

**AGENDA
CITY OF ALLEN
CITY COUNCIL REGULAR MEETING
JANUARY 24, 2012 – 7:00 P.M.
COUNCIL CHAMBERS
ALLEN CITY HALL
305 CENTURY PARKWAY
ALLEN, TEXAS 75013**

Call to Order and Announce a Quorum is Present.

Pledge of Allegiance.

Public Recognition.

1. Citizens' Comments. *[The City Council invites citizens to speak to the Council on any topic not on the agenda or not already scheduled for Public Hearing. Prior to the meeting, please complete a "Public Meeting Appearance Card" and present it to the City Secretary. The time limit is three minutes per speaker, not to exceed a total of fifteen minutes for all speakers.]*

Consent Agenda. *[Routine Council business. Consent Agenda is approved by a single majority vote. Items may be removed for open discussion by a request from a Councilmember or member of staff.]*

2. Approve Minutes of the January 10, 2012, Regular Meeting.
3. Set August 17-19, 2012, as the Dates for the City Council Budget Workshop with City Council and Executive Staff.
4. Authorize the City Manager to Execute a Facilities Agreement with Gulf Coast Package Ltd. Related to the Custer Ridgeview Park Site.
5. Receive the Capital Improvement Program (CIP) Status Report.
6. Receive the Summary of Property Tax Collections as of December, 2011.

Regular Agenda.

7. Conduct a Public Hearing and Adopt an Ordinance to Change the Zoning of 32.091± Acres in Planned Development No. 63 from Corridor Commercial CC to Single Family Residential R-6, Generally Located North of Ridgeview Drive and East of Custer Road [Creekside at Ridgeview].
8. Adopt a Resolution Implementing the Water and Sewer Rate Increases Recommended for Fiscal Year 2011-2012 by the Water and Sewer Multi-Year Financial Plan and Rate Design Study.
9. Consider all Matters Incident and Related to the Issuance and Sale of “City of Allen, Texas, General Obligation Refunding Bonds, Series 2012,” Including the Adoption of an Ordinance Authorizing the City’s Bond Counsel, Financial Advisor, and Staff to Proceed with the Arrangement of the Sale, Authorizing the Issuance of Such Bonds, Establishing Parameters for the Sale and Issuance of Such Bonds, Appointing Pricing Officers, Providing for the Redemption of Certain Outstanding Bonds of the City Being Refunded and Delegating Certain Matters to Authorized Officials of the City.

Other Business.

10. Calendar.
 - January 25 – Canvass of the Election Results, 4 p.m.
 - January 28 – Public Tours of Fire Station #5, 1-4 p.m.
 - January 31 – Retirement Ceremony for Police Chief Rushing, 4 -6 p.m.
 - February 4 – City Council Strategic Planning Session, 8 a.m.
11. Items of Interest. *[Council announcements regarding local civic and charitable events, meetings, fundraisers, and awards.]*

Executive Session. (As needed)

Legal, Section 551.071.

As authorized by Section 551.071(2) of the Texas Government Code, the Workshop Meeting and/or the Regular Agenda may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the City Attorney on any Agenda Item Listed Herein.

(Closed to Public as Provided in the Texas Government Code.)

12. Reconvene and Consider Action on Items Discussed during Executive Session.

Adjournment.

This notice was posted at Allen City Hall, 305 Century Parkway, Allen, Texas, at a place convenient and readily accessible to the public at all times. Said notice was posted on Friday, January 20, 2012, at 5:00 p.m.

Shelley B. George, City Secretary

Allen City Hall is wheelchair accessible. Access to the building and special parking are available at the entrance facing Century Parkway. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary at 214.509.4105.

CITY COUNCIL AGENDA COMMUNICATION
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AGENDA DATE: January 24, 2012

SUBJECT: Approve Minutes of the January 10, 2012,
Regular Meeting.

STAFF RESOURCE: Shelley B. George, City Secretary

ATTACHMENT

Minutes

ALLEN CITY COUNCIL

REGULAR MEETING

JANUARY 10, 2012

Present:

Stephen Terrell, Mayor

Councilmembers:

Debbie Stout, Mayor Pro Tem

Ross Obermeyer

Joey Herald

Robin L. Sedlacek

Gary L. Caplinger

City Staff:

Peter H. Vargas, City Manager

Shelli Siemer, Assistant City Manager

Wes Pierson, Assistant City Manager

Shelley B. George, City Secretary

Pete G. Smith, City Attorney

Workshop Session

With a quorum of the Councilmembers present, the Workshop Session of the Allen City Council was called to order by Mayor Terrell at 6:15 p.m. on Tuesday, January 10, 2012, in the Council Conference Room of the Allen City Hall, 305 Century Parkway, Allen, Texas.

- Update Regarding Molsen Farm
- Committee Updates from City Council Liaisons

With no further discussion, the Workshop Session of the Allen City Council was adjourned at 7:01 p.m. on Tuesday, January 10, 2012.

Call to Order and Announce a Quorum is Present

With a quorum of the Councilmembers present, the Regular Meeting of the Allen City Council was called to order by Mayor Terrell at 7:07 p.m. on Tuesday, January 10, 2012, in the Council Chambers of the Allen City Hall, 305 Century Parkway, Allen, Texas.

Pledge of Allegiance

Public Recognition

1. Citizens' Comments

2. Presentation of a Blue Star Flag to a Family of Allen Service Personnel Currently Deployed by the U.S. Armed Forces.

- Ken and Susan Barry, parents of Ensign Helen Tannehill, United States Navy.

Consent Agenda

MOTION: Upon a motion made by Councilmember Obermeyer and a second by Councilmember Herald, the Council voted six (6) for and none (0) opposed to adopt the items on the Consent Agenda as follows:

- 3. Approve Minutes of the December 13, 2011, Regular Meeting.**
- 4. Approve Minutes of the December 21, 2011, Special Called Meeting to Canvass the Results of the December 13, 2011, Special Election.**
- 5. Adopt an Ordinance Amending the Code of Ordinances, Chapter 9 – Motor Vehicles and Traffic, Section 9-137(b), in Order to Modify the School Zone for Green Elementary.**

ORDINANCE NO. 3055-1-12: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AMENDING THE CODE OF ORDINANCES BY AMENDING SECTION 9-137(b) OF THE CODE OF ORDINANCES TO DESIGNATE MEDINA LANE FROM ANN'S WAY TO ONE HUNDRED NINETY (190) FEET SOUTH ANN'S WAY AND ANN'S WAY FROM MEDINA LANE TO TWO HUNDRED TEN (210) FEET EAST OF MEDINA LANE AS SCHOOL ZONES WITH A MAXIMUM PRIMA FACIE SPEED LIMIT OF TWENTY (20) MILES PER HOUR; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO HUNDRED DOLLARS (\$200) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

- 6. Authorize the City Manager to Accept the Award of Special Commissioners of \$1,668,521.40 Plus \$3,300 in Fees for Parcels of Property for Right-of-Way for Chelsea Boulevard, Right-of-Way for Ridgeview Drive, and Park Land for Starcreek Hike and Bike Trail and Post that Amount with the Court.**
- 7. Authorize the City Manager to Execute an Annual Contract for Allen Event Center Housekeeping Services with D & A Housekeeping Services, Incorporated For a Fee Not to Exceed \$390,000, With Two One-Year Options to Renew Under the Same Terms and Conditions.**
- 8. Receive the Summary of Property Tax Collections as of November, 2011.**
- 9. Receive the Unaudited Financial Report for Period Ending September 30, 2011.**

The motion carried.

Regular Agenda

10. **Conduct a Public Hearing and Adopt an Ordinance Changing the Zoning of 61.240± Acres of Land, Being All of Lots 1,3,4,5,6,7,8,9,10 and part of 11 in Kittyhawk Estates, from Agriculture-Open Space to Single Family Residential R-5 Zoning, Located South of Stacy Road and West of East Kittyhawk Drive.**

Mayor Terrell opened the public hearing and asked anyone wishing to speak for or against this item to do so at this time.

David Hicks, 401 Woodlake Dr., Allen, Texas, spoke in support of this item.

With no one else speaking, Mayor Terrell closed the public hearing.

RESOLUTION NO. 3056-1-12: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AMENDING THE ALLEN LAND DEVELOPMENT CODE ZONING REGULATIONS AND ZONING MAP BY CHANGING THE ZONING OF A 61.240± ACRE TRACT OF LAND IN THE HENRY BRADENBURG SURVEY, ABSTRACT NO. 110, CITY OF ALLEN, COLLIN COUNTY, TEXAS, DESCRIBED IN EXHIBIT "A" AND DEPICTED IN EXHIBIT "B," ATTACHED HERETO; FROM AGRICULTURE-OPEN SPACE "A-O" TO SINGLE FAMILY RESIDENTIAL "R-5"; PROVIDING A CONFLICTS RESOLUTION CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

MOTION: Upon a motion made by Councilmember Sedlacek and a second by Mayor Pro Tem Stout, the Council voted six (6) for and none (0) opposed to adopt Ordinance No. 3056-1-12, as previously captioned, changing the zoning of 61.240± acres of land, being all of Lots 1,3,4,5,6,7,8,9,10, and part of 11 in Kittyhawk Estates, from Agriculture-Open Space to Single Family Residential R-5 zoning. The motion carried.

Other Business

11. **Calendar**

- January 3 – 13 – Early Voting Period for Special Runoff Election
- January 17 – Special Runoff Election
- January 28 – Grand Opening/Public Tours of Fire Station #5

12. **Items of Interest**

- Council recognized a Boy Scout from Troop 334 in attendance as requirement for the Citizenship in Community merit badge.
- Council wished happy birthday to Kevin Hammeke.

Executive Session

The Executive Session was not held.

13. **Reconvene and Consider Action on Items Discussed during Executive Session.**

Adjourn

MOTION: Upon a motion made by Mayor Pro Tem Stout and a second by Councilmember Herald, the Council voted six (6) for and none (0) opposed to adjourn the Regular Meeting of the Allen City Council at 7:29 p.m. on Tuesday, January 10, 2012. The motion carried.

These minutes approved on the 24th day of January, 2012.

APPROVED:

Stephen Terrell, MAYOR

ATTEST:

Shelley B. George, CITY SECRETARY

Item # 3

CITY COUNCIL AGENDA COMMUNICATION
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AGENDA DATE: January 24, 2012

SUBJECT: Set August 17-19, 2012, as the Dates for the City Council Budget Workshop with City Council and Executive Staff.

STAFF RESOURCE: Peter H. Vargas, City Manager
Shelley B. George, City Secretary

BACKGROUND

Through the annual Budget Workshop, the City Council reviews the proposed budget for the upcoming Fiscal Year. This process allows staff to present projects for funding that supports the City of Allen's Strategic Plan. The Workshop is held at the Tanglewood Hotel and Conference Center in Pottsboro, Texas.

STAFF RECOMMENDATION

Staff recommends the Allen City Council set August 17-19, 2012, as the dates for the City of Allen Budget Workshop.

MOTION

I make a motion to set August 17-19, 2012, as the dates for the City of Allen Budget Workshop with the City Council and Executive Staff.

CITY COUNCIL AGENDA COMMUNICATION

AGENDA DATE: January 24, 2012

SUBJECT: Authorize the City Manager to Execute a Facilities Agreement with Gulf Coast Package Ltd. Related to the Custer Ridgeview Park Site

STAFF RESOURCE: Tim Dentler, Director of Parks & Recreation
John Baumgartner, Director of Engineering
Bo Bass, Director of Community Development

ACTION PROPOSED: Authorize the City Manager to execute a Facilities Agreement with Gulf Coast Package Ltd. related to the Custer Ridgeview Park Site

BACKGROUND

Staff has been working with Gulf Coast, the owner of several tracts of property along Custer and Ridgeview from Custer Hills Estates to “Old Rowlett Road” just south of the Mixon property. A number of years ago the City and Gulf Coast settled a disagreement related to floodplain reclamation. In that agreement, Gulf Coast was obligated to dedicate approximately 6.25 acres including an old stock tank as parkland when the property developed. Gulf Coast is in the process of selling most of their property north of Ridgeview to a multifamily developer (along Ridgeview, west of Rowlett Creek) and to a single family developer (between west Rowlett Creek and the Catholic Church property). The proposed single-family property is currently zoned Commercial and is moving forward with rezoning on the January 24, 2012, Council agenda.

As the plans evolved, the single-family property is burdened with a significant amount of tree mitigation (approaching \$400,000), that would likely make the project unfeasible as a single family development. In working with the property owner, it was suggested that they consider dedicating an additional 2 acres of property along the west side of the park. These 2 acres would make the park more usable, provide a significant trail head for the West Rowlett Creek Trail, provide parking outside the neighborhood for the park, and protect additional trees located outside of the park to partially offset what is being removed.

Agreement Highlights:

Developer:

- Donate approximately 2 acres (± 1.31 acres net) for park land
- Cost share 50/50 split of 31' firelane to serve the park
- Provide shared access easement

City:

Cost share 50/50 split of 31' firelane
Provide required easements to access utilities, grading, access, etc.
Allow agreement to satisfy tree mitigation
Participate in cost of utilities crossing the park land
Clarify the screening walls are not required for the commercial property along the major creek and tributaries or adjacent to the park side

STAFF RECOMMENDATION

Staff recommends that Council authorize the City Manager to execute a Facilities Agreement with Gulf Coast Package Ltd. related to the Custer Ridgeview Park site.

MOTION

I make a motion to authorize the City Manager to execute a Facilities Agreement with Gulf Coast Package Ltd. related to the Custer Ridgeview Park site.

ATTACHMENT

Facilities Agreement
Location Map

STATE OF TEXAS §
COUNTY OF COLLIN §

FACILITIES AGREEMENT

This facilities agreement (“Agreement”) is made by and between the City of Allen, Texas (the “City”), and Gulf Coast Package LTD (the “Developer”) (collectively, the City and the Developer, the “Parties”), acting by and through their duly authorized representatives.

RECITALS:

WHEREAS, the Developer is the owner of approximately 85.23 acres of land (the “Developer Property”), together with an additional 7.179 acres of land (the “7.179 Acre Tract”), that will be dedicated to the City for park purposes in accordance with a prior agreement between the Parties, all as generally depicted on the Overall Property Plan attached hereto as **Exhibit E**; and

WHEREAS, Developer desires to donate, convey and dedicate to the City for park and other purposes approximately 2.0 gross acres (1.3 net acres) of land more particularly described by metes and bounds in Exhibit “B” (the “Park Site”) out of the approximate 4.7 acre tract more particularly described by metes and bounds in **Exhibit “A”** (the “Custer-Rowlett Tract”) and shown as Tract 1 on Exhibit E; and

WHEREAS, the promotion of the expansion of existing businesses and the recruitment of new business ventures within the City will promote economic development, stimulate commercial activity, generate additional sales tax and will enhance the property tax base and economic vitality of the City; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to the Developer in accordance with this Agreement is in accordance with the City Economic Development Program and will: (i) further the objectives of the City; (ii) benefit the City and the City’s inhabitants; and (iii) will promote local economic development and stimulate business and commercial activity in the City.

NOW THEREFORE, in consideration of the premises and the mutual covenants contained herein and other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

Article I Term

1.1 The term of this Agreement shall commence on the last date of execution hereof (the “Effective Date”) and shall continue until all Parties have fully satisfied all terms and conditions of this Agreement, unless sooner terminated as provided herein.

1.2 This Agreement may be terminated by the mutual written agreement of the Parties. Either party may terminate this Agreement if the other party (the “Breaching Party”) breaches any of the terms and conditions of this Agreement, and such breach is not cured by such Breaching Party (i) within thirty (30) days after receipt of written notice thereof, or (ii) in the event such breach is not susceptible to cure within said thirty (30) day period, the Breaching Party has failed to commence actions within said thirty (30) day period following receipt of written notice to cure such breach and diligently pursued such actions until the breach is cured thereafter.

Article II Definitions

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

“ALDC” shall mean the Allen Land Development Code, as amended.

“City” shall mean the City of Allen, Texas.

“City Engineer” shall mean the City of Allen City Engineer, or designee.

“Commencement of Construction” shall mean that (i) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained; (ii) all necessary permits pursuant to the respective plans therefore having been issued by all applicable governmental authorities; and (iii) the grading and/or preparation of land as applicable has commenced.

“Completion of Construction” shall mean: (i) substantially completed in accordance with the approved plans; and (ii) City acceptance.

“Concept Plan” shall mean the concept plan covering the Custer-Rowlett Tract as shown in **Exhibit “D”**, the specifics of which are for illustrative purposes only, but the general conditions of which will be incorporated in any future concept/layout plan to be submitted to the City prior to construction.

“Custer/Ridgeview Tract” shall mean the real property depicted as Tract 3 in the Overall Property Plan.

“Developer Property” shall mean the real property identified as Tracts 1 through 5 on the attached **Exhibit “E”**.

“Fire Lane” shall mean the 31 foot fire lane, access and utility easement to be constructed in accordance with plans approved by the City Engineer and as generally shown in the Concept Plan.

“Floodplain Sites” shall mean those portions of Tracts 1 and 4 of the Developer Property labeled Floodplain Site as generally shown on the Overall Property Plan.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns or work stoppages.

“MF Tract” shall mean the real property depicted as Tract 2 in the Overall Property Plan.

“Overall Property Plan” shall mean the drawing attached hereto as **Exhibit “E”**.

“Park Site” shall mean the approximate 2.00 gross acres of land as described in **Exhibit “B”** and as depicted in the Overall Property Plan.

“Park Site Deed” shall mean the form of special warranty deed set forth in **Exhibit “C”**.

“SF Tract” shall mean the real property depicted as Tract 5 in the Overall Property Plan.

“South Ridgerview Tract” shall mean the real property depicted as Tract 4 in the Overall Property Plan.

“Title Company” means Reunion Title, 1700 Redbud Blvd., Suite 300, McKinney, Texas 75069.

Article III Project

3.1 **Park Site Donation.** The Developer agrees not later than thirty (30) days after the Effective Date (“the Closing Date”), to gift, donate and transfer to the City, and the City does hereby agree to accept the gift, donation and conveyance of good and indefeasible fee simple title to the Park Site, free and clear of all liens and other encumbrances other than Permitted

Exceptions, by Special Warranty Deed substantially in the form attached as **Exhibit “C”** (the Park Site Deed”) subject to the following provisions:

(a) **Title Commitment:** Not later than ten (10) days after the Effective Date, Developer shall deliver or cause to be delivered to City: (i) a current commitment for an owner’s policy of title insurance for the Park Site from the Title Company setting forth the state of title to the Park Site together with any easements or restrictions (existing or created pursuant hereto) benefiting or burdening the Park Site, together with all exceptions or conditions to such title; (ii) legible, true and correct copies of all documents referenced in the title commitment (“Title Documents”); and (iii) tax certificate(s) for current and prior years.

(b) **Review of Title Commitment and Survey:** Not later than five (5) business days after City’s receipt of the last of the Title Commitment and Title Documents, City shall specify in writing to Developer those items reflected thereon which City finds objectionable (“Title Objections”). Developer shall use reasonable efforts to correct or remove the Title Objections, not later than ten (10) days after Developer receives written notice of Title Objections and have delivered to City an amended Title Commitment reflecting the correction or deletion of such matters. Any items, other than matters appearing in Schedule C of the Title Commitment, to which City fails to timely object shall constitute a Permitted Exception. The Title Commitment shall be updated from time to time and shall reveal no exceptions to title other than the Permitted Exceptions.

(c) **Curing Title Objections.** If the Title Objections are not corrected or deleted to City’s satisfaction within ten (10) days after City’s written notice of Title Objections, then City may either (i) terminate this Agreement by written notice to Developer, and both parties shall be released from all further obligations under this Agreement, or (ii) waive all or any of the Title Objections and accept the conveyance of the Park Site subject to the uncured Title Objections (which shall become Permitted Exceptions).

(d) **No Actions Affecting Title.** Developer covenants and agrees not to cause or permit any documents to be filed of record affecting title to the Park Site after the Effective Date without City’s prior written consent.

(e) **Closing.** The closing of the conveyance of the Park Site shall occur on the Closing Date at the Title Company. At the closing, Developer shall deliver to or have prepared for City: (i) the Park Site Deed; (ii) a Texas owners policy of title insurance in the amount of the value of the Park Site as set forth in the appraisal to be obtained by Developer pursuant to Section 3.3, insuring good and indefeasible title to City; and (iii) possession of the Park Site, free of parties in possession.

(f). **Ad Valorem Taxes:** Subject to Section 3.2, below, all ad valorem taxes relating to the Park Site for the year of the Closing shall be prorated as of the date of

Closing. If the amount of taxes for that year are not known at the time of Closing, the proration shall be based on the taxes for the year prior to Closing (i.e., the sum of the prior year appraised value times the tax rates of each taxing jurisdiction having authority over the Property), and such tax proration shall be final. City, as a tax exempt entity, shall not be responsible for any prorated taxes associated with the Property commencing of and from the Closing Date.

(g) **Closing Costs:** Developer agrees to pay and be responsible for the following closing costs: (i) the cost of all tax certificates relating to all taxes and other assessments incurred or arising in relation to the Park Site prior to closing; (ii) one-half (1/2) of the Title Company's escrow fees, if any; (iii) all costs or expenses incurred by or on behalf of the Developer, including Developer's attorney fees; (iv) all fees and premiums for the Basic Owners Policy of Title Insurance; (v) obtaining a release of any lien or security agreement secured by all or any portion of the Park Site; (vi) the cost for a current survey of the Park Site; and (vii) such other closing costs that a grantor conveying real property in Collin County, Texas, would customarily pay at Closing. City agrees to pay and be responsible for the following closing costs: (i) City's own attorneys fees and other costs and legal expenses incurred by City, (ii) one-half (1/2) of the Title Company's escrow fees, if any; (iii) all fees and premiums for any endorsements or riders to the Basic Owners Policy of Title Insurance requested by City, (iii) fees for recording the Park Site Deed; and (iv) such other closing costs that a grantee of a conveyance of real property in Collin County, Texas, would customarily pay at Closing.

City agrees to grant and convey without charge or costs to Developer the necessary easements as approved by the Director of Parks and Recreation (such approval not to be unreasonably denied or withheld) across or through the Park Site, any adjacent and/or contiguous park sites, including, but not limited to the 7.179 Acre Tract, and floodplain to provide access to water, sanitary sewer, storm, grading, and franchised utilities to serve the Developer Property. Notwithstanding the foregoing, all costs related to surveying the location of any easements requested by Developer, preparation of easement documents, fees for recording such easement documents shall be borne by Developer.

3.2 **Rollback Taxes.** The City agrees to be responsible for the payment of any rollback taxes assessed the Park Site as the result of the Developer conveyance of such property to the City. The Developer shall notify the City within thirty (30) days after receipt of any notice of any rollback tax assessment against the Park Site.

3.3 **Donation Acknowledgement.** The Parties acknowledge and agree the donation of the Park Site is in consideration of the City's discretionary decision pursuant to the ALDC to accept the donation in lieu of the ALDC requirements for tree mitigation or payment of cash in lieu of planting trees. The City agrees to provide to the Developer an acknowledgement of the market value of the Park Site donated to the City in accordance with the applicable federal and state laws. The Developer shall obtain, at its costs, an appraisal of the Park Site consistent with applicable federal law to establish the fair market value of the Park Site for the acknowledgment.

City shall not be required to obtain any appraisal of the Park Site in connection with such acknowledgement.

3.4 Tree Mitigation and Hike and Bike Trail. (a) Upon the Closing of the donation of the Park Site: (i) the tree mitigation required pursuant to the ALDC for the SF Tract, including, but limited to, the payment of money or other consideration for tree removal or incidental tree death resulting from the development of the SF Tract, whether now or in the future, shall be deemed satisfied; (ii) the Developer shall not be required to dedicate any land and/or construct a hike and bike trail and/or trail head on the Custer-Rowlett Tract or floodplain adjacent to the Park Site; and (iii) the Developer shall not be required to dedicate any land for a trail head or construct any trail head on any of the Developer Property.

(b) The City agrees pursuant to the requirements of the ALDC, that if the placement of the required tree plantings on the Custer-Rowlett Tract, the Custer/Ridgeview Tract and the South Ridgeview Tract along Custer Road interferes with the installation and/or maintenance of utilities or conflicts with other easements that no additional landscape buffer will be required to accommodate such tree planting requirements. Any required trees pursuant to the ALDC that cannot be planted within the easement area pursuant to this section of the Agreement may be satisfied by: (i) planting such trees at locations determined on other areas of the Custer-Rowlett Tract, the Custer/Ridgeview Tract or the South Ridgeview Tract; (ii) increasing the size of other trees on a caliper inch basis; and (iii) with City's consent and subject to the City's discretion, planting trees on adjacent park land or floodplain.

(c) The City agrees pursuant to the ALDC and Chapter 380 of the Texas Local Government Code to limit the required tree mitigation, or cash payment in lieu thereof, on the MF Tract to a cost not to exceed the standards under the ALDC as of the Effective Date, regardless of the specific land plan imposed for development, unless otherwise agreed in writing by the Parties.

3.5 Floodplain Reclamation. The City agrees, to the extent of compliance with applicable federal and state laws, to allow the Developer to reclaim the Floodplain Sites through one or more LOMR-F processes. Developer acknowledges that any reclamation of Floodplain on Tract 4 will be processed through the City with a flood study to confirm the fully developed floodplain conditions resulting from the proposed reclamation design conditions.

3.6 Fire Lane. (a) The City and Developer agree to share equally in the cost to design and construct a 31-foot fire lane along the northern property line of the Custer-Rowlett Tract as generally depicted on the Concept Plan (the "Fire Lane") in accordance with plans approved by the City Engineer. The Developer shall, without cost to the City, dedicate twenty-five (25) feet of width for the Fire Lane with the remaining portion of the necessary width for the Fire Lane being dedicated and/or provided by use of the existing prescriptive right-of-way to the north of the Custer-Rowlett Tract.

(b) The Fire Lane shall be constructed by the first of the Parties to develop the Park Site, in the case of the City, or the remainder of the Custer-Rowlett Tract, in the case of the

Developer. Upon completion of construction, the Party constructing the Fire Lane (the “Constructing Party”) shall deliver to the other Party (the “Non-Constructing Party”) a complete itemization of the actual costs of design and construction of the Fire Lane (the “Itemized Costs”). The Non-Constructing Party shall reimburse the Constructing Party fifty percent (50%) of the Itemized Costs within thirty (30) days after receipt from the Constructing Party of an invoice for the same.

3.7 Utilities. The City shall require private development adjacent to the Developer Property to stub out utility services for the Developer Property. The City shall construct, at its sole cost and expense, an extension of an 8-inch water line (which will serve the tract until the water lines are extended to the Custer Rowlett north property line by others) from SF Tract to the eastern boundary of the Custer-Rowlett Tract along Rowlett Road, an extension of a sanitary sewer line from Rowlett Creek Service Interceptor along Rowlett Creek to the southern boundary of the Custer-Rowlett Tract and other storm sewer facilities, paving facilities and/or franchise utilities that fall within the boundaries of the adjacent Park Site (and associated flood plains) that are necessary to facilitate the development of the Custer-Rowlett Tract (collectively, the “Adjacent Infrastructure”). In lieu of the City constructing some or all of the Adjacent Infrastructure, the Developer may construct some or all of the Adjacent Infrastructure and the City shall reimburse the Developer for the cost thereof within thirty (30) days after receipt of a detailed invoice for the same. The foregoing notwithstanding, prior to the commencement of construction of any Adjacent Infrastructure by either the City or Developer, the parties shall review the plans therefor to confirm that the proposed construction is compatible with the development of the Custer-Rowlett Tract and that the cost of such construction is not unreasonable. Neither party shall unreasonably withhold its approval of the plans or costs.

3.8 Parking and Access. (a) The City agrees to allow “head-in parking” along the Fire Lane as depicted in the Concept Plan. The Developer agrees to provide an access easement to the City across the Custer-Rowlett Tract to facilitate parking on the Park Site and traffic circulation as generally depicted on the Concept Plan.

(b) If the City of Plano does not allow a second point of access to the Custer-Rowlett Tract off of Custer Road, the City agrees to allow a single drive to access the Custer-Rowlett Tract.

3.9 Private Drive. The Developer shall be permitted to design and construct a private drive along Custer Road adjacent to the twenty-foot landscape buffer as depicted in the Concept Plan, provided no parking space is located within fifty (50) feet of the Custer Road right-of-way.

3.10 Retention and Detention Ponds. The City acknowledges that as of the Effective Date the City has no requirement for, and will not impose a requirement within the next five (5) year period immediately following the Effective Date for a retention or detention or for the development of the Custer-Rowlett Tract and the Custer/Ridgeview Tract. The City agrees that, in the event state or local law requires such retention or detention the existing pond on the Park Site shall satisfy such requirements for the Custer-Rowlett Tract and the Custer/Ridgeview Tract. It is further agreed that Developer shall not be required to improve or pay the costs of

improvement of the existing pond on the Park Site to satisfy any such new drainage requirements imposed by the City in relating to the Custer-Rowlett Tract or the Custer/Ridgeview Tract.

3.11 Signage. The Developer may decide to plat the Custer-Rowlett Tract into two (2) separately platted lots, one without frontage on Custer Road. In such event the Developer may make application to re-zone such property to a planned development district which includes a variance to allow an off-premise multi-tenant sign to serve both lots should such subdivision occur. In this regard, the City agrees that the City staff shall support the request to allow such signage and will not recommend additional restrictions in such planned development district that would contradict the scope or intent of this Agreement.

3.12 Screening Walls and Fencing. The City agrees that no screening wall or fencing shall be required on the Custer-Rowlett Tract or the South Ridgeview Tract adjacent to any park or open public space.

3.13 Economic Development Grant. The waiver and/or limitations of the requirements of the ALDC for cash payment in lieu of tree planting, and other City ordinances and regulations regarding tree mitigation, landscaping and the provisions regarding the use of the existing pond on the Park Site to satisfy retention or detention, if any, all as set forth herein, shall constitute economic development incentives in accordance with Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380.

Article IV Miscellaneous

4.1 Release; Partial Release. Upon the full and final satisfaction by the Developer of its obligations contained in Sections 3.1 and 3.6, the City shall execute and record a release of this Agreement in the Deed Records of Collin County. Prior to the full and final satisfaction by the Developer of the aforementioned obligations, upon Developer's written request, the City shall execute and record partial releases of this Agreement in favor of Developer for Tracts 2, 3, 4 and 5 (as depicted on the Overall Property Plan), or portions thereof, it being the understanding and agreement of the parties hereto that the obligations of Developer relate solely to Tract 1 (as depicted on the Overall Property Plan).

4.2 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter if sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing), or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:
City of Allen, Texas
Attn: Peter H. Vargas
City Manager
305 Century Parkway
Allen, Texas 75013
Facsimile: 214.509.4590

With a copy to:
Peter G. Smith
Nichols, Jackson, Dillard, Hager & Smith, LLP
1800 Lincoln Plaza
500 N. Akard
Dallas, Texas 75201
Facsimile: 214.965.0010

With a copy to Engineer:
City of Allen, Texas
Attn: City Engineer
305 Century Parkway
Allen, Texas 75013
Facsimile: 214.509.4590

If intended for Developer:
Gulf Coast Package LTD
Attn: Van Nichols
1341 Preston Road, Suite C
Celina, Texas 75009

With copy to:
Robert H. Roeder
Abernathy, Roeder, Boyd & Joplin, P.C.
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069

With copy to:

Gulf Coast Package LTD.
Attn: Robin D. McGuire
13455 Noel Road Suite 2000
Dallas, Texas 75240

4.3 Successors and Assigns. All obligations and covenants of the Developer under this Agreement shall be binding on the Developer, its respective successors and permitted assigns. The Developer may assign any or all of the rights, privileges or allowances set forth herein in favor of the Developer without the prior written consent of the City, which assignment shall not be binding upon the City until it has received at least thirty (30) days prior written notice of such assignment. The Developer may not assign its obligations under this Agreement without the prior written consent of the City Manager, which shall not be unreasonably withheld, denied or delayed.

4.4 Severability. In the event any section, subsection, paragraph, sentence, phrase or word herein is held invalid, illegal or unconstitutional, the balance of this Agreement shall be

enforceable and shall be enforced as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

4.5 Governing Law. The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in the State District Court of Collin County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

4.6 Entire Agreement. This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written, previous and contemporary agreements between the parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement. Nothing herein shall be construed in any way to require Developer to construct or operate retail improvements on the Developer Property.

4.7 Recordation of Agreement. A copy of this Agreement shall be recorded in the Deed Records of Collin County, Texas.

4.8 Covenants Run With Property. The provisions of this Agreement are hereby declared covenants running with the Developer Property, and the obligations of Developer set forth in Sections 3.1 and 3.6 only are fully binding on the Developer and each and every subsequent owner of all or any portion of the Custer-Rowlett Tract, but only during the term of such party's ownership thereof and shall be binding on all successors, heirs, and assigns of the Developer which acquire any right, title, or interest in or to the Custer-Rowlett Tract, or any part thereof. Any person who acquires any right, title, or interest in or to the Custer-Rowlett Tract, or any part hereof, thereby agrees and covenants to abide by and fully perform the provisions of this Agreement with respect to the right, title or interest in such Custer-Rowlett Tract.

4.9 Recitals. The recitals to this Agreement are incorporated herein.

4.10 Exhibits. All exhibits to this Agreement are incorporated herein.

4.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

List of Exhibits:

Exhibit "A"	Legal Description of the Custer-Rowlett Tract
Exhibit "B"	Legal Description of Park Site
Exhibit "C"	Park Site Deed
Exhibit "D"	Concept Plan for the Custer-Rowlett Tract
Exhibit "E"	Overall Property Plan

(Signature Page to Follow)

EXECUTED in duplicate originals this, the ____ day of _____, 2012.

CITY OF ALLEN, TEXAS

By: _____
Peter H. Vargas, City Manager

ATTEST:

By: _____
Shelley B. George, City Secretary

APPROVED AS TO FORM:

By: _____
Peter G. Smith, City Attorney

EXECUTED in duplicate originals this, the ____ day of _____, 2012.

**GULF COAST PACKAGE, LTD. ,
A TEXAS LIMITED PARTNERSHIP**

By: **ELAND ENERGY, INC., GENERAL PARTNER**

By: _____
Gregg Allen, President

City Acknowledgment

STATE OF TEXAS §
 §
 COUNTY OF COLLIN §

This instrument was acknowledged before me on ____ day of _____, 2012, by Peter H. Vargas, City Manager of the City of Allen, Texas, on behalf of said municipality.

 Notary Public, State of Texas

My Commission Expires: _____

Developer Acknowledgment

STATE OF TEXAS §
 §
 COUNTY OF COLLIN §

This instrument was acknowledged before me on the ____ day of _____, 2012, by Gregg Allen, President of Eland Energy, Inc., General Partner of Gulf Coast Package, Ltd., a Texas limited partnership, on behalf of said limited partnership.

 Notary Public, State of Texas

My Commission Expires: _____

Exhibit "A"
(Custer-Rowlett Tract)

LEGAL DESCRIPTION
4.665 ACRES

BEING a tract of land situated in the Shadrick Jackson Survey, Abstract Number 489, City of Allen, Collin County, Texas, and being part of a 180.66 acre tract of land described as "Tract 1" in a deed to Gulf Coast Package, Ltd. recorded in Collin County Clerk File Number 94-0060164, Land Records, Collin County, Texas, and being more particularly described as follows:

BEGINNING at an X in concrete set for the intersection of the north line of said 180.66 acre tract and the east right-of-way line of Custer Road (variable width ROW);

THENCE with the north line of said 180.66 acre tract, North 89°14'09" East, a distance of 713.17 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;

THENCE leaving the north line of said 180.66 acre tract, the following courses and distances to wit:

South 43°05'25" West, a distance of 178.51 feet to a 5/8" iron rod set for corner;
South 77°28'04" West, a distance of 87.07 feet to a 5/8" iron rod set for corner;
South 57°15'14" West, a distance of 82.19 feet to a 5/8" iron rod set for corner;
South 43°14'24" West, a distance of 171.87 feet to a 5/8" iron rod set for corner;
South 36°38'06" West, a distance of 27.79 feet to a 5/8" iron rod set for corner;
South 56°17'31" West, a distance of 25.92 feet to a 5/8" iron rod set for corner;
South 38°51'32" West, a distance of 270.70 feet to a point in the centerline of Rowlett Creek;

THENCE with the centerline of said Rowlett Creek, the following courses and distances to wit:

North 43°58'15" West, a distance of 87.99 feet to a 5/8" iron rod set for corner;
North 40°48'27" West, a distance of 83.44 feet to a 5/8" iron rod set in the east right-of-way line of said Custer Road and for the beginning of a non-tangent curve to the left having a radius of 1702.02 feet, a central angle of 7°24'05", a chord bearing and distance of North 05°28'33" East, 219.72 feet;

THENCE with said east right-of-way line, the following courses and distances to wit:

Northeasterly, with said curve, an arc distance 219.87 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
North 88°13'29" West, a distance of 10.00 feet to a 5/8" iron rod set for the beginning of a non-tangent curve to the left having a radius of 1692.02 feet, a central angle of 7°09'58", a chord bearing and distance of North 01°48'28" West, 211.49 feet;
Northwesterly, with said curve, an arc distance 211.62 feet to the **POINT OF BEGINNING** and containing 4.665 acres of land.


Bearing system of this survey is based on a line oriented between City of Allen geodetic monuments 5 and 6 found in the field, whose positions are published on the Texas State Plane Coordinate System, North American Datum of 1983, North Central Zone 4202. The horizontal coordinates of this survey are local surface coordinates derived from Allen Monument 6.

Dana Brown
Registered Professional Land Surveyor No. 5336
Kimley-Horn and Associates, Inc.
12700 Park Central Drive, Suite 1800
Dallas, Texas 75251
972-770-1300

EXHIBIT DRAWING
4.665 ACRES

SHADRICK JACKSON SURVEY, ABSTRACT NO. 489
CITY OF ALLEN, COLLIN COUNTY, TEXAS



		Kimley-Horn and Associates, Inc.			
12700 Park Central Drive, Suite 1800 Dallas, Texas 75251		Tel. No. (972) 770-1300 Fax No. (972) 239-3820			
Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 100'	DAB	MBM	JAN. 2012	067190003	1 OF 2

PLOTTED BY BROWN, DANA 1/13/2012 7:04 AM DWG NAME K:\DAL_SURVEY\67190003-CUSTER-RIDGEVIEW\1DD57190003DWG4 ACRE EXHIBIT.DWG LAST SAVED 1/13/2012 7:03 AM

1 // 4117 Attachment 1



Exhibit "B"
(Park Site)

LEGAL DESCRIPTION
1.998 ACRES

BEING a tract of land situated in the Shadrick Jackson Survey, Abstract Number 489, City of Allen, Collin County, Texas, and being part of a 180.66 acre tract of land described as "Tract 1" in a deed to Gulf Coast Package, Ltd. recorded in Collin County Clerk File Number 94-0060164, Land Records, Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8" iron rod with plastic cap stamped KHA set in the north line of said 180.66 acre tract from which an X in concrete set for the intersection of said north line and the east right-of-way line of Custer Road (variable width ROW) bears South 89°14'09" West, 464.27 feet;


THENCE with the north line of said 180.66 acre tract, North 89°14'09" East, a distance of 248.91 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;

THENCE leaving the north line of said 180.66 acre tract, the following courses and distances to wit:
South 43°05'25" West, a distance of 178.51 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
South 77°28'04" West, a distance of 87.07 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
South 57°15'14" West, a distance of 82.19 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
South 43°14'24" West, a distance of 171.87 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
South 36°38'06" West, a distance of 27.79 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
South 56°17'31" West, a distance of 25.92 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
South 38°51'32" West, a distance of 270.70 feet to a point in the centerline of Rowlett Creek;

THENCE with the centerline of said Rowlett Creek, the following courses and distances to wit:
North 43°58'15" West, a distance of 87.99 feet to a point for corner;
North 40°48'27" West, a distance of 83.44 feet to a point for corner in the east right-of-way line of said Custer Road and for the beginning of a non-tangent curve to the left having a radius of 1702.02 feet, a central angle of 5°56'27", a chord bearing and distance of North 06°12'22" East, 176.40 feet;

THENCE northeasterly, with said east right-of-way line and with said curve, an arc distance 176.48 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;

EXHIBIT DRAWING
1.998 ACRES
SHADRICK JACKSON SURVEY, ABSTRACT NO. 489
CITY OF ALLEN, COLLIN COUNTY, TEXAS

		Kimley-Horn and Associates, Inc.	
12700 Park Central Drive, Suite 1900 Dallas, Texas 75251		Tel. No. (972) 770-1300 Fax No. (972) 239-3820	
Scale	Drawn by	Checked by	Date
1" = 100'	DAB	MBM	JAN. 2012
Project No.		Sheet No.	
067190003		1 OF 3	

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Exhibit "B"
(Park Site)

THENCE leaving said east right-of-way line, the following courses and distances to wit:


South 62°18'39" East, a distance of 84.88 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
South 38°52'31" East, a distance of 96.02 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
North 45°00'00" East, a distance of 188.07 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
North 54°45'25" East, a distance of 142.45 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
North 67°26'40" East, a distance of 71.98 feet to a 5/8" iron rod with plastic cap stamped KHA set for corner;
North 00°45'51" West, a distance of 132.64 feet to the **POINT OF BEGINNING** and containing 87,024 square feet or 1.998 acres of land.

Bearing system of this survey is based on a line oriented between City of Allen geodetic monuments 5 and 6 found in the field, whose positions are published on the Texas State Plane Coordinate System, North American Datum of 1983, North Central Zone 4202. The horizontal coordinates of this survey are local surface coordinates derived from Allen Monument 6.

Dana Brown
Registered Professional Land Surveyor No. 5336
Kimley-Horn and Associates, Inc.
12700 Park Central Drive, Suite 1800
Dallas, Texas 75251
972-770-1300



EXHIBIT DRAWING
1.998 ACRES
SHADRICK JACKSON SURVEY, ABSTRACT NO. 489
CITY OF ALLEN, COLLIN COUNTY, TEXAS

		Kimley-Horn and Associates, Inc.			
12700 Park Central Drive, Suite 1800 Dallas, Texas 75251		Tel. No. (972) 770-1300 Fax No. (972) 239-3820			
Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 100'	DAB	MBM	JAN. 2012	067190003	12 OF 3

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Exhibit "B"
(Park Site)

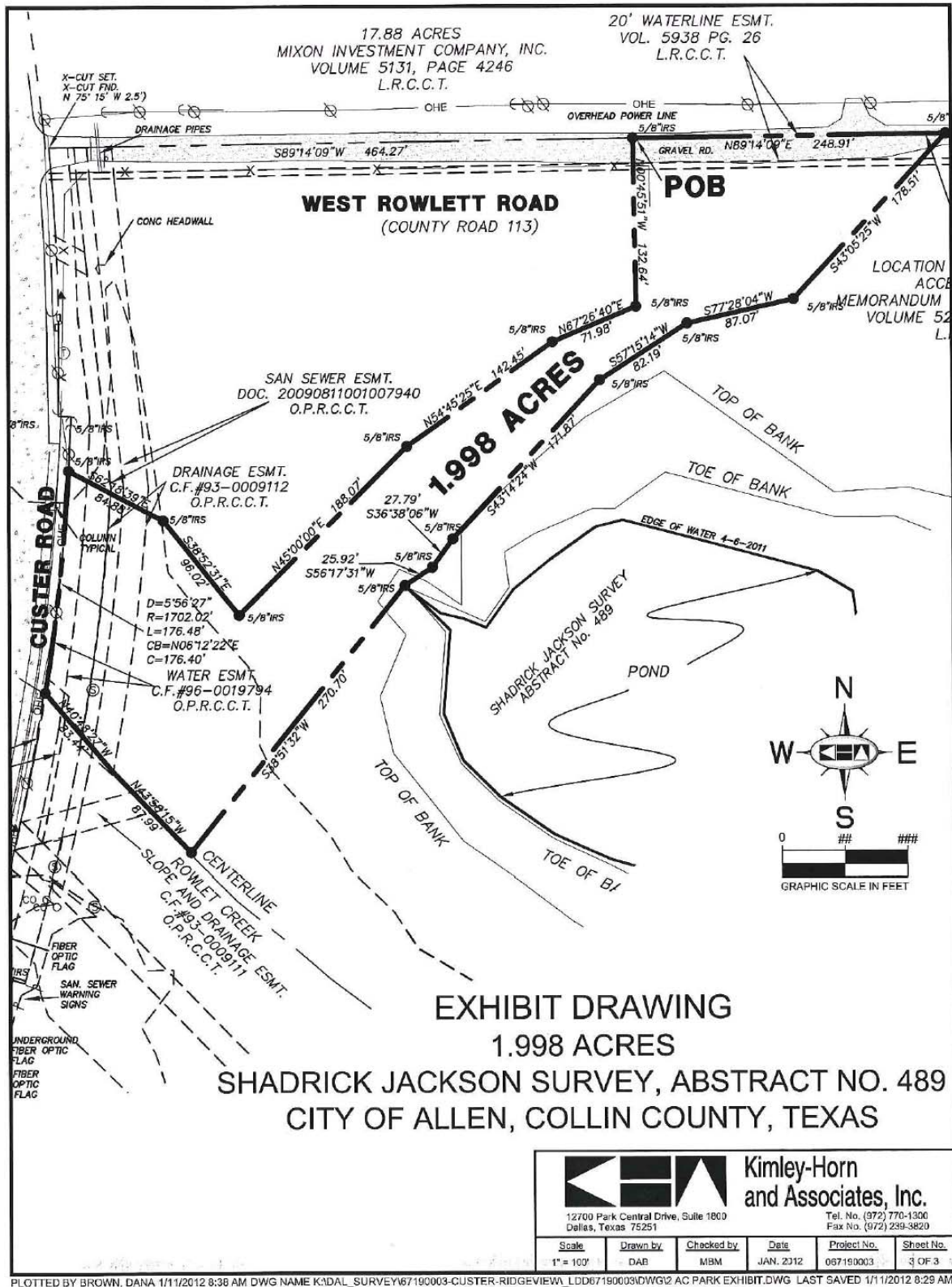


Exhibit "C"
(Park Site Deed)

After Recording, Return to:
Kevin B. Laughlin
Nichols, Jackson, Dillard, Hager & Smith, LLP
500 N. Akard, Suite 1800
Dallas, Texas 75201

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

Date: _____, 2012

Grantor: Gulf Coast Package, LTD., a Texas limited partnership

Grantor's Mailing Address: 1341 Preston Road, Suite C, Celina, Collin County, Texas 75009

Grantee: City of Allen, a Texas home rule municipality

Grantee's Mailing Address (including county): 305 Century Parkway, Allen, Collin County, Texas 75013

Consideration: The love and affection Grantor has for the Citizens of the City of Allen and Donor's desire to benefit the public through, the expansion of Grantee's public recreational facilities and property, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements): An approximately 2.0 acre tract of land out of the _____ Survey, Abstract No. ___, Collin County, Texas, and more particularly described by metes and bounds in Exhibit "A", attached hereto and incorporated herein by reference.

Reservations from Conveyance: None

Exceptions to Conveyance and Warranty: Validly existing easements, rights of way, and prescriptive rights, whether of record or not; all presently recorded and validly existing restrictions, reservations, covenants, conditions, oil and gas leases, mineral interests, and water interests outstanding in persons other than Grantor, and other instruments, other than conveyances of the surface fee estate, that affect the Property.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, has GRANTED, GIVEN, and CONVEYED and by these presents does GRANT, GIVE, and CONVEY to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee and

Exhibit "C"
(Park Site Deed)

Grantee's successors, and assigns. Grantor binds Grantor and Grantor's successors and assigns to warrant and forever defend all and singular the property to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, except as to the reservations from and exceptions to conveyance and warranty.

When the context requires, singular nouns and pronouns include the plural.

GULF COAST PACKAGE, LTD., a Texas
limited partnership

By: Eland Energy, Inc., a Texas Corporation
Its General Partner

By: _____
Gregg Allen, President

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on _____ day of _____, 2012 by Gregg Allen, President, Eland Energy, Inc., a Texas Corporation and General Partner of Gulf Coast Package, LTD, a Texas limited partnership, for and on behalf of said corporation and partnership.

Notary Public, State of Texas

My Commission Expires: _____

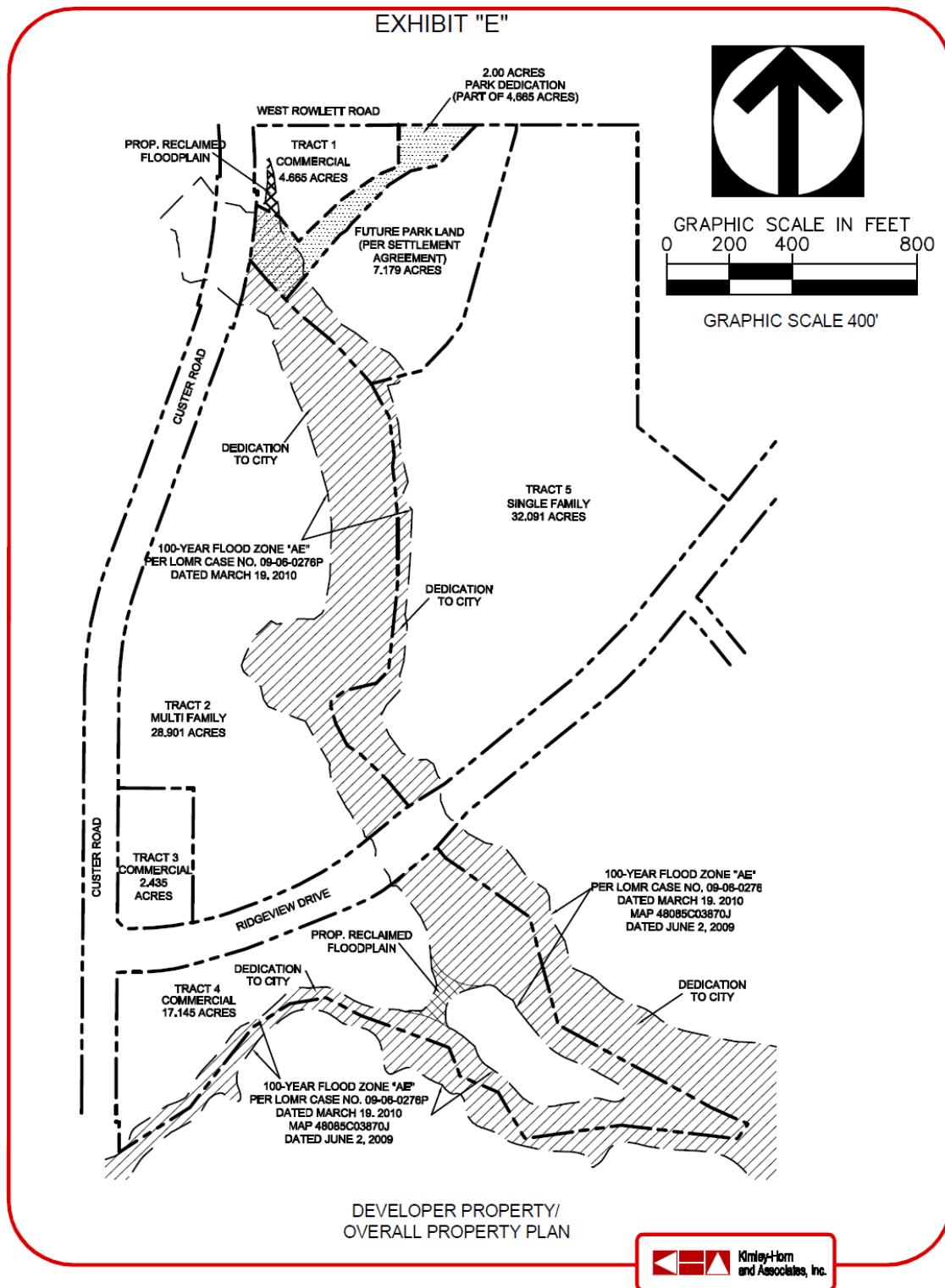
Exhibit "C"
(Park Site Deed)

Exhibit "A"
Description of Property

Item # 4(n)/Attachment 1

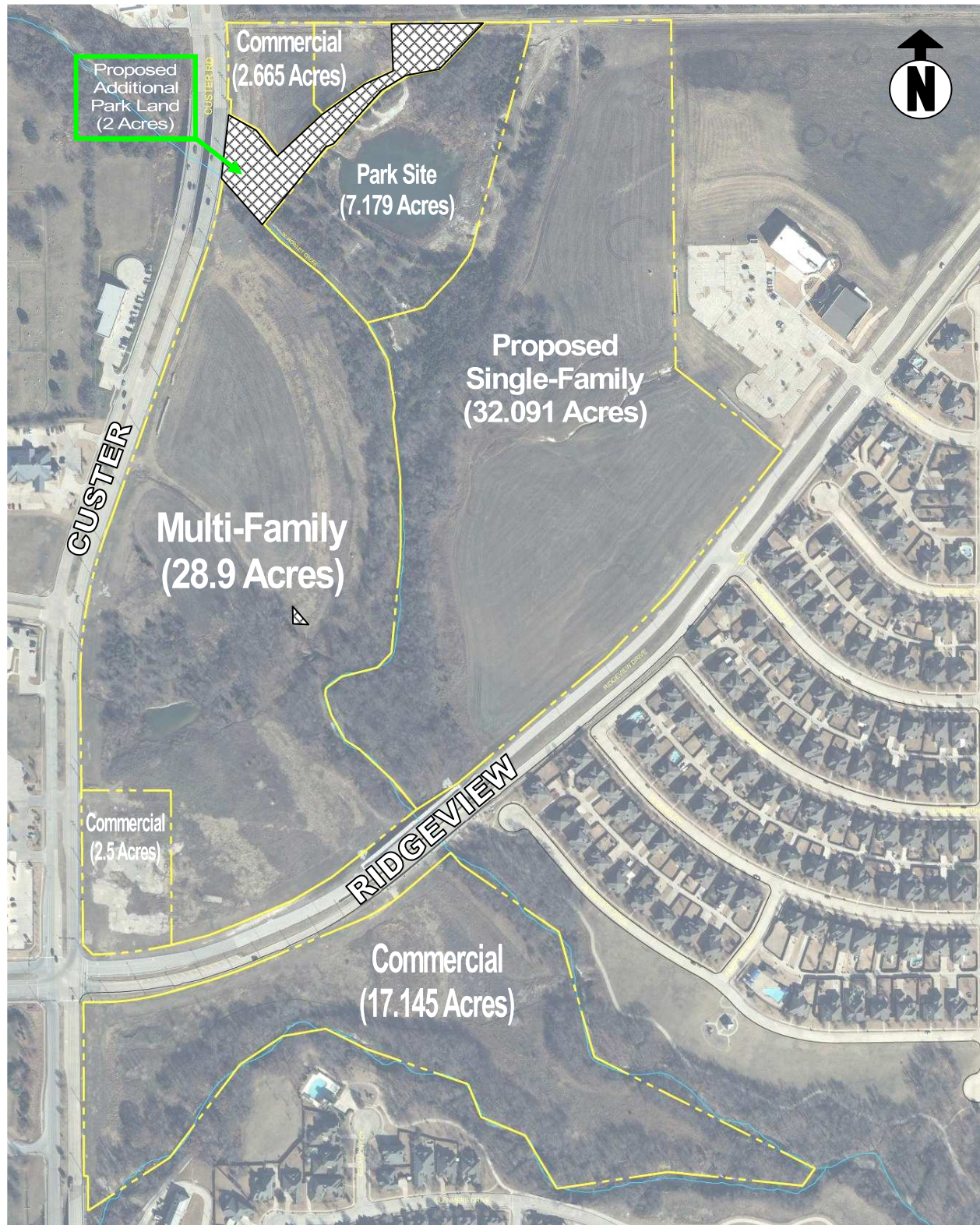


Exhibit "E"
(Overall Property Plan)



LOCATION MAP

Facilities Agreement - Gulf Coast Package Ltd Properties
(January 10, 2012)



CITY COUNCIL AGENDA COMMUNICATION
--

AGENDA DATE:	January 24, 2012
SUBJECT:	Receive the Capital Improvement Program (CIP) Status Report.
STAFF RESOURCE:	Kevin Hammeke, Chief Financial Officer

ATTACHMENT

CIP Active Projects Report
CIP Completed Projects Report



CAPITAL IMPROVEMENT PROJECTS

Prepared by Finance Department

Active Status

Date: 1/12/2012

Project Number	Project Description	Funding Sources	Completion Date	Project Estimate	Total Encumbrance & Expenditures	Percent Encumbered & Expended
CD1101	HERITAGE GLD HISTORIC VLG	NON-BONDS, CDC	12/31/2013	\$30,578	\$12,000	39.2%
DR1101	WATTERS CREEK FLP TRAILS	NON-BONDS	3/31/2012	\$35,000	\$28,320	80.9%
GRA002	ARRA-FIRE STATION #5	GO BONDS, NON-BONDS, ARRA	9/24/2012	\$4,742,305	\$3,807,077	80.3%
GRA005	ARRA-TRAFFIC SYNCH/REPLMT	RA GRANT & MATCHING FDS	3/31/2012	\$492,500	\$488,803	99.2%
IT0701	PS DISPATCH & RECORDS SYS	NON-BONDS	9/30/2012	\$2,243,366	\$2,242,818	100.0%
IT1201	SOFTWARE UPGRADE	NON-BONDS	9/30/2014	\$1,470,000	\$0	0.0%
PR0204	TREE FARM	CDC	12/31/2013	\$48,000	\$4,828	10.1%
PR0305	ENTRY & MONUMENT SIGNAGE	CDC, GO BONDS	12/31/2013	\$75,304	\$6,039	8.0%
PR0402	DAYSRING NATURE PRESERVE	CDC,PARKLAND,GO BONDS	6/30/2012	\$574,954	\$523,778	91.1%
PR0418	HERITAGE VILLAGE LANDSCAP	NON-BONDS	12/31/2012	\$25,000	\$7,012	28.0%
PR0702	WINDRIDGE NEIGHBORHOOD PK	PARKLAND FEE	12/31/2012	\$160,000	\$144,320	90.2%
PR0705	PARK COMP SECURITY SYSTEM	CDC	3/31/2012	\$159,000	\$158,796	99.9%
PR0804	MOLSEN FARM DESIGN	CDC	9/30/2013	\$150,000	\$0	0.0%
PR0809	SHELLEY FARM NEIGHBH PARK	PARKLAND	9/30/2012	\$305,616	\$39,200	12.8%
PR0815	CELEBRATION PARK PHASE II	GO BONDS, CDC, NON-BONDS	8/30/2012	\$3,707,096	\$3,665,835	98.9%
PR0910	BETHANY LAKES IMPROVEMENT	CDC	12/31/2012	\$156,481	\$145,052	92.7%
PR1001	FIRE STATION #5 ARTWORK	GO BONDS	4/30/2012	\$66,000	\$60,179	91.2%
PR1002	CHASE OAKS IMPROVEMENTIII	CDC	12/31/2012	\$6,562,789	\$6,469,438	98.6%
PR1004	HILLSIDE PARK IMPROVEMENT	CDC, GO BONDS, NON-BONDS	9/30/2012	\$305,290	\$102,393	33.5%
PR1101	EVENT CENTER PHASE II	NON-BONDS	4/30/2012	\$164,864	\$125,447	76.1%
PR1105	WATTER'S CROSSING IMPROVE	CDC	12/31/2012	\$120,000	\$0	0.0%
PR1106	EXCHANGE PARKWAY ART	GO BONDS	9/30/2012	\$209,983	\$200,000	95.2%
PR1201	RECYCLING @ CELEBRATION	NON-BONDS & GRANT	9/30/2012	\$80,000	\$72,033	90.0%
PR1202	STARCREEK LAND	GO BONDS	9/30/2012	\$183,444	\$42,796	23.3%
PR1203	SHADOW LAKES GREENBELT II	CDC	9/30/2012	\$15,000	\$0	0.0%
PR1204	TRAILS CONSTRUCTION FY12	CDC, NON-BONDS	9/30/2013	\$488,385	\$0	0.0%
PR1205	EVENT CENTER SCOREBOARD	CDC	6/30/2012	\$500,000	\$489,682	97.9%
PR1206	COTTONWOOD CREEK TRL/HPP	CDC, COUNTY GRANT	12/31/2012	\$175,763	\$0	0.0%
PR1208	PUBLIC ART FY2012	NON-BONDS	9/30/2012	\$52,482	\$0	0.0%
PS0701	SERVICE CTR/PS TRAINING	GO BONDS, NON-BONDS	3/31/2012	\$14,591,165	\$14,253,905	97.7%
PS0803	FIRE STATION #6	GO BONDS	9/30/2012	\$196,501	\$59,199	30.1%
PS0901	PS COMMUNICATION SYSTEMS	GO BONDS	9/30/2012	\$4,695,216	\$4,344,782	92.5%
PS1001	COMMUNICATIONS/DISPATCH	GO BONDS	3/31/2012	\$599,000	\$586,007	97.8%
PS1101	CITY HALL ANNEX RENOVATIO	GO BONDS	9/30/2012	\$105,728	\$78,143	73.9%
PS1105	K-9 FACILITY RESTROOMS	NON-BONDS	9/30/2012	\$65,000	\$61,663	94.9%
PS1106	CITY HALL SOFFIT REMODEL	GO BONDS	9/30/2012	\$233,595	\$15,000	6.4%
ST0316	FM 2551	FACILITY AGREEMENT	9/30/2015	\$1,094,147	\$0	0.0%
ST0704	STACY PII-GREENV TO ANGEL	NON-BONDS	3/31/2012	\$2,402,621	\$15,605	0.6%
ST0902	RIDGEVIEW-ALMA-US75 LAND	GO BONDS,NON-BONDS	1/31/2012	\$3,270,313	\$2,908,542	88.9%
ST1006	SERVICE CTR/FIRE #5 SIGNA	GO BONDS	3/31/2012	\$300,000	\$279,995	93.3%
ST1008	CABELA'S TREE MITI & SITE	EDC BONDS	9/30/2012	\$4,600,000	\$3,213,121	69.9%
ST1009	MAIN ST-ALLEN DR TO US75	GO BONDS	9/30/2012	\$1,499,506	\$110,010	7.3%
ST1103	E BETHANY DR WIDENING	GO BONDS, NON-BONDS	9/30/2012	\$1,361,000	\$240,079	17.6%



CAPITAL IMPROVEMENT PROJECTS

Prepared by Finance Department

Active Status

Date: 1/12/2012

Project Number	Project Description	Funding Sources	Completion Date	Project Estimate	Total Encumbrance & Expenditures	Percent Encumbered & Expended
ST1104	STACY/GREENVILLE TRF SIG	NON-BONDS	9/30/2012	\$91,649	\$18,334	20.0%
ST1105	STACY RD TRAFFIC EVALUATI	NON-BONDS	9/30/2012	\$52,275	\$50,175	96.0%
ST1106	EXCHANGE PKWY MEDIAN IMP	GO BONDS	3/31/2012	\$299,704	\$31,000	10.3%
ST1107	CHELSEA BOULEVARD PHASE I	GO BONDS, NON-BONDS	12/31/2012	\$3,505,716	\$863,799	24.6%
ST1201	FY12 STREET& ALLEY REPAIR	GO BONDS, NON-BONDS	9/30/2012	\$650,000	\$0	0.0%
ST1202	RIDGEVIEW-ALMA TO US75	GO BONDS, NON-BONDS	12/31/2013	\$3,335,000	\$0	0.0%
ST1203	STACY RD TRAFFIC IMP	NON-BONDS	9/30/2012	\$50,000	\$43,813	87.6%
ST1204	STACY RD PAVEMENT MARKING	NON-BONDS	9/30/2012	\$50,000	\$11,999	24.0%
ST9904	CHAPARRAL BRIDGE	GO BONDS, NON-BONDS, FCLTY	3/31/2012	\$3,421,495	\$3,353,857	98.0%
WA0401	US75 LIFT STA +12"FRC MN	NON-BONDS	9/30/2013	\$450,054	\$24,900	5.5%
WA0805	HILLSIDE WATER TOWER	IMP FEES, NON-BONDS, EDC B	3/31/2012	\$5,980,000	\$5,646,413	94.4%
WA1002	US 75 WATERLINE REPLACEME	NON-BONDS, EDC BONDS	4/30/2012	\$1,566,000	\$1,360,874	86.9%
WA1003	WALDEN PARK WATER/SEWER	NON-BONDS	6/30/2012	\$1,275,000	\$1,264,503	99.2%
WA1103	WALDEN PARK W&S PHASE II	NON-BONDS	1/31/2013	\$1,340,000	\$1,104,562	82.4%
WA1105	US 75 WATERLINE REPL PII	NON-BONDS	9/30/2012	\$1,775,000	\$135,740	7.6%
WA1106	SEWER MASTER PLAN UPDATE	NON-BONDS	1/31/2012	\$42,200	\$42,200	100.0%
WA1201	RIDGEVIEW WL RELOCATION	NON-BONDS	9/30/2012	\$120,000	\$0	0.0%
WA1202	EXCHANGE PARKWAY BERM	NON-BONDS	3/31/2012	\$30,000	\$23,104	77.0%
WA1203	PUMP STATION IMPROVEMENTS	NON-BONDS	9/30/2012	\$162,079	\$0	0.0%
WA1204	LIFT STATION IMPROVEMENTS	NON-BONDS	9/30/2012	\$134,871	\$0	0.0%
WA1205	STACY TANK REPAINT #2	NON-BONDS	9/30/2012	\$600,000	\$4,000	0.7%



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CD0102	88	FIRE & WEATHER SAFETY TRL	9/30/2001	\$39,722	\$39,722
CD0201	1416	HERITAGE GLD HISTORIC VLG	4/22/2011	\$1,271,706	\$1,271,704
CD0401	628	HISTORICAL VLG LAND	9/30/2004	\$126,549	\$126,549
DR0311	742	TWIN CREEKS DRAINAGE	9/30/2005	\$703,849	\$703,847
DR0401	703	DRAINAGE REPLACEMENTS	9/30/2005	\$72,991	\$72,991
DR0601	1096	FOREST GROVE	9/12/2008	\$18,993	\$18,992
DR0602	1188	BOWLING ALLEY DRAINAGE	4/16/2009	\$439,863	\$439,863
DR0701	1100	ROWLETT CREEK FLOODPLAIN	9/18/2008	\$30,133	\$30,132
DR0801	1230	BUCKINGHAM DRAINAGE REHAB	8/10/2009	\$23,569	\$23,569
DR0803	1258	FOUNTAIN GATE ALLEY DRAIN	12/14/2009	\$97,839	\$97,838
DR9301	576	MUSTANG CREEK	9/30/2003	\$1,123,034	\$1,123,034
DR9905	445	HILLSIDE DRAINAGE	9/30/2004	\$252,944	\$252,944
DR9906	339	HISTORIC DAM	9/30/2003	\$333,226	\$333,226
EC0801	1356	EVENT CENTER BUILDING	9/27/2010	\$51,938,486	\$51,938,482
EC0802	1259	EVENT CTR PARKING GARAGE	1/13/2010	\$8,090,000	\$8,090,000
EC0803	1231	EVENT CTR INFRASTRUCTURE	9/30/2009	\$13,281,025	\$13,281,025
ED0201	322	MILLENIUM TECH	9/30/2002	\$963,788	\$963,588
ED0301	318	MILLENIUM TECH, PH 2	6/7/2006	\$1,017,817	\$1,017,817
ED0302	628	CENTURY @ BUTLER LAND	6/7/2006	\$597,488	\$587,361
ED8900	862	RIDGEMONT	9/30/2006	\$547,613	\$547,613
ED8910	768	MILLENIUM CORPORATE CNTR	6/7/2006	\$3,277,340	\$3,277,340
G05011	697	SW GRAPPLE TRUCK	9/30/2005	\$89,473	\$89,410
G10007	1441	ALLEN ST PK RECYCLING PRG	9/30/2011	\$60,753	\$27,763
GRA003	1457	ARRA ENERGY EFF BLOCK	9/26/2011	\$721,273	\$721,272
GRA004	1370	ARRA-JAG-DIGITAL VIDEO SYS	8/19/2011	\$227,445	\$42,444
IS0305	313	IT CONDUIT/PHONE SYS,PH1	9/30/2005	\$80,240	\$80,240
IS0306	998	IT CONDUIT/PHONE SYS,PH2	12/20/2007	\$83,225	\$83,225
IS0406	388	CIVIC BLDGS IMPRV, PH3	9/30/2005	\$52,666	\$52,666
IS0501	866	SERVICE CTR LAND ACQUISIT	8/31/2006	\$2,451,091	\$2,451,091
IS0503	850	PUMP STATION PWR FACTOR C	9/7/2006	\$27,666	\$27,666
IS0504	313	CITY HALL BLDG IMPROVEMNT	2/28/2006	\$18,802	\$18,800
IS0505	545	NATATORIUM POWER FACTOR C	3/22/2006	\$30,000	\$30,000
IS0601	877	CITY HALL REMODEL 2006	6/20/2007	\$29,700	\$29,700
IS0602	387	CITY HALL ANNEX RMDL 2006	3/22/2007	\$19,722	\$19,720
IS0702	377	FIRE STATION #2 ROOF	9/21/2007	\$50,038	\$50,038
IS0703	1121	IT DATA CENTER @CITY HALL	9/30/2008	\$506,061	\$506,060
IS0704	984	FIRE STATION #1 CARPET	9/21/2007	\$14,535	\$14,534
IS0705	984	FIRE STATION #1 WRK ROOM	9/21/2007	\$2,301	\$2,301
IT0801	1251	IT PUBLIC SAFETY WIRELESS	2/10/2010	\$569,951	\$569,951

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LB0101	693	MAIN LIBRARY	8/31/2006	\$11,855,075	\$11,855,075
LB0401	848	LIBRARY-ADAPTIVE RE-USE	9/30/2007	\$1,162,673	\$1,162,672
LB0501	863	LIBRARY BOOKS	8/25/2006	\$100,000	\$99,999
LB0601	1301	LIBRARY ARTWORK OCEANO	8/10/2010	\$130,192	\$130,192
LB0701	885	MAIN LIBRARY PHASE II	9/6/2007	\$7,533	\$7,532
PR0002	575	NATATORIUM	9/30/2003	\$9,983,369	\$9,983,369
PR0003	357	BETHANY LAKES AMEN.BLDG.	9/30/2003	\$355,158	\$355,146
PR0004	580	CELEBRATION PARK	9/30/2003	\$6,797,817	\$6,797,814
PR0005	743	TRAILS CONSTRUCTION	11/4/2005	\$606,464	\$606,464
PR0006	334	MEDIAN BEAUTIFICATION	9/30/2002	\$131,333	\$131,333
PR0007	561	ALLEN STA PRK PH.1B	9/30/2003	\$640,777	\$640,777
PR0008	420	GLNDVR,BETHNY,TWNCRK	9/30/2003	\$803,452	\$803,452
PR0009	233	BOLIN/SUNCREEK PRK	9/30/2002	\$866,922	\$866,922
PR0011	227	CITY HALL LANDSCAPE PH2	9/30/2002	\$455,665	\$455,665
PR0101	233	BOLIN PARK FENCE	9/30/2002	\$85,408	\$85,408
PR0102	746	ALLEN STATION PARK, PH 2	6/4/2007	\$6,571,744	\$6,545,273
PR0103	456	HERITAGE HOUSE TRAINDEPOT	9/30/2003	\$605,706	\$605,706
PR0104	864	CIVIC CENTER PLAZA	8/18/2006	\$1,709,740	\$1,701,446
PR0105	987	SPRING MEADOWS PARK	1/2/2008	\$574,240	\$574,238
PR0106	764	COM. PARK ACQUISITION #1	3/30/2006	\$2,860,834	\$2,860,834
PR0107	368	LOST CREEK PARK	9/30/2003	\$310,140	\$310,140
PR0109	566	FORD EAST PARK RENOVATION	9/30/2005	\$232,147	\$232,147
PR0110	566	FORD WEST PLAYGROUND	9/30/2003	\$47,937	\$47,937
PR0111	570	CTTNWOOD BEND PLAYGROUND	9/30/2003	\$58,629	\$58,007
PR0112	432	REED PARK PLAYGROUND	9/30/2003	\$65,847	\$65,846
PR0113	369	CELEBRATION PLAYGROUND	9/30/2003	\$206,276	\$206,277
PR0114	391	PARK ACQUISITION #2	9/30/2003	\$587,080	\$587,080
PR0115	711	STACY RIDGE PARK	9/30/2005	\$557,444	\$557,444
PR0116	359	MAIN ST LANDSCAPING	9/30/2003	\$205,907	\$205,907
PR0117	577	VALCON SYSTEM	9/30/2003	\$130,207	\$130,207
PR0201	896	COLLIN SQUARE GREENBELT	12/14/2006	\$4,700	\$4,700
PR0202	1384	HILLSIDE PARK	12/13/2010	\$18,105	\$18,105
PR0203	716	STORY PARK	9/30/2005	\$609,312	\$609,312
PR0206	376	FIRE STA #1 REMODEL	9/30/2004	\$123,736	\$123,736
PR0207	336	SIX CITIES TRAIL	9/30/2002	\$7,500	\$7,500
PR0211	301	BLUFF @ LOST CREEK PH 2	9/30/2002	\$300,000	\$300,000
PR0302	1289	JUPITER PARK	5/12/2010	\$20,990	\$20,990
PR0303	1011	PARK SIGNAGE	1/15/2008	\$56,336	\$56,336
PR0304	696	WATTERS CREEK TRAIL	9/30/2005	\$231,979	\$231,979



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PR0306	233	BOLIN/SUNCREEK PARK PH2	9/30/2003	\$3,927	\$3,927
PR0307	389	FORD POOL RENOVATION	9/30/2003	\$83,753	\$83,317
PR0308	840	SENIOR CITIZENS CENTER	9/7/2007	\$4,807,328	\$4,804,321
PR0309	660	TWN CRK 3, IRRIGATION	9/30/2004	\$39,723	\$39,723
PR0401	820	LOST CREEK, PH 3	12/30/2005	\$340,000	\$340,000
PR0403	865	CELEBRATION ADDITIONS #1	8/18/2006	\$483,282	\$400,404
PR0405	1365	TRAILS CONSTRUCTION, PH 3	9/29/2010	\$367,674	\$367,672
PR0406	763	ALLENWOOD PARK DEVELOPMNT	4/14/2009	\$1,031,507	\$1,031,506
PR0407	432	REED PARK, PH 2	9/30/2005	\$10,900	\$10,320
PR0409	904	NATATORIUM PH 1B	1/2/2007	\$5,000	\$4,850
PR0410	456	HERITAGE CNTR,PH1B	9/30/2004	\$21	\$21
PR0412	817	GLENDOVER NP, PH2	12/31/2005	\$277,024	\$277,024
PR0413	818	BETHANY RIDGE NP, PH2	12/31/2005	\$173,514	\$173,514
PR0414	819	DAYSPRING NP (TWN CRK)	12/31/2005	\$39,208	\$39,208
PR0415	740	QUAIL RUN PARK	8/16/2006	\$403,664	\$403,664
PR0419	937	JUPITER RD STORAGE FAC	6/22/2007	\$36,331	\$36,331
PR0420	748	CHASE OAKS GC-TAX EXEMPT	7/3/2007	\$5,350,272	\$5,350,268
PR0422	765	CHASE OAKS GC-TAXABLE	9/30/2006	\$919,887	\$919,883
PR0503	821	BETHANY LAKES PLAYGROUND	12/31/2005	\$114,201	\$114,201
PR0504	1206	ALLEN BARK PARK	6/17/2009	\$21,323	\$21,323
PR0505	911	HERITAGE PARK BRIDGE	3/14/2007	\$184,255	\$184,255
PR0507	1012	BRIDGEWATER CROSSING R.A.	1/17/2008	\$120,653	\$120,652
PR0508	1403	FOX HOLLOW RECREATION A.	3/16/2011	\$102,355	\$102,354
PR0509	1221	FORD POOL REDEVLPMT PLAN	7/24/2009	\$74,500	\$74,500
PR0511	390	FORD PARK EAST IMPRVMNTS	9/30/2005	\$2,505	\$2,505
PR0512	383	J FARMER RCQTBL CT REPLCM	9/30/2005	\$51,899	\$51,899
PR0513	744	COTTONWOOD PARK PH 1B	9/30/2005	\$4,750	\$4,750
PR0514	1449	6 CITIES TRL CONNECTION 8	9/20/2011	\$712,027	\$712,026
PR0602	1116	CMPTN CNTRLS/IRRIG+LIGHTS	9/30/2008	\$143,995	\$143,995
PR0603	1135	CELEBRATION #2 SPRAYGRD	12/11/2008	\$125,545	\$125,545
PR0604	1213	COUNTRY MEADOW PARK IMP#2	6/30/2009	\$211,153	\$211,152
PR0605	870	BETHANY LAKES DISCGOLF EQ	9/7/2006	\$21,071	\$21,070
PR0607	849	CHASE OAKS CLUBHOUSE IMP	12/31/2007	\$175,619	\$175,618
PR0608	859	FORD PARK WEST-HOCKY WALL	8/30/2006	\$24,980	\$24,980
PR0609	1450	BETHANY LAKES VETERAN'S	9/20/2011	\$263,513	\$263,513
PR0610	1079	HOCKEY STORAGE FACILITY	8/19/2008	\$5,000	\$5,000
PR0612	871	RESERVATION MESSAGE BOARD	9/7/2006	\$4,880	\$4,880
PR0613	1003	CHASE OAKS PAVILION ENCLO	12/14/2007	\$210,800	\$210,799
PR0615	1290	CHASE OAKS IMPROVEMENT II	5/11/2010	\$239,603	\$239,602

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PR0701	952	PARK LAND ACQUISITION #3	9/24/2010	\$6,961	\$6,960
PR0703	1451	SHADOW LAKES GREENBELT	9/21/2011	\$78,423	\$78,422
PR0704	1136	JFRC RENOVATION PHASE 1	12/17/2008	\$22,170	\$22,169
PR0706	1252	MOLSEN FARM MASTER PLAN	2/3/2010	\$25,000	\$25,000
PR0707	1222	SHADE STRUC @ BALLFIELDS	7/24/2009	\$215,513	\$215,512
PR0708	989	EX EQUIPMENT @ JFRC & DRN	6/2/2008	\$275,790	\$275,790
PR0709	1219	ASP II BRIDGE DECK	7/9/2009	\$36,162	\$36,162
PR0711	951	WATER FORD PARK PH 5 NP	5/28/2010	\$745,350	\$745,349
PR0722	986	CHASE OAKS GC-TAXABLE PH2	12/26/2007	\$19,811	\$19,811
PR0801	1253	SHADE @ CELEBRATION PARK	1/28/2010	\$78,936	\$78,935
PR0802	1077	FORD SOFTBALL IMPROVEMENT	8/12/2008	\$59,366	\$59,366
PR0803	1047	DRN UV H2O TREATMENT PKG	3/31/2008	\$60,650	\$60,650
PR0805	1223	BETHANY LAKES PIER	7/30/2009	\$43,883	\$43,883
PR0807	1076	TWIN CREEK NP	8/7/2008	\$485,000	\$465,190
PR0808	1137	POLICE MONUMENT SIGN	12/11/2008	\$33,750	\$33,750
PR0810	1452	CELEBRATION PASS PED TRL	9/21/2011	\$686,942	\$687,604
PR0811	1043	BOLIN PARK ACCESSIBILITY	3/25/2008	\$12,178	\$12,178
PR0812	1262	WATTERS BRANCH BRIDGE	3/2/2010	\$175,659	\$175,658
PR0813	1372	CANCER WALK OF HOPE	9/30/2010	\$46,347	\$46,347
PR0816	1132	OUTDOOR CINEMA SYSTEM	1/28/2009	\$19,902	\$19,902
PR0901	1196	PATIENT MOBILE TRANSPORT	8/18/2009	\$24,963	\$24,962
PR0902	1291	IRRIGATION CONTROL	5/12/2010	\$83,835	\$83,835
PR0903	1232	GRAFFITI REMOVAL MACHINE	8/20/2009	\$53,850	\$53,850
PR0904	1191	SCOREBOARDS (ASP/BOLIN)	4/22/2009	\$35,554	\$35,554
PR0905	1237	STORAGE SHED	9/16/2009	\$8,380	\$8,380
PR0906	1220	TREE SPADE	7/16/2009	\$31,819	\$31,819
PR0907	1214	STACY RD - VILLAGES TRAIL	6/30/2009	\$70,181	\$70,181
PR0909	1292	WALDEN PARK RENOVATION	8/30/2010	\$89,892	\$89,892
PR1003	1442	JUPITER PARK II	8/10/2011	\$248,961	\$248,961
PR1005	1350	IRRIGATION CONTROL FY2010	8/12/2010	\$124,941	\$124,941
PR1006	1396	SUNCREEK PK DRAINAGE IMP	7/31/2011	\$93,528	\$93,528
PR1008	1446	CH ART BLACKLAND PRAIRIE	9/14/2011	\$205,045	\$205,044
PR1102	1448	WATTERS BRANCH PARK LAND	9/20/2011	\$4,249,854	\$4,249,853
PR1103	1417	JFRC DUMPSTER ENCLOSURE	4/27/2011	\$17,776	\$17,776
PR1107	1447	ORCHARDS LAND ACQUISITION	9/14/2011	\$121,333	\$121,333
PS0001	388	POLICE BLDG EXPANSION	9/30/2003	\$4,628,393	\$4,628,393
PS0004	546	CENTRAL FIRE STATION	9/30/2003	\$4,300,041	\$4,300,041
PS0201	730	FIRE STA APPARATUS	9/30/2005	\$349,981	\$349,981
PS0301	629	EMERGENCY MGMT WARNG SYST	9/30/2005	\$294,713	\$294,713

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PS0302	374	EXHST SYS STA3&4	9/30/2003	\$17,110	\$17,110
PS0304	546	CNTRL FIRE ST GARAGE	9/30/2004	\$143,452	\$143,452
PS0305	630	CNTRL FIRE STA RENVATION	9/30/2004	\$31,902	\$31,902
PS0306	691	FIRE STA 2 3&4 RENVATION	9/30/2005	\$37,700	\$36,975
PS0401	388	POLICE STA ADDITIONS	9/30/2004	\$60,867	\$60,867
PS0402	927	PARKING LOT EXPNSN-POLICE	4/16/2007	\$245,443	\$245,442
PS0403	546	FIRE STATION IMPRVMT	9/30/2005	\$11,980	\$11,980
PS0801	1240	JAIL EXPANSION	9/25/2009	\$735,220	\$735,220
PS0802	1361	ANIMAL SHELTER EXPANSION	3/18/2011	\$1,065,565	\$1,065,564
PS1002	1455	PD HVAC REPLACEMENT	9/22/2011	\$464,229	\$464,228
PS1003	1461	FIRE STATION ALERTING SYS	9/30/2011	\$193,809	\$193,809
PS1102	1393	SALLY PORT LANDSCAPING	3/24/2011	\$17,915	\$17,915
ST0035	574	ANGEL PKWY & MALONE	9/30/2003	\$3,290,404	\$3,290,404
ST0036	574	ANGEL PKWY,BY DVLPR	9/30/2003	\$131,042	\$131,042
ST0101	728	ALLEN HTS,BTHNY-PRKMEDIAN	9/30/2005	\$345,000	\$333,385
ST0110	762	SH5, EXCHANGE-STACY	7/19/2010	\$1,378,140	\$1,378,138
ST0111	761	FM2170E, ALLEN HTS-FM2551	9/12/2007	\$7,014,185	\$7,014,185
ST0113	854	BETHANY E, US75-ALLEN HTS	5/8/2006	\$3,915,419	\$3,915,419
ST0123	671	E EXCHANGE,SH5-1378	9/30/2004	\$3,014,641	\$3,014,641
ST0127	367	SGNL LT-CNTRY@MCDRM	9/30/2003	\$445,783	\$445,783
ST0136	672	ALMA DR,TATUM-BELAIR	9/30/2004	\$1,181,982	\$1,181,982
ST0137	330	WATTERS RD, PH I	9/30/2002	\$351,626	\$351,626
ST0141	395	ASPHALT PAVEMENT,PH I	9/30/2003	\$361,382	\$361,381
ST0142	556	CONCRETE ALLEY REPLCMNT	9/30/2003	\$672,824	\$672,823
ST0146	195	MAIN/MALONE INTERSECTION	9/30/2002	\$150,000	\$148,279
ST0148	231	101 S BUTLER,ASBSTS	9/30/2002	\$14,086	\$14,086
ST0201	396	SH 5 SIDEWALKS, PH2	9/30/2003	\$314,059	\$314,059
ST0202	876	ALLEN DRIVE	9/27/2006	\$3,036,182	\$3,036,182
ST0203	674	ST MARY'S DRIVE	9/30/2004	\$550,731	\$550,729
ST0204	360	STREET LIGHT INSTALLATION	9/30/2003	\$425,933	\$425,933
ST0205	361	ASH DRIVE	9/30/2003	\$320,736	\$320,735
ST0206	193	TEN OAKS	9/30/2002	\$58,880	\$58,880
ST0207	670	BETHANY SIGNAL	9/30/2004	\$151,140	\$151,140
ST0249	1089	ALLEN CENTRAL DRIVE	9/10/2008	\$48,116	\$48,116
ST0301	731	RIDGEMONT DRIVE	9/30/2005	\$824,510	\$824,510
ST0302	652	ASPHLT RPLCMNT PH2	9/30/2004	\$648,681	\$648,681
ST0304	364	RIDGEVIEW, US75-STACY RD	9/30/2004	\$228,000	\$227,250
ST0306	895	ANGEL PKWY, LANDSCAPE& LT	11/20/2006	\$418,831	\$418,830
ST0309	664	CONCRETE ALLEY PH 11	9/30/2004	\$476,646	\$476,035



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ST0310	766	ALLEN DRIVE, PHASE 2	9/7/2006	\$674,124	\$674,124
ST0311	1058	INTERSECTION IMPROVEMENTS	4/30/2008	\$95,194	\$95,193
ST0312	1402	SIGNAL UPGRADE/COM.SYSTEM	3/10/2011	\$1,417,049	\$1,417,049
ST0313	628	BEL AIR DR ROW	9/30/2004	\$186,099	\$186,099
ST0315	767	BETHANY DRIVE EAST	12/8/2006	\$1,825,519	\$1,825,519
ST0317	1202	N BETHANY LAKES-WALL PRJ	6/11/2009	\$66,000	\$66,000
ST0318	351	BTHNY @AYLSBY SGNL	9/30/2004	\$74,840	\$74,840
ST0319	373	RDGVIEW/RWLT CR BRG	9/30/2003	\$74,376	\$74,375
ST0320	673	EXCHNGE PKWY@RVRCST	9/30/2004	\$92,298	\$92,298
ST0321	657	TRAFFIC SIGNALS	9/30/2004	\$130,700	\$130,700
ST0338	703	CONCRETE REPLACEMENTS	9/30/2005	\$835,525	\$835,525
ST0403	812	ST. MARY DRIVE, PH 2	2/10/2006	\$617,417	\$617,417
ST0404	853	HEDGCOXE RD,DCHSS-LNGWOOD	5/2/2006	\$144,283	\$144,282
ST0406	672	BEL AIR - ALMA SIGNAL	9/30/2005	\$106,916	\$106,916
ST0407	739	TWIN CREEKS 7A1 AND 7A2	9/30/2005	\$133,380	\$133,380
ST0415	720	WATTERS RD,TWN CRK-WTRAIL	9/30/2005	\$244,935	\$244,935
ST0416	940	HILLSIDE/WNDRDGE ST.LIGHT	7/5/2007	\$7,248	\$7,248
ST0501	953	EXCHANGE,WATTERS-W.BRANCH	2/4/2010	\$2,364,907	\$2,364,905
ST0503	886	EXCHANGE PK,TWN CRK-SH121	6/23/2011	\$5,153,414	\$5,153,410
ST0504	855	LED SIGNAL LIGHTS	5/11/2006	\$42,027	\$42,026
ST0505	979	RIDGEVIEW/CUSTER INTR SCTN	8/31/2007	\$153,014	\$153,014
ST0506	739	TEN OAKS LANDSCAPE	9/30/2005	\$25,000	\$24,210
ST0507	1090	ST. MARY DRIVE, PH 3	9/10/2008	\$2,007,891	\$2,007,890
ST0508	856	MCDERMOTT/75 INTERSECTION	5/11/2006	\$158,835	\$158,835
ST0509	822	McDRMTT@ALLEN DR INTR SCTN	2/20/2006	\$132,508	\$132,508
ST0601	1101	FIRE STA 2&3 EMERG SIGNAL	9/18/2008	\$130,870	\$130,871
ST0603	1260	STACY RD-US 75 TO GREENVI	1/11/2010	\$2,852,290	\$2,852,290
ST0604	935	DUCHESS AND HEDGCOXE	6/21/2007	\$120,958	\$120,958
ST0606	941	CUMBERLAND CROSSING	7/5/2007	\$43,954	\$43,953
ST0607	939	SHALLOWATER BRIDGE	7/2/2007	\$180,000	\$180,000
ST0608	1117	STACY-WATTERS TRAFFIC SIG	9/30/2008	\$146,318	\$140,317
ST0610	1204	ANGEL PARKWAY, PH III	6/11/2009	\$803,965	\$803,964
ST0697	892	SIDEWALK	9/30/2006	\$17,308	\$17,308
ST0701	1113	ALLEN DRIVE, PHASE 3	9/30/2008	\$361,098	\$361,098
ST0702	1120	EXCHANGE PKWY SIGNALS	9/30/2008	\$141,638	\$141,638
ST0703	923	WINDRIDGE EXCHANGE PKWY	3/22/2007	\$78,432	\$78,431
ST0705	1091	ALMA/HEDGCOXE	9/9/2008	\$480,000	\$410,322
ST0706	1083	JUPITER RD REPLACEMENT	9/5/2008	\$193,810	\$193,809
ST0707	954	US 75/SH 121 ROW	9/9/2008	\$150,000	\$150,000



CAPITAL IMPROVEMENT PROJECTS

Prepared by Finance Department

Closed to Fixed Assets

Date: 1/12/2012

Project Number	Fixed Assets #	Project Description	Completion Date	Project Estimate	Project Total Costs
ST0708	980	MCDERMOTT TURN LANE	9/12/2007	\$25,044	\$25,044
ST0709	1106	COUNTRY BROOK LANE	2/10/2010	\$484,081	\$484,080
ST0710	1438	RIDGEVIEW ALIGNMENT PH 1	7/21/2011	\$54,575	\$54,575
ST0711	1154	MAIN STREET LANDSCAPING	1/19/2009	\$289,681	\$289,681
ST0712	1092	2551/MAIN ST SIDEWALKS	9/12/2008	\$19,613	\$19,612
ST0715	1093	HEDGCOXE ROAD	9/10/2008	\$400,000	\$370,051
ST0717	1094	MCDERMOTT PAVEMENT REHABI	9/10/2008	\$348,729	\$348,728
ST0801	1439	RIDGEVIEW-CUSTER TO ALMA	7/21/2011	\$5,916,100	\$5,916,099
ST0802	1239	WATTERS RD BOSSY TO RIDGE	3/10/2011	\$1,977,913	\$1,977,912
ST0805	1167	STREET & ALLEY REPAIR	2/12/2009	\$297,649	\$297,648
ST0806	1300	ALMA IMP ROWLETT/TATUM	6/30/2010	\$255,742	\$255,742
ST0809	1119	BETHANY TRAFFIC SIGNALS	9/30/2008	\$8,750	\$8,750
ST0810	1261	ALMA/HEDGCOXE TRAFFIC SIG	2/17/2010	\$43,092	\$43,092
ST0811	1373	2009 TRAFFIC SIGNALS	9/30/2010	\$591,823	\$591,823
ST0812	1254	FY09 STREET& ALLEY REPAIR	11/19/2009	\$396,223	\$396,222
ST0813	1293	SHALLOWATER DRIVE	8/31/2010	\$205,456	\$205,455
ST0903	1374	CHELSEA DR & COMMERCE PKY	9/30/2010	\$1,261,385	\$1,261,385
ST0904	1375	2010 TRAFFIC SIGNALS	9/30/2010	\$636,103	\$636,102
ST1001	1376	FY10 STREET& ALLEY REPAIR	9/30/2010	\$853,376	\$853,375
ST1002	1440	AISD STADIUM INTERSEC IMP	9/30/2012	\$503,944	\$503,943
ST1010	1401	CABELA'S ACCELERATION LN	2/28/2011	\$18,800	\$18,800
ST1101	0	FY11 STREET& ALLEY REPAIR	12/19/2011	\$729,582	\$729,581
ST1102	1430	GREENVILLE STREET LIGHTS	6/23/2011	\$140,319	\$140,319
ST9508	719	SH5 MEDIANS,CHP-XCH	9/30/2005	\$1,367,605	\$1,367,605
ST9512	229	MCDERMOTT,CUSTER-US75	9/30/2002	\$11,638,037	\$11,638,037
ST9809	572	COLLECTOR SIDEWALKS	9/30/2003	\$559,631	\$559,225
ST9828	230	ALMA DR, EXCHANGE-SH121	9/30/2002	\$3,566,608	\$3,566,608
ST9829	538	STACY RD,US75-SH121	9/30/2003	\$9,672,319	\$9,672,319
ST9903	541	BETHANY WEST	9/30/2003	\$5,671,564	\$5,671,564
ST9918	366	WATTERS,BETHANY-MCDERMOTT	9/30/2003	\$1,689,394	\$1,689,394
WA0009	228	LOST CREEK LIFT STATION	9/30/2001	\$88,000	\$87,879
WA0016	87	HIGHPOINT WATER LINE	9/30/2001	\$57,271	\$57,271
WA0027	560	ALLEN HTS IMPROVEMENTS	9/30/2003	\$1,170,306	\$1,170,302
WA0030	537	ALLEN HTS,PH II WATERLINE	9/30/2003	\$1,205,493	\$1,205,491
WA0036	579	STACY RD PUMP STA#2	9/30/2003	\$5,130,942	\$5,130,942
WA0112	872	PRESTIGE CIR WATER TOWER	9/12/2006	\$4,165,604	\$4,165,604
WA0118	1241	ALLENWOOD SANITARY SEWER	9/30/2009	\$1,098,600	\$1,098,599
WA0120	632	LOST CREEK RANCH PH2A	9/30/2004	\$348,230	\$348,230
WA0132	557	S.C.A.D.A.	9/30/2003	\$352,456	\$352,456

Report: N:\Finance\Accounting Division\Project Accounting\Report Masters\CIP Completed Projects.imr



CAPITAL IMPROVEMENT PROJECTS

Prepared by Finance Department

Closed to Fixed Assets

Date: 1/12/2012

Project Number	Fixed Assets #	Project Description	Completion Date	Project Estimate	Project Total Costs
WA0133	356	HEDGCOXE WATERLINE	9/30/2003	\$255,881	\$255,881
WA0134	356	OVERSIZING W&S	9/30/2003	\$14,654	\$14,654
WA0214	392	WATERLINE REPLACEMENT	9/30/2003	\$124,375	\$124,375
WA0215	677	OLA SEWER	9/30/2004	\$936,723	\$936,720
WA0216	578	COTTONWOOD CREEK SEWER	9/30/2003	\$835,838	\$835,838
WA0217	731	RIDGEMONT SEWERLINE	9/30/2005	\$225,000	\$225,000
WA0218	308	STACY RIDGE LIFT STATION	9/30/2002	\$218,550	\$218,550
WA0219	358	BETHANY RIDGE LIFTSTATION	9/30/2003	\$113,616	\$113,616
WA0240	1264	CUSTER RD PMP STA#3 EXPNS	3/11/2010	\$5,779,059	\$5,779,058
WA0301	1122	TWN CREEKS 36" WTRLIN 6B	9/30/2008	\$734,100	\$734,099
WA0302	735	WATER TOWER SECURITYLIGHT	9/30/2005	\$423,572	\$423,572
WA0303	676	FAIRVIEW WSTWTR INTR	9/30/2004	\$104,682	\$104,682
WA0305	1194	COVENTRY II OVERSIZING	5/26/2009	\$131,109	\$131,109
WA0335	781	WESTSIDE WATERLINE	2/10/2010	\$3,388,382	\$3,388,382
WA0402	698	36" WATERLINE TC6A	9/30/2005	\$211,242	\$211,242
WA0403	811	ST. MARY DRIVE, PH 2	2/9/2006	\$83,000	\$82,798
WA0407	739	TWIN CREEKS 7A1 AND 7A2	9/30/2005	\$237,435	\$237,435
WA0415	720	WATTERS RD-QUAIL RUN	9/30/2005	\$29,470	\$29,470
WA0507	936	ST MARY DR PH III WATER	6/20/2007	\$57,000	\$57,000
WA0511	932	EAST MAIN WATER LINE	6/12/2007	\$1,554,666	\$1,554,666
WA0601	950	JUPITER RD SEWER REPLACEM	1/19/2009	\$488,201	\$488,200
WA0602	1203	EXCHANGE PARKWAY WATERLIN	6/11/2009	\$71,546	\$71,545
WA0701	579	STACY RD GROUND STORAGE	9/12/2007	\$555,816	\$555,816
WA0702	1095	COUNTRY CLUB WATERLINE	9/9/2008	\$97,442	\$96,121
WA0703	1189	BEACON HILL/MCDERMOTT W/L	4/16/2009	\$53,399	\$53,399
WA0704	1212	CUSTER ROAD WATERLINE	3/2/2010	\$343,520	\$343,518
WA0801	1084	ALLEN DRIVE PHASE III	9/5/2008	\$161,198	\$161,198
WA0802	1156	FAIR MEADOW SANITARY SEWE	1/19/2009	\$123,876	\$123,876
WA0803	1255	LIFT STATION IMPROVEMENTS	1/25/2010	\$23,198	\$23,197
WA0804	1380	PUMP STATION IMPROVEMENTS	9/30/2010	\$72,718	\$72,717
WA0806	1190	STACY TANK CATHODIC PROTE	4/16/2009	\$9,813	\$9,813
WA0807	1263	HIGH MEADOWS SEWER LINE	3/2/2010	\$762,976	\$762,975
WA0808	1377	MAIN ST WATERLINE REPLAC	9/30/2010	\$534,850	\$534,850
WA0901	1256	ROWLETT WATER TOWER FENCE	1/11/2010	\$132,412	\$132,412
WA0902	1378	TIMBERCREEK SANITARY SEWE	9/30/2010	\$666,299	\$666,298
WA0903	1243	RIDGEVIEW-CUSTER TO ALMA	9/30/2009	\$221,175	\$221,175
WA0904	1205	EXCHANGE PKWY WATERLINE	6/11/2009	\$362,972	\$362,972
WA0905	1299	GREENVILLE WATERLINE REPL	6/29/2010	\$188,366	\$188,366
WA0906	1354	SHALLOWATER WATER/SEWER	8/31/2010	\$24,109	\$24,109



CAPITAL IMPROVEMENT PROJECTS

Prepared by Finance Department

Closed to Fixed Assets

Date: 1/12/2012

Project Number	Fixed Assets #	Project Description	Completion Date	Project Estimate	Project Total Costs
WA0907	1379	CHELSEA & COMMERCE W/S	9/30/2010	\$249,529	\$249,528
WA0909	1257	BRAY CENTRAL WATERLINE LO	1/25/2010	\$20,928	\$20,928
WA1001	1355	ROWLETT WT LANDSCAPING	9/13/2010	\$54,596	\$54,595
WA1005	1443	CHAPARRAL FORCE MAIN & LS	8/22/2011	\$2,806,430	\$2,806,428
WA9822	226	PUMP STA #3 & 2 TNK	9/30/2002	\$9,552	\$9,552
WA9923	224	LNDSCP 2 ELEV TANK	9/30/2002	\$6,645	\$6,645
WA9925	225	CUSTER PMP ST3 LDSC	9/30/2002	\$89,488	\$89,488
WA9931	636	ALMA, TATUM-BELAIR	9/30/2004	\$20,921	\$20,920
Total Expenditures:					\$316,324,435

CITY COUNCIL AGENDA COMMUNICATION
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AGENDA DATE: January 24, 2012

SUBJECT: Receive the Summary of Property Tax Collections as of December, 2011.

STAFF RESOURCE: Kevin Hammeke, Chief Financial Officer

ATTACHMENT

Summary of Property Tax Collections as of December, 2011

Kenneth L Maun
Tax Assessor/Collector
Collin County
P O Box 8046
McKinney Tx 75070

Monthly Collection Status Report
December 2011

City of Allen #06

	Collections Month of December	Cumulative Total 10/1/11 thru 12/30/11	% of Collections
Current Tax Year Collections			
Base M&O	\$12,650,729.65	\$14,101,729.15	46.54%
Base I&S	4,609,004.15	5,137,643.34	
Late Rendition Penalty	1,100.56	1,950.44	
P&I M&O	62.23	90.21	
P&I I&S	0.00	0.00	
P&I I&S Bond			
Attorney Fee	0.00	0.00	
Subtotal	<u>\$17,260,896.59</u>	<u>\$19,241,413.14</u>	46.55%
Delinquent TaxYears Collections			
Base M&O	\$2,246.55	\$31,387.73	
Base I&S	793.72	10,992.83	
Late Rendition Penalty	48.95	225.59	
P&I M&O	1,688.52	8,074.45	
P&I I&S	563.79	2,687.12	
P&I I&S Bond			
Attorney Fee	2,046.00	10,336.26	
Other>	0.00	0.00	
Subtotal	<u>\$7,387.53</u>	<u>\$63,703.98</u>	0.15%
Combined Current & Delinquent:			
Base M&O	\$12,652,976.20	\$14,133,116.88	
Base I&S	4,609,797.87	5,148,636.17	
Late Rendition Penalty	1,149.51	2,176.03	
P&I M&O	1,750.75	8,164.66	
P&I I&S	563.79	2,687.12	
P&I I&S Bond			
Attorney Fee	2,046.00	10,336.26	
Other>	0.00	0.00	
Total Collections	<u><u>\$17,268,284.12</u></u>	<u><u>\$19,305,117.12</u></u>	46.70%
			100.00%
Original 2011 Tax Levy		<u><u>\$41,336,910.22</u></u>	

Kenneth L. Maun
 Tax Assessor/Collector
 Collin County
 P O Box 8046
 McKinney Tx 75070

Cumulative Comparative Collection Status Report
 December 2011

City of Allen #06

	Collections thru		Collections thru	
	December 2011	% Collections	December 2010	% Collections
Current Tax Year Collections				
Base M&O + I&S	\$19,239,372.49	46.54%	\$17,927,936.79	43.58%
Late Rendition Penalty	1,950.44		1,760.13	
P&I M&O + I&S	90.21		14.17	
Attorney Fee	0.00		0.00	
Subtotal	<u>\$19,241,413.14</u>	46.55%	<u>\$17,929,711.09</u>	43.58%
Delinquent Tax Years Collections				
Base M&O + I&S	\$42,380.56		\$57,618.72	
Late Rendition Penalty	225.59		114.59	
P&I M&O + I&S	10,761.57		16,598.24	
Attorney Fee	10,336.26		17,479.22	
Other>	0.00		0.00	
Subtotal	<u>\$63,703.98</u>	0.15%	<u>\$91,810.77</u>	0.22%
Combined Current & Delinquent:				
Base M&O + I&S	\$19,281,753.05		\$17,985,555.51	
P&I M&O + I&S	10,851.78		16,612.41	
Late Rendition Penalty	2,176.03		1,874.72	
Attorney Fee	10,336.26		17,479.22	
Other	0.00		0.00	
Total Collections	<u><u>\$19,305,117.12</u></u>	46.70%	<u><u>\$18,021,521.86</u></u>	43.81%
Adjusted 2010 Tax Levy			<u><u>\$41,138,542.55</u></u>	100.00%
Original 2011 Tax Levy	<u>\$41,336,910.22</u>	100.00%		

Kenneth L Maun
Tax Assessor/Collector
Collin County
P O Box 8046
McKinney Tx 75070

Levy Outstanding Status Report
December 2011

City of Allen #06

	Current Tax Year	Delinquent Tax Years
Current Month:		
Tax Levy Remaining as of 11/30/2011	\$40,043,116.63	\$329,531.42
Base M&O Collections	17,259,733.80	3,040.27
Supplement/Adjustments	-3,344.50	461.91
Write-off	0.00	0.00
Remaining Levy as of 12/30/2011	<u>\$22,780,038.33</u>	<u>\$326,953.06</u>
Cumulative (From 10/01/11 thru 12/30/11)		
Original 2011 Tax Levy (as of 10/01/11)	\$41,336,910.22	\$346,184.40
Base M&O + I&S Collections	19,239,372.49	42,380.56
Supplement/Adjustments	682,500.60	23,149.22
Write-off	0.00	0.00
Remaining Levy as of 12/30/2011	<u>\$22,780,038.33</u>	<u>\$326,953.06</u>

Kenneth L Maun
Tax Assessor/Collector
Collin County
P O Box 8046
McKinney Tx 75070

Monthly Distribution Report
December 2011

City of Allen #06

	Distribution Month of December	Distribution 10/1/11 thru 12/30/11
Weekly Remittances:		
Week Ending 12/2/11	\$212,507.48	\$509,305.09
Week Ending 12/9/11	\$924,471.72	\$1,211,826.24
Week Ending 12/16/11	\$4,280,653.07	\$4,878,634.47
Week Ending 12/23/11	\$1,904,658.38	\$2,348,671.22
Week Ending 12/30/11	\$9,943,889.97	\$10,346,242.91
Total Weekly Remittances	<u>\$17,266,180.62</u>	<u>\$19,294,679.93</u>
Overpayment from Prior Month	\$0.00	-\$7.90
Manual Adjustment Refund	\$0.00	\$0.00
Commission Paid Delinquent Attorney	\$2,046.00	\$10,336.26
Entity Collection Fee	\$0.00	\$0.00
Judgement Interest	\$0.00	\$0.00
5% CAD Rendition Penalty	\$57.50	\$108.83
Total Disbursements	<u><u>\$17,268,284.12</u></u>	<u><u>\$19,305,117.12</u></u>
Carryover to Next Month	\$0.00	\$0.00

CITY COUNCIL AGENDA COMMUNICATION

AGENDA DATE:	January 24, 2012
SUBJECT:	Conduct a Public Hearing and Adopt an Ordinance to Change the Zoning of 32.091± Acres in Planned Development No. 63 from Corridor Commercial CC to Single Family Residential R-6, Generally Located North of Ridgeview Drive and East of Custer Road
STAFF RESOURCE:	Ogden “Bo” Bass, AICP Director of Community Development
PREVIOUS COUNCIL ACTION:	The City Council Approved PD 63 Zoning in October, 1997. The City Council Approved Amendments to PD 63 in September, 2003, and November, 2011.
BOARD/COMMISSION ACTION:	The Planning and Zoning Commission Conducted a Public Hearing at the January 3, 2012, Meeting and Recommended Approval of the Request to Change the Zoning of 32.091± Acres in Planned Development No. 63 from Corridor Commercial CC to Single Family Residential R-6.
ACTION PROPOSED:	Conduct a Public Hearing and Adopt an Ordinance to Change the zoning of 32.091± Acres in Planned Development No. 63 from Corridor Commercial CC to Single Family Residential R-6

BACKGROUND

The property is generally located north of Ridgeview Drive and east of Custer Road. The property to the north is zoned Corridor Commercial CC. The property to the east is zoned Planned Development No. 63 Community Facilities CF. The property to the south (across Ridgeview Drive) is zoned Planned Development No. 63 Single Family Residential R-5. The property to the west is zoned Planned Development No. 63 Multi-family Residential MF.

The property is currently zoned as Planned Development No. 63 with a base zoning of Corridor Commercial CC. The applicant is requesting to change the base zoning to Single Family Residential R-6. The applicant is also requesting the following development regulations as it relates to the proposed development:

- A minimum lot area of 6600 square feet.
- A minimum dwelling area of 2200 square feet.

- A minimum lot width of 60 feet.
- A minimum lot depth of 110 feet.
- A minimum front yard setback of 20 feet.
- A minimum setback of three (3) feet between the garage and front building facade on front entry houses.
- A minimum side yard setback of 5 ft for interior lots.
- A minimum side yard setback of 15 feet along a street.
- A minimum side yard setback of 20 feet along a street with a lot facing across the street.
- A minimum rear yard setback equal to the side yard setback for rear-to-side yard oriented lots.
- No more than four front entry houses shall be placed consecutively.
- At minimum, 60% of the lots shall contain J-swing houses.
- An eight (8) foot masonry wall shall be built along the northern and eastern property line and along Ridgeview Drive to the floodplain line.

The subject property is approximately 32± acres. The Concept Plan shows 103 single family residential lots and approximately 4.5± acres of open space. Front entry and J-swing products are proposed for this development, however the majority of the lots will contain the J-swing product. There are two access points proposed along Ridgeview Drive.

Due to the proximity of this property to West Rowlett Creek, floodplain will be dedicated to the City. A trail will be constructed along the western end of the property to meet the requirements of the City's Trail Master Plan.

The conversion from commercial to single family residential use meets the spirit and intent of the Future Land Use Plan, which identifies this property as High Density Residential HDR. The proposed zoning designation of R-6 and supplementary development standards are compatible with surrounding development.

The Planning and Zoning Commission conducted a Public Hearing at the January 3, 2012, meeting and recommended approval of the request to change the zoning of 32.091± acres in Planned Development No. 63 from Corridor Commercial CC to Single Family Residential R-6.

LEGAL NOTICE:

Property Owner Notices Mailed: 12/22/11
Public Hearing Sign Installed: 12/22/12
Newspaper Notice Published: 1/5/11

STAFF RECOMMENDATION

Staff supports the recommendation of the Planning and Zoning Commission.

MOTION

I make a motion to adopt Ordinance No. _____ changing the zoning of 32.091± acres of land in Planned Development No. 63 from Corridor Commercial CC to Single Family Residential R-6 zoning.

ATTACHMENT

Ordinance

Property Owner Notification Map

January 3, 2012 P&Z Minutes

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AMENDING THE ALLEN LAND DEVELOPMENT CODE ZONING REGULATIONS AND ZONING MAP, AS PREVIOUSLY AMENDED, BY CHANGING THE ZONING ON 32.091± ACRES IN THE SHADRICK JACKSON SURVEY, ABSTRACT NO. 489, CITY OF ALLEN, COLLIN COUNTY, TEXAS, AND BEING FURTHER DESCRIBED IN EXHIBIT “A” HERETO, FROM PLANNED DEVELOPMENT PD NO. 63 FOR CORRIDOR COMMERCIAL “CC” TO PLANNED DEVELOPMENT PD NO. 63 FOR SINGLE FAMILY RESIDENTIAL “R-6” USE; BY AMENDING THE DEVELOPMENT REGULATIONS FOR SAID LAND; PROVIDING FOR A CONCEPT PLAN ; PROVIDING FOR BUILDING ELEVATIONS; PROVIDING A CONFLICTS RESOLUTION CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission and the governing body of the City of Allen, in compliance with the laws of the State of Texas and the ordinances of the City of Allen, have given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all the property owners generally and to all persons interested and situated in the affected area, and in the vicinity thereof, and in the exercise of its legislative discretion, have concluded that the Allen Land Development Code Zoning Regulations and Zoning Map of the City of Allen, as previously amended, should be amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, THAT:

SECTION 1. The Allen Land Development Code Zoning Regulations and Zoning Map of the City of Allen, Collin County, Texas, be amended by granting a change in zoning from Planned Development PD No. 63 Corridor Commercial “CC” to Planned Development PD No. 63 Single Family Residential “R-6”, for 32.091± acres in the Shadrick Jackson Survey, Abstract No. 489, City of Allen, Collin County, Texas, and being further described in Exhibit “A” attached hereto (“the Property”).

SECTION 2. The Property shall be developed and used only in accordance with Single Family Residential “R-6” Zoning District regulations except as follows.

- A. **Concept Plan:** The Property shall be developed and used only in accordance with the Concept Plan attached hereto as Exhibit “B,” and incorporated herein by reference.
- B. **Minimum Lot Area:** No lot shall have an area of less than 6,600 square feet.
- C. **Minimum Dwelling Unit Size:** Dwelling unit sizes shall be no less than 2,200 square feet.
- D. **Minimum Lot Width:** The minimum lot width shall be sixty (60) feet.
- E. **Minimum Lot Depth:** The minimum lot depth shall be one hundred ten (110) feet.

- F. Front Yard Setback:** The front yard setback shall be a minimum of twenty (20) feet from the property line. In addition, with respect to homes with garage door entries facing the front property line, the portion of the front building facade not constituting the portion where the garage doors are installed shall be set back not less than three (3) feet from the portion of the front façade where the garage doors are installed.
- G. Side Yard Setback:** Side yard setbacks shall be as follows:
- (1) If the side yard is adjacent to a street and the side of the lot on the opposite side of the street is not a front yard, the side yard set back shall be a minimum of fifteen (15) feet from the property line;
 - (2) If the side yard is adjacent to a street and the side of the lot on the opposite side of the street is a front yard, the side yard set back shall be a minimum of twenty (20) feet from the property line;
 - (3) In all other instances other than (1) and (2) above, the side yard set back shall be a minimum of five (5) feet from the property line.
- H. Rear Yard Setback:** The rear yard setback shall be equal to the minimum side yard setback for lots with a rear-to-side yard orientation.
- I. Product Type and Quantity:** No more than four (4) dwelling units constructed with garage door entries facing the front property line (i.e. “front entry garages”) shall be constructed on consecutive lots (i.e. four lots in a row) on the same side of a street. A minimum of 60% of the lots developed on the Property shall be constructed with garage door entries generally perpendicular to the front property line (i.e., “J-swing garages”). The front building elevations of dwelling units constructed on the Property shall be substantially consistent with the materials and design set forth in the Building Elevations shown in Exhibit “C,” attached hereto and incorporated herein by reference. In no case shall dwelling units with front entry garages be constructed on the lots identified for J-swing garages as indicated on the Concept Plan attached hereto as Exhibit “B.”
- J. Screening:** An eight (8) foot masonry wall shall be constructed along the northern property boundary, eastern property boundary and along Ridgeview Drive to the floodplain line.

SECTION 3. In the event of an irreconcilable conflict between the provisions of another previously adopted ordinance of the City of Allen and the provisions of this Ordinance as applicable to the use and development of the Property, the provisions of this Ordinance shall be controlling.

SECTION 4. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this ordinance, or of the Allen Land Development Code, as amended hereby, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance or the Allen Land Development Code, as amended hereby, which shall remain in full force and effect.

SECTION 5. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Allen Land Development Code Zoning Regulations, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 6. Any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in Allen Land Development Code Zoning Regulations as previously amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000) for each offense.

SECTION 7. This ordinance shall take effect immediately from and after its passage and publication of the caption in accordance with the provisions of the Charter of the City of Allen, and it is accordingly so ordained.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ON THIS THE 24TH DAY OF JANUARY, 2012.

APPROVED:

Stephen Terrell, MAYOR

APPROVED AS TO FORM:

ATTEST:

Peter G. Smith, CITY ATTORNEY

Shelley B. George, TRMC, CITY SECRETARY

EXHIBIT "A"
LEGAL DESCRIPTION

LEGAL DESCRIPTION
32.091 ACRES

BEING a tract of land situated in the Shadrick Jackson Survey, Abstract Number 489, City of Allen, Collin County, Texas, and being part of a 180.66 acre tract of land described as "Tract 1" in a deed to Gulf Coast Package, Ltd. recorded in Collin County Clerk File Number 94-0060164, Land Records, Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8" iron rod with plastic cap marked KHA set at the northwest corner of a tract of land described in a deed to Our Lady of Angels recorded in Volume 5291, Page 384, Land Records, Collin County, Texas, said point being in the approximate centerline of West Rowlett Road (County Road 113);

THENCE South 00°45'51" East departing said West Rowlett Road and with the west line of said Our Lady of Angels passing at 624.55 feet a 5/8" iron rod with plastic cap marked KHA found at the northwest corner of Lot 1, Block A, Our Lady of Angels Catholic Church, an addition to the City of Allen recorded in Cabinet P, Page 560, Map Records, Collin County, Texas, and continuing for a total distance of 963.45 feet to a 5/8" iron rod with plastic cap marked KHA found at the most westerly southwest corner of said Lot 1, Block A, Our Lady of Angels Catholic Church;

THENCE South 51°48'46" East continuing with the west line of said Lot 1, Block A, Our Lady of Angels Catholic Church a distance of 372.52 feet to a 5/8" iron rod with plastic cap marked KHA set for corner in the north line of Ridgeview Drive, a variable width Right-of-Way dedicated to the City of Allen recorded in Volume 6034, Page 4318, Land Records, Collin County, Texas;

THENCE with the north line of said Ridgeview Drive the following calls:

South 38°11'09" West a distance of 489.62 feet to a 5/8" iron rod with plastic cap marked KHA set for corner;

South 44°00'09" West a distance of 258.58 feet to a 5/8" iron rod with plastic cap marked KHA set for corner;

South 49°47'13" West a distance of 537.64 feet to a 5/8" iron rod with plastic cap marked KHA set for corner;

South 57°24'31" West a distance of 135.80 feet to a point for corner in the centerline of Rowlett Creek;

THENCE departing the north line of said Ridgeview Drive and along the centerline of said Rowlett Creek the following calls:

North 39°44'20" West a distance of 106.48 feet to a point for corner;

EXHIBIT "A"
LEGAL DESCRIPTION (cont.)

North 46°56'53" West a distance of 124.69 feet to a point for corner;
North 57°30'13" West a distance of 45.11 feet to a point for corner;
North 29°04'24" West a distance of 79.27 feet to a point for corner;
North 17°06'33" West a distance of 58.44 feet to a point for corner;
North 06°23'57" East a distance of 18.51 feet to a point for corner;
North 53°24'25" East a distance of 53.91 feet to a point for corner;
North 75°39'37" East a distance of 101.68 feet to a point for corner;
North 43°39'23" East a distance of 56.59 feet to a point for corner;
North 05°16'07" East a distance of 266.21 feet to a point for corner;
North 01°40'06" East a distance of 41.83 feet to a point for corner;
North 00°23'16" West a distance of 173.61 feet to a point for corner;
North 06°34'23" West a distance of 171.39 feet to a point for corner;
North 06°33'08" East a distance of 37.38 feet to a point for corner;
North 08°27'35" West a distance of 123.62 feet to a point for corner;
North 29°09'53" West a distance of 119.82 feet to a point for corner;

THENCE departing the centerline of said Rowlett Creek the following calls:

North 74°50'33" East a distance of 163.23 feet to a 5/8" iron rod with plastic cap marked KHA set for corner;
North 43°28'35" East a distance of 118.98 feet to a 5/8" iron rod with plastic cap marked KHA set for corner;
North 36°23'44" East a distance of 68.87 feet to a 5/8" iron rod with plastic cap marked KHA set for corner;
North 25°41'34" East a distance of 22.64 feet to a 5/8" iron rod with plastic cap marked KHA set for corner;

EXHIBIT "A"
LEGAL DESCRIPTION (cont.)

North 14°55'17" East a distance of 627.72 feet to a 5/8" iron rod with plastic cap marked KHA set for corner;

North 01°24'52" East a distance of 20.36 feet to a 5/8" iron rod with plastic cap marked KHA set for corner in the approximate centerline of said West Rowlett Road;

THENCE North 89°14'09" East along the approximate centerline of said West Rowlett Road a distance of 386.94 feet to the **POINT OF BEGINNING** and containing 32.091 acres of land.

Bearing system of this survey is based on a line oriented between City of Allen geodetic monuments 5 and 6 found in the field, whose positions are published on the Texas State Plane Coordinate System, North American Datum of 1983, North Central Zone 4202. The horizontal coordinates of this survey are local surface coordinates derived from Allen Monument 6.

This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

Dana Brown
Registered Professional Land Surveyor No. 5336
Kimley-Horn and Associates, Inc.
12700 Park Central Drive, Suite 1800
Dallas, Texas 75251-1516



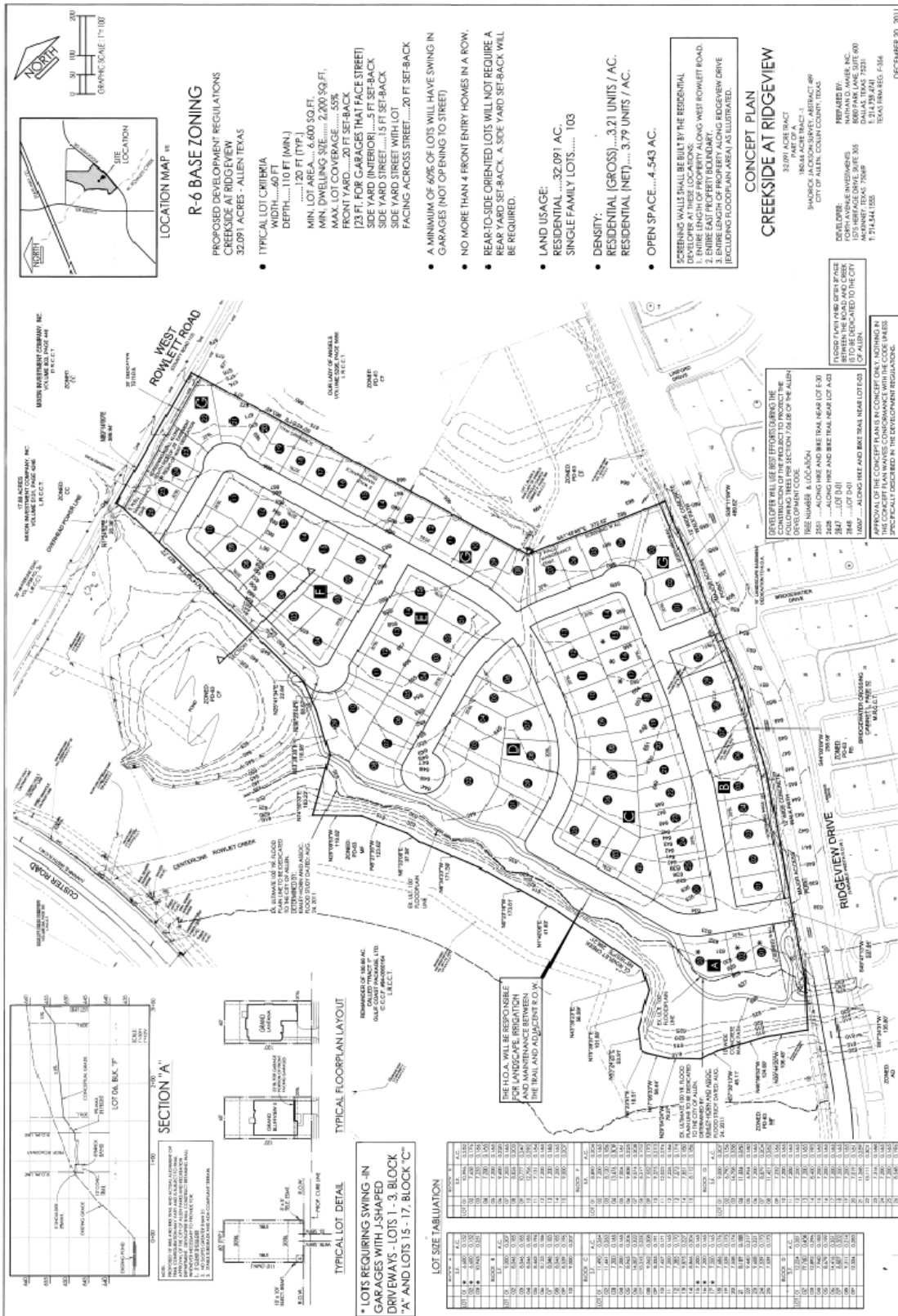


EXHIBIT "C"
BUILDING ELEVATIONS

FRONT ENTRY PRODUCT



EXHIBIT "C"
BUILDING ELEVATIONS (cont.)

J-SWING PRODUCT - FRONT VIEW



EXHIBIT "C"
BUILDING ELEVATIONS (cont.)

J-SWING PRODUCT - SIDE VIEW



Regular Agenda

Agenda Item #5

Public Hearing - Conduct a Public Hearing and consider a request to change the zoning on 32.091± acres out of the Shadrick Jackson Survey, Abstract No. 489, City of Allen, Collin County, Texas, generally located northeast of Ridgeview Drive and West Rowlett Creek, and east of Custer Road; from Planned Development No. 63 for Corridor Commercial CC to Planned Development No. 63 for Single Family Residential R-6. (Z-5/16/11-123) [Creekside at Ridgeview]

Ogden “Bo” Bass, Director of Community Development, presented to the Commission. The property is generally located north of Ridgeview Drive and east of Custer Road. The property is currently zoned as Planned Development No. 63 with a base zoning of Corridor Commercial CC. The applicant is requesting to change the base zoning to Single Family Residential R-6. Mr. Bass explained that the current zoning map indicates this property as Corridor Commercial CC district, a use that city staff does not feel is appropriate for this site. He described the zoning change as a voluntary “down zone” by the owner. As part of the zoning change, the applicant is requesting the following development regulations as it relates to the proposed development:

- A minimum lot area of 6600 square feet.
- A minimum dwelling area of 2200 square feet.
- A minimum lot width of 60 feet.
- A minimum lot depth of 110 feet.
- A minimum front yard setback of 20 feet.
- A minimum setback of three (3) feet between the garage and front building facade on front entry houses.
- A minimum side yard setback of 5 ft for interior lots.
- A minimum side yard setback of 15 feet along a street.
- A minimum side yard setback of 20 feet along a street with a lot facing across the street.
- A minimum rear yard setback equal to the side yard setback for rear-to-side yard oriented lots.
- No more than four front entry houses shall be placed consecutively.
- At minimum, 60% of the lots shall contain J-swing houses.
- An eight (8) foot masonry wall shall be built along the northern and eastern property line and along Ridgeview Drive to the floodplain line.

The property is approximately 32± acres with 4.5± acres of open space. The Concept Plan shows 103 single family residential lots with a mixture of front entry and J-swing products. The majority of the lots will contain the J-swing product. There are two access points proposed. Both points of access are along Ridgeview Drive.

Due to the proximity of this property to West Rowlett Creek, floodplain will be dedicated to the City. A trail will be constructed along the western edge of the property to meet the requirements of the City’s Trail Master Plan. Mr. Bass explained that the trail will connect to a future public park located northwest of the site. An eight (8) foot masonry wall will be built along the south, east, and northern property boundary, separating the residential and non-residential zoning.

The conversion from commercial to single family residential use meets the spirit and intent of the Future Land Use Plan; which identifies this property as High Density Residential HDR. The proposed zoning designation of R-6 and supplementary development standards are compatible with surrounding development.

Commissioner Ogrizovich inquired about the use of West Rowlett Road. Mr. Bass explained that this road has been abandoned and will no longer exist as a public road. Commissioner Ogrizovich also asked about where the development falls in relation to the adjacent church and if the church loses all open space around their parking lot. Mr. Bass pointed out that the subject property falls next to the church parking lot.

Commissioner Platt stated the cross-lot-drainage will be an issue in the future. He asked if the drainage has been considered. Mr. Bass assured the Commission that after the zoning is approved, the Engineering Department will address the civil plans as part of the preliminary and final plat review process.

Chairman Wendland opened the Public Hearing.

Paul Conrad, 1202 Waterdown Drive, Allen, TX, thanked city staff and the developer for all of their work on this project. He is in support of this project and would recommend all developers to get involved with the residents.

Shane Jordon, 5016 Tennison Parkway, Plano, TX, applicant, spoke to the Commission. He assured the Commission that his design group has worked extensively with city staff to ensure to meet the interests of the City of Allen and the developer.

Chairman Wendland closed the Public Hearing.

1st Vice Chair Cocking inquired about the 200 ft. residential boundary from State Highway 121. Mr. Bass explained that there is a policy standard for Multifamily Residential not being located within 200 ft. of the highway, but there is not such a standard for Single-family Residential. He continued to explain, in the past single family residential developments have not located north of Ridgeview Drive. However, because Ridgeview Drive diverges from State Highway 121, the subject property falls outside of the 200 ft. buffer. City Staff believes that this site is an appropriate use for Single Family Residential.

Motion: Upon a motion by 1st Vice Chair Cocking, and a second by Commissioner Ogrizovich, the Commission voted 6 IN FAVOR, and 0 OPPOSED to approve the rezoning for Planned Development No. 63 from Corridor Commercial CC to Planned Development No. 63 for Single Family Residential R-6.

The motion carried.

CITY COUNCIL AGENDA COMMUNICATION

AGENDA DATE: January 24, 2012

SUBJECT: Adopt a Resolution Implementing the Water and Sewer Rate Increases Recommended for Fiscal Year 2011-2012 by the Water and Sewer Multi-Year Financial Plan and Rate Design Study

STAFF RESOURCE: Steve Massey, Director of Community Services
Kevin Hammeke, Chief Financial Officer
John Baumgartner, Director of Engineering

ACTION PROPOSED: Adopt a Resolution Implementing the Water and Sewer Rate Increases Recommended for Fiscal Year 2011-2012 by the Water and Sewer Multi-Year Financial Plan and Rate Design Study

BACKGROUND

The City of Allen continues to face increasing operating costs from the North Texas Municipal Water District (NTMWD) as well as the need to fund water and sewer system maintenance and improvements internal to the City's water and sewer systems. It is important that the City plan so the Water and Sewer Fund can financially support new water and sewer infrastructure and have funding to replace or rehabilitate the older parts of the water and sewer system that are reaching the end of their natural life cycles.

In an effort to ensure the Water and Sewer Fund's financial viability, the consulting firm of Economists.com was hired in 2006 to assess the City's current water and sewer financial plan and rate design and provide recommendations for modifying the plan to meet future costs of service and population growth needs. Then again in 2009, the same consultants were hired to update the 2006 rate study.

The 2009 rate study update was prudent because in 2008, the NTMWD's long range financial plans advanced the new and significant costs of transitioning the water treatment process to include an ozone disinfection system. The "ozonation" process was advanced in the NTMWD's planning timeline in anticipation of the Environmental Protection Agency's (EPA) move to implement new lower limits for specific disinfection by-products (DBP) around 2014. The ozone disinfection process allows NTMWD to process water using less chlorine/chloramines that are the cause of the DBP that the EPA has concerns about. NTMWD was compelled to begin construction and phase-in of ozone disinfection to be in-place by 2014 to assure their water quality continues to comply with EPA standards. On the attached table titled 2009 Water and Sewer Rate Study - Selected Rate Alternative Table, you can see the steady increase in NTMWD's treated water cost to member cities. The attachment also reflects the increases in wastewater transport and treatment expenses. This is the same table that City

Council reviewed at the FY12 Budget Workshop. The water usage in gallons used in each customer class (residential, commercial, etc.) was selected based on our rate study's estimate of the average monthly water usage by rate class. The residential rate class cost impacts are provided for both 10,000 gallons that is the average annual monthly consumption and 25,000 gallons that is the average residential monthly consumption in the summer months.

As City Council realizes, NTMWD is currently undertaking a number of new and previously unbudgeted capital projects due to the ongoing drought situation and the discovery of zebra mussels in Lake Texoma. The NTMWD staff indicates that these late-breaking construction activities will begin increasing wholesale water costs in FY12-13. The total increase to currently projected wholesale water rates is anticipated to total in the 30 percent range. The current NTMWD wholesale rate projections for FY12-13 and beyond that are on the attached table do not reflect these wholesale cost increases as those figures are still being developed by the water district. City staff will include the new NTMWD wholesale rates into the Water and Sewer Enterprise fund budget for FY12-13 as the budget is developed this year. The increase will increase our water rate projections on the attached table for every year after FY11-12.

The following issues related to the long-range water and sewer financial plan are being addressed as water and sewer rate structures continue to evolve:

- Issue 1 - Water revenues are subsidizing wastewater system operating costs in all classes of customers. However, since the 2006 rate study, the subsidy is steadily diminishing as the City increases wastewater rates faster than water rates.
- Issue 2 - Commercial/school/apartment sewer accounts are out of balance with the cost of providing sewer service. However, since the 2006 rate study, the out-of-balance situation has greatly diminished as the City increases sewer rates faster for customers in these rate classes over rates in the residential rate class.

Water Minimum Bill - AWWA Meter Equivalency

An additional water rate modification from the 2006 rate study was the implementation of the American Water Works Association (AWWA) Meter Equivalency Table as a basis for setting the rates of our minimum water bill charges. The AWWA Meter Equivalency Table specifies how much more water would flow through all size meters as a ratio to the water that would flow through a standard residential five-eighths inch (5/8") water meter. It is a way to charge appropriately in the minimum bill for the meter's capacity to make a demand on the water system. Between the City's rate increases in June 1, 2007 and February 1, 2011, minimum bill rate adjustments were made that now have fully implemented AWWA meter equivalency in the City's water rates.

The drought of 2011 resulted in the City setting a new take or pay quantity of water due to the increase in the landscape irrigation use of water. The higher than projected water use resulted in the FY10-11 water and wastewater enterprise fund increasing its fund reserve from \$9,571,262 (134 days of reserve) to \$13,737,852 (184 days of reserve). The City's financial planning objective for days of reserve is to maintain between 90 and 120 days of fund reserve. The 184 day fund reserve is some \$2,383,535 more than projected as fund reserve in the 2009 rate study update. This 184 day fund reserve is fortunate to have available as the City goes into FY11-12. This is because the ongoing drought situation and potential implementation of higher stages of the Water Conservation and Drought Contingency and Emergency Water Response Plan are likely to drive water sales down significantly, resulting in the water and sewer enterprise fund potentially losing between \$4 and \$5 million in the current Fiscal Year. A \$4 million fund loss in the current Fiscal Year would leave the fund at \$9,737,856, or 132 days of fund reserve at the end of the FY. A \$5 million fund loss in the current Fiscal Year would leave the fund at

\$8,737,856, or 120 days of fund reserve at the end of the FY.

The proposed rate resolution also establishes volumetric charges (surcharges) for periods of constrained water supply in Section 3 of the resolution. This section of the rate resolution is set for initiation based upon the North Texas Municipal Water District requesting a drought rate surcharge to be implemented as part of the Drought Plan. Although NTMWD has not requested a rate surcharge in the ongoing drought, in the drought of 2005 to 2006, the water district requested its City customers to enact a 50 percent rate surcharge to be implemented upon initiation of Stage 3 water use restrictions. Section 3 of the rate resolution prescribes rate surcharges from 25 percent up to 150 percent. The surcharge amounts are not applied to inside building (domestic) uses in any rate category including not being applied to the first 15,000 gallons of residential water use. The surcharge is applied to residential consumption above 15,000 gallons; and the irrigation, fire protection, and construction (fire hydrant meter) rate classes above 1,500 gallons of usage. The resolution specifies the initiation and termination of a rate surcharge to be upon NTMWD's request; with the charge being initiated and terminated on billings mailed the first day of the month after NTMWD requests the charge to be initiated or terminated.

The rate increases recommended in the attached rate resolution are justified based on continuing NTMWD cost increases for water, sewer transport, sewer treatment, and the industrial pretreatment programs; as well as the increasing cost of operating the City's internal water and sewer services.

STAFF RECOMMENDATION

Staff recommends the City Council adopt a Resolution to set new rates for residential and commercial water and sewer service.

MOTION

I make a motion to adopt Resolution No. _____ setting new rates for residential and commercial water and sewer services.

ATTACHMENT

2009 Water and Sewer Rate Study - Selected Rate Alternative
Resolution
Draft Resolution - Showing Edits

City Of Allen 2009 Water and Sewer Rate Study - Selected Rate Alternative											
Date of Rate Change	Feb-09	Feb-10	Feb-11	Feb-12	Feb-13	Feb-14	Feb-15	Feb-16	Feb-17	Feb-18	Feb-19
NTMWD Projected	Water Rates- Note: NTMWD Projected Rates Feb 13 to Feb 19 will increase about 30 percent										
Water Cost/1,000 Gal		\$1.30	\$1.43	\$1.57	\$1.70	\$1.83	\$1.94	\$2.05	\$2.17	\$2.28	\$2.38
Percent Increase			10.0%	9.8%	8.3%	7.6%	6.0%	5.7%	5.9%	5.1%	4.4%
Residential	Base	0%	0%	5%	5%	5%	5%	5%	5%	5%	5%
% Increases	Volume	0%	8%	8%	8%	5%	5%	5%	5%	5%	5%
Min Chg (5/8")	\$ 8.47	\$ 8.47	\$ 8.47	\$ 8.89	\$ 9.34	\$ 9.81	\$ 10.30	\$ 10.81	\$ 11.35	\$ 11.92	\$ 12.51
1,501-15,000	\$2.36	\$2.36	\$2.55	\$2.75	\$2.97	\$3.12	\$3.28	\$3.44	\$3.61	\$3.79	\$3.98
15,001-25,000	\$2.95	\$2.95	\$3.19	\$3.44	\$3.72	\$3.90	\$4.10	\$4.30	\$4.52	\$4.74	\$4.98
25,001-50,000	\$3.69	\$3.69	\$3.99	\$4.30	\$4.65	\$4.88	\$5.12	\$5.38	\$5.65	\$5.93	\$6.23
50,000-75,000	\$5.54	\$5.54	\$5.98	\$6.46	\$6.98	\$7.33	\$7.69	\$8.08	\$8.48	\$8.91	\$9.35
Above 75,000	\$8.31	\$8.31	\$8.97	\$9.69	\$10.47	\$10.99	\$11.54	\$12.12	\$12.72	\$13.36	\$14.03
Irrigation	Base	0%	0%	5%	5%	5%	5%	5%	5%	5%	5%
% Increases	Volume	0%	0%	5%	8%	5%	5%	5%	5%	5%	5%
Min Chg (5/8")	\$8.47	\$8.47	\$8.47	\$8.89	\$9.34	\$9.81	\$10.30	\$10.81	\$11.35	\$11.92	\$12.51
Volume/1,000 Gal	\$4.39	\$4.39	\$4.39	\$4.61	\$4.98	\$5.23	\$5.49	\$5.76	\$6.05	\$6.35	\$6.67
Commercial/Schools/Apartments											
Percentage (%)	Base	0%	0%	5%	5%	5%	5%	5%	5%	5%	5%
Increases	Volume	0%	8%	8%	8%	5%	5%	5%	5%	5%	5%
Min Chg (5/8")	\$8.47	\$8.47	\$8.47	\$8.89	\$9.34	\$9.81	\$10.30	\$10.81	\$11.35	\$11.92	\$12.51
1,501-4,000	\$1.89	\$1.89	\$2.04	\$2.21	\$2.38	\$2.50	\$2.63	\$2.76	\$2.89	\$3.03	\$3.19
4,001-Above	\$2.36	\$2.36	\$2.55	\$2.75	\$2.97	\$3.12	\$3.28	\$3.44	\$3.61	\$3.79	\$3.98
Construction	Base	0%	0%	5%	5%	5%	5%	5%	5%	5%	5%
% Increases	Volume	0%	0%	8%	8%	5%	5%	5%	5%	5%	5%
Min Chg (5/8")	\$8.47	\$8.47	\$8.47	\$8.89	\$9.34	\$9.81	\$10.30	\$10.81	\$11.35	\$11.92	\$12.51
Volume/1,000 Gal	\$3.00	\$3.00	\$3.00	\$3.24	\$3.50	\$3.67	\$3.86	\$4.05	\$4.25	\$4.47	\$4.69
Wastewater Rates											
NTMWD Transport + Treatment \$		\$2.26	\$2.23	\$2.37	\$2.45	\$2.60	\$2.68	\$2.76	\$2.90	\$3.06	\$3.09
Percent Increase			-1.3%	6.3%	3.4%	6.1%	3.1%	3.0%	5.1%	5.5%	1.0%
Residential	Base	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
% Increases	Volume	8%	20%	20%	15%	10%	10%	5%	5%	0%	0%
Minimum Charge	\$20.79	\$20.79	\$20.79	\$20.79	\$20.79	\$20.79	\$20.79	\$20.79	\$20.79	\$20.79	\$20.79
1,501-10,000	\$1.19	\$1.28	\$1.54	\$1.84	\$2.12	\$2.33	\$2.56	\$2.69	\$2.83	\$2.97	\$3.12
Sewer Max Bill	\$30.91	\$31.67	\$33.88	\$36.43	\$38.81	\$40.59					
Schools/Municipal	Base	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
% Increases	Volume	15%	20%	20%	15%	10%	10%	10%	10%	10%	10%
Minimum Charge	\$22.56	\$22.56	\$22.56	\$22.56	\$22.56	\$22.56	\$22.56	\$22.56	\$22.56	\$22.56	\$22.56
Volume/1,000 Gal	\$1.29	\$1.48	\$1.78	\$2.14	\$2.46	\$2.70	\$2.97	\$3.27	\$3.60	\$3.96	\$4.35
Commercial/Apts	Base	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
% Increases	Volume	15%	20%	20%	15%	10%	10%	10%	10%	10%	10%
Minimum Charge	\$25.81	\$25.81	\$25.81	\$25.81	\$25.81	\$25.81	\$25.81	\$25.81	\$25.81	\$25.81	\$25.81
Volume/1,000 Gal	1.47	1.69	2.03	2.43	2.80	3.08	3.39	3.73	4.10	4.51	4.96
Financial Indicators											
Fiscal Year	Target	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Fund Reserve		\$11,240,917	\$11,354,321	\$11,053,665	\$11,300,164	\$11,367,116	\$11,278,810	\$11,661,366	\$11,950,450	\$12,172,508	\$12,801,430
Debt Coverage	>1.2	3.33	3.03	2.98	3.66	3.75	3.84	5.02	4.96	4.89	5.25
Days of Reserve	90-120	152	142	126	121	114	106	106	103	99	100
Meter	Fiscal Year	FY09	FY10	FY11	FY12	FY13	FY14	Selected Rate Alternative			
Size	Combined Water & Sewer Cost Impacts Based on Water Use/Month										
5/8"	Residential 10,000	\$59.44	\$60.20	\$64.03	\$68.70	\$73.40	\$76.93	• Minimized Feb 1, 2010 (FY10) rate increases • Long-term reduces water to wastewater subsidy • Long-term reduces residential to commercial subsidy • Completed transition to AWWA meter equivalency in February 2011 • Keeps Allen's rates competitive with other NTMWD Member Cities, area cities, and statewide			
	Increase per month		\$0.76	\$3.83	\$4.67	\$4.70	\$3.53				
5/8"	Residential 25,000	\$100.74	\$101.50	\$108.68	\$116.85	\$125.45	\$131.52				
	Increase per month		\$0.76	\$7.18	\$8.17	\$8.60	\$6.07				
2"	Commercial 60,000	\$287.53	\$309.22	\$348.94	\$386.80	\$424.15	\$452.34				
	Increase per month		\$21.69	\$39.72	\$37.86	\$37.35	\$28.19				
2"	Apartments 80,000	\$364.13	\$390.22	\$440.54	\$490.39	\$539.55	\$576.34				
	Increase per month		\$26.09	\$50.32	\$49.85	\$49.16	\$36.79				
2"	Schools 150,000	\$602.25	\$639.28	\$720.76	\$806.68	\$889.71	\$950.66				
	Increase per month		\$37.03	\$81.48	\$85.92	\$83.03	\$60.95				
	Irrigation-Only - Water Cost Impact Only										
2"	Irrigation 100,000	\$480.07	\$480.07	\$488.89	\$513.38	\$552.79	\$580.54	• File/Water&Sewer Rate Study/2009 W&S Rate Study Alternatives-Recommended Alternative.xls • Prepared for August 13, 2011 City of Allen Budget Workshop			
	Increase per month		\$0.00	\$8.82	\$24.49	\$39.41	\$27.75				
	Fiscal Year	FY09	FY10	FY11	FY12	FY13	FY14				

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ESTABLISHING SANITARY SEWER CHARGES AND WATER SERVICE CHARGES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, due to the increased service costs for the purchase of water, and the transport and treatment of waste water by the City of Allen from the North Texas Municipal Water District, city staff finds it in the best interest of the City to recommend that the fees for sanitary sewer charges and water service charges be increased; and,

WHEREAS, the City Council finds that the increase in rates will serve to better balance the sewer revenue to match sewer expenses; and,

WHEREAS, the City Council further finds that the continuation of a tiered year-round water conservation rate structure for water will encourage water conservation; and,

WHEREAS, the City Council further finds that it is prudent to establish water rates to be implemented during periods of constrained water supply.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, THAT:

SECTION 1. The following Sanitary Sewer Charges are hereby established.

SANITARY SEWER CHARGES

- (1) *Monthly minimum charge.* The following minimum charges are based on the first one thousand five hundred (1,500) gallons.
 - a) Twenty dollars and seventy-nine cents (\$20.79) for all separately metered single-family dwelling units and other dwelling units separately metered for water.
 - b) Twenty-two dollars and fifty-six cents (\$22.56) for schools and municipal customers.
 - c) Twenty-five dollars and eighty-one cents (\$25.81) for other than residential customers, including mobile home parks and apartment complexes, commercial and industrial customers.
- (2) *Volumetric charge.*
 - a) 1,500 – 10,000 gallons: One dollar and eighty-four cents (\$1.84) per one thousand (1,000) gallons for all separately metered single-family dwelling units and other dwelling units separately metered for water.
 - b) The maximum charge for single-family residential sewer service shall be thirty-six dollars and forty-three cents (\$36.43) per month.
 - c) Over 1,500 gallons: Two dollars and fourteen cents (\$2.14) per thousand (1,000) gallons for schools and municipal customers.
 - d) Over 1,500 gallons: Two dollars and forty-three cents (\$2.43) per thousand (1,000) gallons for other than residential customers, including mobile home parks and apartment complexes, commercial and industrial customers.
- (3) *Charges for Outdoor Trash Enclosures With Sanitary Sewer Drains.*
 - a) Single Enclosure approximately ten (10) feet by ten (10) feet in size - Nine dollars (\$9.00) per month.

- b) Double Enclosure approximately ten (10) feet by twenty (20) feet in size - Eighteen dollars (\$18.00) per month.
- c) Roll-Off Compactor container enclosure - Sixteen dollars and twenty cents (\$16.20) per month.
- d) Enclosures of varying sizes charged at a rate of nine cents (\$0.09) per square foot of enclosure space per month.

SECTION 2. The following Water Service Charges are hereby established.

WATER SERVICE CHARGES

- (1) *Monthly minimum charge.* The following minimum monthly charges are based on the meter size and include the cost of one thousand five hundred (1,500) gallons of water usage:

For a 5/8 inch standard meter.....	\$8.89
For a 3/4 inch standard meter.....	\$14.83
For a 1 inch standard meter.....	\$23.72
For a 1-1/2 inch standard meter	\$29.64
For a 2 inch standard meter.....	\$59.29
For a 3 inch standard meter.....	\$88.94
For a 4 inch standard meter.....	\$118.58
For a 6 inch standard meter.....	\$296.45

- (2) *Volumetric charge.* Water consumption in excess of one thousand five hundred (1,500) gallons shall be charged at the following rate per one thousand (1,000) gallons of water usage or fraction thereof:

Residential customer

0-1,500	Monthly minimum charge
1,501- 15,000	\$2.75 per 1,000 gallons
15,001- 25,000	\$3.44 per 1,000 gallons
25,001- 50,000	\$4.30 per 1,000 gallons
50,001- 75,000	\$6.46 per 1,000 gallons
Over 75,000	\$9.69 per 1,000 gallons

Non-Residential customers (commercial, industrial, municipal, apartment complexes)

0-1,500	Monthly minimum charge
1,501- 4,000	\$2.21 per 1,000 gallons
Over 4,000	\$2.75per 1,000 gallons

Irrigation and Fire Protection

0-1,500	Monthly minimum charge
Over 1,500	4.61per 1,000 gallons

Construction Fire Hydrant Meters – All 3” Meters

0-1,500	Monthly minimum charge
Over 1,500	\$3.24 per 1,000 gallons

SECTION 3. The following Volumetric Charges for periods of constrained water supply are hereby established.

VOLUMETRIC CHARGES FOR PERIODS OF CONSTRAINED WATER SUPPLY

- (1) *Volumetric charges for periods of constrained water supply.* Water consumption in excess of one thousand five hundred (1,500) gallons shall be charged at the rate recommended or requested by NTMWD, or if no specific surcharge is recommended at the following rate per one thousand (1,000) gallons of water usage or fraction thereof commencing on billings

mailed the first day of the month after the North Texas Municipal Water District recommends or requests a rate surcharge be implemented. This rate surcharge will be withdrawn from billings mailed the first day of the month after the North Texas Municipal Water District recommends or requests a rate surcharge be removed

Drought and Emergency Water Rates per 1,000 Gallons

Residential customer:

<u>Charge Increase Percentage</u>	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>	<u>125%</u>	<u>150%</u>
0 --1,500 gallons			Same monthly minimum charge				
1,501--15,000 gallons	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$ 2.75
15,001 -- 25,000 gallons	\$3.44	\$4.30	\$5.16	\$6.02	\$6.88	\$7.74	\$ 8.60
25,001 -- 50,000 gallons	\$4.30	\$5.38	\$6.45	\$7.53	\$8.60	\$9.68	\$10.75
50,001 -- 75,000 gallons	\$6.46	\$8.08	\$9.69	\$11.31	\$12.92	\$14.54	\$16.15
Over 75,000	\$9.69	\$12.11	\$14.54	\$16.96	\$19.38	\$21.80	\$24.23

Non-Residential customers (commercial, industrial, municipal, & apartments):

<u>Charge Increase Percentage</u>	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>	<u>125%</u>	<u>150%</u>
0--1,500 gallons			Same monthly minimum charge				
Over 1,501 gallons	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75

Irrigation and Fire Protection:

<u>Charge Increase Percentage</u>	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>	<u>125%</u>	<u>150%</u>
0--1,500 gallons			Same Monthly minimum charge				
Over 1,500 gallons	\$4.61	\$5.76	\$6.92	\$8.07	\$9.22	\$10.37	\$11.53

Construction:

<u>Charge Increase Percentage</u>	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>	<u>125%</u>	<u>150%</u>
0--1,500 gallons			Same monthly minimum charge				
Over 1,500 gallons	\$3.24	\$4.05	\$4.86	\$5.67	\$6.48	\$7.29	\$8.10

SECTION 4. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this Resolution, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said Resolution, which shall remain in full force and effect.

SECTION 5. All prior Resolutions of the City of Allen, Collin County, Texas, in conflict with the provisions of this Resolution, and the same are hereby repealed; provided, however, that all other provisions of said Resolutions not in conflict with the provisions of this Resolution shall remain in full force and effect.

SECTION 6. This Resolution shall take effect on February 1, 2012, by use of pro-rated monthly consumption, and it is accordingly so resolved.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ON THIS THE 24TH DAY OF JANUARY, 2012.

APPROVED:

Stephen Terrell, MAYOR

ATTEST:

Shelley B. George, CITY SECRETARY

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ESTABLISHING SANITARY SEWER CHARGES AND WATER SERVICE CHARGES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, due to the increased service costs for the purchase of water, and the transport and treatment of waste water by the City of Allen from the North Texas Municipal Water District, city staff finds it in the best interest of the City to recommend that the fees for sanitary sewer charges and water service charges be increased; and,

WHEREAS, the City Council finds that the increase in rates will serve to better balance the sewer revenue to match sewer expenses; and,

WHEREAS, the City Council further finds that the continuation of a tiered year-round water conservation rate structure for water will encourage water conservation: ~~and,~~

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WHEREAS, the City Council further finds that it is prudent to establish water rates to be implemented during periods of constrained water supply.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, THAT:

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- Twenty-five dollars and eighty-one cents (\$25.81) for other than residential customers, including mobile home parks and apartment complexes, commercial and industrial customers.

(2) *Volumetric charge.*

- 1,500 – 10,000 gallons: One ~~dollar and eighty-four cents (\$1.84)~~ per one thousand (1,000) gallons for all separately metered single-family dwelling units and other dwelling units separately metered for water.
- The maximum charge for single-family residential sewer service shall be ~~thirty-six and forty-three cents (\$36.43)~~ per month.
- Over 1,500 gallons: ~~Two dollar and fourteen cents (\$2.14)~~ per thousand (1,000) gallons for schools and municipal customers.
- Over 1,500 gallons: ~~Two dollars and forty-three cents (\$2.43)~~ per thousand (1,000) gallons for other than residential customers, including mobile home parks and apartment complexes, commercial and industrial customers.

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Deleted: Two dollars and three cents (\$2.03)

(3) *Charges for Outdoor Trash Enclosures With Sanitary Sewer Drains.*

- Single Enclosure approximately ten (10) feet by ten (10) feet in size - ~~Nine dollars (\$9.00) per month.~~
- Double Enclosure approximately ten (10) feet by twenty (20) feet in size - ~~Eighteen dollars (\$18.00) per month.~~

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d) ~~Enclosures of varying sizes charged at a rate of nine cents (\$0.09) per square foot of enclosure space per month.~~

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WATER SERVICE CHARGES

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Residential customer

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1,501- 15,000	\$2.75 per 1,000 gallons
15,001- 25,000	\$3.44 per 1,000 gallons
25,001- 50,000	\$4.30 per 1,000 gallons
50,001- 75,000	\$6.46 per 1,000 gallons
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Non-Residential customers (commercial, industrial, municipal, apartment complexes)

0-1,500	Monthly minimum charge
1,501- 4,000	\$2.21 per 1,000 gallons
Over 4,000	\$2.75 per 1,000 gallons

Irrigation and Fire Protection

0-1,500	Monthly minimum charge
Over 1,500	4.61 per 1,000 gallons

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Construction Fire Hydrant Meters – All 3” Meters

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Over 1,500	\$3.24 per 1,000 gallons

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SECTION 3. The following Volumetric Charges for periods of constrained water supply are hereby established.

VOLUMETRIC CHARGES FOR PERIODS OF CONSTRAINED WATER SUPPLY

- (1) ~~Volumetric charges for periods of constrained water supply.~~ Water consumption in excess of one thousand five hundred (1,500) gallons shall be charged at the rate recommended or requested by NTMWD, or if no specific surcharge is recommended at the following rate per one thousand (1,000) gallons of water usage or fraction thereof commencing on billings mailed the first day of the month after the North Texas Municipal Water District recommends or requests a rate surcharge be implemented. This rate surcharge will be withdrawn from

billings mailed the first day of the month after the North Texas Municipal Water District recommends or requests a rate surcharge be removed

Residential customer:
Drought and Emergency Water Rates per 1,000 gallons

<u>Charge Increase Percentage</u>	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>	<u>125%</u>	<u>150%</u>
0--1,500 gallons	Same monthly minimum charge						
1,501--15,000 gallons	<u>\$2.75</u>	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$ 2.75
15,001 -- 25,000 gallons	<u>\$3.44</u>	\$4.30	\$5.16	\$6.02	\$6.88	\$7.74	\$ 8.60
25,001 -- 50,000 gallons	<u>\$4.30</u>	\$5.38	\$6.45	\$7.53	\$8.60	\$9.68	\$10.75
50,001 -- 75,000 gallons	<u>\$6.46</u>	<u>\$8.08</u>	<u>\$9.69</u>	<u>\$11.31</u>	<u>\$12.92</u>	<u>\$14.54</u>	<u>\$16.15</u>
Over 75,000	<u>\$9.69</u>	<u>\$12.11</u>	<u>\$14.54</u>	<u>\$16.96</u>	<u>\$19.38</u>	<u>\$21.80</u>	<u>\$24.23</u>

Non-Residential customers (commercial, industrial, municipal, & apartments):

<u>Charge Increase Percentage</u>	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>	<u>125%</u>	<u>150%</u>
0--1,500 gallons	Same monthly minimum charge						
Over 1,501 gallons	<u>\$2.75</u>	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75

Irrigation and Fire Protection:

<u>Charge Increase Percentage</u>	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>	<u>125%</u>	<u>150%</u>
0--1,500 gallons	Same Monthly minimum charge						
Over 1,500 gallons	\$4.61	\$5.76	\$6.92	\$8.07	\$9.22	\$10.37	\$11.53

Construction:

<u>Charge Increase Percentage</u>	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>	<u>125%</u>	<u>150%</u>
0--1,500 gallons	Same monthly minimum charge						
Over 1,500 gallons	<u>\$3.24</u>	<u>\$4.05</u>	<u>\$4.86</u>	<u>\$5.67</u>	<u>\$6.48</u>	<u>\$7.29</u>	<u>\$8.10</u>

SECTION 4. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this Resolution, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said Resolution, which shall remain in full force and effect.

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DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ON THIS THE 24TH DAY OF JANUARY, 2012.

APPROVED:

Resolution No. _____, Page 3

ATTEST:

Stephen Terrell, MAYOR

Shelley B. George, CITY SECRETARY

CITY COUNCIL AGENDA COMMUNICATION

AGENDA DATE:

January 24, 2012

SUBJECT:

Consider all Matters Incident and Related to the Issuance and Sale of “City of Allen, Texas, General Obligation Refunding Bonds, Series 2012,” Including the Adoption of an Ordinance Authorizing the City’s Bond Counsel, Financial Advisor, and Staff to Proceed with the Arrangement of the Sale, Authorizing the Issuance of Such Bonds, Establishing Parameters for the Sale and Issuance of Such Bonds, Appointing Pricing Officers, Providing for the Redemption of Certain Outstanding Bonds of the City Being Refunded and Delegating Certain Matters to Authorized Officials of the City.

STAFF RESOURCE:

Kevin Hammeke, Chief Financial Officer

ACTION PROPOSED:

Approval of the Ordinance Authorizing the City’s Bond Counsel, Financial Advisor, and Staff to Proceed with the Arrangement of the Sale, Authorizing the Issuance of Such Bonds, Establishing Parameters for the Sale and Issuance of Such Bonds, Appointing Pricing Officers, Providing for the Redemption of Certain Outstanding Bonds of the City Being Refunded and Delegating Certain Matters to Authorized Officials of the City.

BACKGROUND

The City’s financial advisor, Estrada Hinojosa & Co., Inc. has been monitoring bond refunding opportunities that will result in a reduction in the City’s future debt service payments. City staff has reviewed the recommended refunding bond opportunities and believe that certain bonds can be refunded that will generate future savings. A parameter ordinance has been prepared by the city’s bond counsel, Fulbright & Jaworski L.L.P. The refunding deal has to be structured within certain parameters indicated in the authorizing ordinance. Such parameters include at least a 5% net present value savings, the size not to exceed \$15 million, and the maximum maturity date not to exceed December 31, 2024.

The attached parameter ordinance sets the form, details of, and authorizes the issuance and delivery of the refunding bonds. The bonds are obligations of the City and are payable from the levy of ad valorem taxes upon property within the City of Allen. The ordinance also authorizes the City’s financial advisor, bond counsel, and staff to proceed with the arrangements related to the sale of the refunding bonds. The ordinance also appoints Pricing Officers that are

authorized to execute the final bond documents that are related to the transaction.

Bond refunding scenarios have been analyzed that reflect potential net present value savings of approximately \$1,288,000 depending upon the past Series of bonds that are selected to be refunded and the structuring of the refunding debt. The present value of the savings is expected to be at least 5% of the refunded bonds. The standard benchmark for doing refundings is 3%. The dollar savings expected from reducing the debt payments is approximately \$120,000 annually.

When doing a refunding, the new bonds are priced on a certain date and the pricing is approved by an appointed Pricing Officer of the City. The deal has to be structured within certain parameters indicated in the authorizing ordinance. A parameter sale allows the City to take advantage of market conditions and pricing opportunities.

The Par Amount of the Series 2012 refunding issue is expected to not exceed \$15,000,000. The most recent scenario reflected a par amount for Series 2012 as \$14,120,000. The Series 2012 bonds are for the purpose of providing funds to refund a portion of the Series 2003, Series 2004, and Series 2004-A outstanding general obligation (G.O.) bonds and certificates of obligations of the City. The par amount of the old bonds being refunded is currently calculated at \$14,675,000. All refunded bonds will be called at a price equal to 100% of the par value. Bond proceeds will be deposited in an interest bearing escrow that will pay off the refunded bonds when they are called.

The interest rates today are significantly less than the rates on the existing general obligation bonds. The bonds that may be selected to be refunded have existing interest rates that range from 3.30% to 5.25%. The anticipated pricing on the Series 2012 bonds reflects yields of .290% to 2.773%. The existing bond issues have a final maturity in 2024 and the Series 2012 issue will be structured to keep the term the same.

The City plans to apply for ratings on the bonds with Moody's Investors Service, Inc. (Moody's) and Standard & Poor's Corporation (S&P). The current existing ratings are Aa1 from Moody's and AAA from S&P. It is unlikely that bond insurance will be purchased since the City is rated AAA and bond insurance would probably not be cost effective.

The negotiated sale will be finalized with the authorized Pricing Officer approving the transaction after it has been structured. The Pricing Officers listed in the ordinance are the City Manager and the Chief Financial Officer. The plan is to present the City Council with information concerning the sale in mid- February if the timetable does not change. Currently, the plan is to have the bond closing in early March.

Due to the size of the issue, two underwriting firms are expected to be involved in the bond sale. Various documents such as the Bond Purchase Agreement, Escrow Agreement, and Paying Agent/Registrar Agreement will be finalized and executed by the appointed Pricing Officer.

BUDGETARY IMPACT

It is anticipated that the General Obligation Refunding Bond issue will result in net present value savings of approximately \$1,288,000. The dollar savings expected from reducing the debt payment is approximately \$120,000 annually.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance authorizing the City's bond counsel, financial advisor, and staff to proceed with the arrangement of the refunding bond sale, authorizing the issuance of such bonds, establishing the parameters for the sale and issuance of such bonds, appointing Pricing Officers, providing for the redemption of certain outstanding bonds of the City being refunded, and delegating certain matters to authorized officials of the City.

MOTION

I make a motion to adopt Ordinance No. _____ authorizing the issuance of "City of Allen, Texas, General Obligation Refunding Bonds, Series 2012"; authorizing the City's bond counsel, financial advisor, and staff to proceed with the arrangement of the sale, establishing the parameters for the sale and issuance of such bonds, appointing Pricing Officers, providing for the redemption of certain outstanding bonds of the City being refunded, delegating certain matters to authorized officials of the City, and the approval and distribution of an Official Statement.

ATTACHMENT

Ordinance

ORDINANCE NO. _____

AN ORDINANCE authorizing the issuance of “CITY OF ALLEN, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012”; levying a continuing direct annual ad valorem tax for the payment of said Bonds; and resolving other matters incident and related to the issuance, sale, payment, and delivery of said Bonds; establishing procedures for the sale and delivery of the Bonds; and delegating matters relating to the sale and issuance of the Bonds to authorized City officials.

WHEREAS, the City of Allen, Texas (the “City”) currently has outstanding obligations (hereinafter collectively called the “Refunded Obligations”), to wit:

- (1) City of Allen, Texas, General Obligation Bonds, Series 2003, dated June 1, 2003;
- (2) City of Allen, Texas, General Obligation Bonds, Series 2004, dated June 1, 2004; and
- (3) City of Allen, Texas, Combination Tax and Golf Course Revenue Certificates of Obligation, Series 2004-A, dated October 1, 2004;

AND WHEREAS, pursuant to the provisions of Chapter 1207 of the Texas Government Code, as amended, the City Council of the City is authorized to issue refunding bonds and deposit the proceeds of sale directly with any place of payment for the Refunded Obligations, or other authorized depository, and such deposit, when made in accordance with said statute, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

WHEREAS, the City shall by this Ordinance, in accordance with the provisions of Section 1207.007, Texas Government Code, as amended, delegate to a Pricing Officer (hereinafter designated) the authority to determine the principal amount of Bonds to be issued and negotiate the terms of sale thereof and to select the specific maturities, in whole or in part, of the Refunded Obligations to be refunded; and

WHEREAS, the City Council hereby finds and determines that it is a public purpose and in the best interests of the City to refund the Refunded Obligations in order to achieve a present value debt service savings, with such savings, among other information and terms to be included in a pricing certificate (the “Pricing Certificate”) to be executed by the Pricing Officer (hereafter designated), all in accordance with the provisions of Section 1207.007, Texas Government Code, as amended; now, therefore:

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

SECTION 1: Authorization - Series Designation - Principal Amount - Purpose - Bond Date. General obligation refunding bonds of the City shall be and are hereby authorized to be issued in the maximum aggregate principal amount hereinafter set forth to be designated and bear the title “CITY OF ALLEN, TEXAS GENERAL OBLIGATION REFUNDING BONDS,

SERIES 2012” (herein referred to as the “Bonds”), for the purpose of providing funds for the discharge and final payment of certain obligations of the City (described in the preamble hereof [and finally identified in the Pricing Certificate] and referred to as the “Refunded Obligations”) and to pay the costs and expenses of issuance, in accordance with the authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Chapter 1207, as amended. The Bonds shall be dated (the “Bond Date”) as provided in the Pricing Certificate.

SECTION 2: Fully Registered Obligations - Terms. The Bonds shall be issued as fully registered obligations, without coupons, and the Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered “R” and numbered consecutively from one (1) upward and principal shall become due and payable on a date certain in each of the years and in amounts (the “Stated Maturities”) and bear interest at the rate(s) per annum in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer. (a) As authorized by Section 1207.007, Texas Government Code, as amended, the City Manager or Chief Financial Officer (each, a “Pricing Officer”) is hereby authorized to act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance, including selection of the specific maturities or series in whole or in part of the Refunded Obligations to be refunded, determining the aggregate principal amount of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid) the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment dates, the record date, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, the designation of an escrow agent satisfying the requirements of Chapter 1207, Texas Government Code, as amended, the terms of any bond insurance applicable to the Bonds, and all other matters relating to the issuance, sale, and delivery of the Bonds all of which shall be specified in the Pricing Certificate, provided that:

- (i) the aggregate original principal amount of the Bonds shall not exceed \$15,000,000.
- (ii) the refunding must produce a net present value debt service savings of at least 5.00%, net of any contribution by the City.
- (iii) the maximum maturity date for the Bonds shall not exceed December 31, 2024.

The execution of the Pricing Certificate shall evidence the sale date of the Bonds by the City to the Purchasers (hereinafter defined).

(b) In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in Subsection (a)(i) above, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The delegation made hereby shall expire if not exercised by the Pricing Officer within 180 days of the date hereof.

SECTION 4: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, to serve as Paying Agent/Registrar for the Bonds is hereby approved and confirmed. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the County may prescribe. The Pricing Officer is hereby authorized to execute and deliver such Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Bonds shall be payable at their Stated Maturities or upon their earlier redemption, only upon the presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices in East Syracuse, New York (the "Designated Payment/Transfer Office") provided, however, while a Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount thereof may be accomplished without presentation and surrender of such Bond. Interest due on the Bonds shall be paid by the Paying Agent/Registrar to the Holders whose names appears in the Security Register at the close of business on the Record Date (which shall be set forth in the Pricing Certificate) and such interest payments shall be made (i) by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city

where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a non-payment of interest on one or more maturities of the Bonds on a scheduled payment date, and for thirty (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 past due interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder of the Bonds appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every Holder of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of like maturity, and amount and in authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for assignment or transfer of any Bond (other than the Initial Bond(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, one or more new Bonds, executed on behalf of and furnished by the City, shall be registered and issued to the assignee or transferee of the previous Holder; such Bonds to be of authorized denominations, of like Stated Maturity, and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) authorized in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds, executed on behalf of and furnished by the City, to the Holder requesting the exchange.

All Bonds issued upon any such transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States Mail, first class postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same

obligation to pay and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered, and delivered in lieu thereof pursuant to the provisions of Section 11 hereof, and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

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 forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 4 and 5 hereof relating to the payment and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representation, by and between the City and DTC, and the Letter of Representation from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Bonds.

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the

Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar, and payment of such Bonds shall be made in accordance with the provisions of Sections 4 and 5 hereof.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor under the City's seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officials on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officials of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Chapter 1201, Texas Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered, and delivered.

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount of the Bonds with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas, and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and

other variations as are permitted or required by this Ordinance and, with the Bonds to be completed and modified with the information set forth in the Pricing Certificate, 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 insurance legends on insured Bonds and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the Pricing Officer. The Pricing Certificate shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Bonds.

REGISTERED
NO. R-_____

PRINCIPAL AMOUNT
\$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF ALLEN
GENERAL OBLIGATION REFUNDING BOND
SERIES 2012

Bond Date:	Interest Rate:	Stated Maturity:	CUSIP No.:
_____	_____	_____	_____

Registered Owner:

Principal Amount: _____ DOLLARS

The City of Allen (hereinafter referred to as the "City"), a body corporate and political subdivision in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is prior to the initial interest payment date in which case it shall bear interest from the _____) 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 being payable on _____ and _____ in each year, commencing _____, until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer

Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the _____ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Bonds") for the purpose of providing funds for the discharge and final payment of certain outstanding obligations of the City and to pay the costs and expenses of issuance, under and in strict conformity with the Constitution and laws of the State of Texas, including Chapter 1207, Texas Government Code, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

[The Bonds maturing on the dates hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Sinking Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

Term Bonds due		Term Bonds due	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>

The particular Term Bonds of a Stated Maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Bonds for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like Stated Maturity which, at least fifty (50) days prior to a mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the

Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.]

The Bonds maturing on and after _____, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on _____, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to the date fixed for any redemption of Bonds, the City shall cause a written notice of such redemption to be sent by United States Mail, first class postage prepaid, to the registered owners of each Bond to be redeemed, in whole or in part, at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date such Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event a portion of the principal amount of a Bond is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Bond to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Bond redeemed in part.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the redemption price of 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 may state that said redemption is 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 redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or 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.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to

the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the owner or holder of this Bond by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity or redemption, and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal at the Stated Maturity, or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a Bond on a scheduled payment date and for thirty (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 (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) 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 Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented, and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions, and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the City have been properly done, have happened, and have been performed in regular and due time, form, and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by the levy of a tax as aforesated. In case any provision in this Bond shall be invalid, illegal, or unenforceable, the

validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City.

CITY OF ALLEN, TEXAS

COUNTERSIGNED:

Mayor

City Secretary

(SEAL)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bonds only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER
OF PUBLIC ACCOUNTS

THE STATE OF TEXAS

(
(
(REGISTER NO. _____
(

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

(SEAL)

Comptroller of Public Accounts
of the State of Texas

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered in the name of the Registered Owner shown above under the provisions of the within-mentioned Ordinance; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated office of the Paying Agent/Registrar in East Syracuse, New York is the Designated Payment/Transfer Office for this Bond.

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

Registration Date:

By: _____
Authorized Signature

(e) 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 thereunder, and hereby
irrevocably constitutes and appoints _____

attorney to transfer the within Bond on the books kept for registration thereof, with full power of
substitution in the premises.

DATED: _____

Signature guaranteed:

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.

(f) The Initial Bond(s) shall be in the form set forth therefor in paragraph (b) of this Section, except the form of a single registered Initial Bond shall be modified as follows:

Heading and paragraph one shall be amended to read as follows:

NO. T-1 \$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF ALLEN
GENERAL OBLIGATION REFUNDING BOND
SERIES 2012

Bond Date:

Registered Owner:

Principal Amount: DOLLARS

The City of Allen (hereinafter referred to as the “City”), a body corporate and political subdivision in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the registered owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on _____ in the years and in principal installments in accordance with the following schedule:

Stated Maturity	Principal <u>Amount</u>	Interest <u>Rate(s)</u>
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(Information to be inserted from Pricing Certificate).

(or so much principal thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal installments hereof from the _____ at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____, and each _____ and _____ thereafter, until maturity or prior redemption. Principal installments of this Bond are payable in the year of maturity or on a redemption date to the registered owner hereof by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the “Paying Agent/Registrar”), upon presentation and surrender, at its designated offices in East Syracuse, New York (the “Designated Payment/Transfer Office”). Interest is payable to the registered owner of this Bond whose name appears on the “Security Register” maintained by the Paying Agent/Registrar at the close of business on the “Record Date,” which is the _____ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. All payments of principal of, premium, if any, and interest on this Bond shall

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be without exchange or collection charges to the registered owner hereof and in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

SECTION 10: Levy of Taxes. To provide for the payment of the “Debt Service Requirements” of the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount is the greater) there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations by law, prescribed sufficient to pay the principal of and interest on the Bonds as the same becomes due and payable; and such tax hereby levied on each one hundred dollars’ valuation of taxable property in the City for the payment of the Debt Service Requirements of the Bonds shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Bonds while Outstanding; full allowance being made for delinquencies and costs of collection; the taxes levied, assessed, and collected for and on account of the Bonds shall be accounted for separate and apart from all other funds of the City and shall be deposited in the “SPECIAL SERIES 2012 GENERAL OBLIGATION REFUNDING BOND FUND” (the “Interest and Sinking Fund”) to be maintained at an official depository of the City’s funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Bonds.

PROVIDED, however, in regard to the payment to become due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date, if any, sufficient current funds will be available and are hereby appropriated to make such payments; and the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Finance Director, and City Secretary of the City, individually or jointly, are hereby authorized and directed to transfer and deposit in the Interest and Sinking Fund such current funds which, together with the accrued interest received from the initial purchasers, will be sufficient to pay the payments due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date.

The Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Finance Director, and City Secretary of the City, individually or jointly, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Bonds, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Bonds as the same accrues or matures or comes due by reason of redemption prior to maturity; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Bonds.

SECTION 11: Mutilated – Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost, or stolen, the Paying Agent/Registrar may execute and deliver a

replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond; and with respect to a lost, destroyed, or stolen Bond, a replacement Bond may be issued only upon the approval of the City and after (i) the filing by the Holder with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss, or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost, or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

SECTION 12: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the

Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

The term "Government Securities" shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, 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 City, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not 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.

The City reserves the right, subject to satisfying the requirements of (i) and (ii) above, to substitute other Government Securities for the Government Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. Provided, however, the City has reserved the option, to be exercised at the time of the defeasance of the Bonds, to call for redemption, at an earlier date, those Bonds which have been defeased to their maturity date, if the City: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the Holders of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

SECTION 13: Ordinance a Contract - Amendments - Outstanding Bonds. This Ordinance, together with the Pricing Certificate, shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 31 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance or any provision in the Pricing Certificate in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Holders who own a majority of the aggregate of the principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance or any provision in the Pricing Certificate;

provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

The term “Outstanding” when used in this Ordinance with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

(1) those Bonds cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds deemed to be duly paid by the City in accordance with the provisions of Section 12 hereof; and

(3) those mutilated, destroyed, lost, or stolen Bonds which have been replaced with Bonds registered and delivered in lieu thereof as provided in Section 11 hereof.

SECTION 14: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

“*Closing Date*” means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“*Code*” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“*Computation Date*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Gross Proceeds*” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

“*Investment*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Nonpurpose Investment*” means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“*Rebate Amount*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Regulations” means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“Yield” of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction, or improvement of which is to be financed (or refinanced) directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(1) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Obligations), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department, and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Obligations), other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For

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purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed, or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six (6) years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the Holders thereof for federal income tax purposes, the City shall pay to

the United States from an appropriate fund, or if permitted by applicable Texas statute, regulation, or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place, and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Finance Director, and City Secretary of the City, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as one or more of such persons deems necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption, or similar or other appropriate certificate, form, or document.

(k) Bonds Not Hedge Bonds. At the time the original obligations refunded by the Bonds were issued, the City reasonably expected to spend at least 85% of the spendable proceeds of such bonds within three years after such bonds were issued, and (2) not more than 50% of the proceeds of the original obligations refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) Qualified Advance Refunding. The Bonds will be issued more than 90 days before the redemption of the Refunded Obligations. The City represents as follows:

(1) The Bonds are the first advance refunding of the Refunded Obligations, within the meaning of section 149(d)(3) of the Code.

(2) The Refunded Obligations are being called for redemption, and will be redeemed not later than the earliest date on which such bonds may be redeemed.

(3) The initial temporary period under section 148(c) of the Code will end: (i) with respect to the proceeds of the Bonds not later than 30 days after the date of issue of such Bonds; and (ii) with respect to proceeds of the Refunded Obligations on the Closing Date if not ended prior thereto.

(4) On and after the date of issue of the Bonds, no proceeds of the Refunded Bonds will be invested in Nonpurpose Investments having a Yield in excess of the Yield on such respective series of Refunded Obligations.

(5) The Bonds are being issued for the purposes stated in the preamble of this Ordinance. There is a present value savings associated with the refunding. In the issuance of the Bonds the City has neither: (i) overburdened the tax-exempt bond market by issuing more bonds, issuing bonds earlier or allowing bonds to remain outstanding longer than reasonably necessary to accomplish the governmental purposes for which the Bonds were issued; (ii) employed on "abusive arbitrage device" within the meaning of Section 1.148-10(a) of the Regulations; nor (iii) employed a "device" to obtain a material financial advantage based on arbitrage, within the meaning of section 149(d)(4) of the Code, apart from savings attributable to lower interest rates and reduced debt service payments in early years.

(m) Qualified Tax Exempt Obligations. The Pricing Officer is hereby authorized to designate in the Pricing Certificate the designation of the Bonds as "qualified tax-exempt obligations" in accordance with the provisions of the paragraph (3) of subsection (b) of Section 265 of the Code in the event the Bonds qualify for such designation and confirm that the Bonds are not "private activity bonds" as defined in the Code and confirm the amount of "tax-exempt obligations" to be issued by the City (including all subordinate entities of the City) for the calendar year in which the Bonds are issued will not exceed \$10,000,000.

SECTION 15: Sale of Bonds – Official Statement. The Bonds authorized by this Ordinance may be sold by the City to the purchaser(s) (herein referred to as the "Purchasers") by (i) negotiated sale, in accordance with a bond purchase agreement (the "Purchase Contract"), (ii) by private placement, in accordance with an agreement to purchase or other agreement, or (iii) by competitive bidding, in accordance with the successful bid submitted therefor, as determined by the Pricing Officer, in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract, agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable, for and on behalf of the City and as the act and deed of this City Council.

With regard to such terms and provisions of said Purchase Contract as a result of a negotiated sale, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of the public offering of the Bonds by the Purchasers;

3. The details of an Official Statement (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the City's Rule 15c2-12 compliance;
4. A security deposit for the Bonds;
5. The representations and warranties of the City to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the City under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the City;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Bonds.

The Mayor and City Secretary of the City are further authorized and directed to manually or electronically execute and deliver for and on behalf of the City copies of a Preliminary Official Statement and Official Statement, prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement in the form and content as approved by the Pricing Officer or as manually or electronically executed by said officials shall be deemed to be approved by the City Council of the City and constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 16: Special Escrow Agreement. A "Special Escrow Agreement" (the "Escrow Agreement") by and between the City and an authorized escrow agent (the "Escrow Agent"), shall be attached to, and approved in, the Pricing Certificate. Such Escrow Agreement is hereby authorized to be finalized and executed by the Pricing Officer for and on behalf of the City and as the act and deed of this City Council; and such Escrow Agreement as executed by said Pricing Officer shall be deemed approved by the City Council and constitute the Escrow Agreement herein approved. With regard to the finalization of certain terms and provisions of said Escrow Agreement, a Pricing Officer is hereby authorized to come to an agreement with the Escrow Agent on the following details, among other matters:

1. The identification of the Refunded Obligations;
2. The creation and funding of the Escrow Fund or Funds; and

3. The Escrow Agent's compensation, administration of the Escrow Fund or Funds, and the settlement of any paying agents' charges relating to the Refunded Obligations.

Furthermore, appropriate officials of the City in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements for the purchase of the escrowed securities referenced in the Escrow Agreement and the delivery thereof to the Escrow Agent on the day of delivery of the Bonds to the Purchasers for deposit to the credit of the "CITY OF ALLEN, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012 ESCROW FUND" (referred to herein as the "Escrow Fund"), or such other designation as specified on the Pricing Certificate; all as contemplated and provided in Texas Government Code, Chapter 1207, as amended, the Ordinance, the Pricing Certificate, and the Escrow Agreement.

On or immediately prior to the date of the delivery of the Bonds to the Purchasers, the Pricing Officer shall also cause to be deposited (and is hereby authorized to cause to be deposited) with the Escrow Agent from moneys on deposit in the debt service fund(s) maintained for the payment of the Refunded Obligations an amount which, together with the proceeds of sale, and the investment earnings thereon, will be sufficient to pay in full the Refunded Obligations (or the amount of accrued interest due thereon) scheduled to mature and authorized to be redeemed on the earliest date established in the Pricing Certificate for the redemption of any of the Refunded Obligations (or the earliest date of payment, to be made from moneys in the Escrow Fund(s), as established in the Pricing Certificate, of the amount of accrued interest due thereon).

SECTION 17: Refunded Obligations. (a) In order to provide for the refunding, discharge, and retirement of the Refunded Obligations, the Refunded Obligations, identified, described, and in the amounts set forth in the Pricing Certificate, are called for redemption on the first date(s) such Refunded Obligations are subject to redemption or such other date specified by the Pricing Officer in the Pricing Certificate at the price of par plus accrued interest to the redemption dates, and notice of such redemption shall be given in accordance with the applicable provisions of the ordinance(s) adopted by the City Council of the City, which authorized the issuance of the Refunded Obligations. The Pricing Officer is hereby authorized and directed to issue or cause to be issued a Notice of Redemption for each series of the Refunded Obligations in substantially the form(s) set forth as (an) Exhibit(s) to the Pricing Certificate, to each and every paying agent/registrar for Refunded Obligations, in accordance with the redemption provisions applicable to each series of the Refunded Obligations.

(b) Each paying agent/registrar for Refunded Obligations is hereby directed to provide the appropriate notice(s) of redemption as required by the respective ordinances authorizing the Refunded Obligations and is hereby directed to make appropriate arrangements so that the Refunded Obligations may be redeemed on the redemption date.

(c) The source of funds for payment of the principal of and interest on the Refunded Obligations on their respective maturity or redemption dates shall be from the funds deposited with the Escrow Agent, pursuant to the Escrow Agreement finalized by the Pricing Officer and approved in Section 16 of this Ordinance and by the Pricing Officer in the Pricing Certificate.

SECTION 18: Control and Custody of Bonds. The Mayor shall be and is hereby authorized to take and have charge of all necessary ordinances, resolutions, orders and records, including the definitive Bonds and the Initial Bonds, pending the investigation and approval of the Initial Bonds by the Attorney General of the State of Texas, and the registration of the Initial Bonds to the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

Furthermore, the Mayor, Mayor Pro Tem, City Manager, Assistant Finance Director, Chief Financial Officer and City Secretary of the City, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents and certifications relating to the City and the issuance of the Bonds, including a certification as to facts, estimates, circumstances, and reasonable expectations pertaining to the use, expenditure, and investment of the proceeds of the Bonds, as may be necessary for the issuance of the Bonds, the approval of the Attorney General, the registration by the Comptroller of Public Accounts, and the delivery of the Bonds to the Purchaser and, together with the City's financial advisor, bond counsel and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bonds to the Purchaser and the initial exchange thereof for definitive Bonds.

SECTION 19: Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance and any accrued interest received from the Purchasers of the Bonds) shall be deposited with the Escrow Agent for application and disbursement in accordance with the provisions of the Escrow Agreement or deposited with the paying agent/registrar for the Refunded Obligations for the payment and redemption of the Refunded Obligations. The proceeds of sale of the Bonds not so deposited with the Escrow Agent (or the paying agent/registrar for the Refunded Obligations) for the refunding of the Refunded Obligations shall be disbursed for payment of costs of issuance, or deposited in the Interest and Sinking Fund for the Bonds, all in accordance with written instructions from the City or its financial advisor. Such proceeds of sale may be invested in authorized investments and any investment earnings realized may be (with respect to the accrued interest received from the Purchasers) deposited in the Interest and Sinking Fund as shall be determined by the City Council of the City.

Additionally, the Pricing Officer shall determine the amount of any City contribution to the refunding from moneys on deposit in the interest and sinking fund maintained for the payment of the Refunded Obligations.

SECTION 20: Notices to Holders-Waiver. Wherever this Ordinance or the Pricing Certificate provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case in which notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance or the Pricing Certificate provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such

notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 21: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the City.

SECTION 22: Bond Counsel Opinion. The obligation of the Purchasers to accept delivery of the Bonds is subject to being furnished a final opinion of Fulbright & Jaworski L.L.P., Attorneys, Dallas, Texas, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. A true and correct reproduction of said opinion is hereby authorized to be printed on the Bonds, or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-Entry-Only System used in the settlement and transfer of the Bonds.

SECTION 23: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 24: Benefits of Ordinance. Nothing in this Ordinance or the Pricing Certificate, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof or the Pricing Certificate, this Ordinance and all of its provisions and the Pricing Certificate being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

SECTION 25: Inconsistent Provisions. All ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 26: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 27: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 28: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

SECTION 29: Severability. If any provision of this Ordinance or the Pricing Certificate or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the Pricing Certificate and the application thereof to other circumstances shall nevertheless be valid, and the City Council of the City hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 30: Incorporation of Findings and Determinations. The findings and determinations of the City Council of the City contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 31: Continuing Disclosure Undertaking. The Pricing Officer is hereby authorized to determine whether a continuing disclosure undertaking is required in connection with the issuance of the Bonds. To the extent it is determined that an undertaking under the Rule is required, this Section 31 shall apply.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

“SEC” means the United States Securities and Exchange Council.

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year ending in the year stated in the Pricing Certificate, financial information and operating data with respect to the City of the general type included in the final Official Statement approved by the Pricing Officer and described in the Pricing Certificate, and, and (2) if not provided as part such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available by the required time, the City will provide unaudited financial information of the type included in the Official Statement by the required time and audited financial statements when and if such audited financial statements become 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 available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For these purposes, any event described in the immediately preceding paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in

possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with this Section by the time required by this Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section with respect to the City and the Bonds while, but only while, 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 the notice required by subsection (c) hereof of any Bond calls and defeasance that cause the City to be no longer such an “obligated person.”

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 financial results, condition, or prospects of the City or the State of Texas 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 constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting 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 to the date of such amendment, 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 consent to such amendment or (b) a Person that is unaffiliated with the City and the State of Texas (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 32: Municipal Bond Insurance. The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 33: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Finance Director, and City Secretary of the City are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Finance Director, and City Secretary or Bond Counsel to the City are each hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance, including the Pricing Certificate: (i) in order to cure any technical ambiguity, formal defect, or omission in the Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Ordinance, which determination shall be final. In the event that any officer of

the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, 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 34: Authorization to Proceed. The Chief Financial Officer for the City, together with the City's financial advisor, Estrada Hinojosa & Company, Inc. and bond counsel, Fulbright and Jaworski L.L.P., are hereby authorized and directed to proceed on behalf of the City with the preparation of an official statement and other documents necessary for the offering and sale of the Bonds. The Chief Financial Officer and other appropriate officials of the City are hereby authorized and directed to make the appropriate arrangements for the sale the Bonds within the parameters provided herein for approval by the Pricing Officer.

SECTION 35:Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551 of the Government Code, as amended.

SECTION 36: Effective Date. This Ordinance shall take effect and be in full force immediately from and after its adoption on the date hereof in accordance with the provisions of Texas Government Code, Section 1201.028, as amended.

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PASSED AND ADOPTED, this January 24, 2012.

CITY OF ALLEN, TEXAS

STEPHEN TERRELL
Mayor

ATTEST:

SHELLEY B. GEORGE
City Secretary

(City Seal)

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of _____, 2012 (this "Agreement"), by and between The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, a banking association duly organized and existing under the laws of the United States of America, or its successors or assigns (the "Bank") and the City of Allen, Texas (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "City of Allen, Texas, General Obligation Refunding Bonds, Series 2012" (the "Securities"), dated _____, 2012, such Securities scheduled to be delivered to the initial purchasers thereof on or about _____, 2012; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 Appointment. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of

the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE TWO DEFINITIONS

Section 2.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

“Acceleration Date” on any Security means the date on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

“Authorizing Document” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

“Bank Office” means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Financial Advisor” – means Estrada Hinojosa & Company, Inc.

“Holder” and “Security Holder” each means the Person in whose name a Security is registered in the Security Register.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

“Predecessor Securities” of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

“Responsible Officer”, when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or

Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Security Register” means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

“Stated Maturity” means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 Other Definitions. The terms “Bank,” “Issuer,” and “Securities (Security)” have the meanings assigned to them in the recital paragraphs of this Agreement.

The term “Paying Agent/Registrar” refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE THREE PAYING AGENT

Section 3.01 Duties of Paying Agent. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

<u>First Class/Registered/Certified</u>	<u>Express Delivery/Courier</u>	<u>By Hand Only</u>
The Bank of New York Mellon Trust Company, N.A. Global Corporate Trust P.O. Box 396 East Syracuse, NY 13057	The Bank of New York Mellon Trust Company, N.A. Global Corporate Trust 111 Sanders Creek Pkwy. East Syracuse, NY 13057	The Bank of New York Mellon Trust Company, N.A. Global Corporate Trust Corporate Trust Window 101 Barclay Street, 1st Floor East New York, NY 10286

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder’s risk and expense.

Section 3.02 Payment Dates. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

ARTICLE FOUR REGISTRAR

Section 4.01 Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register") for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 Securities. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04 List of Security Holders. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security

Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 Return of Cancelled Securities. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

Section 4.07 Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE FIVE THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, the Financial Advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 Recitals of Issuer. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.04 May Hold Securities. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

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Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

In the event the Bank becomes involved in litigation in connection with this Section, the Issuer, to the extent permitted by law, agrees to indemnify and save the Bank harmless from all loss, cost, damages, expenses, and attorney fees suffered or incurred by the Bank as a result. The obligations of the Bank under this Agreement shall be performable at the principal corporate office of the Bank in the City of Dallas, Texas.

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Section 5.08 DTC Services. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for “Depository Trust Company” services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the “Operational Arrangements”, which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE SIX MISCELLANEOUS PROVISIONS

Section 6.01 Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03 Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page hereof.

Section 6.04 Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Merger, Conversion, Consolidation, or Succession. Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

Section 6.08 Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09 Entire Agreement. This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

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Section 6.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11 Termination. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.12 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[Remainder of page left blank intentionally.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., Dallas, Texas

By: _____

Title: _____

Address: 2001 Bryan Street, 11th Floor
Dallas, Texas 75201

Attest:

Title: _____

CITY OF ALLEN, TEXAS

By: _____
Pricing Officer

Address: One Allen Civic Plaza
Allen, Texas 75013

