as reported by the American Automobile Association ([www.fuelgaugereport.com](http://www.fuelgaugereport.com)) for the Austin, Texas market. The fuel surcharge, including any increase or decrease in the surcharge, may go into effect any time the price is in a range as indicated below for a period of seven (7) consecutive days. Holders shall notify the city manager in writing within one (1) day of implementing, increasing, decreasing or eliminating a fuel surcharge. Each taxicab shall display a sign clearly visible from the passenger area that indicates that a fuel surcharge is being charged and the amount of the fuel surcharge.

Amount of Surcharge	Gas Price Per Gallon
\$0.50	\$4.00 - \$4.50
\$1.00	\$4.51 - \$5.00
\$1.50	\$5.01 - \$5.50
\$2.00	\$5.51 - \$6.00

(C) No charge shall be made by the driver of any taxicab for waiting time of five minutes or less. Hourly and daily rates for extraordinary services shall be mutually agreed upon by the driver and passenger in advance upon terms satisfactory to them.

**Sec. 29-19. Rate Card.**

A holder shall post a clearly visible rate card containing a schedule of rates established by the city council.

**Sec. 29-20. Fees.**

- (A) The schedule of fees is as follows:

Application fee for operating authority (initial application by company) ..... \$300.00

Vehicle permit (annual permit) ..... 50.00

Airport authority permit (annual permit) ..... 40.00

Duplicate decals/permits (damaged or destroyed) ..... 10.00

Driver permit (original/renewal) ..... 25.00

Driver permit (replace/lost) ..... 10.00

- (B) A holder of multiple operating authorities shall pay to the city only one operating authority permit fee for each vehicle.
- (C) Renewal fees are due and payable on or before December 31 of each year.
- (D) The holder shall pay the all required fees before placing any vehicle into service.
- (E) If an operating authority is amended to increase the number of ground transportation service vehicles, the annual operating authority permit fee for each additional vehicle shall be prorated from the month the vehicle permit is approved.
- (F) Fees paid to the city under this chapter are non-refundable.

**Sec. 29-21. Taximeter required.**

- (A) A person may not drive or allow another person to drive a taxicab unless the taxicab is equipped with an operational taximeter that has been inspected and approved by the city.
- (B) Except as provided by subsection (C) of this section, a person may not use a device other than a taximeter for measuring distance or time or to determine the fare to be charged.
- (C) Taximeter rates of fare do not apply to a trip to a destination outside the corporate city limits or a trip under a contract with a governmental agency, a nonprofit organization, or as otherwise reasonably necessary to provide a public service.

**DIVISION 5. OPERATIONS.**

**Sec. 29-22. Limitations on solicitations.**

- (A) A driver may not solicit business for a taxicab except from the driver compartment of the vehicle or the curb immediately adjacent to the vehicle.
- (B) A driver may not solicit business in a loud or annoying tone of voice, or obstruct the movement of any person. A driver may not solicit business at the terminal of another common carrier or at points of loading and unloading along any established route of another common carrier.

- (C) When a taxicab is at the airport or bus depot within the city, the driver may not leave the vehicle and enter the depot, the sidewalk, or private property of an airline or bus company to solicit the transportation of arriving passengers. The meeting, loading and unloading of passengers, loading and unloading of luggage and the assisting of passengers with luggage is permissible at the airport.

**Sec. 29-23. Municipal airport service.**

- (A) An applicant for authority to provide a ground transportation service vehicle that includes service to or from the municipal airport must obtain authority to operate at the airport. The city secretary shall issue consult with the executive director of aviation or designee before granting authority. A separate decal shall be issued for airport operation and shall be placed next to the city decal.
- (B) An operating authority issued under this chapter does not authorize a person to operate at the airport.
- (C) The executive director of aviation may adopt rules regarding the traffic flow of vehicles at the airport.

**Sec. 29-24. Continued operations.**

A ground transportation service operating under a valid franchise or operating authority granted before the effective date of this ordinance may continue to operate under that franchise or operating authority. The ground transportation service shall continue to pay all fees and remain in compliance with the franchise or operating authority previously granted. Upon expiration, the ground transportation service shall apply for an operating authority under this chapter to continue operating in the city.



# TRANSPORTATION ORDINANCE REVISION

DS-17-108

November 7, 2017

# Previous Discussions

- Texas Local Government Code 215.004 (in part)
  - ▣ To protect the public health, safety and welfare, a municipality by ordinance:
    - Shall license, control, and otherwise regulate each private passenger vehicle that provides passenger taxicab transportation services for compensation and is designed for carrying no more than eight passengers
  - ▣ The ordinance may include: entry into the business, rates, safety and insurance requirements, and any other requirement adopted to ensure safe and reliable passenger transportation service.
- Last Council Guidance
  - ▣ Minimize regulations
  - ▣ Eliminate vehicle inspections
  - ▣ Make it enforceable

# Recommendations

## CURRENT

- ❑ Taxi = 5 year franchise  
Other = 3 year operating authority
- ❑ Taxi = city inspection
- ❑ All = driver permit with driving/criminal history criteria
- ❑ Permit in left rear window

## PROPOSED

- ❑ All ground transportation = 5 year operating authority  
(Sec. 29-5, 29-7)
- ❑ All = state inspection and registration (Sec. 29-9)
- ❑ All = driver permit with standards matching driving/criminal criteria for TNCs\* (Sec. 29-12)
- ❑ Permit in windshield, passenger-side corner (Sec. 29-8)

# Stakeholder's Meeting

- Meeting held November 2
- Attended by Councilmembers Johnson, Fleming and Nash-King, and Cove and Luxury Cab Companies. Email comments received from Express Cab.
- Main items for discussion
  - ▣ Criminal and driving history requirements (Sec. 29-12)
  - ▣ Fees charged by the city (Sec. 29-18)
  - ▣ Enforcement



# TNCs at the Airport

- TDLR solicited comments for implementing HB 100, including from the Texas Commercial Airports Association
- New rules adopted October 20 to be effective December 1
- Allow an airport to:
  - ▣ collect a reasonable fee
  - ▣ request an auditable report or
  - ▣ enter into a mutual data sharing agreement
- Airport is analyzing cost recovery approaches

# Options



- ❑ Leave the current ordinance in place
- ❑ Direct staff to bring the draft ordinance as presented for approval
- ❑ Give specific direction to staff for recommended changes



# City of Killeen

## Legislation Details

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**File #:** DS-17-109    **Version:** 1    **Name:** Discuss City Council Meeting Schedule  
**Type:** Discussion Items    **Status:** Discussion Items  
**File created:** 10/30/2017    **In control:** City Council Workshop  
**On agenda:** 11/7/2017    **Final action:**  
**Title:** Discuss City Council Meeting Schedule  
**Sponsors:** City Manager Department  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
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# City of Killeen

## Legislation Details

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**File #:** DS-17-110    **Version:** 1    **Name:** Planning Session  
**Type:** Discussion Items    **Status:** Discussion Items  
**File created:** 6/7/2017    **In control:** City Council Workshop  
**On agenda:** 11/7/2017    **Final action:**  
**Title:** Planning Session  
· Review and Discuss Financial Policy  
**Sponsors:** City Manager Department  
**Indexes:**  
**Code sections:**  
**Attachments:** [Presentation](#)

Date	Ver.	Action By	Action	Result
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# FINANCIAL POLICY

DS-17-110

November 7, 2017

# Financial Policy - Purpose

- ❑ Basic framework for the fiscal management of the City
- ❑ Implemented recommendations from McConnell & Jones, LLP Management Audit
- ❑ Parameters established by applicable provisions of:
  - ▣ Texas Local Government Code
  - ▣ City of Killeen Charter
  - ▣ Texas Property Tax Code
  - ▣ Government Finance Officers Association (GFOA)
  - ▣ Governmental Accounting Standards Board (GASB)

# Financial Policy – Purpose (cont'd)

- Policies will assist the City Council and City staff in:
  - ▣ Evaluating current activities
  - ▣ Evaluating proposals for future programs
  - ▣ Maintaining long-term stable and positive financial condition
- Review policies annually

# Major Components



- ❑ Annual Budget
- ❑ Basis of Accounting and Budgeting
- ❑ Budget Administration
- ❑ Fiscal Monitoring
- ❑ Auditing and Financial Reporting
- ❑ Revenues
- ❑ Operating Expenditures
- ❑ Fund Balance
- ❑ Inter-fund Loans



# Major Components (cont'd)

- ❑ Inter-fund Transfers
- ❑ Capital Equipment/Project Expenditures
- ❑ Debt
- ❑ Cash Management
- ❑ Internal Controls
- ❑ Economic Development Funding
- ❑ E-Commerce
- ❑ Financial Consultants
- ❑ Grants



# City of Killeen

## Legislation Details

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**File #:** DS-17-111    **Version:** 1    **Name:** Discuss Rosewood Drive Extension/Heritage Oaks Hike & Bike Trail ROW Acquisition

**Type:** Discussion Items    **Status:** Discussion Items

**File created:** 10/31/2017    **In control:** City Council Workshop

**On agenda:** 11/7/2017    **Final action:**

**Title:** Discuss Rosewood Drive Extension/Heritage Oaks Hike & Bike Trail ROW Acquisition

**Sponsors:** Public Works Department

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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# City of Killeen

## Legislation Details

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**File #:** MN-17-026    **Version:** 1    **Name:** Minutes of Regular City Council Meeting of October 24, 2017

**Type:** Minutes    **Status:** Minutes

**File created:** 10/3/2017    **In control:** City Council

**On agenda:** 11/7/2017    **Final action:**

**Title:** Consider Minutes of Regular City Council Meeting of October 24, 2017.

**Sponsors:** City Secretary

**Indexes:**

**Code sections:**

**Attachments:** [Minutes](#)

Date	Ver.	Action By	Action	Result
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**City of Killeen**  
Regular City Council Meeting  
Killeen City Hall  
October 24, 2017 at 5:00 p.m.

Presiding: Mayor Pro-Tem Jim Kilpatrick

Attending: Councilmembers Debbie Nash-King, Juan Rivera, Shirley Fleming, Gregory Johnson, Jonathan Okray, and Steve Harris

Absent: Mayor Jose Segarra

Also attending were Assistant City Manager Dennis Baldwin, City Attorney Kathryn Davis, City Secretary Dianna Barker, and Sergeant-at-Arms Gilman.

Rev. Salamon gave the invocation, and Mayor Pro-Tem Kilpatrick led everyone in the Pledge of Allegiance.

**Approval of Agenda**

*Motion was made by Councilmember Rivera to approve the agenda as written. Motion seconded by Councilmember Fleming. The motion carried 6 to 0.*

**Minutes**

*Motion was made by Councilmember Nash-King to approve the minutes of the October 17th Regular City Council Meeting. Motion was seconded by Councilmember Okray. Motion carried 6 to 0.*

**Resolutions**

**RS-17-108** Consider a memorandum/resolution appointing a Killeen representative to the Bell County Tax Appraisal District Board.

**Staff comments:** Kathy Davis

The duties of the Board of Directors are to set policy and procedure for the Tax District of Bell County. Staff recommends that the City continue to provide a representative to participate on the Bell County Tax Appraisal District Board in order to ensure the interests of the citizens of Killeen are best served and reappoint Royce Matkin to serve as the City of Killeen representative for a 2 year term beginning Jan 1, 2018.

*Motion was made by Councilmember Okray to approve RS-17-108. Motion was seconded by Councilmember Rivera. Motion carried 6 to 0.*

**RS-17-109** Consider a memorandum/resolution appointing members to remaining seats on the KEDC Board and the Arts Commission Board.

**Staff comments:** Kathy Davis

The Chamber of Commerce has appointed Bobby Hoxworth to the Chamber Representative seat and Karl Green to the KIF Representative seat on the KEDC Board. Krista Kasper, who held the Folk Art/Sculpture/Painting seat, has resigned from the Arts Commission Board. It is recommended that the City Council approve the appointment of Bobby Hoxworth to fill the Chamber Representative seat and Karl Green to fill the KIF Representative seat on the KEDC Board, and approve the appointment of Vantonio Fraley to fill the Folk Arts/Sculpture/Painting seat on the Arts Commission Board.

*Motion was made by Councilmember Johnson to approve RS-17-109. Motion was seconded by Councilmember Fleming. Motion carried 6 to 0.*

**RS-17-110** Consider a memorandum/resolution rejecting all bids for Bid No. 17-16 Girl Scouts of Central Texas - Killeen Service Center Rehabilitation project.

**Staff comments:** Leslie Hinkle

One bid was received from A&L Sanchez Painting and Construction. The bid exceeded the available project budget. Community Development staff recommends City Council reject the bid received.

*Motion was made by Councilmember Nash-King to approve RS-17-110. Motion was seconded by Councilmember Johnson. Motion carried 6 to 0.*

**RS-17-111** Consider a memorandum/resolution authorizing a lease agreement with Professional Turf Products, L.P./PNC Finance for parks, athletic fields, and greenbelt mowers for Parks and Public Grounds via the BuyBoard.

**Staff comments:** Brett Williams

Parks and Public Grounds staff identified cost savings related to maintenance by leasing mowing equipment as opposed to the traditional method of procurement via outright purchase. This change in approach results in staff having access to modern, up-to-date equipment that is covered via warranty for the duration of the lease. In addition, the lease option allows the financial burden to be distributed over three years. The proposed lease option features three riding mowers and one walk behind mower. Staff recommends City Council authorizes the City Manager to execute a contract with Professional Turf Products, L.P. / PNC Equipment Finance for the lease of mowing equipment for Parks and Public Grounds in the amount of \$44,135.00, and that the City Manager is expressly authorized to execute any and all change orders within the amounts set by state and local law.

*Motion was made by Councilmember Rivera to approve RS-17-111. Motion was seconded by Councilmember Johnson. Motion carried 6 to 0.*

**RS-17-112** Consider a memorandum/resolution awarding Bid No. 17-17 to E-Z-GO/TCF Equipment Finance for the lease of rental golf carts at Stonetree Golf Club.

**Staff comments:** Brett Williams

Due to the volume of usage on the rental fleet by customers, the golf carts are subject to maintenance issues beyond the four-year mark in the life of the cart. Staff recommends the replacement of the golf cart fleet every four years to ensure that working golf carts are consistently available for Stonetree Golf Club customers. Staff recommends City Council authorizes the City Manager to execute a contract with E-Z-GO financed through TCF Equipment Finance for the lease of golf carts for Stonetree Golf Club in the amount of \$180,928.80 and that the City Manager is expressly authorized to execute any and all change orders within the amounts set by state and local law.

*Motion was made by Councilmember Rivera to approve RS-17-112. Motion was seconded by Councilmember Fleming. Motion carried 6 to 0.*

**RS-17-113** Consider a memorandum/resolution appointing members to the Youth Advisory Commission.

**Staff comments:** Brett Williams

<b>KILLEEN VOLUNTEERS, INC.-YOUTH ADVISORY COMMISSION</b>		
<i>Sub-Committee: All Council</i>		
Current Members	New YAC Members	Special Qualifications
Isaiah Crockett	Anna Rice	Student Representative
Marjerie Castro	Arianna Chavez	Student Representative
Hyelim Choung	Bryanna Palma	Student Representative
Hyewon Choung	Crystal Graupmann	Student Representative
Arianna Chavez	Dae'Tian Nanton	Student Representative
Julian Chavez	Demetra Paizanis	Student Representative
Ravyn Dietzman	Emilie Huck	Student Representative
Abraham Everett	Jeffrey Jomorabon	Student Representative
Loveless Gatewood	Joseph Low	Student Representative
Vivian Dorman	Julian Chavez	Student Representative
Crystal Graupman	Kaitlyn Low	Student Representative
Madison Henry	Kama Rangel	Student Representative
Lexy Hicks	Keana Turner	Student Representative
Mychel Howard	Lorena Kirk	Student Representative
Jeffrey Jamorabon	Madison Barnett	Student Representative
Joseph Low	Mark Thomas Jr.	Student Representative
Kaitlyn Low	Markeisha Thomas	Student Representative
JoAnn Lomas-Mathis	My'Azia Williams	Student Representative
Adrian Manning	Mychel Howard	Student Representative
Jason McDonald	Olivia Winder	Student Representative
Joshua Moses	Patricia Barnett	Student Representative
Demetra Paizanis	Paula Billingsley	Student Representative
Jaelyn Rivas	Vacancy	Student Representative
Jerome Singletary Jr.	Vacancy	Student Representative
Mark Thomas	Vacancy	Student Representative
Markeisha Thomas	Vacancy	Student Representative
Skylar Vanderberg	Vacancy	Student Representative
Daniel Watford III	Vacancy	Student Representative
MyAzia Williams	Vacancy	Student Representative
Olivia Winder	Vacancy	Student Representative
Lorena Kirk	Vacancy	Student Representative
Julie Kirk	Vacancy	Student Representative
Hailee Kirk	Vacancy	Student Representative
Bryanna Palma	Vacancy	Student Representative
Anna Rice	Vacancy	Student Representative
Ashton White	Vacancy	Student Representative
Khalil Corbett-Canada	Vacancy	Student Representative

Staff recommends the City Council appoint the nominated individuals for the 2017-2018 year.

*Motion was made by Councilmember Nash-King to approve RS-17-113. Motion was seconded by Councilmember Johnson. Motion carried 6 to 0.*

Roxanne Flores-Achmad called each student's name as they approached the stage. Mayor Pro-Tem Kilpatrick swore-in the new Youth Advisory Commissioners.

**RS-17-114** Consider a memorandum/resolution approving termination of concession lease agreement with Crystal and Richard Sullivan dba Green Beans Coffee at Killeen-Fort Hood Regional Airport.

**Staff comments:** Matt Van Valkenburgh

Green Beans Coffee (tenant) has become delinquent on rent and fee payments owed the City. On September 18, 2017, staff received notice from Mrs. Sullivan that the business would be closing due to financial difficulties. Staff recommends City Council approve termination of the Crystal and Richard Sullivan dba Crystal-Richard Sullivan and Green Beans Coffee lease agreement effective October 25, 2017 and authorize the City Manager to execute any and all necessary documentation to effect the termination.

*Motion was made by Councilmember Rivera to approve RS-17-114. Motion was seconded by Councilmember Johnson. Motion carried 6 to 0.*

**RS-17-115** Consider a memorandum/resolution approving use of a Request for Proposal (RFP) for the selection of a food service and beverage concession tenant at Killeen Fort Hood Regional Airport.

**Staff comments:** Matt Van Valkenburgh

As a result of the closure of food service businesses, the airport has no on-site prepared / served food or drink service available. The only food and drink services currently available are prepackaged products either through vending machines or the gift shop. Staff recommends that City Council make a determination that the RFP process offers the best value to the City and authorize staff to utilize the RFP process to identify and select the most responsive tenant to operate a food and beverage concession at the Killeen-Fort Hood Regional Airport.

*Motion was made by Councilmember Fleming to approve RS-17-115. Motion was seconded by Councilmember Nash-King. Motion carried 6 to 0.*

**RS-17-116** Consider a memorandum/resolution authorizing the City Manager to execute an Interlocal agreement with the City of Harker Heights to construct a portion of the Heritage Oaks Hike and Bike Trail Segment, 3A within the City of Harker Heights jurisdiction.

**Staff comments:** David Olson

The interlocal agreement (ILA) states the terms and conditions associated with the construction, contract administration, and dedication of the project. The City of Killeen will be responsible for designing, bidding, and constructing the project. The City of Harker Heights (COHH) will be responsible for furnishing necessary easements/rights-of-way, issuing required COHH permits, and accepting long term maintenance of facilities located within their corporate limits. City staff recommends the City Council authorize the City Manager to enter into an interlocal agreement with the City of Harker Heights for the construction of the Heritage Oaks Hike and Bike Trail Segment 3A within the corporate limits of the City of Harker Heights.

*Motion was made by Councilmember Okray to approve RS-17-116. Motion was seconded by Councilmember Rivera. Motion carried 4 to 2 with Councilmember Fleming and Councilmember Harris opposing.*

### **Adjournment**

With no further business, upon motion being made by Councilmember Okray, seconded by Mayor Pro-Tem Kilpatrick, and unanimously approved, the meeting was adjourned at 5:37 p.m.





# City of Killeen

## Legislation Details

<b>File #:</b>	PH-17-047A	<b>Version:</b>	1	<b>Name:</b>	Garver Professional Service Agreement-Passenger Boarding Bridges
<b>Type:</b>	Resolution/Public Hearing	<b>Status:</b>		<b>Status:</b>	Public Hearings
<b>File created:</b>	9/18/2017	<b>In control:</b>		<b>In control:</b>	City Council Workshop
<b>On agenda:</b>	11/7/2017	<b>Final action:</b>		<b>Final action:</b>	
<b>Title:</b>	Consider a memorandum/resolution approving a Professional Services Agreement with Garver, LLC, for the design, bidding services, and construction phase services for passenger boarding bridge improvements at the Killeen-Fort Hood Regional Airport.				
<b>Sponsors:</b>	Aviation Department				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Staff Report</a> <a href="#">Agreement</a> <a href="#">Certificate of Interested Parties</a> <a href="#">Presentation</a>				

Date	Ver.	Action By	Action	Result
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## STAFF REPORT

**DATE:** November 7, 2017

**TO:** Ronald L. Olson, City Manager

**FROM:** Matthew Van Valkenburgh A.A.E., Executive Director of Aviation

**SUBJECT:** Professional Services Agreement with Garver, LLC

### **BACKGROUND AND FINDINGS:**

The Killeen-Fort Hood Regional Airport (KFHRA) was opened for commercial service in August of 2004 with four (4) operational gates with respective passenger boarding bridges (PBB) manufactured by DEW Corporation; two (2) additional boarding bridges by a different manufacturer were added in 2008. The "DEW" PBBs have served the airport, the airlines, and the customers well in the 13 years hence; however, despite a rigorous preventative maintenance program used by the airport, these bridges are experiencing ever increasing mechanical and maintenance issues. The original equipment manufacturer (OEM) of the bridges is no longer in business, thus parts and maintenance support for these PBBs are increasingly difficult to find and obtain. In fact, several required parts necessary to keep these PBBs operational have had to be ordered and imported from Europe, thereby increasing the cost of repairs and operational down time of the equipment. Not only does this limit the operational capability of the Airport to meet our customer service goals, it has also affected our airline partners as well. By replacing this equipment, KFHRA anticipates increased operational efficiency and effectiveness, decreased bridge down time, decreased annual maintenance and repair costs, and increased customer service.

On September 22, 2015, the City Council approved acceptance of an Airport Improvement Program (AIP) grant for two projects. One of those projects was for a Preliminary Engineering Report (PER) on the existing PBBs. The PER fully evaluated the material condition, operational readiness, and life-cycle analysis of all PBBs and concluded it would be more cost effective and operationally prudent to replace the four (4) "DEW" bridges no longer supported by the OEM. Additionally, the PER recommended improvements to remaining two (2) bridges to increase their effectiveness and reduce maintenance costs.

Concurring with the results of the PER, the FAA offered, and the City Council accepted on September 13, 2016, a AIP grant for design to replace and effect improvements to the PBBs at KFHRA. This grant includes all of design, engineering, architectural, and administrative elements to bid and construct the project. On June 13, 2017, City Council approved the submission of a Passenger Facility Charge (PFC) application to the FAA to fund the grant matching requirements for this and other airport capital projects. FAA approved that application on September 6, 2017, and funds are available in the PFC account to proceed with this project.

Thus, Staff has negotiated a professional services agreement with Garver, LLC, in the amount of \$599,400.00 for design, bidding, contract administration, and construction services for improvements to the passenger boarding bridges at the Killeen-Fort Hood Regional Airport.

**THE ALTERNATIVES CONSIDERED:**

(1) Utilize the FAA AIP grant and PFC match to complete design for the replacement and improvements to the boarding bridges; (2) Do not do the project.

**Which alternative is recommended? Why?**

Alternative 1 is considered the prudent course of action. The project is fully funded by an FAA grant (90%) and a passenger facility charge [PFC] (10%), thus making the project zero cost to the KFHRA (no use of Aviation fund balance). This project is fully supported by the airlines and will lower maintenance expenses while improving airport efficiency and customer experience.

**CONFORMITY TO CITY POLICY:**

Yes

**FINANCIAL IMPACT:**

This contract is funded by FAA AIP for 90% of the total cost and a 10% PFC. Funding will be available in the amount of \$539,460.00 in account number 524-0515-521.47-20 Engineering Services and \$59,940.00 in account number 529-0510-521.65-41 PFC Projects upon Council approval of a budget amendment for the project.

**What is the amount of the expenditure in the current fiscal year? For future years?**

\$599,400 in FY 18

**Is this a one-time or recurring expenditure?**

This is a one-time expenditure.

**Is this expenditure budgeted?**

A budget amendment is required.

**If not, where will the money come from?**

FAA (90%); PFC (10%)

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Upon approval of budget amendment

**RECOMMENDATION:**

City Council authorize the City Manager to execute a professional services contract with Garver, LLC in the amount of \$599,400.00 and any and all change orders or supplemental agreements within the amounts set by State and local law.

**DEPARTMENTAL CLEARANCES:**

Finance

Legal

**ATTACHED SUPPORTING DOCUMENTS:**

Agreement

Certificate of Interested Parties



## **AGREEMENT FOR PROFESSIONAL SERVICES**

**City of Killeen  
Killeen, Texas  
Project No. 15181082**

THIS AGREEMENT FOR PROFESSIONAL SERVICES is made by and between the **City of Killeen of Killeen, Texas** hereinafter referred to as "Owner," and **GARVER, LLC**, hereinafter referred to as "GARVER".

The Owner intends to make the following improvements:

Generally, the scope of services includes design, bidding services, and construction phase services for improvements to Killeen-Fort Hood Regional Airport. Improvements will consist primarily of replacing the existing boarding bridges on Gates 2, 3, 4, and 5 with new metal bridges, and adding security improvements and a baggage conveyor to Gates 1 and 6.

GARVER will provide professional services related to these improvements as described herein. Project improvements shall be in accordance with planning for the project, and applications for Federal Funds prepared by GARVER.

The Owner and GARVER in consideration of the mutual covenants in this contract agree in respect of the performance of professional services by GARVER and the payment for those services by the Owner as set forth below. GARVER will begin work under this Agreement within ten (10) days of a Notice to Proceed and will complete the work on a mutually agreeable schedule.

### **SECTION 1 - EMPLOYMENT OF GARVER**

The Owner agrees to engage GARVER, and GARVER agrees to perform professional services in connection with the proposed improvements as stated in the sections to follow. These services will conform to the requirements and standards of the Owner and the Federal Aviation Administration, in accordance with regulations and procedures established for Federal Aid Projects. GARVER's services will be coordinated with the Owner, the FAA, and others required in the accomplishment of the work and conform to the standards of practice ordinarily used by members of GARVER's profession practicing under similar conditions. For having rendered such services, the Owner agrees to pay GARVER compensation as stated in the sections to follow.

### **SECTION 2 - SCOPE OF SERVICES**

GARVER's scope of services is described in attached Appendix A.

### **SECTION 3 - PAYMENT**

For the work described under SECTION 2 - SCOPE OF SERVICES, the Owner will pay GARVER on a lump sum and hourly rate basis. The Owner represents that funding sources are in place with the available funds necessary to pay GARVER.

If any payment due GARVER under this agreement is not received within 60 days from date of invoice, GARVER may elect to suspend services under this agreement without penalty or liquidated damages



assessed from the Owner.

The table below presents a summary of the fee amounts and fee types for this contract.

WORK DESCRIPTION	FEE AMOUNT	FEE TYPE
Preliminary Design (50%)	\$133,700	Lump Sum
Final Design (95%)	\$105,400	Lump Sum
Construction Documents (100%)	\$25,900	Lump Sum
Bidding Services	\$14,800	Lump Sum
Construction Materials Testing	\$29,800	Lump Sum
Resident Project Representative	\$161,000	Hourly (estimated)
Construction Administration	\$120,900	Lump Sum
Project Closeout	\$7,900	Lump Sum
<b>TOTAL FEE</b>	<b>\$599,400.00</b>	

The lump sums and hourly (NTE) fees, as indicated in the table above, to be paid under this agreement is \$599,400. For informational purposes, a breakdown of GARVER's estimated costs is included in Appendix B.

GARVER will request progress payments, and the Owner will pay GARVER on a monthly basis, based upon statements submitted by GARVER to the Owner indicating the estimated proportion of the work accomplished. Payments not received within 60 days of invoice date will be subject to a one percent monthly simple interest charge.

As directed by the Owner, some billable work may have been performed by GARVER prior to execution of this agreement. Payment for this work will be made in accordance with the fee arrangement established herein, as approved by the Owner.

Additional Services (Extra Work). For work not described or included in Section 2 – Scope of Services but requested by the Owner in writing, the Owner will pay GARVER, for time spent on the project for each classification of GARVER's personnel (may include contract staff classified at GARVER's discretion) plus reimbursable expenses including but not limited to printing, courier service, reproduction, and travel. The rates will be increased annually with the first increase effective on or about July 1, 2017.

#### **SECTION 4 - OWNER'S RESPONSIBILITIES**

In connection with the project, the Owner's responsibilities shall include, but not be limited to, the following:

1. Giving thorough consideration to all documents presented by GARVER and informing GARVER of all decisions within a reasonable time so as not to delay the work of GARVER.
2. Making provision for the employees of GARVER to enter public and private lands as required for GARVER to perform necessary preliminary surveys and other investigations.
3. Furnishing GARVER such plans and records of construction and operation of existing facilities,



available aerial photography, reports, surveys, or copies of the same, related to or bearing on the proposed work as may be in the possession of the Owner. Such documents or data will be returned upon completion of the work or at the request of the Owner.

4. Paying all plan review and advertising costs in connection with the project.
5. Providing legal, accounting, and insurance counseling services necessary for the project and such auditing services as the Owner may require.
6. Furnishing permits, permit fees, and approvals from all governmental authorities having jurisdiction over the project and others as may be necessary for completion of the project.
7. Giving prompt written notice to GARVER whenever the Owner observes or otherwise becomes aware of any defect in the project or other events which may substantially alter GARVER's performance under this Agreement.

## **SECTION 5 – MISCELLANEOUS**

### **5.1 Instruments of Service**

GARVER's instruments of service provided by this agreement consist of the printed hard copy reports, drawings, and specifications issued for the Assignment or Project; whereas electronic media, including CADD files, are tools for their preparation. As a convenience to the Owner, GARVER will furnish to the Owner both printed hard copies and electronic media. In the event of a conflict in their content, however, the printed hard copies shall take precedence over the electronic media.

GARVER's electronic media are furnished without guarantee of compatibility with the Owner's software or hardware, and GARVER's sole responsibility for the electronic media is to furnish a replacement for defective disks within thirty (30) days after delivery to the Owner.

GARVER retains ownership of the printed hard copy drawings and specifications and the electronic media. The Owner is granted a license for their use, but only in the operation and maintenance of the Project or Assignment for which they were provided. Use of these materials for modification, extension, or expansion of this Project or on any other project, unless under the direction of GARVER, shall be without liability to GARVER and GARVER's consultants. The Owner shall indemnify, to the extent allowed by law, defend, save harmless GARVER, GARVER's consultants, and the officers and employees of any of them from and against any and all claims, liabilities, damages, losses, and costs, including but not limited to costs of defense, arising out of the Owner's use of these materials for modification, extension, or expansion of this Project or on any other project not under the direction of GARVER.

Because data stored in electronic media form can be altered, either intentionally or unintentionally, by transcription, machine error, environmental factors, or by operators, it is agreed that the Owner shall, to the extent allowed by law, indemnify, defend, save harmless GARVER, GARVER's consultants, and the officers and employees of any of them from and against any and all claims, liabilities, damages, losses, and costs, including but not limited to costs of defense, arising out of changes or modifications to the data in electronic media form in the Owner's possession or released to others by the Owner and for any use of the electronic media and printed hard copy drawings and specifications outside the license granted by this provision.



## 5.2 Opinions of Cost

Since GARVER has no control over the cost of labor, materials, equipment, or services furnished by others, or over the Contractor(s)' methods of determining prices, or over competitive bidding or market conditions, GARVER's Estimates of Project Costs and Construction Costs provided for herein are to be made on the basis of GARVER's experience and qualifications and represent GARVER's best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but GARVER cannot and does not guarantee that proposals, bids or actual Total Project or Construction Costs will not vary from estimates prepared by GARVER.

The Owner understands that the construction cost estimates developed by GARVER do not establish a limit for the construction contract amount. If the actual amount of the low construction bid exceeds the construction budget established by the Owner, GARVER will not be required to re-design the project without additional compensation.

## 5.3 Underground Utilities

GARVER will provide research regarding utilities and survey utilities located and marked by their owners as indicated in Appendix A. Since many utility companies typically will not locate and mark their underground facilities prior to notice of excavation, GARVER is not responsible for knowing whether underground utilities are present or knowing the exact location of utilities for design and cost estimating purposes. Additionally, GARVER is not responsible for damage to underground utilities, unmarked or improperly marked, caused by geotechnical, potholing, construction, or other subconsultants working under a subcontract to this agreement.

## 5.4 Insurance

GARVER currently has in force, and agrees to maintain in force for the life of this Contract, the following minimum schedule of insurance:

Worker's Compensation	Statutory Limit
Automobile Liability (Combined Property Damage and Bodily Injury)	\$500,000.00
General Liability (Combined Property Damage and Bodily Injury)	\$1,000,000.00
Professional Liability	\$2,000,000.00

## 5.5 Records

FAA, Owner, Comptroller General of the United States or any of their duly authorized representatives shall have access to any books, documents, papers and records of GARVER which are directly pertinent to a specific grant program for the purpose of making audit, examination, excerpts, and transcription. GARVER shall maintain all required records for 3 years after the Owner makes final payment and all other pending matters are closed.

After completion of the Project, and prior to final payment, GARVER shall deliver to the Owner submittals as indicated in Appendix A.





## **5.6 Indemnity Provision**

Subject to the limitation on liability set forth in Section 5.8, GARVER agrees, to the extent allowed by law, to indemnify the Owner for damages, liabilities, or costs (including reasonable attorneys' fees) to the extent the damages and costs are caused by the negligent acts, errors, or omissions of GARVER, its subconsultants, or any other party for whom GARVER is legally liable, in the performance of their professional services under this contract.

The Owner agrees, to the extent allowed by law, to indemnify GARVER for damages, liabilities, or costs (including reasonable attorneys' fees) to the extent the damages and costs are caused by the negligent acts, errors, or omissions of the Owner, its agents, or any other party for whom the Owner is legally liable, in the performance of their professional services under this contract.

In the event claims, losses, damages, or expenses are caused by the joint or concurrent negligence of GARVER and the Owner, they shall be borne by each party in proportion to its own negligence.

Owner agrees that any claim or suit for damages made or filed against GARVER by Owner will be made or filed solely against GARVER or its successors or assigns and that no member or employee of GARVER shall be personally liable to Owner for damages under any circumstances.

## **5.7 Design without Construction Phase Services**

In the event GARVER's Scope of Services under this agreement is amended to exclude project observation or review of the Contractor's performance or any other construction phase services, the Owner assumes all responsibility for interpretation of the Construction Contract Documents and for construction observation and supervision and waives any claims against GARVER that may be in any way connected thereto.

In addition, the Owner agrees, to the fullest extent permitted by law, to indemnify and hold GARVER harmless from any loss, claim or cost, including reasonable attorneys' fees and costs of defense, arising or resulting from the performance of such services by other persons or entities and from any and all claims arising from modifications, clarifications, interpretations, adjustments or changes made to the Construction Contract Documents to reflect changed field or other conditions, except for claims arising from the sole negligence or willful misconduct of GARVER.

## **5.8 Limitation of Liability**

In recognition of the relative risks and benefits of the project to both the Owner and GARVER, the risks have been allocated such that the Owner agrees to limit the liability of GARVER and its subconsultants to the Owner and to all construction contractors and subcontractors on the project for any and all claims, losses, costs, damages of any nature whatsoever or claims for expenses from any cause or causes, so that the total aggregate liability of GARVER and its subconsultants to all those named shall not exceed GARVER's collectible insurance proceeds for services rendered on this project. Such claims and causes include, but are not limited to negligence, professional errors or omissions, strict liability, breach of contractor warranty, and indemnity obligations.

Notwithstanding any other provision to the contrary in this Agreement or a Work Authorization and to the fullest extent permitted by law, neither Owner nor Garver shall be liable, whether based on contract, tort, negligence, strict liability, warranty, indemnity, error and omission, or any other cause whatsoever, for any consequential, special, incidental, indirect, punitive, or exemplary damages, or damages arising from or in connection with loss of power, loss of use, loss of revenue or profit (actual or anticipated), loss by reason of shutdown or non-operation, increased cost of construction, cost of capital, cost of



replacement power or customer claims, and Owner hereby releases Garver, and Garver releases Owner, from any such liability.

#### **5.8.1 Hazardous Materials**

Nothing in this agreement shall be construed or interpreted as requiring GARVER to assume any role in the identification, evaluation, treatment, storage, disposal, or transportation of any hazardous substance or waste. Notwithstanding any other provision to the contrary in this Agreement or a Work Authorization and to the fullest extent allowed by law, Owner shall indemnify, defend and save GARVER and its affiliates, subconsultants, agents, suppliers, and any and all employees, officers, directors of any of the foregoing, if any, from and against any and all losses which arise out of the performance of the Services and relating to the regulation and/or protection of the environment, including, without limitation, losses incurred in connection with characterization, handling, transportation, storage, removal, remediation, disturbance, or disposal of hazardous material, whether above or below ground.

### **SECTION 6 - CONTROL OF SERVICES**

This is a Texas Contract and in the event of a dispute concerning a question of fact in connection with the provisions of this contract which cannot be disposed of by mutual agreement between the Owner and GARVER, the matter shall be resolved in accordance with the Laws of the State of Texas, and the venue shall be in Bell County.

This Agreement may be terminated by either party by seven (7) days written notice in the event of substantial failure to perform in accordance with the terms hereof by the one (1) party through no fault to the other party or for the convenience of the Owner upon delivery of written notice to GARVER. If this Agreement is so terminated, GARVER shall be paid for the time and materials expended to accomplish the services performed to date, as provided in SECTION 3 - PAYMENT; however, GARVER may be required to furnish an accounting of all costs.

### **SECTION 7 - SUCCESSORS AND ASSIGNS**

The Owner and GARVER each bind themselves and their successors, executors, administrators, and assigns of such other party, in respect to all covenants of this Agreement; neither the Owner nor GARVER shall assign, sublet, or transfer their interest in this agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body which may be a party hereto.

### **SECTION 8 – OTHER**

Independent Contractor. Contractor shall act as an Independent Contractor. Under no circumstances shall Contractor be deemed an employee or partner of Owner.

Standard of Care. The standard of care for all professional engineering and related services performed or furnished by Contractor under this Agreement will be the care and skill ordinarily used by members of the Contractor's profession practicing under similar circumstances at the same time and in the same locality.

Severability. If any provision of this Agreement shall, for any reason, be held to violate any applicable



law, then the invalidity of such a specific provision in this Agreement shall not be held to invalidate the remaining provisions of this Agreement.

Survival. Any provision of this Agreement providing for indemnity, insurance or a duty that necessarily will not be completed until after the expiration or termination of this Agreement shall continue in full force and effect until such a time as all duties have been fully performed.

Non-waiver. Failure to enforce any provision of this Agreement by either party shall not constitute a waiver of that provision for purposes of the subsequent enforcement of that provision or the remainder of this Agreement.

By signing this contract, Vendor (or whatever term is used in the specific contract) hereby verifies that it does not boycott Israel and will not boycott Israel during the term of this contract. Boycotting Israel is defined in Texas Government Code section 808.001 to mean refusing to deal with, terminating business activities with, or taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

## **SECTION 9 – APPENDICES AND EXHIBITS**

- 8.1 The following Appendices and/or Exhibits are attached to and made a part of this Agreement:
  - 8.1.1 Appendix A – Scope of Services
  - 8.1.2 Appendix B – Fee Summary
  - 8.1.3 Appendix C, “Certification of Engineer”.
  - 8.1.4 Appendix D, “Mandatory Federal Contract Provisions For Professional Services Contracts”.
  - 8.1.4 Appendix E, Project Limits
- 8.2 This Agreement (consisting of pages 1 to 8, inclusive) together with the appendices and exhibits identified above constitute the entire agreement between the Owner and GARVER and supersede all prior written or oral understandings. This Agreement and said appendices and exhibits may only be amended, supplemented, modified or canceled by a duly executed written instrument.

This Agreement may be executed in two (2) or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.



IN WITNESS WHEREOF, Owner and GARVER have executed this Agreement effective as of the date last written below.

CITY OF KILLEEN

GARVER, LLC

By: \_\_\_\_\_  
Signature

By:   
Signature

Name: Ronald L. Olson  
Printed Name

Name: Frank O. McIllwain  
Printed Name

Title: City Manager

Title: Vice President

Date: \_\_\_\_\_

Date: 9/11/2017

Attest: \_\_\_\_\_

Attest: 



## **APPENDIX A**

### **SCOPE OF SERVICES KILLEEN-FORT HOOD REGIONAL AIRPORT KILLEEN, TEXAS**

#### **1.1 General**

Generally, the scope of services includes design, bidding services, and construction phase services for improvements to Killeen-Fort Hood Regional Airport. Improvements will consist primarily of replacing the existing boarding bridges on Gates 2, 3, 4, and 5 with new metal bridges, and adding security improvements and a baggage conveyor to Gate 1 and 6.

#### **1.2 Surveys**

##### **1.2.1 Design Surveys**

Surveying services will not be a part of this scope.

##### **1.2.2 Property Surveys**

Property surveys will not be a part of this scope.

#### **1.3 Geotechnical Services**

Geotechnical services will not be a part of this scope.

#### **1.4 Coordination**

Garver will serve as the Client's representative in the preliminary phase of the project and furnish consultation and advice to the Client during the performance of this service. Garver will attend preliminary conferences alone or with Client's representatives, local officials, state and federal agencies, utility companies and others regarding the proposed project, its general design, functions, and impact. Garver will assist the Client in ordering and directing the accomplishment of such special services as may be necessary. Garver will prepare preliminary and final design plans (50%, 95%, and 100% milestones), and submit copies for review and approval to the Client and FAA in the number required. Garver will attend conferences for review and conduct coordination conference of interested agencies and utilities, if required.

#### **1.5 Utility Coordination**

Garver will furnish digital copies of the plans to all known utility owners potentially affected by the project at each stage of development. Garver shall conduct coordination meetings among all known affected utility owners to enable them to coordinate efforts for any necessary utility relocations. Garver will include the surveyed locations of the observable and marked utilities in the construction plans. Garver will also include proposed and/or relocated utility information in the construction plans as provided by the utility companies.

#### **1.6 Environmental Services**

Environmental services will not be a part of this scope.



### **1.7 Drainage Study**

Drainage studies will not be a part of this scope.

### **1.8 Preliminary & Final Design**

Garver will prepare detailed construction drawings, specifications, instructions to bidders, general provisions and special provisions, all based on guides furnished to Garver by the Client and FAA. Contract Documents (Plans, Specifications, and Estimates) will be prepared for award of one (1) construction contract. These designs shall conform to the standards of practice ordinarily used by members of GARVER's profession practicing under similar conditions and shall be submitted to the FAA office from which approval must be obtained. Detailed specifications shall be developed using FAA "Standards for Specifying Construction for Airports" AC 150/5370-10 (latest edition) or other appropriate standards approved for use by the FAA. A specimen copy of the General Provisions and applicable prevailing wage rates will be obtained by Garver from the FAA or Department of Labor as appropriate for incorporation into the specifications for the proposed project.

Garver will submit to the FAA Airport's Regional Office advance copies of the plans and specifications and cost estimates for review. Garver will make any additions to respond to comments by the FAA, and when the documents have been approved, Garver will furnish plans to the FAA and to the Client for bidding and coordination purposes.

The preliminary and final design will address the following:

1. Architectural, structural, security, civil, mechanical, and electrical design considerations, as identified in the previously accepted preliminary engineering report for the bridges on Gates 2, 3, 4, and 5.
2. Construction sequencing and phasing, construction safety.
3. Drainage improvements, as necessary, within the project limits.
4. Water line and storm sewer relocation within the project limits.
5. Voice/telephone, paging/intercom, and access control.
6. New cameras or other security features at bridge doors, walkway, and bogey wheel(s).
7. Engineer's opinion of probable project cost, based on design milestones.

The boarding bridge improvements are itemized as part of Option 1 in the previously approved preliminary engineering report, performed by Garver in a separate agreement.

### **1.9 Property Acquisition Documents**

Property acquisition document will not be a part of this scope.

### **1.10 Bidding Services**

Garver will assist the Client in advertising for and obtaining bids or negotiating proposals for each separate prime contract for construction, materials, equipment and services; and, where applicable, maintain a record of prospective bidders to whom Bidding Documents have been issued, attend pre-bid conferences and perform the bid opening. The Client will pay advertising costs outside of this contract. Garver will issue addenda as appropriate to interpret, clarify or expand the Bidding Documents. Garver will consult with and advise the Client as to the acceptability of subcontractors, suppliers and other persons and organizations proposed by the prime contractor(s) (herein called



"Contractor(s)") for those portions of the work as to which such acceptability is required by the Bidding Documents. Garver will consult with the Client concerning and determine the acceptability of substitute materials and equipment proposed by Contractor(s) when substitution prior to the award of contracts is allowed by the Bidding Documents. Garver will attend the bid opening, prepare bid tabulation sheets and assist the Client in evaluating bids or proposals and in assembling and awarding contracts for construction, materials, equipment and services. Garver will assist the Client in the execution of all contract documents and furnish a sufficient number of executed documents for the Client, Contractor and FAA.

#### **1.11 Construction Phase Services**

During the construction phase of work, Garver will accomplish the following:

1. Support the Client's improvement plan by accomplishing preliminary planning, and/or engineering work as directed by the Client. The work shall include the preparation of opinions of costs, preliminary plans, applications for local, state, and federal funds, and services required to support the Client's applications for funds.
2. Prior to issuing the Notice to Proceed letter, Garver will prepare a "Construction Management Plan" to be submitted to the Federal Aviation Administration (FAA) for approval. At a minimum, the plan shall list key construction personnel, qualifications of construction management personnel, and materials quality assurance information. The plan will be reviewed by the FAA project manager and must be approved along with the final plans and specifications for construction.
3. Issue a Notice to Proceed letter to the Contractor and attend preconstruction meeting.
4. Prepare for and attend utilities coordination meeting, as necessary.
5. Attend progress/coordination meetings with the Client /Contractor.
6. Evaluate and respond to construction material submittals and shop drawings. Corrections or comments made by Garver on the shop drawings during this review will not relieve Contractor from compliance with requirements of the drawings and specifications. The check will only be for review of general conformance with the design concept of the project and general compliance with the information given in the contract documents. The Contractor will be responsible for confirming and correlating all quantities and dimensions, selecting fabrication processes and techniques of construction, coordinating his work with that of all other trades, and performing his work in a safe and satisfactory manner. Garver's review shall not constitute approval of safety precautions or constitute approval of construction means, methods, techniques, sequences, procedures, or assembly of various components. When certification of performance characteristics of materials, systems or equipment is required by the Contract Documents, either directly or implied for a complete and workable system, Garver shall be entitled to rely upon such submittal or implied certification to establish that the materials, systems or equipment will meet the performance criteria required by the Contract Documents.
7. Consult with and advise the Client during the construction period. Garver will submit, when requested by the Client, written reports to the Client on the progress of the construction including any problem areas that have developed or are anticipated to develop. In addition, Garver shall supply to Client such periodic reports and information as may be required by the FAA.
8. Issue instructions to the Contractor on behalf of the Client and issue necessary clarifications (respond to RFIs) regarding the construction contract documents.
9. Review the Contractor's progress payment requests based on the actual quantities of contract items completed and accepted, and will make a recommendation to the Client regarding payment. Garver's recommendation for payment shall not be a representation that Garver has made exhaustive or continuous inspections to (1) check the quality or exact quantities of the Work; (2) to review billings from Subcontractors and material suppliers to substantiate the Contractor's right





to payment; or (3) to ascertain how the Contractor has used money previously paid to the Contractor.

10. Maintain a set of working drawings and prepare and furnish record drawings.
11. Provide full-time resident construction observation services for the estimated construction contract performance time of 244 calendar days (approximately eight months). If the construction time extends beyond the time established in this agreement or if the Client wishes to increase the time or frequency of the observation, the Client will pay Garver an additional fee agreed to by the Client and Garver.
12. When authorized by the Client, prepare change orders or supplemental agreements, as appropriate, for ordering changes in the work from that originally shown on the Plans and Specifications. If re-design or substantial engineering is required in the preparation of these documents, payment for extra services involved will be made in addition to the payment provided in basic engineering services.
13. Participate in final project inspection, prepare punch list, review final project closeout documents, and submit final pay request.

Construction observation services will be provided by Garver's Resident Project Representative, who will provide or accomplish the following:

- Consult with and advise the Client during the construction period.
- Coordinate with the firm providing construction materials quality assurance testing. Coordinate with this firm to insure that all material tests required for construction are scheduled and accomplished in a manner that will not delay the Contractor unnecessarily and will meet specification requirements as to location and frequency.
- Maintain a file of quantities incorporated into the work, test reports, certifications, shop drawings and submittals, and other appropriate information.
- Maintain a project diary which will contain information pertinent to each site visit.
- Prepare requests for monthly and final payments to the Contractor.
- Provide information for preparation of record drawings of the completed project.
- Submit FAA Form 5370-1, Construction Progress and Inspection Report, or equivalent form to the appropriate FAA field office. The frequency of submittal shall be established at the preconstruction conference.
- Administer the "Construction Management Plan" prepared by Garver.
- Prepare a Construction Materials Quality Control Summary to be submitted weekly/monthly to the FAA. At a minimum, the summary shall include a list of all tests performed showing the date, location, pass or fail, results of retests, and whether or not the test is eligible or ineligible under the A.I.P. program. The Summary will include a certification that all testing was completed in accordance with the "Construction Management Plan."
- Assist the Client in the observation of Contractor's operations for proper classification of workers, and review of Contractor's payrolls as necessary to determine compliance with the prevailing wage rates.

In performing construction observation services, Garver will endeavor to protect the Client against defects and deficiencies in the work of the Contractor(s); but Garver does not guarantee the performance of the Contractor(s), nor is Garver responsible for the actual supervision of construction operations. Garver does not guarantee the performance of the contracts by the Contractors nor assume any duty to supervise safety procedures followed by any Contractor or subcontractor or their respective employees or by any other person at the job site. However, if at any time during construction Garver observes that the Contractor's work does not comply with the construction contract documents, Garver will notify the Contractor of such non-compliance and instruct him to correct the deficiency and/or stop work, as appropriate for the situation. Garver will also record the





observance, the discussion, and the actions taken. If the Contractor continues without satisfactory corrective action, Garver will notify the Client immediately, so that appropriate action under the Client's contract with the Contractor can be taken.

As a minimum, Garver's project manager or his qualified representative will visit the site of the work on the average of once during each thirty (30) working days of the construction period. These visits should be scheduled to coincide with each new phase of construction, scheduled FAA inspections, and other times when his presence is desirable. Garver's project engineer or his qualified representative will be available at all times work is in progress for telephone contact by the construction observer. Garver's project engineer shall direct, supervise, advise, and counsel the construction observer in the accomplishment of his duties.

### **1.12 Project Deliverables**

The following will be submitted to the Client, or others as indicated, by Garver:

1. Three paper copies and one digital copy of the 50% Preliminary Design (drawings, specifications, and opinion of probable construction cost) to both the FAA and the Client. Drawings will be half size.
2. One digital copy of the 50% Preliminary Plans to each potentially affected utility company, as necessary.
3. Three paper copies and one digital copy of the 95% Final Design (drawings, specifications, and opinion of probable construction cost) to both the FAA and the Client. Two paper and one digital copy of the 95% Final Design to Fort Hood. Drawings will be half size.
4. One digital copy of the revised 95% Final Plans to each potentially affected utility company, as necessary.
5. Three paper copies of the Final Plans and Specifications to the Contractor. Drawings will be full size.
6. Three paper copies and one digital copy of the 100% Construction Documents (drawings, specifications, and opinion of probable construction cost) to both the FAA and the Client. Drawings will be half size.
7. Three paper copies and one digital copy of the Construction Management Plan to both the FAA and the Client.
8. Digital copies of approved shop drawings/submittals from the Contractor.
9. One paper and one digital copy of the record drawings to the FAA, Fort Hood, and Client.
10. Electronic files as requested.

### **1.13 Extra Work**

The following items are not included under this agreement but will be considered as extra work:

1. Revisions for the Client's convenience or due to changed conditions after previous alternate direction and/or approval.
2. Submittals or deliverables in addition to those listed herein.
3. Design for refurbishing existing boarding bridges.
4. Improvements to Gates 1 and 6, excluding the water cabinet on Gate 6, and excluding security and baggage conveyor installation on Gates 1 and 6.
5. FF&E selections for loose furnishings.
6. Signage design (to be provided by vendor).
7. Updates to airport security plan.
8. Testing of cabling to determine routing, usability, or condition.



9. Surveying services.
10. Geotechnical services.
11. Reprogramming telephony systems, new or existing.
12. Reprogramming existing VMS and ACS.
13. Pavement or foundation design beyond that required for replacement of the boarding bridges and that furnished in the Geotechnical Report or provided by Garver.
14. Design of any utilities relocation beyond that required for replacement of the boarding bridges and that furnished in the Geotechnical Report or provided by Garver.
15. Design of drainage systems or structures, including a hydrologic model using HEC-HMS, hydrologic analyses of the existing conditions, or analysis of detention on-site.
16. Lighting or other electrical design beyond that required for replacement of the boarding bridges.
17. Preparation of a Storm Water Pollution Prevention Plan (SWPPP).
18. Environmental Handling and Documentation, including wetlands identification or mitigation plans or other work related to environmentally or historically (culturally) significant items.
19. DBE goal development and plan reporting

Extra Work will be as directed by the Client in writing for an additional fee as agreed upon by the Client and Garver.

#### **1.14 Schedule**

Garver shall begin work under this Agreement within ten (10) days of a Notice to Proceed and shall complete the work in a mutually agreeable schedule.

Preliminary Design	8 weeks after kick off meeting
Final Design	6 weeks after receipt of preliminary design review comments
Construction Documents	3 weeks after receipt of final design review comments
Bidding Services	as-needed
Construction Phase Services	as-needed
Project Closeout	as-needed

## APPENDIX B

### City of Killeen Boarding Bridges Replacement

#### FEE SUMMARY

<b>Title I Services</b>	<b>Estimated Fees</b>
Preliminary Design (50%)	\$133,700.00
Final Design (95%)	\$105,400.00
Construction Documents (100%)	\$25,900.00
Bidding Services	\$14,800.00
<b>Subtotal for Title I Services</b>	<b>\$279,800.00</b>

<b>Title II Services</b>	
<i>Construction Materials Testing (HVJ Associates)</i>	<i>\$29,800.00</i>
<i>Resident Project Representative (JDT RPR Services)</i>	<i>\$161,000.00</i>
Construction Administration	\$120,900.00
Project Closeout	\$7,900.00
<b>Subtotal for Title II Services</b>	<b>\$319,600.00</b>

## APPENDIX B

### City of Killeen Boarding Bridges Replacement

#### Preliminary Design (50%)

WORK TASK DESCRIPTION	E-6	E-4	E-3	E-2	E-1	T-2	X-1
	hr	hr	hr	hr	hr	hr	hr
<b>1. Project Management/Administration</b>							
Prepare Quality Control Plan					2		
Prepare for and Attend Project Kickoff Meeting (includes travel time)		5					
Prepare for and Attend Designer Kickoff Meeting (teleconference)		2			1		
Biweekly Design Coordination Meeting (teleconference)		4					
Weekly Progress Reports to Airport		2					
Coordination with Airport During Design		4					
Coordination with Subconsultants During Design		4					
Quality Control Reviews		2					
Final Review of Submittal		1					
Reproduction and Assembly of Preliminary Submittal							2
Submit Preliminary Submittal							1
Preparation for and Attendance to Preliminary Design Review Meeting		5					
Preliminary Design Review Meeting Minutes		1					
<b>Subtotal - Project Management/Administration</b>	<b>0</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>
<b>2. Civil Engineering</b>							
Project Kickoff Meeting (teleconference)				1			
Coordination with Subconsultants				2			
Coordination with City Water Dept.				2			
Biweekly Design Coordination Meeting (teleconference)				4			
Grading and Drainage Design				3			
Pavement Design				3			
Preliminary Plans							
Project Layout Plan				1		2	
Construction Safety and Phasing Plan				2		4	
Construction Safety and Phasing Details						2	
Erosion Control Plan				2		4	
Erosion Control Details				1		1	
Survey Layout Plan						1	
Site Layout Plan				1		4	

Site Details				2			
Civil Demolition Plan				2		2	
Drainage Improvements Plan				2		4	
Drainage Improvements Details				2		4	
Waterline Installation Plan				2		4	
Waterline Details				2		2	
Marking Removal Plan				1		2	
Marking Layout Plan				1		2	
Marking Details						1	
Technical Specifications				2			
City of Killeen Front End Documents		1		4			
Quantities				2			
Engineer's Opinion of Probable Cost				2			
Quality Control Review				2			
Implement QC Comments						2	
Prepare Preliminary Design Submittal						1	
Preliminary Design Review Meeting (teleconference)				2			
<b>Subtotal - Civil Engineering</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>42</b>	<b>0</b>
<b>3. Mechanical Engineering</b>							
Project Kickoff Meeting		12					
Coordination with PM		2					
Coordination with Subconsultants		2					
Biweekly Design Coordination Meeting (teleconference)		4					
Preliminary Plans							
Mechanical Overall Plan		4				2	
Mechanical Layout Plan		4				2	
Mechanical Schedule		4				2	
Mechanical Details		4				2	
Specifications		4					
Engineer's Opinion of Probable Cost		2					
Quality Control Review		2					
Implement QC Comments						2	
Prepare Preliminary Design Submittal						1	
Preliminary Design Review Meeting (teleconference)		2					
<b>Subtotal - Mechanical Engineering</b>	<b>0</b>	<b>46</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>0</b>
<b>4. Electrical Engineering</b>							
Project Kickoff Meeting (in person)			8				
Coordination with PM			2				
Coordination with Subconsultants			2				

Biweekly Design Coordination Meeting (teleconference)			4				
Voltage Drop Calculations			2		2		
Preliminary Plans							
Electrical Demolition Plans			2		4		
Electrical Installation Plans (Gates 2, 3, 4, 5)			4		6		
Electrical Installation Plans (Conveyors, Gates 1, 6)			2		4		
Electrical One-Line Diagram			2		4		
Electrical Panel Schedules			2		4		
Electrical Details			1		4		
Specifications			2		6		
Engineer's Opinion of Probable Cost			2		4		
Quality Control Review	4		2				
Implement QC Comments			2		4		
Prepare Preliminary Design Submittal					1		
Preliminary Design Review Meeting (teleconference)			2				
<b>Subtotal - Electrical Engineering</b>	<b>4</b>	<b>0</b>	<b>41</b>	<b>0</b>	<b>43</b>	<b>0</b>	<b>0</b>

<b>Hours</b>	<b>4</b>	<b>77</b>	<b>41</b>	<b>50</b>	<b>46</b>	<b>53</b>	<b>3</b>
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<b>Salary Costs</b>	\$1,232.00	\$15,554.00	\$7,011.00	\$7,250.00	\$5,612.00	\$6,837.00	\$213.00
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<b>SUBTOTAL - SALARIES:</b>	<b>\$43,709.00</b>
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**DIRECT NON-LABOR EXPENSES**

Document Printing/Reproduction/Assembly	\$341.00
Postage/Freight/Courier	\$150.00
Office Supplies/Equipment	\$50.00
Computer Modeling/Software Use	\$50.00
Travel Costs	\$1,200.00

<b>SUBTOTAL - DIRECT NON-LABOR EXPENSES:</b>	<b>\$1,791.00</b>
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<b>SUBTOTAL:</b>	<b>\$45,500.00</b>
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**SUBCONSULTANTS FEE:**

<b>Corgan</b>	<b>\$73,600.00</b>
<b>Faith Group</b>	<b>\$14,600.00</b>

<b>TOTAL FEE:</b>	<b>\$133,700.00</b>
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## APPENDIX B

### City of Killeen Boarding Bridges Replacement

#### Final Design (95%)

WORK TASK DESCRIPTION	E-6	E-4	E-3	E-2	E-1	T-2	X-1
	hr	hr	hr	hr	hr	hr	hr
<b>1. Project Management/Administration</b>							
Biweekly Design Coordination Meeting (teleconference)		4					
Weekly Progress Reports to Airport		2					
Coordination with Airport During Design		2					
Coordination with Subconsultants During Design		3					
Quality Control Reviews		2					
Final Review of Submittal		1					
Reproduction and Assembly of Final Submittal		1					2
Preparation for and Attendance to Final Design Review Meeting		5					
Final Design Review Meeting Minutes		1					
<b>Subtotal - Project Management/Administration</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
<b>2. Civil Engineering</b>							
Coordination with Subconsultants				2			
Coordination with City Water Dept.				2			
Biweekly Design Coordination Meeting (teleconference)				4			
Grading and Drainage Design				2			
Pavement Design		2		1			
Final Plans							
Project Layout Plan				1		2	
Construction Safety and Phasing Plan		2		1		2	
Construction Safety and Phasing Details						1	
Erosion Control Plan						1	
Erosion Control Details						1	
Survey Layout Plan						1	
Site Layout Plan				1		2	
Site Details				1			
Civil Demolition Plan				1		2	
Drainage Improvements Plan				2		2	
Drainage Improvements Details				1		2	
Waterline Installation Plan		1		2		2	
Waterline Details		1		1		2	

Marking Removal Plan				1		1	
Marking Layout Plan				1		2	
Marking Details						2	
Technical Specifications		2		6			
Revise/Submit Obstruction Evaluation Study (7460)							
City of Killeen Front End Documents		2		4			
Quantities				2			
Engineer's Opinion of Probable Cost				2			
Quality Control Review				2			
Implement QC Comments						6	
Final Design Review Meeting (teleconference)				2			
<b>Subtotal - Civil Engineering</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>40</b>	<b>0</b>	<b>31</b>	<b>0</b>
<b>3. Mechanical Engineering</b>							
Coordination with Subconsultants		2					
Biweekly Design Coordination Meeting (teleconference)		4					
Final Plans							
Mechanical Overall Plan		2				2	
Mechanical Layout Plan		2				2	
Mechanical Schedule		2				2	
Mechanical Details		2				2	
Specifications		2					
Engineer's Opinion of Probable Cost		2					
Quality Control Review		2					
Implement QC Comments						2	
Final Design Review Meeting (teleconference)		2					
<b>Subtotal - Mechanical Engineering</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>0</b>
<b>4. Electrical Engineering</b>							
Coordination with Subconsultants			2				
Biweekly Design Coordination Meeting (teleconference)			4				
Final Plans							
Electrical Demolition Plans			1		2		
Electrical Installation Plans (Gates 2, 3, 4, 5)			2		4		
Electrical Installation Plans (Conveyors, Gates 1, 6)			1		2		
Electrical One-Line Diagram			1		2		
Electrical Panel Schedules			1		2		
Electrical Details			1		2		
Specifications			4				
Engineer's Opinion of Probable Cost			2		4		
Quality Control Review	2		4				
Implement QC Comments			2		2		



Final Design Review Meeting (teleconference)			2				
<b>Subtotal - Electrical Engineering</b>	<b>2</b>	<b>0</b>	<b>27</b>	<b>0</b>	<b>20</b>	<b>0</b>	<b>0</b>

<b>Hours</b>	<b>2</b>	<b>53</b>	<b>27</b>	<b>40</b>	<b>20</b>	<b>41</b>	<b>2</b>
<b>Salary Costs</b>	\$616.00	\$10,706.00	\$4,617.00	\$5,800.00	\$2,440.00	\$5,289.00	\$142.00

**SUBTOTAL - SALARIES: \$29,610.00**

**DIRECT NON-LABOR EXPENSES**

Document Printing/Reproduction/Assembly	\$440.00
Postage/Freight/Courier	\$150.00
Office Supplies/Equipment	\$50.00
Computer Modeling/Software Use	\$50.00
Travel Costs	\$100.00

**SUBTOTAL - DIRECT NON-LABOR EXPENSES: \$790.00**

**SUBTOTAL: \$30,400.00**

**SUBCONSULTANTS FEE:**

<b>Corgan</b>	<b>\$66,300.00</b>
<b>Faith Group</b>	<b>\$8,700.00</b>

**TOTAL FEE: \$105,400.00**

## APPENDIX B

### City of Killeen Boarding Bridges Replacement

#### Construction Documents (100%)

WORK TASK DESCRIPTION	E-6	E-4	E-3	E-2	E-1	T-2	X-1
	hr	hr	hr	hr	hr	hr	hr
<b>1. Project Management/Administration</b>							
Biweekly Design Coordination Meeting (teleconference)		1					
Weekly Progress Reports to Airport		1					
Coordination with Airport During Design		1					
Coordination with Subconsultants During Design		1					
Quality Control Reviews		1					
Final Review of Submittal		1					
Reproduction and Assembly of Construction Documents Submittal		1					2
<b>Subtotal - Project Management/Administration</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
<b>2. Civil Engineering</b>							
Coordination with Subconsultants				1			
Biweekly Design Coordination Meeting (teleconference)				1			
Construction Documents							
Project Layout Plan						1	
Construction Safety and Phasing Plan						1	
Construction Safety and Phasing Details						1	
Erosion Control Plan						1	
Erosion Control Details						1	
Survey Layout Plan						1	
Site Layout Plan						2	
Site Details						1	
Civil Demolition Plan						1	
Drainage Improvements Plan						2	
Drainage Improvements Details						1	
Waterline Installation Plan						1	
Waterline Details						1	
Marking Removal Plan						1	
Marking Layout Plan						1	

Marking Details						1	
Technical Specifications				1			
City of Killeen Front End Documents				1			
Engineer's Opinion of Probable Cost				2			
Quantities				1			
Quality Control Review				2			
Implement QC Comments						2	
<b>Subtotal - Civil Engineering</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>20</b>	<b>0</b>
<b>3. Mechanical Engineering</b>							
Coordination with Subconsultants		2					
Biweekly Design Coordination Meeting (teleconference)		1					
Construction Documents							
Mechanical Overall Plan		1				1	
Mechanical Layout Plan		1				1	
Mechanical Schedule		1				1	
Mechanical Details		1				1	
Specifications		1					
Engineer's Opinion of Probable Cost		1					
Quality Control Review		1					
Implement QC Comments						1	
<b>Subtotal - Mechanical Engineering</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>
<b>4. Electrical Engineering</b>							
Coordination with Subconsultants			1				
Biweekly Design Coordination Meeting (teleconference)			1				
Construction Documents							
Electrical Demolition Plans			1		1		
Electrical Installation Plans (Gates 2, 3, 4, 5)			1		2		
Electrical Installation Plans (Conveyors, Gates 1, 6)			1		1		
Electrical One-Line Diagram			1		1		
Electrical Panel Schedules			1		1		
Electrical Details			1		1		
Specifications			2				
Engineer's Opinion of Probable Cost			1		2		
Quality Control Review	2		1				
Implement QC Comments			1		2		
<b>Subtotal - Electrical Engineering</b>	<b>2</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>0</b>

Hours	2	17	13	9	11	25	2
<b>Salary Costs</b>	\$616.00	\$3,434.00	\$2,223.00	\$1,305.00	\$1,342.00	\$3,225.00	\$142.00
<b>SUBTOTAL - SALARIES:</b>		<b>\$12,287.00</b>					
<b><u>DIRECT NON-LABOR EXPENSES</u></b>							
Document Printing/Reproduction/Assembly	\$463.00						
Postage/Freight/Courier	\$150.00						
Office Supplies/Equipment	\$50.00						
Computer Modeling/Software Use	\$50.00						
Travel Costs	\$0.00						
<b>SUBTOTAL - DIRECT NON-LABOR EXPENSES:</b>		<b>\$713.00</b>					
<b>SUBTOTAL:</b>		<b>\$13,000.00</b>					
<b>SUBCONSULTANTS FEE:</b>							
Corgan		<b>\$7,400.00</b>					
Faith Group		<b>\$5,500.00</b>					
<b>TOTAL FEE:</b>		<b>\$25,900.00</b>					

## APPENDIX B

### City of Killeen Boarding Bridges Replacement

#### Bidding Services

WORK TASK DESCRIPTION	E-6	E-5	E-4	E-3	E-2	E-1	T-2	X-1
	hr	hr	hr	hr	hr	hr	hr	hr
<b>1. Project Management/Administration</b>								
Dispense plans and specs to prospective bidders			1			2		
Bidder's Inquiries			4					
Addendums			2					
Prepare for and Attend Pre-Bid Meeting			6					
Bid Opening			5					
Prepare Bid Tabulation			1			1		
Evaluate Bids and Recommend Award			2			1		
Coordinate with Contractor for Securities, Insurance, and Contracts						1		
Prepare Construction Contracts			2					4
Issue Notice of Award			1					
<b>Subtotal - Civil Engineering</b>	<b>0</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>4</b>
<b>2. Civil Engineering</b>								
Bidder's Inquiries					2			
Addendums					1		2	
<b>Subtotal - Civil Engineering</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>2</b>	<b>0</b>
<b>3. Mechanical Engineering</b>								
Bidder's Inquiries			2					
Addendums			1					
Prepare for and Attend Pre-Bid Meeting (teleconference)			2					
<b>Subtotal - Mechanical Engineering</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>4. Electrical Engineering</b>								
Bidder's Inquiries				2				
Addendums				1		2		
Prepare for and Attend Pre-Bid Meeting (teleconference)				2				
<b>Subtotal - Electrical Engineering</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>

<b>Hours</b>	<b>0</b>	<b>0</b>	<b>29</b>	<b>5</b>	<b>3</b>	<b>7</b>	<b>2</b>	<b>4</b>
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<b>Salary Costs</b>	\$0.00	\$0.00	\$6,119.00	\$890.00	\$453.00	\$889.00	\$270.00	\$296.00
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<b>SUBTOTAL - SALARIES:</b>	<b>\$8,917.00</b>
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**DIRECT NON-LABOR EXPENSES**

Document Printing/Reproduction/Assembly	\$283.00
Postage/Freight/Courier	\$0.00
Office Supplies/Equipment	\$50.00
Computer Modeling/Software Use	\$50.00
Travel Costs	\$200.00

<b>SUBTOTAL - DIRECT NON-LABOR EXPENSES:</b>	<b>\$583.00</b>
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<b>SUBTOTAL:</b>	<b>\$9,500.00</b>
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**SUBCONSULTANTS FEE:**

<b>Corgan</b>	<b>\$4,100.00</b>
<b>Faith Group</b>	<b>\$1,200.00</b>

<b>TOTAL FEE:</b>	<b>\$14,800.00</b>
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## APPENDIX B

### City of Killeen Boarding Bridges Replacement

#### Construction Administration

WORK TASK DESCRIPTION	E-6	E-5	E-4	E-3	E-2	E-1	T-2
	hr	hr	hr	hr	hr	hr	hr
<b>1. Project Management/Administration</b>							
Preconstruction Meeting			5				
Utility Coordination Meeting			2				
Progress Meetings with Contractor/City			12				
Monthly Pay Requests			9	4			
Shop Drawings/Material Submittals			2				
Record Drawings			2				4
On-Site Meetings (8 total)			40				
Prepare Change Orders			4	4			
Final Project Inspection and Punchlist			5	2			
<b>Subtotal - Project Management/Administration</b>	<b>0</b>	<b>0</b>	<b>81</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>4</b>
<b>2. Civil Engineering</b>							
Preconstruction Meeting (teleconference)				2			
Response to Inquiries			6	4			
Shop Drawings/Material Submittals			2	2		6	
Record Drawings				1			6
<b>Subtotal - Civil Engineering</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>9</b>	<b>0</b>	<b>6</b>	<b>6</b>
<b>3. Mechanical Engineering</b>							
Preconstruction Meeting (teleconference)			2				
Response to Inquiries			4				
Shop Drawings/Material Submittals			4				
Record Drawings			2				
On-Site Meetings (1 meeting)			12				
Final Project Inspection and Punchlist			12				
<b>Subtotal - Mechanical Engineering</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>4. Electrical Engineering</b>							
Preconstruction Meeting (in person)				8			
Response to Inquiries				4			
Shop Drawings/Material Submittals				6		6	
Record Drawings				2		3	
On-Site Meetings (1 meeting)				8			
Final Project Inspection and Punchlist				8			
<b>Subtotal - Electrical Engineering</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>9</b>	<b>0</b>

<b>Hours</b>	<b>0</b>	<b>0</b>	<b>125</b>	<b>55</b>	<b>0</b>	<b>15</b>	<b>10</b>
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<b>Salary Costs</b>	\$0.00	\$0.00	\$26,375.00	\$9,790.00	\$0.00	\$1,905.00	\$1,350.00
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**SUBTOTAL - SALARIES: \$39,420.00**

**DIRECT NON-LABOR EXPENSES**

Document Printing/Reproduction/Assembly	\$430.00
Postage/Freight/Courier	\$250.00
Office Supplies/Equipment	\$50.00
GPS Equipment	\$50.00
Travel Costs	\$3,800.00

**SUBTOTAL - DIRECT NON-LABOR EXPENSES: \$4,580.00**

**SUBTOTAL: \$44,000.00**

**SUBCONSULTANTS FEE:**

<b>Corgan</b>	<b>\$57,500.00</b>
<b>Faith Group</b>	<b>\$19,400.00</b>

**TOTAL FEE: \$120,900.00**





**APPENDIX C**

AIRPORT IMPROVEMENT AID PROJECT: 3-48-0361-026-2016  
STATE: TEXAS

**CERTIFICATION OF ENGINEER**

I hereby certify that I am \_\_\_\_\_ and duly authorized representative of the firm of GARVER, LLC, whose address is 2300 Greenhill Drive, Suite 110, Round Rock, Texas and that neither I nor the above firm I here represent has:

(a) Employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me of the above consultant) to solicit or secure this contract;

(b) Agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the contract; or

(c) Paid or agreed to pay to any firm, organization, or person (other than a bona fide employee working solely for me or the above consultant) any fee, contribution, donation, or consideration of any kind, for, or in connection with, procuring or carrying out the contract; except as here expressly stated (if any).

I acknowledge that this certificate is to be furnished to the Federal Aviation Administration of the United States Department of Transportation, in connection with this contract involving participation of Airport Improvement Program (AIP) funds and is subject to applicable State and Federal laws, both criminal and civil.

GARVER, LLC

BY: \_\_\_\_\_

DATE: \_\_\_\_\_



## APPENDIX D

### MANDATORY FEDERAL CONTRACT PROVISIONS FOR PROFESSIONAL SERVICES CONTRACTS

#### 1. CIVIL RIGHTS ACT OF 1964, TITLE VI – CONTRACTOR CONTRACTUAL REQUIREMENTS

During the performance of this contract, the Engineer, for itself, its assignees, and successors in interest (hereinafter referred to as the "Engineer") agrees as follows:

- 1.1 Compliance with Regulations. The Engineer (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Statutes and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
- 1.2 Nondiscrimination. The Engineer, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subconsultants, including procurements of materials and leases of equipment. The Engineer will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
- 1.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations, either by competitive bidding, or negotiation made by the Engineer for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subconsultant or supplier will be notified by the Engineer of the Engineer's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
- 1.4 Information and Reports. The Engineer will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of an engineer is in the exclusive possession of another who fails or refuses to furnish the information, the Engineer will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
- 1.5 Sanctions for Noncompliance. In the event of an engineer's noncompliance with the Non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
  - 1.5.1. Withholding of payments to the Engineer under the contract until the Engineer complies, and/or
  - 1.5.2. Cancellation, termination, or suspension of the contract, in whole or in part.
- 1.6 Incorporation of Provisions. The Engineer will include the provisions of paragraphs



one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Engineer will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Engineer becomes involved in, or is threatened with litigation by a subconsultant, or supplier because of such direction, the Engineer may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the Engineer may request the United States to enter into the litigation to protect the interests of the United States.

## 2. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 - GENERAL CIVIL RIGHTS PROVISIONS

The Engineer agrees that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the Engineers from the solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

This provision also obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport through the Airport Improvement Program, except where Federal assistance is to provide, or is in the form of personal property; real property or interest therein; structures or improvements thereon.

In these cases the provision obligates the party or any transferee for the longer of the following periods:

- (a) the period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or
- (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property.

## 3. DISADVANTAGED BUSINESS ENTERPRISES

- 3.1 Contract Assurance (§26.13): The Engineer or subconsultant shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Engineer shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the Engineer to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.
- 3.2 Prompt Payment (§26.29): The Engineer agrees to pay each subconsultant under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the Engineer receives from the Sponsor. The Engineer agrees further to return retainage payments to each subconsultant within 30 days after the subconsultant's work is satisfactorily completed. Any delay or postponement



of payment from the above referenced time frame may occur only for good cause following written approval of the Sponsor. This clause applies to both DBE and non-DBE subconsultants.

#### 4. LOBBYING AND INFLUENCING FEDERAL EMPLOYEES

The Engineer certifies by executing this contract, to the best of his or her knowledge and belief, that:

- 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Engineer, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- 2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### 5. ACCESS TO RECORDS AND REPORTS

The Engineer must maintain an acceptable cost accounting system. The Engineer agrees to provide the Sponsor, the Federal Aviation Administration, and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers, and records of the Engineer which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Engineer agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

#### 6. BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the Engineer or its subconsultants may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

#### 7. RIGHTS TO INVENTIONS



All rights to inventions and materials generated under this contract are subject to requirements and regulations issued by the FAA and the Sponsor of the Federal grant under which this contract is executed.

## 8. TRADE RESTRICTION CLAUSE

The Engineer or subconsultant, by submission of an offer and/or execution of a contract, certifies that it:

- 8.1. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);
- 8.2. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list;
- 8.3. has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to an engineer or subconsultant who is unable to certify to the above. If the Engineer knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract at no cost to the Government.

Further, the Engineer agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. The Engineer may rely on the certification of a prospective subconsultant unless it has knowledge that the certification is erroneous.

The Engineer shall provide immediate written notice to the sponsor if the Engineer learns that its certification or that of a subconsultant was erroneous when submitted or has become erroneous by reason of changed circumstances. The subconsultant agrees to provide written notice to the Engineer if at any time it learns that its certification was erroneous by reason of changed circumstances.

This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the Engineer or subconsultant knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract or subcontract for default at no cost to the Government.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of an engineer is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

This certification concerns a matter within the jurisdiction of an agency of the United States of



America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

9. TERMINATION OF CONTRACT

- 9.1. The Sponsor may, by written notice, terminate this contract in whole or in part at any time, either for the Sponsor's convenience or because of failure to fulfill the contract obligations. Upon receipt of such notice services must be immediately discontinued (unless the notice directs otherwise) and all materials as may have been accumulated in performing this contract, whether completed or in progress, delivered to the Sponsor.
- 9.2. If the termination is for the convenience of the Sponsor, an equitable adjustment in the contract price will be made, but no amount will be allowed for anticipated profit on unperformed services.
- 9.3. If the termination is due to failure to fulfill the Engineer's obligations, the Sponsor may take over the work and prosecute the same to completion by contract or otherwise. In such case, the Engineer is liable to the Sponsor for any additional cost occasioned to the Sponsor thereby.
- 9.4. If, after notice of termination for failure to fulfill contract obligations, it is determined that the Engineer had not so failed, the termination will be deemed to have been effected for the convenience of the Sponsor. In such event, adjustment in the contract price will be made as provided in paragraph 2 of this clause.
- 9.5. The rights and remedies of the sponsor provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

10. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

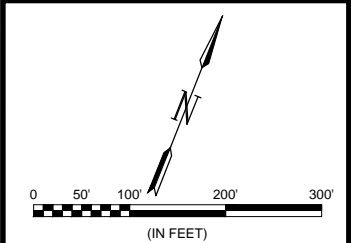
By executing this contract, the Engineer certifies that at the time the Engineer executes this contract that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.




File: L:\2014\14181080 - Killeen-Ft Hood Airport 2014\Boarding Bridges\FAA Exclusion Layouts.dwg Last Save: 8/18/2015 9:21 AM Last saved by: NRWeston  
Last plotted by: Weston, Natalie R. Plot Style: AECmono.ctb Plot Date: 8/18/2015 9:23 AM Plotter used: DWG To PDF.pc3



KILLEEN - FORT HOOD REGIONAL AIRPORT  
BOARDING BRIDGES REPLACEMENT



LEGEND	
	APPROXIMATE PROJECT AREA

# CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Garver, LLC  
Austin, TX United States

Certificate Number:  
2017-260040

Date Filed:  
09/13/2017

Date Acknowledged:

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Killeen

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

15181082

Design and Construction administration for the removal of four existing passenger boarding bridges and the replacement of new bridges at Killeen-Fort Hood Regional Airport

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Williams, Daniel	Austin, TX United States	X	
	Hoskins, Brock	Austin, TX United States	X	
	Griffin, Michael	Austin, TX United States	X	
	Holder, Jr., Jerry	Austin, TX United States	X	
	McIlwain, Frank	Austin, TX United States	X	
	Jones, Steven	Austin, TX United States	X	
	Parker, Herbert	Austin, TX United States	X	

5 Check only if there is NO Interested Party.

☐

### 6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



*[Signature]*

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Frank McIlwain, this the 13th day of September, 2017, to certify which, witness my hand and seal of office.

Kirsten Guffey

Notary Public

Signature of officer administering oath

Printed name of officer administering oath

Title of officer administering oath





# PROFESSIONAL SERVICES AGREEMENT FOR PASSENGER BOARDING BRIDGE FINAL DESIGN

PH-17-047A

November 7, 2017

# PBB FINAL DESIGN

2

- A Preliminary Engineering Review (PER) was completed in 2016 which recommended replacement of four (4) passenger boarding bridges
- Final design will provide architectural design and engineering necessary for the boarding bridge replacement project
- Cost is \$599,400 fully funded by a Federal Aviation Administration Airport Improvement Program (AIP) grant and passenger facility charge (PFC); includes design, bidding services, construction administration, project management
- Total project cost estimated at \$6 million. Design should be complete April 2018; bid May-June 2018; grant award August-Sept 2018; construction start Nov-Dec 2018

# PBB FINAL DESIGN

3

- Alternatives Considered
  - ▣ 1. Use AIP grant and PFC funds to complete the design
  - ▣ 2. Don't do the project
  
- Staff recommends alternative No. 1
  - ▣ Fully funded by grants and PFC
  - ▣ No financial impact to the Airport
  - ▣ Project fully supported by the airlines

# RECOMMENDATION

4

- City Council authorize the City Manager to execute a professional services agreement with Garver, LLC for the project and any and all change orders or supplemental agreements within the amounts set by state and local law



# City of Killeen

## Legislation Details

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**File #:** PH-17-047B    **Version:** 1    **Name:** Budget Amendment for PBB Improvements  
**Type:** Ordinance/Public Hearing    **Status:** Public Hearings  
**File created:** 9/25/2017    **In control:** City Council Workshop  
**On agenda:** 11/7/2017    **Final action:**  
**Title:** HOLD a public hearing and consider an ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services of the City of Killeen by increasing the AIP Grant revenue account and increasing various Aviation Department expenditure accounts.  
**Sponsors:** Finance Department  
**Indexes:**  
**Code sections:**  
**Attachments:** [Staff Report](#)  
[Ordinance](#)  
[Presentation](#)

Date	Ver.	Action By	Action	Result
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## STAFF REPORT

**DATE:** November 7, 2017

**TO:** Ronald L. Olson, City Manager

**FROM:** Jonathan Locke, Executive Director of Finance

**VIA:** Miranda Drake, Director of Budget

**SUBJECT:** Budget Amendment

### **BACKGROUND AND FINDINGS:**

The Killeen-Fort Hood Regional Airport (KFHRA) was awarded an Airport Improvement Program (AIP) grant by the FAA for improvements to the passenger boarding bridges (PBB). The FAA approval for the PFC matching funds for the AIP grant award was received after the FY18 Budget was prepared. The AIP grant and the PFC match includes all of the design, engineering, architectural, and administrative elements to bid and construct the project. The City Council and the FAA have both approved the matching requirements of 10% to be funded with a Passenger Facility Charge (PFC).

Staff has negotiated a professional services agreement with Garver, LLC, in the amount of \$599,400 for design, bidding, contract administration, and construction services for improvements to the passenger boarding bridges at the Killeen-Fort Hood Regional Airport.

The KFHRA has several approved projects to be funded with FY 2018 revenues and fund balance from Passenger Facility Charge Fees and Customer Facility Charge (CFC) Fees. They are as follows:

<b>Passenger Facility Charge (PFC) Projects</b>	<b>Expenditure</b>
Passenger Boarding Bridges - Engineering (AIP Grant Match of 10%)	\$60,000
Flight Information & Common Use System Upgrades	750,000
Rehabilitate Airfield Lighting Vault-Engineering Analysis	40,000
Administrative Fees (Admin/Audit/Advertising) Application#10	40,000
Administrative Fees (Admin/Audit/Advertising) Application#8 & 9	50,000
Terminal Furnishings - Application#8, Project 3	100,000
Rehabilitate Terminal Access Rd - Application#8, Project 4	291,000
<b>TOTAL</b>	<b>\$1,331,000</b>

<b>Customer Facility Charge (CFC) Projects</b>	<b>Expenditure</b>
Car Wash Facility Improvements	\$600,000
Rental Lot Facility Covered Parking	\$1,000,000
<b>TOTAL</b>	<b>\$1,600,000</b>

**THE ALTERNATIVES CONSIDERED:**

(1) Utilize the FAA AIP grant and PFC match to complete design for the replacement and improvements to the boarding bridges and fund the other PFC and CFC capital improvement projects utilizing FY 2018 revenues and PFC and CFC fund balance; (2) Do not do the projects.

**Which alternative is recommended? Why?**

Alternative 1 is considered the prudent course of action. The AIP Grant project is fully funded by FAA grant (90%) and passenger facility charge [PFC] funds (10%), thus making the project zero cost to the KFHRA (no use of Aviation fund balance). This project is fully supported by the airlines and will lower maintenance expenses while improving airport efficiency and customer experience. The other PFC and CFC projects will be fully funded by PFC and CFC funds. There is also zero cost to the KFHRA for these projects.

**CONFORMITY TO CITY POLICY:**

Yes

**FINANCIAL IMPACT:**

Funding will be available in the amount of \$540,000 in account number 524-0515-521.47-20 Engineering Services; \$1,331,000 in account number 529-0510-521.65-41 for Passenger Facility Charge (PFC) Projects; and \$1,600,000 in account number 526-0512-521.67-01 for Customer Facility Charge (CFC) Projects upon City Council approval of the budget amendment.

**What is the amount of the expenditure in the current fiscal year? For future years?**

In FY 2018, \$540,000 for the AIP Grant for Engineering Services; \$1,331,000 for the Passenger Facility Charge (PFC) Projects; and \$1,600,000 for the Customer Facility Charge (CFC) Projects.

**Is this a one-time or recurring expenditure?**

This is a one-time expenditure.

**Is this expenditure budgeted?**

A budget amendment is required

**If not, where will the money come from?**

FAA (90%) and PFC (10%) for the passenger boarding bridges project. FY 2018 revenues and fund balance for the remaining PFC and CFC capital improvement projects. There is no impact to the KFHRA operating fund.

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Upon approval of the budget amendment

**RECOMMENDATION:**

Staff recommends that the City Council approve this ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services of the City of Killeen for capital improvement projects at the Killeen-Fort Hood Regional Airport.

**DEPARTMENTAL CLEARANCES:**

Aviation  
City Attorney  
Finance

**ATTACHED SUPPORTING DOCUMENTS:**

Ordinance



**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS, AMENDING THE FY 2018 ANNUAL BUDGET AND PLAN OF MUNICIPAL SERVICES OF THE CITY OF KILLEEN BY INCREASING THE AIP GRANT REVENUE ACCOUNT AND INCREASING VARIOUS AVIATION DEPARTMENT EXPENDITURE ACCOUNTS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; PROVIDING A SAVING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, a budget for operating the municipal government of the City of Killeen for the Fiscal Year October 1, 2017 to September 30, 2018, has been adopted by City Council in accordance with the City Charter; and

**WHEREAS**, it is the desire of the Killeen City Council to increase the Killeen-Fort Hood Regional Airport revenue and expenditure accounts to allow for the expenditure of capital improvement projects; and

**WHEREAS**, the need for additional funds requires a budget amendment;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN:**

**SECTION 1.** That Ordinance 17-050, adopting a budget for operating the municipal government of the City of Killeen for the Fiscal year October 1, 2017 to September 30, 2018, be amended as to the portion of said budget as follows:

**Revenues:**

Account Number	Description	Original Budget	Budget Change	Amended Budget
524-0000-382.05-02	AIP Grant	\$ -	\$ 540,000	\$ 540,000
	Total	\$ -	\$ 540,000	\$ 540,000

**Expenditures:**

Account Number	Description	Original Budget	Budget Change	Amended Budget
524-0515-521.47-20	Engineering Services	\$ -	\$ 540,000	\$ 540,000
529-0510-521.65-41	Passenger Facility Charge (PFC) Projects	\$ -	\$ 1,331,000	\$ 1,331,000
526-0512-521.67-01	Customer Facility Charge (CFC) Projects	\$ -	\$ 1,600,000	\$ 1,600,000
	Total	\$ -	\$ 3,471,000	\$ 3,471,000

**SECTION II:** That the City Council finds that the public notice and public hearing requirements of Section 56 of the City Charter have been complied with prior to the enactment of this ordinance.

**SECTION III:** That should any section or part of any section or paragraph of this ordinance be declared invalid or unconstitutional for any reason, it shall not invalidate or

impair the validity, force or effect of any other section or sections or part of a section or paragraph of this ordinance.

**SECTION IV:** That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

**SECTION V:** That this ordinance shall be effective after its passage and publication according to law.

**PASSED AND APPROVED** at a regular meeting of the City Council of the City of Killeen, Texas, this \_\_\_\_14th\_\_\_\_ day of November, 2017, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 et seq.

**APPROVED**

\_\_\_\_\_  
Jose L. Segarra  
MAYOR

**ATTEST:**

**APPROVED AS TO FORM**

\_\_\_\_\_  
Dianna Barker  
City Secretary

\_\_\_\_\_  
Kathryn H. Davis  
City Attorney



# AVIATION BUDGET AMENDMENT

PH-17-047B

November 7, 2017

# Aviation Budget Amendment

2

- Purpose of budget amendment
  - ▣ Airport Improvement Program Grant Match of 90% for Passenger Boarding Bridges capital improvement project / Passenger Facility Charge match of 10%.
  - ▣ Multiple Passenger Facility Charge and Customer Facility Charge capital improvement projects.
- Fiscal Impact
  - ▣ FY 2018 Passenger Facility Charge and Customer Facility Charge revenues.
    - Passenger Facility Charge cover both 10% match and 100% of approved projects.
    - Customer Facility Charge covers 100% of approved projects.
  - ▣ Use Passenger Facility Charge and Customer Facility Charge fund balance to cover the remainder.
  - ▣ There is no impact to the Killeen-Fort Hood Regional Airport operating fund.

# Aviation Budget Amendment

3

Department	Description	Current Budget	Budget Change	Amended Budget
Aviation	Airport Improvement Program Grant Revenue	\$0	\$540,000	\$540,000
	Passenger Facility Charge Capital Improvement Projects	\$0	\$1,331,000	\$1,331,000
	Customer Facility Charge Capital Improvement Projects	\$0	\$1,600,000	\$1,600,000

# Aviation Capital Improvement Projects

## Fund Balance

4

Passenger Facility Charge Capital Improvement Projects	
Est. Beginning Fund Balance at 10/1/2017	\$1,066,211
Plus: Current Year Budgeted Revenue	673,000
Less: Passenger Facility Charge Capital Improvement Projects	<u>(1,331,000)</u>
Est. Ending Fund Balance at 9/30/2018	<u>\$408,211</u>

Customer Facility Charge Capital Improvement Projects	
Est. Beginning Fund Balance at 10/1/2017	\$1,941,511
Plus: Current Year Budgeted Revenue	272,423
Less: Customer Facility Charge Capital Improvement Projects	<u>(1,600,000)</u>
Est. Ending Fund Balance at 9/30/2018	<u>\$613,934</u>



# City of Killeen

## Legislation Details

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**File #:** PH-17-048A    **Version:** 1    **Name:** Bond Refunding  
**Type:** Ordinance/Public Hearing    **Status:** Public Hearings  
**File created:** 10/16/2017    **In control:** City Council Workshop  
**On agenda:** 11/7/2017    **Final action:**  
**Title:** Consider an ordinance authorizing the issuance and sale of General Obligation Refunding Bonds.  
**Sponsors:** Finance Department  
**Indexes:** Bonds  
**Code sections:**  
**Attachments:** [Staff Report](#)  
[Ordinance](#)  
[Presentation](#)

Date	Ver.	Action By	Action	Result
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## STAFF REPORT

**DATE:** November 7, 2017

**TO:** Ronald L. Olson, City Manager

**FROM:** Jonathan Locke, Executive Director of Finance

**SUBJECT:** Bond Refunding Opportunity

### **BACKGROUND AND FINDINGS:**

Staff works with the City's Financial Advisor, Dan Wegmiller of Specialized Public Finance, Inc., to identify bond refunding opportunities that will generate interest savings on outstanding debt. Market conditions are such that \$30,295,000 in outstanding bonds can be refunded, saving the City an estimated \$2.2 million over the life of the bonds. The estimated savings are contingent on market conditions remaining favorable and will come from issuing new bonds with lower interest rates to pay off existing debt at a higher interest rate.

Texas law provides two options for the issuance of refunding bonds. The City may either:

- 1) Adopt an ordinance with all the final pricing terms of the refunding bonds in the ordinance; or
- 2) Adopt an ordinance that delegates the ability to set the final pricing terms of the refunding bonds to any officer or employee of the City. The final pricing terms must fall within certain parameters set out in the approved delegation ordinance.

The City has utilized both options in the past. Option 2, provides the flexibility to choose the bond pricing date when market conditions are favorable. Option 1 is not recommended due to the short timeframe involved (City Council must approve within 1-2 days after bond pricing), and the lack of flexibility in entering the market in optimum conditions. Staff and the City's Financial Advisor recommend option 2 to access the market when ready and not just around City Council dates.

Under option 2, City Council appoints a Pricing Officer(s) and delegates the ability to set the final pricing terms of the bonds to the Pricing Officer. The Pricing Officer must be an employee of the City or a council member. Historically, City Council has appointed the City Manager as the Pricing Officer and the Mayor as an alternate Pricing Officer in case the City Manager is unavailable when the bonds are priced.

The Pricing Officer will set the final terms of the refunding bonds, as long as the terms fall within the parameters established by City Council in the delegation ordinance. With the approval of the delegation ordinance, City Council establishes the following parameters for the refunding bonds:



- 1) Maximum principal amount - up to \$40,115,000
- 2) Maximum maturity date - August 1, 2036
- 3) Minimum percentage of net present value savings that must be achieved - 5%
- 4) The outstanding bonds that will be included - all outstanding bonds that fall within the above parameters may be included. The estimated refunding of \$30,295,000 includes the following bond issues:
  - ☐ Series 2010 General Obligation Refunding Bonds
  - ☐ Series 2010 General Obligation Bonds
  - ☐ Series 2011 Certificates of Obligation
  - ☐ Series 2011 Pass Thru Funding Bonds
  - ☐ Series 2011A Pass Thru Fund Bonds

The maximum principal amount is being set at \$40,115,000 instead of \$30,295,000 to allow room for bonds that currently fall just outside the parameters outlined above. If market conditions improve such that the additional bonds fall within the above parameters, the City will be able to refund up to \$40,115,000 for even more savings of at least 5% present value.

The Pricing Officer is prohibited from setting final terms outside the parameters established by City Council in the delegation ordinance. The delegation ordinance also sets the amount of time that the Pricing Officer has to price the refunding bonds before the delegation of authority expires. The Pricing Officer's authority to execute a Pricing Certificate expires at 5:00 p.m. Central Standard Time on November 14, 2018. Bonds priced on or before the expiration date may be delivered to the purchasers after such date.

The Pricing Officer will sign a certificate prepared by Bond Counsel that contains the final terms of the refunding bonds, which must be within the parameters established by City Council by the delegation ordinance. The Pricing Certificate and the delegation ordinance together are the City's official authorization of the refunding bonds. There is no further action required by City Council. Staff will report back to City Council the results of the bond refunding or updates on the status.

#### **THE ALTERNATIVES CONSIDERED:**

##### **Which alternative is recommended? Why?**

There are two alternatives to consider:

- 1) Issue the refunding bonds and save an estimated \$2.2 million over the life of the refunded bonds. There is no extension to the term of the existing debt.
- 2) Do not issue refunding bonds and forego the savings.

Staff recommends option 1 because of the significant savings achieved over the life of the refunded bonds.

**CONFORMITY TO CITY POLICY:**

Texas Government Code, Chapter 1207 - Refunding Bonds, authorizes municipalities to refund bonds.

City Charter, Article VI - Issuance and Sale of Bonds, authorizes the City to issue bonds.

**FINANCIAL IMPACT:****What is the amount of the expenditure in the current fiscal year? For future years?**

The current estimate includes a total of \$30,295,000 in bond proceeds being received from the issuance of the refunding bonds. The bond proceeds will be transferred to an escrow account to retire the old bonds when callable. The delegation ordinance is for \$40,115,000, which includes additional bonds that are just outside the parameters established in the delegation ordinance. If market conditions improve such that the additional bonds fall within the parameters, the City would be able to refund additional bonds for increased savings.

**Is this a one-time or recurring expenditure?**

One-time

**Is this expenditure budgeted?**

No

**If not, where will the money come from?**

Funding to retire the old bonds will be generated from the sale of the refunding bonds. A corresponding budget amendment will recognize the established ceiling of \$40,115,000 in revenue from the issuance of the refunding bonds and \$40,115,000 in expense to cover issuance costs and move the proceeds to escrow.

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Following approval of the corresponding budget amendment.

**RECOMMENDATION:**

Staff recommends City Council approve the ordinance authorizing the issuance and sale of General Obligation Refunding Bonds.

**DEPARTMENTAL CLEARANCES:**

Finance  
Legal

**ATTACHED SUPPORTING DOCUMENTS:**

Ordinance

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**ORDINANCE NO. 17-\_\_**

**ORDINANCE  
AUTHORIZING THE ISSUANCE OF**

**CITY OF KILLEEN, TEXAS  
GENERAL OBLIGATION REFUNDING BONDS  
IN ONE OR MORE SERIES**

**Adopted on November 14, 2017**

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EXECUTION

EXHIBIT A - DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF KILLEEN, TEXAS, GENERAL OBLIGATION REFUNDING BONDS; PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID BONDS; PRESCRIBING THE FORM OF SAID BONDS; APPROVING ANY OFFICIAL STATEMENT, BOND PURCHASE AGREEMENT, PAYING AGENT/REGISTRAR AGREEMENT AND ESCROW AGREEMENT; ESTABLISHING THE PROCEDURES FOR SELLING AND DELIVERING THE BONDS; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT**

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WHEREAS, the City has duly issued and there is now outstanding several series of ad valorem tax obligations; and

WHEREAS, the City Council of the City deems it advisable and in the best interest of the City to refund the Refunded Obligations, as hereinafter defined, in order to achieve a net present value debt service savings of not less than 5.0% of the principal amount of the Refunded Obligations net of any City contribution with such savings, among other information and terms to be included in a pricing certificate to be executed by the City Manager, acting as the designated pricing officer of the City, or, in the absence of the City Manager, the Mayor as the Pricing Officer, all in accordance with the provisions of Chapter 1207, including 1207.007, and Chapter 1371, including 1371.001(4)(A), of the Texas Government Code thereof; and

WHEREAS, Chapter 1207, Texas Government Code, as amended ("Chapter 1207") authorizes the City to issue refunding bonds and to deposit the proceeds from the sale thereof together with any other available funds or resources, directly with a place of payment (paying agent) for the Refunded Obligations or a trust company or commercial bank that does not act as depository for the City, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

WHEREAS, Chapter 1207 further authorizes the City to enter into an agreement with a paying agent for the Refunded Obligations or a trust company or commercial bank that does not act as a depository for the City with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the City and such paying agent may agree, provided that such deposits may be invested and reinvested in Defeasance Securities, as defined herein; and

WHEREAS, the Escrow Agreement hereinafter authorized, constitutes an agreement of the kind authorized and permitted by said Chapter 1207; and

WHEREAS, all the Refunded Obligations mature or are subject to redemption prior to maturity within 20 years of the date of the bonds hereinafter authorized; and

WHEREAS, the City deems it appropriate to call for redemption the Refunded Obligations determined by the Pricing Officer; 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 date, hour, place and subject of 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 KILLEEN:

## 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:

"Accretion Table" means the exhibit attached to the Pricing Certificate that sets forth the rounded original principal amounts at the Original Issuance Date for the Premium Compound Interest Bonds and the Accreted Values and maturity amounts thereof as of each Compounding Date until final maturity.

"Accreted Value" means, with respect to a Premium Compound Interest Bond, as of any particular date of calculation, the original principal amount thereof, plus all interest accrued and compounded to the particular date of calculation, as determined in accordance with the Pricing Certificate and the Accretion Table attached as an exhibit to the Pricing Certificate relating to the respective Bonds that shows the Accreted Value per \$5,000 maturity amount on the calculation date of maturity to its maturity.

"Authorized Denominations" means the denomination of \$5,000 or any integral multiple thereof with respect to the Current Interest Bonds and in the denomination of \$5,000 in maturity amount or any integral multiple thereof with respect to the Premium Compound Interest Bonds.

"Bond" means any of the Bonds.

"Bonds" means the City's bonds entitled "City of Killeen, Texas, General Obligation Refunding Bonds" authorized to be issued in one or more series by Section 3.01 of the Ordinance and a Pricing Certificate and including any of the Tax-Exempt Bonds and Taxable Bonds as designated by the Pricing Officer in each Pricing Certificate for a series of Bonds.

"Closing Date" means the date of the initial delivery of and payment for each series of the Bonds.



"Code" means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions relating thereto.

"Compounding Dates" means, with respect to a Premium Compound Interest Bond, as of any particular date of calculation, the original principal amount thereof plus all interest accrued and compounded to the particular date of calculation.

"Current Interest Bonds" means the Bonds paying current interest and maturing in each of the years and in the aggregate principal amounts set forth in the Pricing Certificate.

"Defeasance Securities" means (i) Federal Securities, (ii) 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, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Certificates 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 City Council adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Certificates, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Bonds.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named herein, its designated office in Dallas, Texas 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.

"DTC" means The Depository Trust Company of New York, New York, or any successor securities depository.

"DTC Participant" means any broker, dealer, bank, trust company, clearing corporation or certain other organizations with Bonds credited to an account maintained on its behalf by DTC.

"Escrow Agent" means The Bank of New York Mellon Trust Company, N.A.

"Escrow Agreement" means each escrow agreement, by and between the City and the Escrow Agent.

"Escrow Fund" means the fund referred to in Article VIII and in Section 8.03 of this Ordinance and established by each Escrow Agreement to hold cash and securities for the payment of principal of and interest on the Refunded Obligations.

"Event of Default" means any Event of Default as defined in Section 10.01.

"Federal Securities" as used herein means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America (including Interest Strips of the Resolution Funding Corporation).

"Initial Bond" means the Bond described in Section 3.04(d) and 6.02(d).

"Interest and Sinking Fund" means the interest and sinking fund established by Section 8.01(a).

"Interest Payment Date" means the date or dates upon which interest on the Bonds is scheduled to be paid until the maturity or prior redemption of the Bonds, as provided in each Pricing Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Ordinance" means this Ordinance.

"Original Issue Date" means the date designated in each Pricing Certificate.

"Owner" means the person who is the registered owner of a Bond or Bonds, as shown in the Register.

"Paying Agent/Registrar" means The Bank of New York Mellon Trust Company, N.A., any successor thereto or an entity which is appointed as and assumes the duties of paying agent/registrar as provided in this Ordinance and each Pricing Certificate.

"Premium Compound Interest Bonds" means the Bonds on which no interest is paid prior to maturity, maturing in various amounts and in the aggregate principal amount as set forth in each Pricing Certificate.

"Pricing Certificate" means each Pricing Certificate of the City's Pricing Officer to be executed and delivered pursuant to Section 3.02 hereof in connection with the issuance of each series of the Bonds.

"Pricing Officer" means the City Manager, or in his absence, the Mayor, acting as the designated Pricing Officer of the City to execute each Pricing Certificate.

"Purchasers" means the persons, firms or entities initially purchasing the Bonds from the City and which are designated in Section 7.01.

"Record Date" means the date specified in each Pricing Certificate.

"Refundable Obligations" means all or a portion of the City's outstanding ad valorem tax or revenue obligations.

"Refunded Obligations" means those Refundable Obligations designated by the Pricing Officer in each Pricing Certificate to be refunded.

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

"Representation Letter" means the Blanket Issuer Letter of Representations with respect to the Bonds and other obligations of the City, between the City and DTC.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Special Payment Date" means the new date established for payment of interest on the Bonds in the event of a nonpayment of interest on a scheduled payment date, and for 30 days thereafter, as described in Section 3.03(b).

"Special Record Date" means the new record date established for payment of interest on the Bonds in the event of a nonpayment of interest on a scheduled payment date, and for 30 days thereafter, as described in Section 3.03(b).

"Taxable Bonds" means any Bonds designated by the Pricing Officer in the Pricing Certificate as Taxable Bonds, the interest on which is includable in the gross income of the owner thereof for federal income tax purposes.

"Tax-Exempt Bonds" means any of the Bonds designated by the Pricing officer as Tax-Exempt Bonds, the interest on which is excludable from the gross income of the owner thereof for federal income tax purposes, pursuant to Section 103 of the Code.

"Unclaimed Payments" means money deposited with the Paying Agent/Registrar for the payment of principal, redemption premium, if any, or interest on the Bonds as the same become due and payable or money set aside for the payment of Bonds duly called for redemption prior to maturity, and remaining unclaimed for 90 days after the applicable payment or redemption date.

#### Section 1.02. Other Definitions .

The terms "City Council" and "City" shall have the meaning 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) 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.

(c) Unless expressly provided otherwise, all references to article and section numbers herein shall be to the article and section numbers of this Ordinance.

### ARTICLE II

#### SECURITY FOR THE BONDS

##### Section 2.01. Tax Levy for Payment of the Bonds .

(a) The City Council hereby declares and covenants that it will provide and levy a tax legally and fully sufficient for payment of the Bonds, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations of the City.

(b) In order to provide for the payment of the debt service requirements on the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their payment at maturity or a sinking fund of two percent (whichever amount is the greater), there is hereby levied for the current year and each succeeding year thereafter, while the Bonds or interest thereon remain outstanding and unpaid, a tax within legal limitations on each \$100 valuation of taxable property in the City that is sufficient to pay such debt service requirements, full allowance being made for delinquencies and costs of collection.

(c) The tax levied by this Section shall be assessed and collected each year and applied to the payment of the debt service requirements on the Bonds, and the tax shall not be diverted to any other purpose.

##### Section 2.02. Perfection of Security Interest .

Chapter 1208, Texas Government Code applies to the issuance of the Bonds and the pledge of the ad valorem taxes granted by the City under Sections 2.01 and 2.02 of this Ordinance, and such pledge, therefore, is 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 under Section 2.01 of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business and 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, Business and Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

### ARTICLE III

#### AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

##### Section 3.01. Authorization .

The City's bonds, to be designated "City of Killeen, Texas, General Obligation Refunding Bonds," are hereby authorized to be issued in one or more series and delivered in accordance with the Constitution and laws of the State of Texas, including particularly Chapters 1207 and 1371, Texas Government Code, as amended, in the aggregate principal amount not to exceed \$40,115,000 for the purpose of (i) refunding the Refunded Obligations, and (ii) paying the costs of issuing the Bonds. The title of any Bonds may be revised by the Pricing Officer as reflected in the Pricing Certificate to reflect the appropriate series designation and the tax status of the Bonds as either Taxable Bonds or Tax-Exempt Bonds, as applicable.

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

(a) Initially there shall be issued, sold, and delivered hereunder fully registered bonds, without interest coupons, which may be in the form of Current Interest Bonds or Premium Compound Interest Bonds, numbered consecutively from R-1 upward, in the case of Current Interest Bonds, and from PC-1 upward, in the case of Premium Compound Interest Bonds (except the Initial Bond delivered to the Attorney General of the State of Texas which shall be numbered T-1 and TPC-1 respectively) payable to the respective initial Registered Owners thereof, or to the registered assignee or assignees of said Bonds or any portion or portions thereof, in Authorized Denominations, maturing not later than August 1, 2036, serially or otherwise on the dates, in the years and in the principal amounts, respectively, and dated, as all set forth in each Pricing Certificate to be executed and delivered by the Pricing Officer pursuant to subsection (b) of this section. Each Pricing Certificate is hereby incorporated in and made a part of this Ordinance. Each series of the Bonds shall be designated by the year in which they are awarded with a letter as necessary to designate each series as provided in each Pricing Certificate. The authority of the Pricing Officer to execute a Pricing Certificate shall expire at 5:00 p.m. C.S.T. on November 14, 2018. Bonds priced on or before November 14, 2018 may be delivered to the Purchasers after such date.

(b) As authorized by Chapters 1207 and 1371, Texas Government Code, as amended, the Pricing Officer is hereby authorized to act on behalf of the City in selling and delivering one or more series of the Bonds, determining which of the Refundable Obligations shall be refunded and constitute Refunded Obligations under this Ordinance and 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 a series of the Bonds shall be known, the purposes of the Bonds, the price at which each series of the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the aggregate principal amount of Current Interest Bonds and Premium Compound Interest Bonds, the rate or rates of interest to be borne by each such maturity, the interest payment periods, the dates, 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, whether any series of Bonds shall be issued as Taxable Bonds or Tax-Exempt Bonds and all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Obligations, all of which shall be specified in the Pricing Certificate; provided that (i) the price to be paid for each series of the Bonds shall not be less than 90% of the aggregate original principal amount thereof plus accrued interest thereon from its date to its delivery, (ii) none of the Bonds of a series shall bear interest at a rate, or yield in the case of Premium Compound Interest Bonds, greater than the maximum authorized by law, (iii) the refunding must produce a net present value debt service savings of at least 5.0% of the principal amount of the Refunded Obligations, net of any City contribution and (iv) each series of the Bonds shall be rated by a nationally recognized rating agency in of the four higher rating categories. In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not to exceed the amount authorized in Section 3.01, which shall be sufficient to provide for the purposes for which the Bonds are authorized and to pay the costs of issuing the Bonds.

(c) To achieve advantageous borrowing costs for the City, the Bonds shall be sold on a negotiated, placement or competitive basis as determined by the Pricing Officer in a Pricing Certificate. In determining whether to sell the Bonds by negotiated, placement or competitive sale, the Pricing Officer shall take into account any material disclosure issues which might exist at the time, the market conditions expected at the time of the sale and any other matters which, in the judgment of the Pricing Officer, might affect the net borrowing costs on the Bonds.

If the Pricing Officer determines that a series of the Bonds should be sold at a competitive sale, the Pricing Officer shall cause to be prepared a notice of sale and official statement in such manner as the Pricing Officer deems appropriate, to make the notice of sale and official statement available to those institutions and firms wishing to submit a bid for the Bonds, to receive such bids, and to award the sale of the Bonds to the bidder submitting the best bid in accordance with the provisions of the notice of sale.

If the Pricing Officer determines that a series of the Bonds should be sold by a negotiated sale or placement, the Pricing Officer shall designate the placement purchaser or the senior managing underwriter for the Bonds and such additional investment banking firms as the Pricing Officer deems appropriate to assure that the Bonds are sold on the most advantageous terms to the City. The Pricing Officer, acting for and on behalf of the City, is authorized to enter into and carry out a Bond Purchase Agreement or other agreement for the Bonds to be sold by negotiated

sale or placement, with the underwriters or placement purchasers at such price, with and subject to such terms as determined by the Pricing Officer pursuant to Section 3.02(b) above. Each Bond Purchase Agreement or other agreement shall be substantially in the form and substance previously approved by the City in connection with the authorization of ad valorem tax debt with such changes as are acceptable to the Pricing Officer.

In satisfaction of Section 1201.022(a)(3), Texas Government Code, the City hereby determines that the delegation of the authority to the Pricing Officer to approve the final terms and conditions of each series of the Bonds as set forth in this Ordinance and the decisions made by the Pricing Officer pursuant to such delegated authority and incorporated in each Pricing Certificate will be, in the best interests and shall have the same force and effect as if such determination were made by the Pricing Officer and the Pricing Officer is hereby authorized to make and include in each Pricing Certificate an appropriate finding to that effect.

(d) The Current Interest Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF BONDS set forth in this Ordinance to their respective dates of maturity or redemption at the rates per annum set forth in the Pricing Certificate.

The Premium Compound Interest Bonds shall bear interest from the Original Issue Date, calculated on the basis of a 360-day year composed of twelve 30-day months (subject to rounding to the Compounded Amounts thereof), compounded on the Compounding Dates as set forth in the Pricing Certificate, and payable, together with the principal amount thereof, in the manner provided in the Form of Bonds at the rates set forth in the Pricing Certificate. Attached to the Pricing Certificate, if Premium Compound Interest Bonds are to be issued, shall be the Accretion Table. The Accreted Value with respect to any date other than a Compounding Date is the amount set forth on the Accretion Table with respect to the last preceding Compounding Date, plus the portion of the difference between such amount and the amount set forth on the Accretion Table with respect to the next succeeding Compounding Date that the number of days (based on 30-day months) from such last preceding Compounding Date to the date for which such determination is being calculated bears to the total number of days (based on 30-day months) from such last preceding Compounding Date to the next succeeding Compounding Date.

### Section 3.03. Medium, Method and Place of Payment .

(a) The principal of, premium, if any, and interest on the Bonds shall be paid in lawful money of the United States of America as provided in this Section and each Pricing Certificate.

(b) Interest on the Bonds 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 each Owner of a Bond 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.

(c) Interest on the Bonds shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment by 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.

(d) The principal of each Bond shall be paid to the person in whose name such Bond is registered on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Bond at the Designated Payment/Transfer Office.

(e) If a date for the payment of the principal of or interest on the Bonds 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 required or 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.

(f) Subject to Title 6, Texas Property Code, as amended, Unclaimed Payments remaining unclaimed for three years after the applicable payment or redemption date shall be paid by the Paying Agent/Registrar to the City, to be used for any lawful purpose. Thereafter, neither the City, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Owners of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat, abandoned property, or similar law.

#### Section 3.04. Execution and Initial Registration .

(a) The Bonds shall be executed on behalf of the City by the Mayor and City Secretary 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 Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the City had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds 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 Bond 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 by an officer or duly authorized representative of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bond delivered on the Closing 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 his duly authorized agent, which certificate shall be evidence that the Initial Bond 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 Closing Date, one Initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the Purchasers or their designee, executed by manual or facsimile signature of the Mayor and City Secretary 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 Purchasers or their designee as set forth in the Pricing Certificate. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to DTC on behalf of the Purchasers one registered definitive Bond for each year of maturity of the Bonds in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee for DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

### Section 3.05. Ownership .

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal 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 Bond is registered on the Record Date or Special Record Date, as applicable), and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

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

### Section 3.06. Registration, Transfer and Exchange .

(a) So long as any Bonds 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 Bonds in accordance with this Ordinance.

(b) Registration of any Bond may be transferred in the Register only upon the presentation and surrender thereof at the Designated Payment/Transfer 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 assignment of the Bonds, or any portion thereof in any integral multiple of \$5,000, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Bond or any portion thereof registered in the name of such assignee or assignees. No transfer of any Bond shall be effective until entered in the Register. Upon assignment and transfer of any Bond or portion thereof, a new Bond or Bonds will be issued by the Paying Agent/Registrar in conversion and exchange for such transferred and assigned Bond. To the extent possible the Paying Agent/Registrar will issue such new Bond or Bonds in not more than three business days after receipt of the Bond to be transferred in proper form and with proper instructions directing such transfer.

(c) Any Bond may be converted and exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office, together with a written request therefor duly executed by the registered owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. If a portion of any Bond is redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 at the 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 surrender thereof for cancellation. To the extent possible, a new Bond or Bonds shall be delivered by the Paying Agent/Registrar to the Owner of the Bond or Bonds in not more than three business days after receipt of the Bond to be exchanged in proper form and with proper instructions directing such exchange.

(d) Each Bond issued in exchange for any Bond or portion thereof assigned, transferred or converted 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 convert and exchange the Bonds as provided herein, and each substitute Bond 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 Bond or Bonds in lieu of which such substitute Bond is delivered.

(e) The City will pay the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer, exchange or conversion of Bonds, but the Paying Agent/Registrar will 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, exchange or conversion of a Bond. In addition, the City hereby covenants with the 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 the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration, conversion and exchange of Bonds as provided herein.

(f) Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled balance of a Bond.

### Section 3.07. Cancellation and Authentication .

(a) All Bonds paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Ordinance, shall be canceled and destroyed upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall periodically furnish the City with certificates of destruction of such Bonds.

(b) Each substitute Bond issued pursuant to the provisions of Sections 3.06 and 3.09 of this Ordinance, in conversion of and exchange for or replacement of any Bond or Bonds issued under this Ordinance, shall have printed thereon a Paying Agent/Registrar's Authentication Certificate, in the form hereinafter set forth. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, manually sign and date such Authentication Certificate, and no such Bond shall be deemed to be issued or outstanding unless such Authentication Certificate is so executed. 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 conversion and exchange or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Title 9, of the Texas Government Code, as amended, and particularly Chapter 1201, Subchapter D thereof, the duty of conversion and exchange or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Paying Agent/Registrar's Authentication Bond, the converted and exchanged or replaced Bonds shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Bond which was originally delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Bonds issued in conversion and 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 converted and exchanged for other Bonds, (iv) shall have the characteristics, (v) shall be signed and sealed, and (vi) shall be payable as to principal of and interest, all as provided, and in the manner required or indicated, in the Form of Bonds set forth in this Ordinance.

Section 3.08. Replacement Bonds .

(a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond 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 Bond 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 Bond 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 Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond 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 Bond;

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

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its

discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond 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 Bond or Bonds in lieu of which such replacement Bond is delivered.

### Section 3.09. Book-Entry-Only System .

(a) The definitive Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the register, shall receive a Bond evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The execution and delivery of the Representation Letter is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Bonds.

Section 3.10. Successor Securities Depository; Transfer Outside Book-Entry-Only System .

In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the City or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.11. Payments to Cede & Co.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Representation Letter.

## ARTICLE IV

### REDEMPTION OF BONDS BEFORE MATURITY

Section 4.01. Redemption of Bonds Prior to Maturity .

The Bonds shall be subject to redemption before scheduled maturity only as provided in this Article IV and each Pricing Certificate.

Section 4.02. Optional and Mandatory Redemption.

(a) The City reserves the option to redeem Bonds as provided in each Pricing Certificate.

(b) The City, at least forty-five (45) days before the redemption date (unless a shorter period shall be satisfactory to the Paying Agent/Registrar), shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Bonds to be redeemed.

Section 4.03. Partial Redemption .

(a) If less than all of the Bonds are to be redeemed, the City shall determine the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar (or DTC or a successor securities depository, as applicable, if the Bonds are in Book-Entry-Only form) to call by lot Bonds, or portions thereof within such maturity and in such principal amounts, for redemption.

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

(c) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Ordinance, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

(d) The Paying Agent/Registrar shall promptly notify the City in writing of the principal amount to be redeemed of any Bond 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 Bonds by sending notice by United States mail, first class postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

(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 Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the City sufficient to pay the principal of, premium, if any, and accrued interest on such Bonds.

(b) Upon presentation and surrender of any Bond called for redemption at the Designated Payment/Transfer Office on or after the date fixed for redemption, the Paying

Agent/Registrar shall pay the principal of, premium, if any, and accrued interest on such Bond to the date of redemption from the money set aside for such purpose.

Section 4.06. Effect of Redemption .

(a) Notice of redemption having been given as provided in Section 4.04 of this Ordinance, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City defaults in the payment of the principal thereof, premium, if any, or accrued interest thereon, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If any Bond or portion thereof called for redemption is not so paid upon presentation and surrender of such Bond for redemption, such Bond or portion thereof shall continue to bear interest at the rate stated on the Bond until paid or until due provision is made for the payment of same.

Section 4.07. Conditional Notice of Redemption.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by this Ordinance 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 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 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 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.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar .

(a) The City hereby appoints The Bank of New York Mellon Trust Company, N.A., 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 transfer and registrations as herein provided and as provided in the Pricing Certificate. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Bond to which payments with respect to the Bonds shall be mailed, as provided herein. The City or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, 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. The Paying Agent/Registrar has agreed to maintain a copy of the Register at its offices, or the office of its agent, located in Dallas, Texas.

(b) 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. 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 conversions, exchanges and replacements of such Bonds, as provided in this Ordinance.

(c) The execution and delivery of a Paying Agent/Registrar Agreement, specifying the duties and responsibilities of the City and the Paying Agent/Registrar, is hereby approved with such changes as may be approved by the Pricing Officer and the Pricing Officer is hereby authorized to execute such agreement.

#### Section 5.02. Qualifications .

Each Paying Agent/Registrar shall be (i) a commercial bank, trust company, or other entity duly qualified and legally authorized under applicable law, (ii) authorized under such laws to exercise trust powers, (iii) subject to supervision or examination by a federal or state governmental authority, and (iv) a single entity.

#### Section 5.03. Maintaining Paying Agent/Registrar .

(a) At all times while any Bonds are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement.

#### Section 5.04. Termination .

The City reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated a certified copy of a resolution of the City (i) giving notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar; provided that no such termination shall be effective until a successor Paying Agent/Registrar has accepted the duties of Paying Agent/Registrar for the Bonds.

#### Section 5.05. Notice of Change to Owners .

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 United States mail, first class postage prepaid, at the address in the Register, stating the effective date of the change and the name of the replacement Paying Agent/Registrar and the mailing address of its Designated Payment/Transfer Office.

Section 5.06. Agreement to Perform Duties and Functions .

By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and the Pricing Certificate and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

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 Bonds to the successor Paying Agent/Registrar.

ARTICLE VI

FORM OF THE BONDS

Section 6.01. Form Generally .

(a) The Bonds, including the Registration Bond of the Comptroller of Public Accounts of the State of Texas, the Bond of the Paying Agent/Registrar, and the Assignment form to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and the Pricing Certificate and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) 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 Bonds, as evidenced by their execution thereof.

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

(c) The Bonds shall be printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof, except that the Initial Bond submitted to the Attorney General of Texas, the definitive Bonds delivered to DTC and any temporary Bonds may be typewritten or photocopied or otherwise produced.

Section 6.02. Form of Bonds .

The form of Bonds, including the form of the Registration Bond of the Comptroller of Public Accounts of the State of Texas, the form of Bond of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance and the Pricing Certificate:

(a) [Form of Bond]

REGISTERED

REGISTERED

No. \_\_\_\_\_

\$ \_\_\_\_\_

United States of America  
State of Texas

**CITY OF KILLEEN, TEXAS**  
**GENERAL OBLIGATION REFUNDING BOND**  
**SERIES \_\_\_\_\_\***

Interest Rate	Maturity Date	Original Issue Date	CUSIP Number
_____ % *	_____ *	_____ *	_____ *

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

\*\*

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

\_\_\_\_\_ \* DOLLARS

and to pay interest on the unpaid principal amount hereof from the later of the Original Issue 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 \_\_\_\_\_\* and \_\_\_\_\_\* of each year, commencing \_\_\_\_\_\*.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at

\_\_\_\_\_  
\* As provided in each Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

\*\* As provided in each Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

the designated office in \_\_\_\_\_\*, Texas (the "Designated Payment/Transfer Office"), of the Paying Agent/Registrar executing the registration certificate appearing hereon, or, with respect to a successor Paying Agent/Registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond 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 Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the last business 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 registered owner of a Bond 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 the Bonds 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 Bond is one of a series of fully registered bonds specified in the title hereof issued in the aggregate principal amount of \$\_\_\_\_\_\*(herein referred to as the "Bonds"), issued pursuant to a certain Ordinance of the City Council of the City (the "Ordinance") for the purpose of (i) refunding certain outstanding obligations of the City (the "Refunded Obligations"), (ii) for the purpose of paying the costs of issuing the Bonds.

The Bonds and the interest thereon are payable from the levy of a direct and continuing ad valorem tax, within the limits prescribed by law, against all taxable property in the City.

The City has reserved the option to redeem the Bonds maturing on and after \_\_\_\_\_\*, before their respective scheduled maturity in whole or from time to time in part in integral multiples of \$5,000 on \_\_\_\_\_\*, or on any date thereafter, at a price equal to \_\_\_\_\_.

\*\*\* As provided in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

the principal amount of the Bonds so called for redemption plus accrued interest to the redemption date. If less than all of the Bonds are to be redeemed, the City shall determine the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof within such maturity or maturities and in such amounts, for redemption.

### [Redemption Provisions

The City has also reserved the option to redeem the Term Bond maturing on \_\_\_\_\_\*, before its respective scheduled maturity in whole or from time to time in part in integral multiples of \$5,000, on \_\_\_\_\_\*, or on any date thereafter, at a price equal to the principal amount of the Bonds so called for redemption plus accrued interest to the redemption date. If less than all of the Bonds are to be redeemed, the City shall determine the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof within such maturity or maturities and in such amounts, for redemption.

The Bonds maturing on \_\_\_\_\_\*\*\*\* (the "Term Bonds") are subject to mandatory sinking fund redemption by lot prior to maturity in the following amounts, on the following dates and at a price of par plus accrued interest to the redemption date.

#### Bonds Maturing \_\_\_\_\_\*

Redemption Date	Principal Amount
_____, 20____	\$_____
_____, 20____*	_____ ]*****

\_\_\_\_\_  
\*Final Maturity

Notice of such redemption or redemptions shall be sent by United States mail, first-class postage prepaid, not less than 30 days before the date fixed for redemption, to the registered owner of each of the Bonds to be redeemed in whole or in part. Notice having been so given, the Bonds or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice, and from and after such date, notwithstanding that any of the Bonds or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Bonds or portions thereof shall cease to accrue. Conditional notice of redemption may also be given as provided in the Ordinance.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Bond Ordinance 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

\_\_\_\_\_  
\*\*\*\* Use of Term Bonds, if any, to be determined by the Pricing Officer.

\*\*\*\*\* Use of Term Bonds, if any, to be determined by the Pricing Officer.

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 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.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond 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 Bonds 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.

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled balance of a Bond.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond 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 Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond 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 Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have 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 Bonds, does not exceed any constitutional or statutory limitation.

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

---

City Secretary , City of Killeen, Texas

Mayor, City of Killeen, Texas

[CITY SEAL]

(b) [Form of Certificate of Paying Agent/Registrar]

## CERTIFICATE OF PAYING AGENT/REGISTRAR

This is one of the Bonds referred to in the within mentioned Ordinance. The series of Bonds of which this Bond is a part was originally issued as one Initial Bond which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.,  
as Paying Agent/Registrar

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signatory

(c) [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 Bond and all rights hereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

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

Signature Guaranteed By:

\_\_\_\_\_  
Authorized Signatory

(d) Initial Bond Insertions.

(i) The Initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

A. 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 Number. \_\_\_\_" deleted;

B. in the first paragraph:

the words "on the Maturity Date specified above" shall be deleted and the following will be inserted (with all blanks to be completed with information included in the Pricing Certificate): "on \_\_\_\_\_ in the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

Years	Principal Installments	Interest Rates
-------	---------------------------	-------------------

(Information from Pricing Certificate to be inserted.)

C. In the second paragraph of the Initial Bond, "initial" shall be inserted before "Paying Agent/Registrar" in the first sentence, "executing the registration certificate appearing hereon," shall be deleted and an additional sentence shall be added to the paragraph as follows: "The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A.";

D. the Initial Bond shall be numbered R-1.

(ii) The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond in lieu of the Certificate of Paying Agent/Registrar:

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 Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this

\_\_\_\_\_.



[SEAL]

Comptroller of Public Accounts  
of the State of Texas

Section 6.03. CUSIP Registration .

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

Section 6.04. Legal Opinion .

The approving legal opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel for the City, may be printed on the back of each Bond or, in the case of the definitive Bonds delivered to DTC, attached to each definitive Bond, over the certification of the City Secretary , which may be executed in facsimile.

ARTICLE VII

APPROVAL OF OFFERING DOCUMENTS, PAYING AGENT/REGISTRAR  
AGREEMENT AND ESCROW AGREEMENT;  
CONTROL AND DELIVERY OF THE BONDS

Section 7.01. Approval of Offering Documents, Paying Agent/Registrar Agreement and Escrow Agreement. The Pricing Officer is hereby authorized to approve the Preliminary Official Statement, the Official Statement relating to the Bonds and any addenda, supplement or amendment thereto and to deem such documents final in accordance with Rule 15c2-12. The City further approves the distribution of such Official Statement in the reoffering of the Bonds by the Purchaser in final form, with such changes therein or additions thereto as the Pricing Officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof.

The Paying Agent/Registrar Agreement by and between the City and the Paying Agent/Registrar ("Paying Agent Agreement") in substantially the form and substance previously approved by the City in previous transactions. The Pricing Officer is hereby authorized and directed to complete, amend, modify and execute the Paying Agent Agreement as necessary.

The discharge and defeasance of Refunded Obligations shall be effectuated pursuant to the terms and provisions of an Escrow Agreement, in the form and containing the terms and provisions as shall be approved by a Pricing Officer, including any insertions, additions, deletions, and modifications as may be necessary (a) to carry out the program designed for the City by the Purchasers, (b) to maximize the City's present value savings and/or to minimize the

City's costs of refunding, (c) to comply with all applicable laws and regulations relating to the refunding of the Refunded Obligations and (d) to carry out the other intents and purposes of this Ordinance; and, the Pricing Officer is hereby authorized to execute and deliver such Escrow Agreement, on behalf of the City, in multiple counterparts.

To maximize the City's present value savings and to minimize the City's costs of refunding, the City hereby authorizes and directs that certain of the Refunded Obligations shall be called for redemption prior to maturity in the amounts, at the dates and at the redemption prices set forth in each Pricing Certificate, and the Pricing Officer is hereby authorized and directed to take all necessary and appropriate action to give or cause to be given a notice of redemption to the holders or paying agent/registrars, as appropriate, of such Refunded Obligations, in the manner required by the documents authorizing the issuance of such Refunded Obligations.

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

#### Section 7.02. Control and Delivery of Bonds .

(a) The Mayor of the City is hereby authorized to have control of the Initial Bond 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 of the State of Texas, delivery of the Bonds shall be made to the Purchasers under and subject to the general supervision and direction of the Mayor of the City, against receipt by the City of all amounts due to the City under the terms of sale.

### ARTICLE VIII

#### CREATION OF FUNDS AND ACCOUNTS; DEPOSIT OF PROCEEDS; INVESTMENTS

#### Section 8.01. Creation of Funds .

(a) The City hereby establishes the following special funds or accounts:

(i) the City of Killeen, Texas, General Obligation Refunding Bonds, Series 2017, Interest and Sinking Fund (the "Interest and Sinking Fund"); and

(ii) the City of Killeen, Texas, General Obligation Refunding Bonds, Series 2017, Escrow Fund (the "Escrow Fund"); and

(iii) the City of Killeen, Texas, General Obligation Refunding Bonds, Series 2017, Project Fund (the "Project Fund").

(b) The Interest and Sinking Fund shall be maintained at a depository bank of the City and the Escrow Fund shall be maintained at The Bank of New York Mellon Trust Company, N.A. pursuant to the terms of the Escrow Agreement.

#### Section 8.02. Interest and Sinking Fund .

(a) Any taxes levied under Article II shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on each series of the Bonds.

(b) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on each series of the Bonds as such become due and payable.

#### Section 8.03. Escrow Fund .

(a) Money on deposit in the Escrow Fund, including investment earnings thereof, shall be used for the purpose of refunding the Refunded Obligations in accordance with the Escrow Agreement and the Pricing Certificate.

(b) Any amounts remaining in the Escrow Fund after the accomplishment of the purposes for which the Bonds are hereby issued, including investment earnings of the Escrow Fund, shall be deposited into the Interest and Sinking Fund.

(c) The Bank of New York Mellon Trust Company, N.A. is hereby designated as the Escrow Agent. The execution and delivery of the Escrow Agreement, specifying the duties and responsibilities of the City and the Escrow Agent, is hereby approved with such changes as may be approved by the Pricing Officer and the Pricing Officer is hereby authorized to execute such agreement.

#### Section 8.04. Security of Funds .

All moneys on deposit in the funds referred to in this Ordinance shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

#### Section 8.05. Deposit of Proceeds .

(a) All amounts received on the Closing Date as accrued interest on the Bonds from the Original Issue Date to the Closing Date, shall be deposited to the Interest and Sinking Fund.

(b) The remainder of the proceeds of the Bonds, including original issue premium, shall be used to pay costs of issuance and deposited to the Escrow Fund and used as provided in the Escrow Agreement and the Pricing Certificate.

Section 8.06. Investments .

(a) Money in the Interest and Sinking Fund established by this Ordinance, at the option of the City, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

Section 8.07. Investment Income .

Interest and income derived from investment of the Interest and Sinking Fund created by this Ordinance shall be credited to such fund.

## ARTICLE IX

### PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Bonds .

While any of the Bonds are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay the interest on and the principal of the Bonds, as applicable, as will accrue or mature on each applicable Interest Payment Date.

Section 9.02. Other Representations and Covenants .

(a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Bond; the City will promptly pay or cause to be paid the principal of, interest on, and premium, if any, with respect to, each Bond on the dates and at the places and manner prescribed in such Bond; and the City will, at the times and in the manner prescribed by this Ordinance and the Pricing Certificate, deposit or cause to be deposited the amounts of money specified by this Ordinance and the Pricing Certificate.

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

### Section 9.03. Covenants Regarding Tax Exemption of Interest on the Tax-Exempt Bonds

(a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Tax-Exempt Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) 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 City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Tax-Exempt Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Tax-Exempt 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;

(3) 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 Tax-Exempt 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;

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

(5) to refrain from taking any action that would result in the Tax-Exempt Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Tax-Exempt 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 Tax-Exempt Bonds, other than investment property acquired with --

(A) proceeds of the Tax-Exempt Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 30 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 Tax-Exempt Bonds;

(7) to otherwise restrict the use of the proceeds of the Tax-Exempt Bonds or amounts treated as proceeds of the Tax-Exempt Bonds, as may be necessary, so that the Tax-Exempt Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Tax-Exempt 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 Tax-Exempt 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. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the Refunded Obligations not expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Tax-Exempt Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Tax-Exempt 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 Tax-Exempt Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income

taxation of interest on the Tax-Exempt Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the City Manager or Director of Finance to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Tax-Exempt Bonds. This Ordinance is intended to satisfy the official intent requirements set forth in Section 1.150-2 of the Treasury Regulations.

(d) Disposition of Project. The City covenants that the property constituting the project financed by the Refunded Obligations will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Tax-Exempt Bonds. For purposes of this subsection, 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 of this subsection, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Designation as Qualified Tax-Exempt Obligations. The Pricing Officer is authorized to designate one or more Series of the Tax-Exempt Bonds as bank qualified obligations if the City qualifies to make such a designation at the time of pricing the Tax-Exempt Bonds.

## ARTICLE X

### DEFAULT AND REMEDIES

#### Section 10.01. 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," to-wit:

- (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 Owners, 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 Owner to the City; or
- (iii) the City files bankruptcy.

#### Section 10.02. Remedies for Default .

(a) Upon the happening of any Event of Default, then and in every case 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.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Bonds then outstanding.

#### Section 10.03. Remedies Not Exclusive .

(a) 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.

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

### ARTICLE XI

#### DISCHARGE AND DEFEASANCE

#### Section 11.01. Defeasance of Bonds .

(a) 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 subsections (c) and (e) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption or the establishment of irrevocable provisions for the giving of such notice) 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 or an eligible trust company or commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (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 as will ensure 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 or an eligible



trust company or commercial bank for the payment of its services until all Defeased Bonds shall have become due and payable or (3) any combination of (1) and (2). 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 revenues herein pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of a Bond as aforesaid when proper notice of redemption of such Bonds shall have been given or upon the establishment of irrevocable provisions for the giving of such notice, in accordance with this Ordinance. Any money so deposited with the Paying Agent/Registrar or an eligible trust company or commercial bank as provided in this Section may at the discretion of the City Council also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section which is not required for the payment of such Bond and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the City Council.

(c) Notwithstanding any provision of any other Section of this Ordinance which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Bonds and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(d) Notwithstanding anything elsewhere in this Ordinance, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Bond affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Bond to be paid at its maturity, the City retains the right under Texas law to later call that Defeased Bond for redemption in accordance with the provisions of this Ordinance, the City may call such Defeased Bond for redemption upon complying with the provisions of Texas law and upon the satisfaction of the provisions of subsection (a) immediately above with respect to such Defeased Bond as though it was being defeased at the time of the exercise of the option to redeem the Defeased Bond and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Bond.

## ARTICLE XII

### CONTINUING DISCLOSURE UNDERTAKING

#### 12.01 Annual Reports .

The City shall provide annually to the MSRB, (i) within six months after the end of each fiscal year of the City, financial information and operating data, which information and data may be unaudited, with respect to the City of the general type included in the final Official Statement by section 7.02(b) of this Ordinance and as provided in each Pricing Certificate, if audited financial statements are then available and (ii) if not provided as part of such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit A hereto or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation and (ii) audited, if the City commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City shall 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.

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 web site 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.

#### 12.02. Event Notices .

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

- A. Principal and interest payment delinquencies;
- B. Non-payment related defaults, if material within the meaning of the federal securities laws;
- C. Unscheduled draws on debt service reserves reflecting financial difficulties;
- D. Unscheduled draws on credit enhancements reflecting financial difficulties;

- E. Substitution of credit or liquidity providers, or their failure to perform;
- F. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds
- G. Modifications to rights of holders of the Bonds, if material within the meaning of the federal securities laws;
- H. Bond calls, if material within the meaning of the federal securities laws and tender offers;
- I. Defeasances;
- J. Release, substitution, or sale of property securing repayment of the Bonds, if material within the meaning of the federal securities laws;
- K. Rating changes;
- L. Bankruptcy, insolvency, receivership or similar event of the City;
- M. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material within the meaning of the federal securities laws; and
- N. Appointment of a successor or additional trustee or the change of name of a trustee, if material within the meaning of the federal securities laws.

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

#### 12.03. Limitations, Disclaimers, and Amendments .

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 Section 12.02 of this Ordinance that causes the Bonds no longer to be outstanding.

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

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

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

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.

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.

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 holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consents to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders 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 paragraph (a) 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.

### ARTICLE XIII

#### AMENDMENT OF ORDINANCE; FURTHER PROCEDURES; AND SEVERABILITY

##### Section 13.01. Amendment of Ordinance .

The City hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The City may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the holders, (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (v) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of the City's Bond Counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Bonds aggregating in principal amount 51% of the aggregate principal amount of then outstanding Bonds that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then outstanding Bonds, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bonds so as to:

- (1) Make any change in the maturity of any of the outstanding Bonds;
- (2) Reduce the rate of interest borne by any of the outstanding Bonds;
- (3) Reduce the amount of the principal of, or redemption premium, if any, payable on any outstanding Bonds;
- (4) Modify the terms of payment of principal or of interest or redemption premium on outstanding Bonds or any of them or impose any condition with respect to such payment; or
- (5) Change the minimum percentage of the principal amount of the Bonds necessary for consent to such amendment.

(c) If at any time the City shall desire to amend this Ordinance under this Section, the City shall send by U.S. mail to each registered owner of the affected Bonds a copy of the proposed amendment and cause notice of the proposed amendment to be published at least once in a financial publication published in The City of New York, New York or in the State of Texas. Such published notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the City for inspection by all holders of such Bonds.

(d) Whenever at any time within one year from the date of publication of such notice the City shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all of the Bonds then outstanding that are required for the amendment, which instrument or instruments shall refer to the proposed amendment and that shall specifically consent to and approve such amendment, the City may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the City and all holders of such affected Bonds shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the holder of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the publication of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Bond during such period. Such consent may be revoked at any time after six months

from the date of the publication of said notice by the holder who gave such consent, or by a successor in title, by filing notice with the City, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the affected Bonds then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

#### Section 13.02. Further Procedures .

The officers and employees of the City are hereby authorized 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 on behalf of and under the corporate seal of the City all such instruments, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Bonds, the Paying Agent/Registrar Agreement, and the Official Statement. In addition, prior to the initial delivery of the Bonds, the Mayor, the City Manager or Director of Finance of the City, and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Bonds by the Attorney General of Texas. In the event that any officer of the City whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

#### Section 13.03. Payment of Attorney General Fee .

The City hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of the Bonds or (ii) \$9,500, provided that such fee shall not be less than \$750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004, Texas Government Code, as amended. The appropriate member of the City's staff is hereby instructed to take the necessary measures to make this payment. The City is also authorized to reimburse the appropriate City funds for such payment from proceeds of the Bonds.

#### Section 13.04. Severability .

If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance is held to be invalid or unenforceable, the remainder of this Ordinance and the application of such section, article, paragraph, sentence, clause, phrase or word to other persons and circumstances nevertheless shall be valid and enforceable; and it is hereby declared that this Ordinance would have been enacted without such invalid or unenforceable provision.

#### Section 13.05. No Personal Liability .

No covenant or agreement contained in the Bonds, this Ordinance or any corollary instrument shall be deemed to be the covenant or agreement of any member of the City Council or any officer, agent, employee or representative of the City Council in his or her individual capacity, and neither the directors, officers, agents, employees or representatives of the City Council nor any person executing the Bonds shall be personally liable thereon or be subject to any personal liability for damages or otherwise or accountability by reason of the issuance thereof, or any actions taken or duties performed, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the issuance of the Bonds.

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FINALLY PASSED, APPROVED AND EFFECTIVE ON FIRST READING IN  
ACCORDANCE WITH Section 1201.028 Texas Government Code this November 14, 2017.

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Mayor, City of Killeen, Texas

ATTEST:

City Secretary , City of Killeen, Texas

[CITY SEAL]

APPROVED AS TO FORM:

City Attorney, City of Killeen, Texas

## **EXHIBIT A**

### **DESCRIPTION OF ANNUAL FINANCIAL INFORMATION**

The following information is referred to in Article XII of this Ordinance.

#### Accounting Principles

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements included in the Official Statement.



## BOND REFUNDING OPPORTUNITY

PH-17-048A

November 7, 2017

# Bond Refunding

## Overview

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- A bond refunding involves issuing new bonds and using the proceeds to pay off old bonds.
  - ▣ New bonds have a lower interest rate.
  - ▣ Similar to refinancing a house.
- Current bond refunding opportunity:
  - ▣ Refund \$30,295,000 of existing bonds.
  - ▣ Estimated interest savings of over \$2.2 million.
  - ▣ Amount of outstanding bonds will not increase.
  - ▣ There is no extension to the term of existing debt.

# Bond Refunding

## Potential Bonds

3

Issue	Interest Rate	Amount
Series 2010 GO Refunding Bonds	4.0%	\$3,120,000
Series 2010 GO Bonds	4.0%	\$1,435,000
Series 2011 Certificates of Obligation	4.6-5.0%	\$12,145,000
Series 2011 PTF Bonds	5.0%	\$2,300,000
Series 2011A PTF Bonds	3.1-5.0%	<u>\$11,295,000</u>
Total Refunding Opportunity		<u><u>\$30,295,000</u></u>

# Bond Refunding

## Estimated Savings

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FYE 9/30	Pre- Refunding Net D-S	Post- Refunding Net D/S	Annual Savings
2018	\$ 6,556,783	\$ 6,543,027	\$ 13,756
2019	6,562,645	6,498,858	63,788
2020	5,692,850	5,629,063	63,788
2021	5,695,500	5,561,713	133,788
2022	5,699,450	5,564,713	134,738
2023	5,701,050	5,564,913	136,138
2024	3,558,525	3,425,913	132,613
2025	2,098,575	1,962,763	135,813
2026	2,098,175	1,962,763	135,413
2027	1,661,375	1,526,113	135,263
2028	3,360,575	3,228,013	132,563
2029	3,360,975	3,224,013	136,963
2030	3,362,775	3,230,063	132,713
2031	2,750,775	2,615,463	135,313
2032	2,751,988	2,678,713	73,275
2033	4,764,900	4,631,625	133,275
2034	4,758,750	4,625,438	133,313
2035	4,764,825	4,627,638	137,188
2036	2,414,488	2,277,600	136,888
	\$77,614,978	\$75,378,397	\$ 2,236,581

### Preliminary Summary of Results

True Interest Cost (TIC) 2.817%

<b>Total Debt Service Savings</b>	<b>\$ 2,236,581</b>
<b>Net Present Value Savings (\$)</b>	<b>\$ 1,684,423</b>
<b>Net Present Value Savings (%)</b>	<b>5.560%</b>

# Bond Refunding

## Delegation of Authority

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- Texas law provides two options:
  1. Adopt an ordinance with final pricing terms; or
  2. Adopt a delegation ordinance
    - City official or employee sets final pricing terms.
    - Final pricing terms must fall within certain parameters.
- Option 2 provides flexibility to choose the pricing date based on favorable market conditions.
  - City Manager and Mayor have been appointed Pricing Officer by delegation in the past.

# Bond Refunding

## Delegation of Authority

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- Delegation ordinance parameters:
  - ▣ Maximum principal amount refunded: \$40,115,000
    - Higher than the \$30,295,000 to allow for additional bonds to be refunded if market conditions permit (additional interest savings).
  - ▣ Maximum maturity date: August 1, 2036
  - ▣ Minimum net present value: 5%
  - ▣ Maximum interest rate: 5%
  - ▣ Eligible outstanding bonds: all outstanding bonds falling within the above parameters.
- Amount of outstanding bonds will not increase.
- There is no extension to the term of existing debt.



# Bond Refunding

## Next Steps

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Date	Action
November 8, 2017	Application to Stand & Poor's for bond rating.
November 14, 2017	City Council considers Delegation Ordinance.
November 16, 2017	Rating conference call or meeting.
November 20, 2017	Preliminary Official Statement issued.
November 28, 2017	Rating is received.
November 30, 2017	Refunding bonds priced and awarded.
December 21, 2017	Funds delivered to escrow agent.



# City of Killeen

## Legislation Details

<b>File #:</b>	PH-17-048B	<b>Version:</b>	1	<b>Name:</b>	Budget Amendment Ordinance
<b>Type:</b>	Ordinance/Public Hearing	<b>Status:</b>		<b>Status:</b>	Public Hearings
<b>File created:</b>	10/17/2017	<b>In control:</b>		<b>In control:</b>	City Council Workshop
<b>On agenda:</b>	11/7/2017	<b>Final action:</b>		<b>Final action:</b>	
<b>Title:</b>	HOLD a public hearing and consider an ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services of the City of Killeen by increasing revenue and expenditure accounts for the issuance of General Obligation Refunding Bonds.				
<b>Sponsors:</b>	Finance Department				
<b>Indexes:</b>	Bonds, Budget Amendments				
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Staff Report</a> <a href="#">Ordinance</a> <a href="#">Presentation</a>				

Date	Ver.	Action By	Action	Result
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## STAFF REPORT

**DATE:** November 7, 2017

**TO:** Ronald L. Olson, City Manager

**FROM:** Jonathan Locke, Executive Director of Finance

**SUBJECT:** Budget Amendment

### **BACKGROUND AND FINDINGS:**

Current market conditions are such that \$30,295,000 in outstanding bonds can be refunded, saving the City an estimated \$2.2 million over the life of the bonds. The estimated savings are contingent on market conditions remaining favorable and will come from issuing new bonds with lower interest rates to pay off existing debt at a higher interest rate. The delegation ordinance approved by City Council authorizes a principal amount up to \$40,115,000 instead of \$30,295,000 to allow room for bonds that currently fall just outside the parameters established in the ordinance.

<b>Bond Refunding</b>	<b>Revenues</b>
Bond Proceeds	\$40,115,000
TOTAL	\$40,115,000

<b>Bond Refunding</b>	<b>Expenditures</b>
Payment to Escrow Refunding Agent	\$39,640,000
Refunding Agent Costs	\$475,000
TOTAL	\$40,115,000

### **THE ALTERNATIVES CONSIDERED:**

- (1) Approve the bond refunding to save an estimated \$2.2 million over the life of the refunded bonds.
- (2) Do not issue refunding bonds and forego the savings.

### **Which alternative is recommended? Why?**

Staff recommends option 1 because of the significant savings achieved over the life of the refunded bonds.

### **CONFORMITY TO CITY POLICY:**

City Charter, Article VII., Section 71

**FINANCIAL IMPACT:**

The maximum principal amount is being set at \$40,115,000 instead of \$30,295,000 to allow room for bonds that currently fall just outside the parameters. If market conditions improve such that the additional bonds fall within the parameters, the City will be able to refund up to \$40,115,000 for even more savings of at least 5% present value. The current estimated savings for the \$30,295,000 in refunding is \$2.2 million over the life of the refunded bonds.

**What is the amount of the expenditure in the current fiscal year? For future years?**

The current estimate includes a total of \$30,295,000 in bond proceeds being received from the issuance of the refunding bonds. The bond proceeds will be transferred to an escrow account to retire the old bonds when callable. The delegation ordinance is for \$40,115,000, which includes additional bonds that are just outside the parameters established in the delegation ordinance. If market conditions improve such that the additional bonds fall within the parameters, the City would be able to refund additional bonds for increased savings.

**Is this a one-time or recurring expenditure?**

This is a one-time expenditure.

**Is this expenditure budgeted?**

A budget amendment is required.

**If not, where will the money come from?**

Funding to retire the old bonds will be generated from the sale of the refunding bonds. The attached budget amendment recognizes revenue from the issuance of refunding bonds up to the established principal threshold of \$40,115,000 and expense in the same amount of \$40,115,000 to cover issuance costs and retire the old bonds.

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Upon approval of the budget amendment

**RECOMMENDATION:**

Staff recommends that the City Council approve this ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services of the City of Killeen by increasing revenue and expenditure accounts for the issuance of General Obligation Refunding Bonds.

**DEPARTMENTAL CLEARANCES:**

City Attorney  
Finance

**ATTACHED SUPPORTING DOCUMENTS:**

Ordinance

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS, AMENDING THE FY 2018 ANNUAL BUDGET AND PLAN OF MUNICIPAL SERVICES OF THE CITY OF KILLEEN BY INCREASING REVENUE AND EXPENDITURE ACCOUNTS FOR THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; PROVIDING A SAVING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, a budget for operating the municipal government of the City of Killeen for the Fiscal Year October 1, 2017 to September 30, 2018, has been adopted by City Council in accordance with the City Charter; and

**WHEREAS**, it is the desire of the Killeen City Council to achieve savings on interest costs by issuing general obligation refunding bonds; and

**WHEREAS**, the need for additional funds requires a budget amendment;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN:**

**SECTION 1.** That Ordinance 17-050, adopting a budget for operating the municipal government of the City of Killeen for the Fiscal year October 1, 2017 to September 30, 2018, be amended as to the portion of said budget as follows:

**Revenues:**

Account Number	Description	Original Budget	Budget Change	Amended Budget
400-0000-391-05-00	Bond Proceeds	\$ -	\$ 40,115,000	\$ 40,115,000
	Total	\$ -	\$ 40,115,000	\$ 40,115,000

**Expenditures:**

Account Number	Description	Original Budget	Budget Change	Amended Budget
400-0000-470-50-01	Payment to Escrow Refunding Agent	\$ -	\$ 39,640,000	\$ 39,640,000
400-0000-470-57-11	Refunding Agent Costs	\$ -	\$ 475,000	\$ 475,000
	Total	\$ -	\$ 40,115,000	\$ 40,115,000

**SECTION II:** That the City Council finds that the public notice and public hearing requirements of Section 56 of the City Charter have been complied with prior to the enactment of this ordinance.

**SECTION III:** That should any section or part of any section or paragraph of this ordinance be declared invalid or unconstitutional for any reason, it shall not invalidate or impair the validity, force or effect of any other section or sections or part of a section or paragraph of this ordinance.

**SECTION IV:** That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

**SECTION V:** That this ordinance shall be effective after its passage and publication according to law.

**PASSED AND APPROVED** at a regular meeting of the City Council of the City of Killeen, Texas, this 14th day of November, 2017, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 et seq.

**APPROVED**

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Jose L. Segarra  
MAYOR

**ATTEST:**

**APPROVED AS TO FORM**

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Dianna Barker  
City Secretary

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Kathryn H. Davis  
City Attorney



PH-17-048B

November 7, 2017

# Bond Refunding Budget Amendment

2

- Purpose of budget amendment
  - ▣ Establish budget for bond refunding.
  - ▣ Proposed amendment meets parameters established in delegation ordinance:
    - Maximum principal amount up to \$40,115,000.
- Fiscal Impact
  - ▣ Estimated \$2.2M in debt savings over the life of the refunded bonds.
  - ▣ Estimated net present value savings of 5.56%.
  - ▣ Issuance costs are included in the estimated savings.



# Bond Refunding Budget Amendment

3

Department	Description	Current Budget	Budget Change	Amended Budget
Debt Service Fund	Bond Proceeds	\$0	\$40,115,000	\$40,115,000
	Payment to Escrow	\$0	\$39,640,000	\$39,640,000
	Issuance Costs	\$0	\$475,000	\$475,000



# City of Killeen

## Legislation Details

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**File #:** PH-17-049    **Version:** 1    **Name:** Zoning 17-24  
**Type:** Ordinance/Public Hearing    **Status:** Public Hearings  
**File created:** 10/20/2017    **In control:** City Council Workshop  
**On agenda:** 11/7/2017    **Final action:**  
**Title:** HOLD a public hearing and consider an ordinance requested by V Bar Properties, L.P., (Case# Z17-24) to rezone approximately 1.855 acres out of W. H. Cole Survey, Abstract No. 200, from "B-3" (Local Business District) to "R-2" (Two Family Residential District). The property is located on the east and west rights-of-way of Taylor Renee Drive, north of Chaparral Road, Killeen, Texas.  
**Sponsors:** Planning & Development Dept  
**Indexes:**  
**Code sections:**  
**Attachments:** [Staff Report](#)  
[Exhibits - Maps](#)  
[Minutes](#)  
[Ordinance](#)  
[Objections](#)  
[Presentation](#)

Date	Ver.	Action By	Action	Result
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## STAFF REPORT

**DATE:** November 7, 2017

**TO:** Ronald L. Olson, City Manager

**FROM:** Dr. Ray Shanaa, Executive Director of Planning and Development Services

**SUBJECT:** ZONING CASE #Z17-24 "B-3" (LOCAL BUSINESS DISTRICT) TO "R-2" (TWO FAMILY RESIDENTIAL DISTRICT)

### **BACKGROUND AND FINDINGS:**

This request is submitted by V Bar Properties, L.P. to rezone approximately 1.855 acres, being out of the W. H. Cole Survey, Abstract No. 200, from "B-3" (Local Business District) to "R-2" (Two Family Residential District). The property is located on the east and west rights-of-way of Taylor Renee Drive, north of Chaparral Road, Killeen, Texas.

### **District Descriptions:**

A building or premise in an "R-2" two-family residential district shall be used only for the following purposes:

- (1) Any use permitted in district "R-1"
- (2) Two-family dwellings

### **Property Specifics:**

Applicant/Property Owner: V Bar Properties, L.P.

Property Location: The property is located on the east and west rights-of-way of Taylor Renee Drive, north of Chaparral Road, Killeen, Texas.

Legal Description: 1.855 acres, being out of the W. H. Cole Survey, Abstract No. 200

### **Zoning/ Plat Case History:**

- There is no recent zoning activity for this property.
- The subject property is not platted.

### **Character of the Area:**

Existing Land Use(s) on the Property: The subject site is vacant. The site is adjacent to "SR-1" (Suburban Residential Single-Family District) and "A-R1" (Agricultural Single-Family Residential District) zoned property. There is an existing lift station at the east corner of Taylor Renee Drive and Chaparral Road.

Historic Properties: None

Infrastructure and Community Facilities:

**Water, Sewer and Drainage Services**

Provider: City of Killeen

Within Service Area: Yes

Feasibility Study or Service Commitment: Water, sanitary sewer, and drainage utility services will need to be extended at the time of development.

**Transportation:**

Existing conditions: Access to these tracts of land is via Taylor Renee Drive which is a 60' local street.

Proposed Improvements: None

Projected Traffic Generation: Eight (8) duplex lots will generate approximately one hundred and fifty-two (152) total vehicle trips per day, with twelve (12) peak AM trips and sixteen (16) peak PM trips [Note: This data is sourced from the Institute of Transportation Engineer (ITE) Trip Generation Rates-9th Edition, provided through Spack Consulting.]. This will not negatively affect the level of service standard for a local residential street; therefore, traffic is not a concern.

Environmental Assessment:

Topography/Regulated Floodplain/Floodway/Creek: A portion of this property lies within the Rock Creek Tributary which is designated as a FEMA AE 100 year flood zone. The applicant is advised that the area being zoned shall be platted prior to any new development on this parcel. As a result, all current drainage and infrastructure design and development standards will apply for new development.

Land Use Analysis:

**Plan Recommendation:** The property is designated as 'General Residential.' The 'General Residential' designation encourages the following development types:

- Detached residential dwellings as the primary focus
- Attached housing types subject to compatibility and open space standards
- Planned developments, potentially with a mix of housing types and varying densities
- Public/ institutional
- Parks and public spaces

**Consistency:** This zoning request does not meet the compatibility standards as detailed in Chapter Two, Future Land Use and Character, of the Comprehensive Plan.

Public Notification:

Staff notified seven (7) surrounding property owners regarding this request. Staff received one written response protesting the request, as well as a petition signed by numerous individuals opposed to the request. In all, a total of three (3) respondents were property owners within the 200' notification boundary.

## **THE ALTERNATIVES CONSIDERED:**

### **Which alternative is recommended?**

Staff is recommending "R-1" (Single-Family Residential District) zoning based on the applicant's consent to a more restrictive district as stated during the Planning and Zoning Commission's public hearing on this matter.

### **Why?**

Single-family housing (R-1) is more compatible with existing housing than the requested R-2 zoning.

## **CONFORMITY TO CITY POLICY:**

This zoning request conforms to the City's policy and procedures as detailed in Chapter 31 of the Killeen Code of Ordinances.

## **FINANCIAL IMPACT:**

### **What is the amount of the expenditure in the current fiscal year? For future years?**

This zoning request does not involve the expenditure of city funds.

### **Is this a one-time or recurring expenditure?**

This is not applicable.

### **Is this expenditure budgeted?**

This is not applicable.

### **If not, where will the money come from?**

This is not applicable.

### **Is there a sufficient amount in the budgeted line-item for this expenditure?**

This is not applicable.

## **RECOMMENDATION:**

The Planning and Zoning Commission recommended approval of "R-1" zoning by a vote of 4 to 1 with Commissioner Harkin in opposition. The applicant acknowledged the petition signed by the residents in the neighborhood and consented to the more restrictive district. Staff agrees with the Planning and Zoning Commission's recommendation. Additionally, staff is of the determination that the submitted request for "R-2" (Two Family District) is not consistent with the zoning of adjacent properties within this community. The existing residential housing within both the Cosper Ridge Estates subdivision and further north in Splawn Ranch are exclusively of

the single-family residential type. Additionally, duplex development will not be consistent with the character of the abutting "SR-1" zoned lots.

**DEPARTMENTAL CLEARANCES:**

This item has been reviewed by the Planning and Legal staff.

**ATTACHED SUPPORTING DOCUMENTS:**

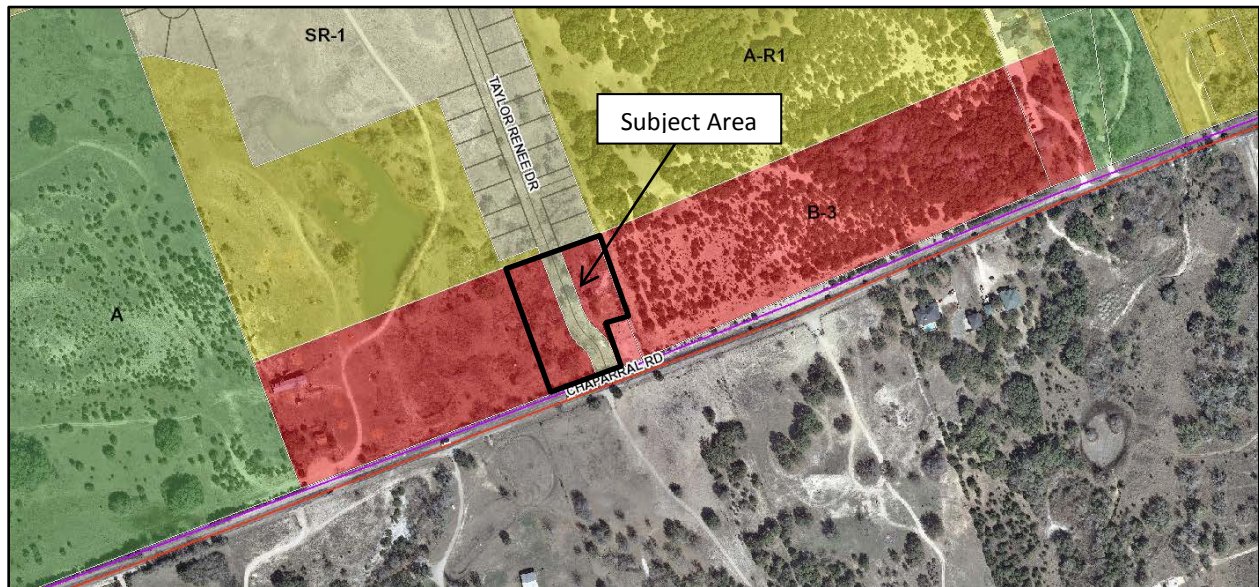
Exhibits - Maps

Minutes

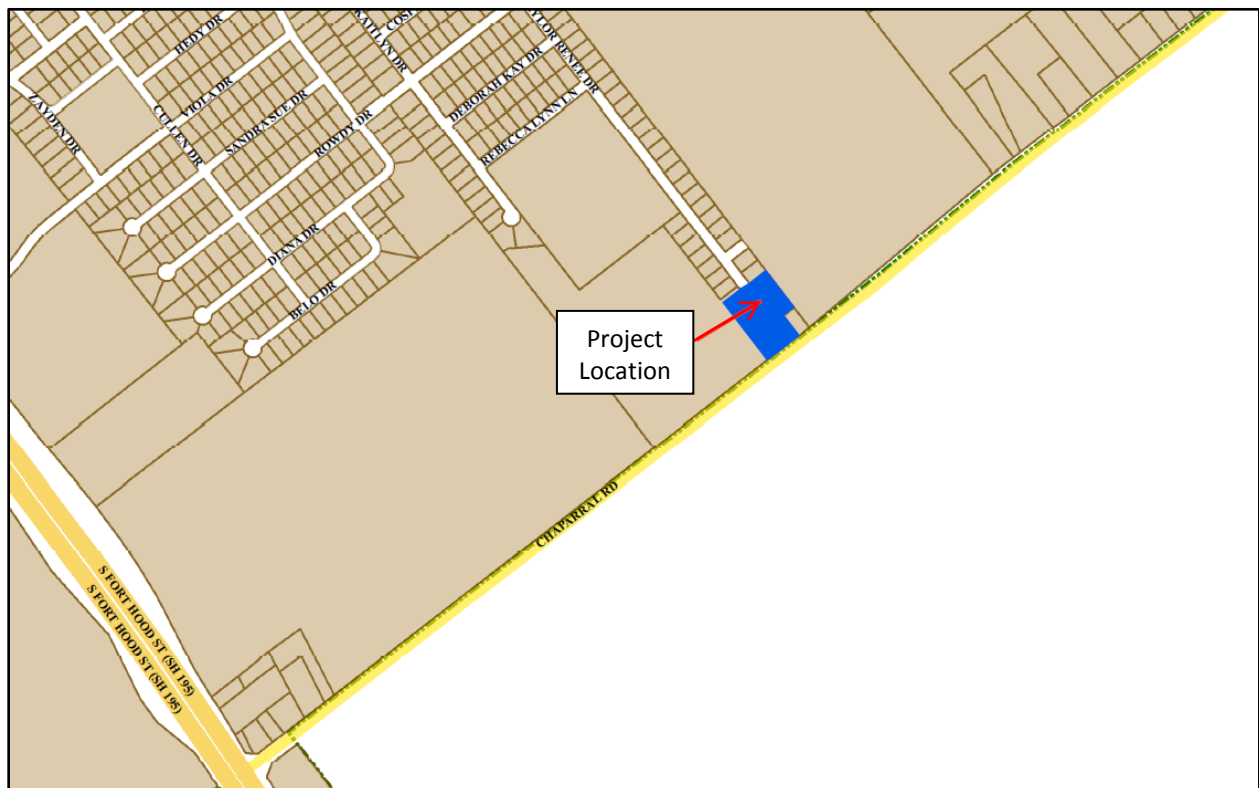
Ordinance

Objections

**Figure 1: Zoning Map**



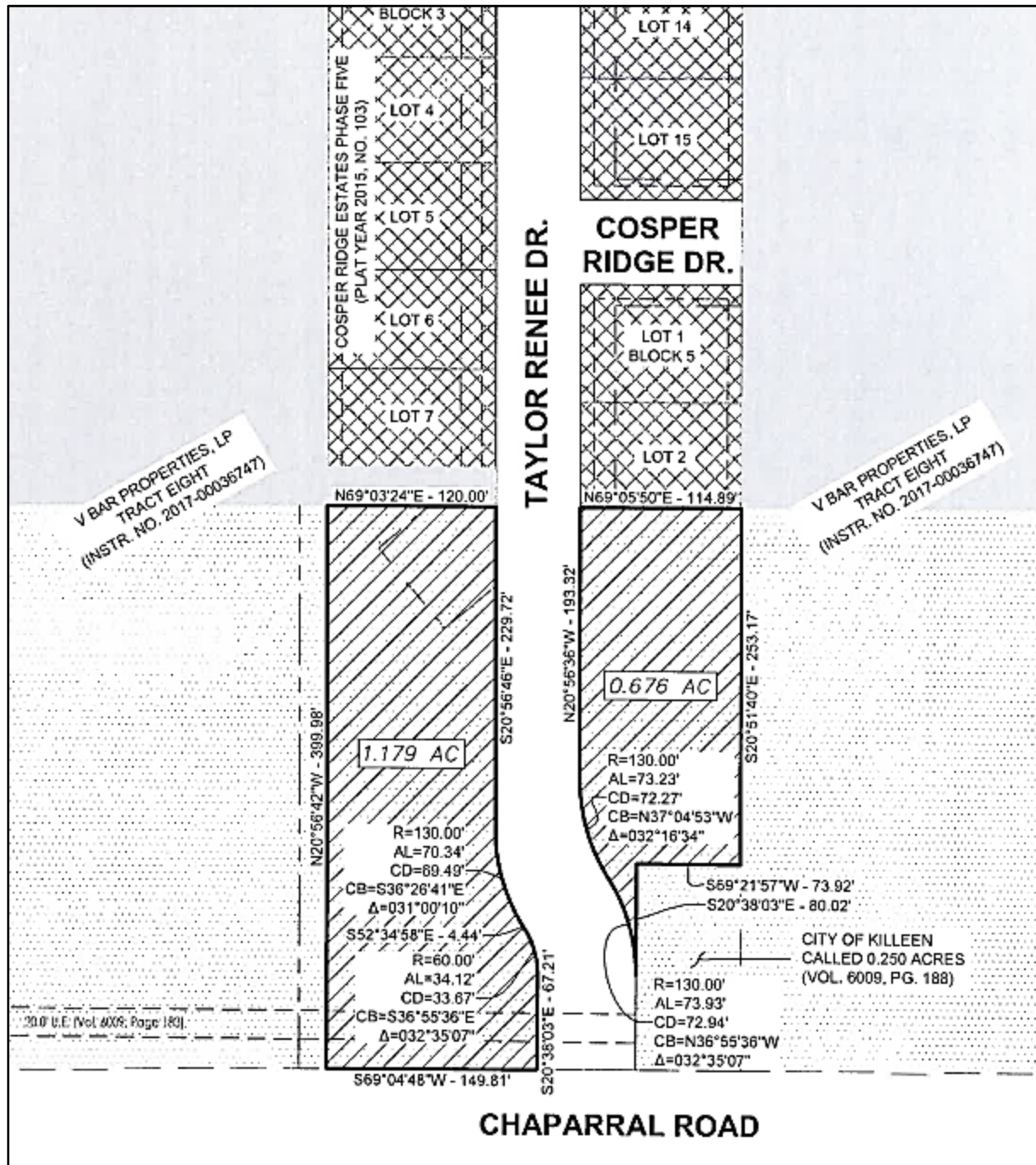
**Figure 2: Location Map**



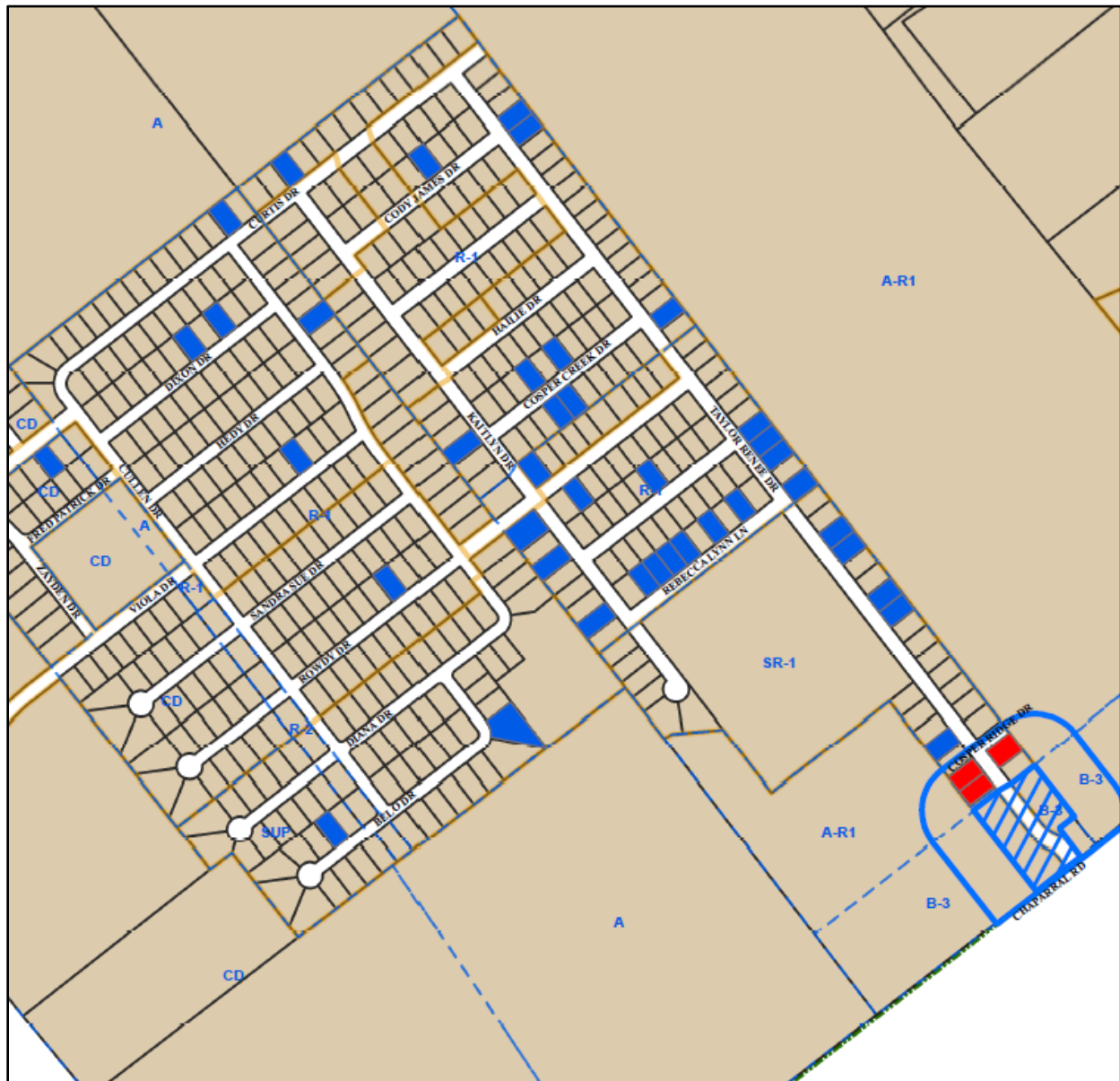
The map displays the proposed SR-1 project alignment, which is a blue line with a 200 ft buffer. The alignment starts at the intersection of Taylor Renee Dr and Chaparral Rd, runs north, and then turns east. The surrounding area is divided into several lots, each with a unique identifier and zoning district. The zoning districts shown are SR-1, A-R1, and B-3. The project alignment is shown in blue, and the 200 ft buffer is indicated by a blue arrow. The map also shows the locations of Taylor Renee Dr, Copper Ridge Dr, and Chaparral Rd. The project area is shaded in blue with diagonal lines.



**Figure 4: Surveyor's Sketch**



**Figure 5: Opposition Map**



**MINUTES  
PLANNING AND ZONING COMMISSION MEETING  
OCTOBER 16, 2017**

**CASE #Z17-24  
B-3 to R-2**

**HOLD a public hearing and consider a request submitted by Quintero Engineering, L.L.C. on behalf of V. Bar Properties, L.P., to rezone approximately 1.855 acres, being out of the W. H. Cole survey, Abstract No. 200, from “B-3” (Local Business District) to “R-2” (Two-Family Residential District) for property located on the east and west rights-of-way of Taylor Renee Drive, north of Chaparral Road, Killeen, Texas.**

Commissioner Purser requested staff comments.

City Planner, Tony McIlwain, stated that this is request involves two tracts of land and are separated by Taylor Renee Drive. The applicant is requesting to rezone approximately 1.855 acres from “B-3” (Local Business District) to “R-2” (Two-Family Residential District). The property is located on the east and west rights-of-way of Taylor Renee Drive, north of Chaparral Road, Killeen, Texas.

Staff notified seven (7) surrounding property owners regarding this request. Staff received one protest from Andre Peeples and also received a petition to protest the request. During the course of the workshop the applicant changed the request from “B-3” (Local Business District) to “R-1” (Single-Family Residential District).

Staff recommended disapproval of the applicant’s request. The request for “R-2” (Two Family District) is not consistent with the zoning of adjacent properties within this community. The existing residential housing within both the Cospers Ridge Estates subdivision, and further north in Splawn Ranch, are exclusively of the single-family residential type. Duplex development will not be consistent with the character of the abutting “SR-1” zoned lots.

Mr. Pedro Quintero, 415 E. Avenue D, Killeen, Texas, was present to represent this request.

Commissioner Purser opened the public hearing.

Mr. Melvin Davis, 609 Rebecca Lynn Lane, Killeen, Texas, spoke in opposition of the request, he stated that he would be okay if the commission recommended R-1.

Mr. Adam Goodale, 800 Cospers Creek, Killeen, Texas, was present to voice his concerns with the request (increase in traffic and dangerous intersection).

With no one else requesting to speak, the public hearing was closed.

Commissioner Cooper motioned to recommend approval of “R-1” (Single-Family Residential). Commissioner Latham seconded the motion. The motion passed by a vote of 4 to 1. Commissioner Harkin voted in opposition of the request, she was concerned with public safety and stated that staff recommended disapproval of the “R-2” (Two Family District) request.

Commissioner Purser stated that the request will be forwarded to City Council with a recommendation to approve.

## **ORDINANCE \_\_\_\_\_**

**AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF KILLEEN BY CHANGING THE ZONING OF CERTAIN PROPERTY OUT OF THE CITY OF KILLEEN, BELL COUNTY, TEXAS, FROM “B-3” (LOCAL BUSINESS DISTRICT) TO “R-1” (TWO FAMILY RESIDENTIAL DISTRICT); PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, V Bar Properties, L.P. has presented to the City of Killeen a request for amendment of the zoning ordinance of the City of Killeen by changing the classification of 1.855 acres out of the W. H. Cole Survey, Abstract No. 200, for property generally located on the east and west rights-of-way of Taylor Renee Drive, north of Chaparral Road, Killeen, Texas, Killeen, Texas, from “B-3” (Local Business District) to “R-2” (Two Family Residential District), said request having been duly presented to, and recommended for approval of “R-1” (Single-Family Residential District) zoning by the Planning and Zoning Commission of the City of Killeen on the 16th day of October 2017, and due notice of the filing of said request and the date of hearing thereon was given as required by law, and hearing on said request was set for 5:00 P.M., on the 14th day of November 2017, at the City Hall, City of Killeen;

**WHEREAS**, the City Council at said hearing duly considered said request, the action of the Planning and Zoning Commission and the evidence in support thereof, and the City Council being of the majority opinion that the applicant’s zoning request should be approved;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN:**

**SECTION I.** That the zoning classification of 1.855 acres out of the W. H. Cole Survey, Abstract No. 200, be changed from “B-3” (Local Business District) to “R-1” (Single-Family Residential District) for property generally located on the east and west rights-of-way of Taylor Renee Drive, north of Chaparral Road, Killeen, Texas.

**SECTION II.** That should any section or part of this ordinance be declared unconstitutional or invalid for any reason, it shall not invalidate or impair the validity, force, or effect of any other section or parts of this ordinance.

**SECTION III.** That all ordinances and resolutions, or parts thereof, in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

**SECTION IV.** That this ordinance shall take effect immediately upon passage of the ordinance.

**PASSED AND APPROVED** at a regular meeting of the City Council of the City of Killeen, Texas, this 14th day of November 2017, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 et seq.

**APPROVED:**

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**Jose L. Segarra, MAYOR**

**ATTEST:**

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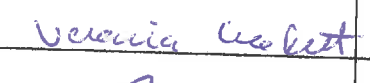


**Dianna Barker, CITY SECRETARY**  
**APPROVED AS TO FORM**

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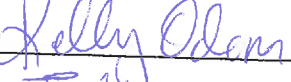
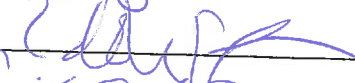


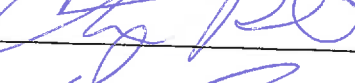




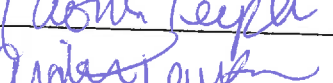
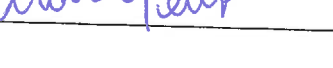
**Kathryn H. Davis, City Attorney**  
Case #17-24  
Ord. #17-\_\_\_\_

## Objection to Case #Z17-24 Rezoning

Petition summary and background	Objection to the re-zoning of approximately 1.855 acres, being out of the W. H. Cole Survey, Abstract No. 200, from "B3" (Local Business District) to "R2" (Two-Family Residential District) for property located on the east and west rights-of-way of Taylor Renee Drive, north of Chaparral Road, Killeen TX. RE: Case # Z17-24
Action petitioned for	We, the undersigned, are concerned citizens who urge our leaders to act now to Object to Case # Z17-24, Rezoning.

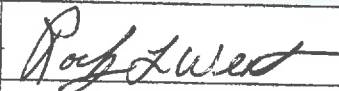

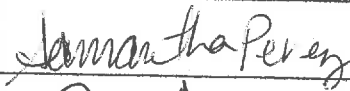


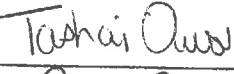


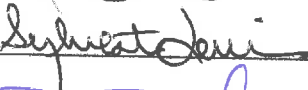

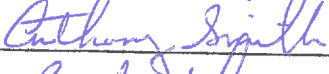





Printed Name	Signature	Address	Comment	Date
Melvin Davis		609 Rebecca Lynn Ln.	No to Rezone	10/8/17
Mack Kyle		709 Rebecca Lynn	No rezoning	10/8/17
Kim Carella		9908 Taylor Renee Dr.		10/9/17
PAUL CARELLA		9908 TAYLOR RENEE DR	NO REZONING	10/9/17
Dikila Jones		10000 Taylor Renee Dr.	No Rezoning	10/9/17
CHARLES BYRD		10002 Taylor Renee Dr.		10/9/17
Toey Silagan		10008 Taylor Renee Dr.		10/9/17
Akiza Silagan		10008 Taylor Renee Dr.		10/9/17
James Carella		10010 Taylor Renee Dr.		10/9/17
Veronica Crockett		10016 Taylor Renee Dr.	No Rezoning	10.9.17
Arturo Gonzalez		10109 Taylor Renee Dr.		10.9.17
Sason Millsap		10201 Taylor Renee Dr.	No Rezoning	10-9-17



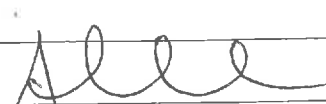
Printed Name	Signature	Address	Comment	Date
Garcia, David		605 Rowdy Drive, 76542		12-OCT-17
Garcia, Maria		605 Rowdy Dr. 76542		Oct. 12, 2017
Bo Scribner		6010 Casper Creek Dr	Don't Do IT!!!	12-OCT-17
Chad Foster		6011 Casper Creek Dr	DONT DO IT	12/oct/17
Alex Crowhurst		6011 Casper Creek Dr	Dont do it	10.12.17
Kelly Odum		700 Casper Creek Dr	Don't do it	10/12/17
Eckle, Pipra		703 Casper Creek Dr	1)	10/12/17
Pipra ZABEL		403 Dixon Dr	Do Not Do IT	
CHARLES ZABEL		403 Dixon Dr		10/12/17
Charles Richardson		407 DIXON DR	Do NOT DO IT	10/12/17
Gray Riggs		9610 Pinal Dr	1	10/12/17
Galen Zimmerman		405 Viola Dr.	No! No! No!	12 Oct 17
Galen W Zimmerman		405 Viola Dr.		10/12/17
Chris Temple		405 Rowdy Drive	DONT DO IT	10/12/17
Naomi Temple		405 Rowdy Drive	DONT DO IT	10/12/17
Aden Temple		405 Rowdy Drive	Do Not do it	10/12/17



Printed Name	Signature	Address	Comment	Date
Raven Millsap	Raven Millsap	10201 Taylor Renee Dr.		9 Oct 17
Ryan Bock	Ryan Bock	10203 Taylor Renee Dr.		9 Oct 17
Inis Medina	Inis Medina	10203 Taylor Renee Dr.		9 Oct 17
Edna Davis	Edna Davis	609 Rebecca Lynn Lane		9 Oct 17
Jimmy Tucker	Jimmy Tucker	607 Rebecca Lynn Ln	NO Rezoning	9 Oct 17
Shirlee Tucker	Shirlee Tucker	607 Rebecca Lynn Ln		9 Oct 17
Eric Ortega	Eric Ortega	9903 Kaitlyn Dr.	NO REZONE	09 Oct 17
Jennifer Ortega	Jennifer Ortega	9903 Kaitlyn Dr.	No Rezoning	09 Oct 17
Yakima Scott	Yakima Scott	9907 Kaitlyn Dr.	NO	9 Oct 17
Anika Stewart	Anika Stewart	9900 Taylor Renee Dr.		9 Oct 17
Darryl Hawn	Darryl Hawn	9902 Taylor Renee Dr.	ZONE - R1	9 Oct 17
Jon Adams	Jon Adams	9904 Taylor Renee Dr.		9 Oct 17
Sandy Adams	Sandy Adams	9904 Taylor Renee Dr.		9 Oct 17
Crystal Waship	Crystal Waship	705 Cody James Dr.	NO Rezoning	10 Oct 17
Preston Goodman	Preston Goodman	705 Cody James Dr.	NO Rezoning	10 Oct 17
Andrew Davis	Andrew Davis	609 Rebecca Lynn Ln		10 Oct 17

Printed Name	Signature	Address	Comment	Date
Rocky L. West		701 Rebecca Lynn Ln	Need more info.	10-10-17
P. Hawthorne		200 Splain Ranch Dr		10-10-17
Samantha Perez		9807 Kaitlyn Dr.		10-10-17
NATHALIE FAUCONNIER		9510 DIANA DRIVE		10-10-17
Daniel Lewis		404 Belo Dr. Killeen, TX 76542		10/10/17
Tashai Owens		603 Curtis Dr		10/10/17
Amanda Baker		703 Deborah Kay Dr		10-11-17
Annie Peoples		10200 TAYLOR RENEE		10-11-17
Sylvester Lewis		611 Rebecca Lynn Lane		10-11-17
Esllyn Phelps		705 Rebecca Lynn Ln		10-12-17
Anthony Smith		705 Rebecca Lynn Ln		10-12-17
Cynthia Gusted		9803 Kaitlyn Dr		10-12-17
Robert D. Hatten		9803 Kaitlyn Dr		10-12-17
ANHEONTAE		209 Belo Dr		10-12-17
Wendrop, John		9710 Taylor Renee Dr		10-12-17
	LAWRIE, JAMES K	606 Rowdy DR		10-12-17

[illegible]

YOUR NAME: Peoples, Andre	PHONE NUMBER: 928.581.4027
CURRENT ADDRESS: 10200 TAYLOR RENEE DR	
ADDRESS OF PROPERTY OWNED: 10200 TAYLOR RENEE DR	
COMMENTS:	"B-3" to "R-2"
I oppose this rezoning change from B-3 to R-2. KEEP	
ZONE AS B-3 or REZONE to R-1	
RECEIVED	
OCT 13 2017	
PLANNING	
SIGNATURE: 	SPO #Z17-24/ 04

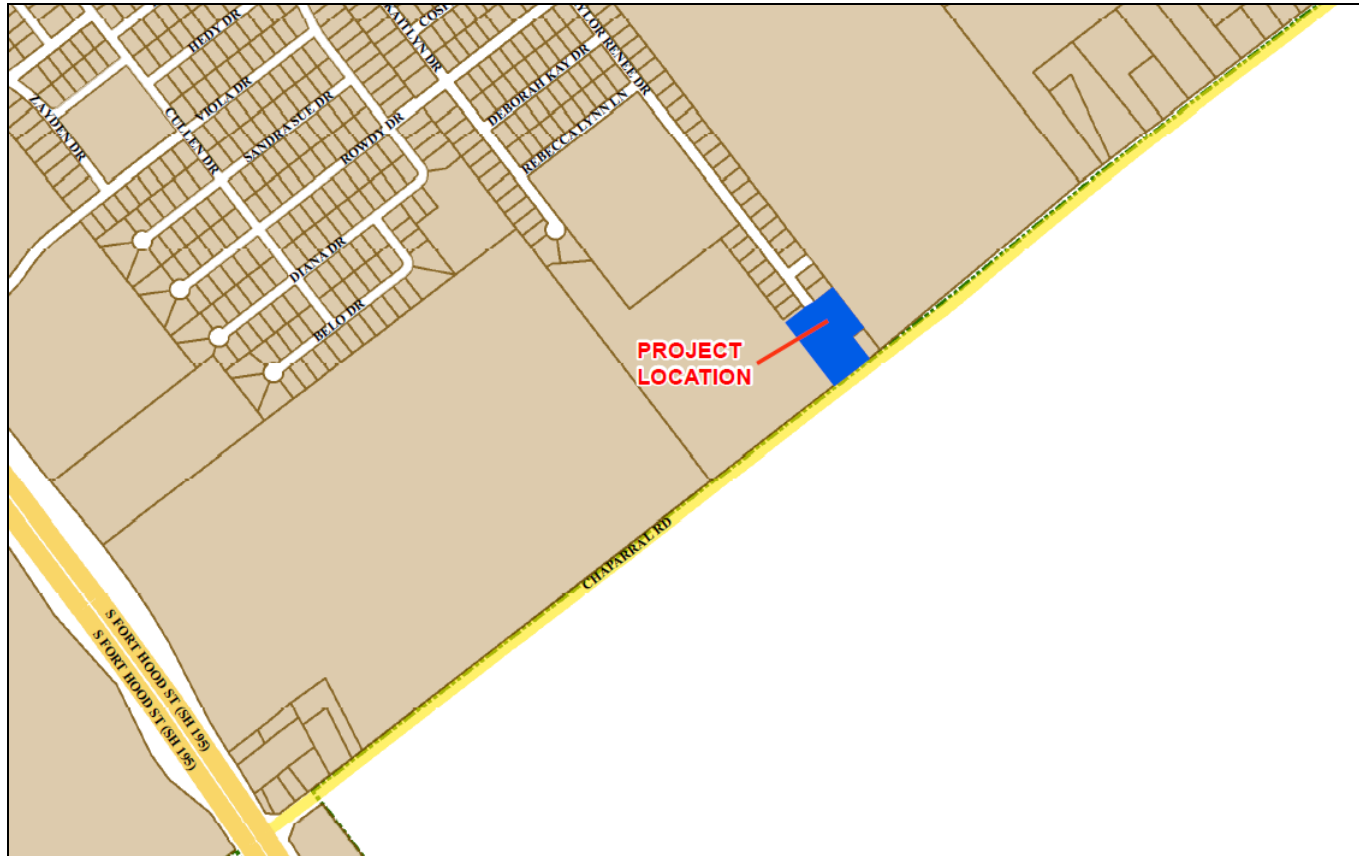


# ZONING CASE #Z17-24

## “B-3” TO “R-2”

PH-17-049

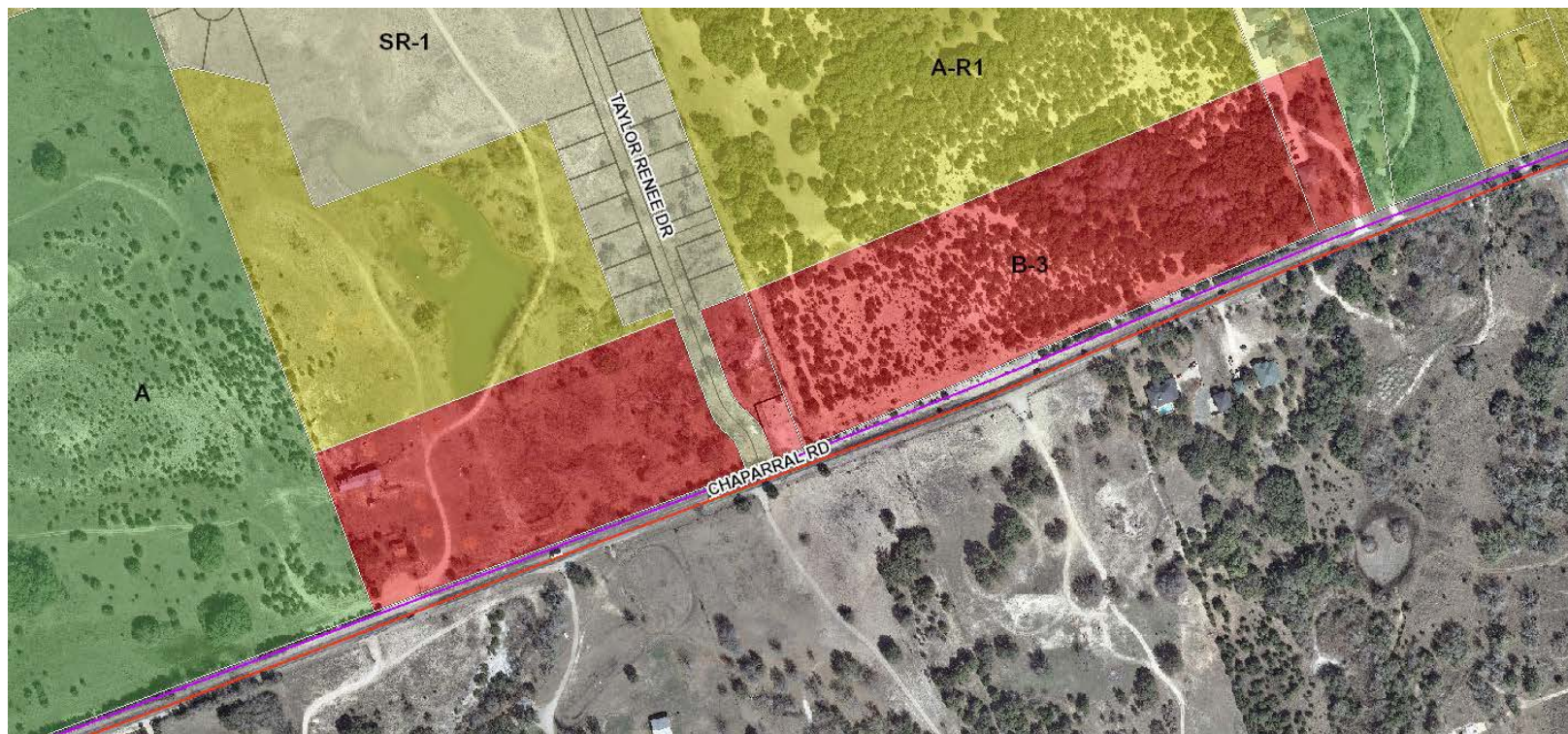
November 7, 2017



**Exhibit 1. Location Map**

- Request is to rezone approx. 1.855 acres from “B-3” (Local Business District) to “R-2” (Two Family Residential district).
- Site is located on the east and west rights-of-way of Taylor Renee Drive, north of Chaparral Road.





## Exhibit 2. Zoning Map

- The properties about “SR-1” lots to the north; there is no observed “R-2” zoning in the greater area
- Area is designated for ‘General Residential’ use on the FLUM



### Exhibit 3. Notification Map

- Seven (7) surrounding property owners were notified; 67 individuals objected via a petition
- The P&Z Commission recommended approval of “R-1” zoning by a vote of 4 to 1