



**CITY OF BRADY COUNCIL AGENDA  
REGULAR CITY COUNCIL MEETING  
SEPTEMBER 3, 2024, 6:00 P.M.**

NOTICE is hereby given of a meeting of the City Council of City of Brady, McCulloch County, State of Texas, to be held at 6:00 p.m. on September 3, 2024, at the City of Brady Municipal Court Building located 207 S. Elm St., Brady, Texas, for the purpose of considering the following items. The City Council of the City of Brady, Texas, reserves the right to meet in closed session on any of the items listed below should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551. of the Texas Government Code.

Tony Groves,  
Mayor

Terry Phillips  
Council Member Place 1

Missi Elliston  
Mayor Pro Tem  
Council Member Place 2

Jeffrey Sutton  
Council Member Place 3

Felix Gomez, Jr.  
Council Member Place 4

Gabe Moreno  
Council Member Place 5

Erin Corbell  
City Manager

Tina Keys  
City Secretary

Sharon Hicks  
City Attorney

**MISSION**

The City of Brady strives to share its history and encourage the development of diverse housing, employment, infrastructure, and opportunity through transparent management and financing for all residents and employees.

**1. CALL TO ORDER, ROLL CALL & CERTIFICATION OF A QUORUM**

**2. INVOCATION & PLEDGE OF ALLEGIANCE**

**3. PUBLIC COMMENTS: Reserved for items NOT listed on the agenda**

*Please limit individual public comments to three (3) minutes. In accordance with TX AG opinion, any public comment addressing items not on the agenda, will only be heard by the City Council. No formal action, deliberation, discussion, or comment will be made by City Council. State Law prohibits any deliberation or decisions regarding items presented in public comments. City Council may only make a statement of specific factual information given in response to the inquiry; recite an existing policy; or request staff to place the item on an agenda for a subsequent meeting.*

**4. CONSENT AGENDA: Reserved for routine items to save time**

*Any item may be removed from the Consent Agenda at the request of a Council Member and considered separately following the Consent Agenda approval. All items listed on the Consent Agenda are to be with one motion "Move to approve Consent Agenda."*

- A. Approval of Minutes for Regular Meeting on August 20, 2024.

**5. PRESENTATIONS**

- Brady Municipal Golf Course – Golf Superintendent Rustin Bush

**6. PUBLIC HEARING:**

- Public Hearing for the proposed Fiscal Year 2024-2025 Budget

## 7. INDIVIDUAL CONCERNS

*City Council Members are to deliberate the following items. Staff will present the item and are prepared to answer City Council Member questions. The Mayor will recognize Council Members as the council discuss the item so everyone is heard. Once the City Council Members finish discussion, the Mayor will recognize attendees who have comments. Attendees and council members need to direct comments to the Mayor as they are recognized. When all comments are complete, the Mayor will call for a motion.*

- A. Discussion, consideration and possible action regarding the **first reading of Ordinance 1384** of the City of Brady, Texas to adopt the FY 2025 Budget.
- B. Discussion, consideration and possible action regarding the **first reading of Ordinance 1385** of the City of Brady, Texas to adopt the 2024 Property Tax Rate.
- C. Discussion, consideration and possible action regarding the **first reading of Ordinance 1386** of the City of Brady, Texas adopting the Utility Rates and Fee Schedule for City Services.
- D. Discussion, consideration and possible action to approve **Ordinance 1387 AUTHORIZING THE ISSUANCE OF \$680,000 "CITY OF BRADY, TEXAS COMBINATION TAX AND SURPLUS WATERWORKS AND SEWER SYSTEM REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024"**.
- E. Discussion, consideration and possible action regarding the approval of revised Cell Phone Allowance Policy by **Resolution 2024-013**.
- F. Discussion, consideration and possible action regarding the approval of an Advanced Meter Opt-out Program Policy by **Resolution 2024-014**.
- G. Discussion, consideration and possible action to approve **Resolution 2024-015 CONCERNING AN EDAP GRANT AGREEMENT WITH THE TEXAS WATER DEVELOPMENT BOARD IN THE AMOUNT OF \$1,585,500; ACCEPTING THE TERMS OF THE FINANCIAL ASSISTANCE FROM THE STATE AGENCY; AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**.
- H. Discussion, consideration and possible action approving Agreement Regarding Fire Services between the City of Brady and Brady Volunteer Fire Department.
- I. Discussion, consideration and possible action regarding rebranding of Brady Municipal Golf Course.

## 8. STAFF REPORTS

### A. Upcoming Special Events/Meetings:

Sept 17	Regular City Council Meeting, 6:00 p.m.
Sept 20	HAPPY BIRTHDAY GABE MORENO
October 1	Regular City Council Meeting, 6:00 p.m.
October 1	National Night Out
October 14	Columbus Day Holiday, City offices closed, altered trash schedule
October 15	Regular City Council Meeting, 6:00 p.m.

## 9. ANNOUNCEMENTS

Pursuant to the Texas Government Code § 551.0415, City Council Members and City staff may make reports about items of community interest during a meeting of the governing body without having given notice of the report. Items of community interest include: Expressions of thanks, congratulations, or condolence; an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutary recognition for purposes of this subdivision; Information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; and announcements involving an imminent threat to public health and safety of people in the municipality that has arisen after the posting of the agenda.

## 10. EXECUTIVE SESSION

The City Council of the City of Brady will adjourn into Executive Session for the following:

- Pursuant to Section 551.071 (Consultation with Attorney), the City Council will consult with the City Attorney about pending or contemplated litigation or on a matter in which the duty of the

attorney to the City under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act:

- Pursuant to Section 551.087 (Economic Development), the City Council will deliberate the offer of a financial or other incentive or to discuss or deliberate regarding commercial or financial information that the City Council has received from a prospective business, retail, and other development projects that the City Council seeks to have locate in or near the City and/or with which the City Council is conducting economic development negotiations: Project CoB24-01

## 11. OPEN SESSION ACTION ON ANY ITEMS COMING OUT OF EXECUTIVE SESSION

Discussion, consideration or possible action as a result of Executive Session, if any.

## 12. ADJOURNMENT

*I certify that this is a true and correct copy of the City of Brady City Council Meeting Agenda and that this notice as posted on the designated bulletin board at Brady City Hall, 201 E. Main St., Brady, Texas 76825; a place convenient and readily accessible to the public at all times, and said notice was posted on \_\_\_\_\_ by 6:00 p.m. and will remain posted continuously for 72 hours prior to the scheduled meeting pursuant to Chapter 551 of the Texas Government Code.*

\_\_\_\_\_  
*Tina Keys, City Secretary*

In compliance with the American with Disabilities Act, the City of Brady will provide for reasonable accommodations for persons attending public meetings at City facilities. Requests for accommodations or interpretive services must be received at least 48 hours prior to the meeting. Please contact the City Secretary at 325-597-2152 or [tkeys@bradytx.us](mailto:tkeys@bradytx.us)

Attendance by Other Elected or Appointed Officials: It is anticipated that members of other governmental bodies, and/or city boards, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the body, board, commission and/or committee. The members of the boards, commissions and/or committees may be permitted to participate in discussion on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless item and action is specifically provided for on an agenda for that body, board, commission or committee subject to the Texas Open Meetings Act.

The City Council of the City of Brady reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on this agenda as authorized by the Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations regarding Real Property), 551.073 (Deliberations regarding prospective Gifts or Donations), 551.074 (Personnel Matters), 551.076 (Deliberations regarding Security Devices), 551.086 (Deliberate, vote or take final action on competitive matters of the public power utility), and 551.087 (Deliberation regarding Economic Development).

This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes written interpretation of the Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.104(c) and the meeting is conducted by all participants in reliance on this opinion.

STATE OF TEXAS

COUNTY OF McCULLOCH

CITY OF BRADY

The City Council of the City of Brady, Texas met in a Regular Meeting on Tuesday, August 20, 2024 at 6:00 p.m. with Mayor Anthony Groves presiding. Council Members present were Missi Elliston, Felix Gomez, Terry Phillips, Jeffrey Sutton and Gabe Moreno. City staff present were City Manager Erin Corbell, Public Works Director Steven Miller, Finance Director Lisa McElrath, Police Chief Randy Batten, Electric Superintendent Joe Solis, City Attorney Lloyd Newton, and City Secretary Tina Keys. Also in attendance were Allan Phillips, Stephen Johnson, Linda Phillips, Jim Lero, Jim Griffin, Cody Fuchs, Charles Hodges, Charles Bush, R.S. Bush, John Palacios, Bill Jerram, and James Griffin.

### 1. CALL TO ORDER, ROLL CALL & CERTIFICATION OF A QUORU

Mayor Groves called the meeting to order at 6:00 p.m. Council quorum was certified.

### 2. INVOCATION AND PLEDGE OF ALLEGIANCE

Council Member Phillips gave the invocation, and the Pledge of Allegiance was recited

### 3. PUBLIC COMMENTS

There were no public comments

### 4. CONSENT AGENDA

- A. Approval of Minutes for Regular Meeting on August 6, 2024 and Special Meetings on August 13, 2024

Council Member Elliston moved to approve the Consent Agenda. Seconded by Council Member Sutton. All Council Members voted “aye” and none “nay”. Motion passed with a 5 – 0 vote.

### 5. PRESENTATIONS:

None

### 6. PUBLIC HEARINGS AND INDIVIDUAL CONCERNS ON PUBLIC HEARING

None

### 7. INDIVIDUAL CONCERNS

- A. Discussion, consideration and possible action consideration and possible action regarding the **second and final reading of Ordinance 1381** of the City of Brady, Texas granting a zoning change from Commercial District to Single Family Residential for property located at 1304 S. High Street, Jones Subdivision, Block 7, Lots 1 – 6. Erin Corbell presented. Council Member Sutton moved to approve the second and final reading of Ordinance 1381. The motion was seconded by Council Member Gomez. All Council Members voted “aye” and none “nay”. Motion passed with a 5 – 0 vote.
  
- B. Discussion, consideration and possible action consideration and possible action to approve the **second and final reading of Ordinance 1382** of the City of Brady, Texas granting a zoning change from Commercial District to Single Family Residential for property located at 300 S. Pecan Street, Luhr Subdivision, Block 18, Lot E/2. Erin Corbell presented. Council Member Phillips moved to approve the second and final reading

of Ordinance 1382. The motion was seconded by Council Member Elliston. All Council Members voted “aye” and none “nay”. Motion passed with a 5 – 0 vote

- C. Discussion, consideration and possible action consideration and possible action to approve the **second and final reading of Ordinance 1383** of the City of Brady, Texas granting a zoning change from Brady Lake Recreational District to Agricultural District for property located at 480.326 acres, Northside FM 2028. Erin Corbell presented. Council Member Moreno moved to approve the second and final reading of Ordinance 1383. The motion was seconded by Council Member Gomez. All Council Members voted “aye” and none “nay”. Motion passed with a 5 – 0 vote
  
- D. Discussion, consideration and possible action to award Haynie & Company an audit contract to perform the annual audits of the City’s financial statements. Lisa McElrath presented. Council Member Phillips said he was very impressed with their presentation last year. Council Member Elliston moved to approve Haynie & Company accounting firm to perform the City financial statement audit reports for Fiscal Years 2024 through 2027 and authorize the city manager to execute the contract and annual engagement letters. Seconded by Council Member Moreo. All Council Members voted “aye” and none “nay”. Motion passed with a 5 – 0 vote.
  
- E. Discussion, consideration and possible action authorizing staff to advertise for bids for vacant lots at Dodge Heights Addition, Brady Lake, zoned Manufactured Homes with the appraised value the minimum bid required for each lot. Erin Corbell presented and said we’ve gotten through all the closings with the leaseholders. These remaining lots are free and clear and ready to sell. A few have some complications. In our advertising we are going to put in the bid packet that there may be back taxes on some properties, and they need to speak with the appraisal district regarding those taxes. All lots will be sold as/is; meaning they know there may be other issues with the lots. Council Member Elliston asked if the appraisal district has any desire to work with buyers. Corbell said maybe. Council Member Elliston moved to authorize the city manager to advertise lots for sealed public bid. Seconded by Council Member Phillips. All Council Members voted “aye” and none “nay”. Motion passed with a 5 – 0 vote.

**8. STAFF REPORTS**

**A. Upcoming Special Events/Meetings:**

August 20	Happy Birthday Terry Phillips
August 21	Happy Birthday Tony Groves
August 29	Annual Employee Appreciation Goat Cook-off Luncheon – Richards Park
Sept 2	Labor Day Holiday, City offices closed, altered trash schedule
Sept 3	Regular City Council Meeting, 6:00 p.m.
Sept 17	Regular City Council Meeting, 6:00 p.m.

**9. ANNOUNCEMENTS**

There were no announcements.

**10. EXECUTIVE SESSION**

The City Council of the City of Brady adjourned into Executive Session for the following:

- Pursuant to Section 551.071 (Consultation with Attorney), the City Council will consult with the City Attorney about pending or contemplated litigation or on a matter in which the duty of the attorney to the City under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act:
- Pursuant to Section 551.072 (Deliberations about Real Property), the City Council will deliberate the purchase, exchange, lease, or value of real properties of the City as the deliberation in an open meeting will have the detrimental effect on the position of the City in negotiations with a third person: electric substations
- Pursuant to Section 551.087 (Economic Development), the City Council will deliberate the offer of a financial or other incentive or to discuss or deliberate regarding commercial or financial information that the City Council has received from a prospective business, retail, and other development projects that the City Council seeks to have locate in or near the City and/or with which the City Council is conducting economic development negotiations: Project CoB24-01

Regular Session was recessed at 6:33 p.m. Executive Session opened at 6:53 p.m. for electric substations only and closed at 7:25 p.m. Regular Session resumed at 7:25 p.m.

#### **11. OPEN SESSION ACTION ON ANY ITEMS COMING OUT OF EXECUTIVE SESSION**

Council Member Phillips moved to award to Lower Colorado River Authority – Transmission Services Corporation (LCRA-TSC), Austin, Texas, the Purchase of South Substation facility, assets and land located at 1902 Old Mason Road for the Total Price of \$336,350.27. The motion was seconded by Council Member Sutton. Four Council Members voted “aye” and one, council Member Elliston, voting “nay”. Motion passed with a 4 – 1 vote.

Executive Session resumed at 7:27 and closed at 7:41. Open session resumed at that time. No additional action was taken.

#### **12. ADJOURNMENT**

There being no further business, Mayor Groves adjourned the meeting at 7:42 p.m.

\_\_\_\_\_  
Anthony Groves, Mayor

Attest: \_\_\_\_\_  
Tina Keys, City Secretary

# City Council City of Brady, Texas Agenda Action Form

<b>AGENDA DATE:</b>	9-3-2024	<b>AGENDA ITEM</b>	6.
<b>AGENDA SUBJECT:</b>	Public Hearing for the proposed Fiscal Year 2024-2025 Budget		
<b>PREPARED BY:</b>	Lisa McElrath	<b>Date Submitted:</b>	8-27-2024
<b>EXHIBITS:</b>			
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>		\$00.00
	<b>Amount Budgeted:</b>		\$00.00
	<b>Appropriation Required:</b>		\$39,133,197
<b>CITY MANAGER APPROVAL:</b>			

<b>SUMMARY:</b>	
	<p>This time is provided for citizens to comment on the proposed budget for FY 25.</p>

<b>RECOMMENDED ACTION:</b>	
	<p>Open Public Hearing (announce the time for recording)          Allow for public input          Close the Public Hearing (announce the time for recording)</p>

**City Council  
City of Brady, Texas**

**Agenda Action Form for Ordinance**

<b>AGENDA DATE:</b>	9-3-2024	<b>AGENDA ITEM</b>	7. A.
<b>AGENDA SUBJECT:</b>	Discussion, consideration, and possible action regarding the <b>first reading of Ordinance 1384</b> of the City of Brady, Texas, to adopt the FY 2025 Budget.		
<b>PREPARED BY:</b>	Lisa McElrath	<b>Date Submitted:</b>	8-27-2024
<b>EXHIBITS:</b>	Ordinance 1384 with exhibit A Step-Grade Plan and Certification Sheet Supplemental Decisions Summary for FY 25		
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>		\$00.
	<b>Amount Budgeted:</b>		\$00.
	<b>Appropriation Required:</b>		\$39,133,197
<b>CITY MANAGER APPROVAL:</b>			

<b>SUMMARY:</b>	<p>After the City Council conducted several Budget workshops in July with staff, a Proposed FY25 Budget totaling \$39,133,197 after transfers was delivered to Council on 8-6-24 to consider for approval. The Proposed Budget was posted on the city website and a summary was appropriately published in the City Newspaper on 8-14-24.</p> <p>Attached is the Supplemental Decision Summary detailing the Council’s decision for each additional request beyond the base budget that was presented on June 30. The approved supplemental requests are included in the proposed FY 25 Budget.</p> <p>This budget will raise no new property tax revenues. The property tax revenue to be raised from new property added to the tax roll this year is estimated to be \$1,935 and continues to reflect collections of a cemetery tax levy of 2 cents per \$100 valuation of property.</p> <p>The Budget proposes no utility rate increases and one part-time crewman for the Solid Waste Division.</p> <p>The Budget includes a 3% wage increase for qualified full-time employees, and continues the certification pay program. Stand-by pay will increase to \$30 for the PPM Division. The City will continue its partnership agreement with the BISD funding 67% of the School Resource Officer salary and benefits.</p> <p>Major goals include the replacement of small diameter water mains (\$2,265,500), beginning the task of addressing federally mandated water line replacements (\$5,234,693), and replacing worn-out airport runway lighting (\$1,400,000).</p> <p>The proposed FY25 Budget promotes that ending fund balances should maintain required policy levels.</p>
-----------------	---



**RECOMMENDED ACTION:**

**Mayor will ask:** “Madam City Secretary please read the Ordinance Preamble for the record in accordance with the City Charter.” **“Secretary reads preamble”**

**Mayor calls for a motion:** Move to approve the **first** reading of Ordinance 1384

**Mayor will ask:** “Madam City Secretary please proceed with a Roll Call vote.”

**FISCAL YEAR 2025 BUDGET ORDINANCE  
ORDINANCE NO: 1384**

**AN ORDINANCE AS PRESCRIBED BY THE HOME RULE CHARTER, CITY OF  
BRADY, ADOPTING A FISCAL YEAR 2025 OPERATING BUDGET**

**WHEREAS**, State law and the Home Rule Charter requires formal adoption of an annual budget for operations for the City of Brady; and

**WHEREAS**, the City Manager presented a proposed budget to the City Council on August 6, 2024 per Home Rule Charter requirement Section 6.03 and desired amendments by the City Council have been incorporated; and

**WHEREAS**, a general summary of the proposed budget was posted in City Hall, on the city website and published in the official newspaper; and

**WHEREAS**, exhibit A, the Employee Grade/Step Schedule and Certification Pay is included for adoption that supports payroll budget costs for FY 2025;

**WHEREAS**, a public hearing was held on September 3, 2024, in accordance with State law and Home Rule Charter requirements; and

**WHEREAS**, Section 6.03 of the Home Rule Charter provides that in the event the budget has not been finally adopted by October 1st, the budget and desired amendments as submitted shall be deemed to have been finally adopted by the Council;

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

**SECTION 1:**

That the foregoing recitals are hereby found to be true and correct and are hereby adopted by City Council and made a part hereof for all purposes and findings of fact. City Council hereby certifies that the City has complied with all statutory notices, hearings, and requirements for the adoption of the FY 2025 Operational Budget.

**SECTION 2:**

That the Fiscal Year 2025 Operational Budget for the City of Brady, Texas, as presented to the City Council on September 3, 2024, and will hereby be deemed adopted on September 17, 2024 by requirement of State Law and Section 6.03 of the Home Rule Charter.

**SECTION 3:**

That a copy of the 2025 FY Operation Budget be filed with the City Secretary and other officials as designated under State law.

**SECTION 4:**

That the City Manager be empowered to administer the approved 2025 FY Operational Budget and

execute purchases and other expenditures in accordance with State law and the Home Rule Charter.

**SECTION 5:**

That this Ordinance be published by caption only pursuant to State law.

**SECTION 6:**

That this Ordinance shall be in force and effective on the 1st day of October 2024, that being more than 15 days after such publication, for the public hearing on the budget, pursuant to Section 6.03 (2) of the Home Rule Charter.

This Ordinance was presented at a public hearing held on September 3, 2024; was formally introduced on the 3rd day of September 2024 for the first reading; and was presented on the 17th day of September 2024 for the second and final reading.

**Roll Call Vote:**

- Missi Elliston, Mayor Pro Tem
- Terry Phillips, Council Member Place 1
- Jeffery Sutton, Council Member Place 3
- Felix Gomez, Jr., Council Member Place 4
- Gabe Moreno, Council Member Place 5

**PASSED AND ADOPTED ON FIRST READING** on this 3<sup>rd</sup> day of September 2024.

**Roll Call Vote:**

- Missi Elliston, Mayor Pro Tem
- Terry Phillips, Council Member Place 1
- Jeffery Sutton, Council Member Place 3
- Felix Gomez, Jr., Council Member Place 4
- Gabe Moreno, Council Member Place 5

**PASSED AND ADOPTED ON SECOND READING** on this 17th day of September 2024.

\_\_\_\_\_  
Anthony Groves, Mayor

ATTEST: \_\_\_\_\_  
Tina Keys, City Secretary

CITY OF BRADY  
EMPLOYEE GRADE/STEP SCHEDULE  
Established October 1, 2014 - Effective October 1, 2024

EXHIBIT A - Ordinance 1384

CATEGORY	DESCRIPTION	GRADE	STEP											
			No experience			Some experience			Seasoned					
			01	02	03	04	05	06	07	08	09	10	11	12
MAINTENANCE	Aquatic Seasonal Employees*	10*	9.00	9.25	9.50	9.75	10.00	10.25	10.50	10.75	11.00	11.25	13.00	15.00
	Part Time/Seasonal Positions	11	10.00	10.30	10.61	10.93	11.26	11.59	11.94	12.30	12.67	13.05	13.44	13.84
	Airport serviceman, Landfill Attendant, Cooks	12	10.00	10.30	10.61	10.93	11.26	11.59	11.94	12.30	12.67	13.05	13.44	13.84
	Crewman I & Tech I	13	13.00	13.39	13.79	14.21	14.63	15.07	15.52	15.99	16.47	16.96	17.47	18.00
	Trk Driver, Heavy Equip, Maint I, Grounds I, & II	14	13.00	13.39	13.79	14.21	14.63	15.07	15.52	15.99	16.47	16.96	17.47	18.00
	Crewman II, Tech II, Maintenance II	15	14.64	15.08	15.53	16.00	16.48	16.97	17.48	18.01	18.55	19.10	19.67	20.27
	Electric Lineman B, WWTP Operator	16	18.31	18.86	19.43	20.01	20.61	21.23	21.87	22.53	23.21	23.91	24.63	25.37
Electric Lineman A	17	25.40	26.16	26.94	27.75	28.58	29.44	30.32	31.23	32.17	33.14	34.13	35.15	
SUPPORT														
	Pro-Shop, Lake Store Attendants	21	13.00	13.39	13.79	14.21	14.63	15.07	15.52	15.99	16.47	16.96	17.47	18.00
	Custodian	22	13.25	13.65	14.06	14.48	14.91	15.36	15.82	16.30	16.78	17.29	17.81	18.34
	Clerks- Court, Finance, Permit, Records, Admin Asst**	23	13.46	13.86	14.28	14.71	15.15	15.60	16.07	16.55	17.05	17.56	18.09	18.63
PROFESSIONAL/ TECHNICAL														
	Customer Service Representatives	31	13.25	13.65	14.06	14.48	14.91	15.36	15.82	16.30	16.78	17.29	17.81	18.34
	Lead: Equipment Op, Cust Ser Rep, Linesman	32	15.37	15.83	16.30	16.79	17.29	17.81	18.34	18.89	19.46	20.04	20.64	21.26
	Purch Agt, Fin Assist, HR, Mechanic, Meter Tech	33	17.17	17.69	18.22	18.77	19.33	19.91	20.51	21.13	21.76	22.41	23.08	23.77
	WTP Operator-B	34	25.50	26.27	27.06	27.87	28.71	29.57	30.46	31.37	32.31	33.28	34.28	35.31
FIRE / EMS	2756 HRS:													
	Basic EMT to Paramedic Only (FT or PT)	41	15.02	15.47	15.94	16.42	16.91	17.42	17.94	18.48	19.03	19.60	20.19	19.44
	Basic EMT-Firefighter	42	16.41	16.91	17.41	17.94	18.47	19.02	19.59	20.18	20.79	21.41	22.05	22.72
	Advanced EMT- Firefighter	43	17.51	18.03	18.57	19.13	19.70	20.29	20.90	21.53	22.18	22.84	23.53	24.23
	Paramedic - Firefighter	44	19.39	19.97	20.57	21.19	21.82	22.48	23.15	23.85	24.56	25.30	26.06	26.84
	Captain - Basic EMT - Firefighter	45	19.02	19.60	20.18	20.79	21.41	22.05	22.72	23.40	24.10	24.82	25.57	26.33
	Captain - Advanced EMT - Firefighter	46	19.76	20.36	20.97	21.60	22.24	22.91	23.60	24.31	25.04	25.79	26.56	27.36
	Captain-Paramedic-Firefighter/ Lt.Training Off	47	20.87	21.49	22.14	22.80	23.48	24.19	24.91	25.66	26.43	27.22	28.04	28.88
	EMS Coordinator/ Asst Chief - 2080 HRS	48	34.85	35.90	36.97	38.08	39.22	40.40	41.61	42.86	44.15	45.47	46.84	48.24
POLICE														
	Police Officer - 2236 HRS	51	20.02	20.62	21.24	21.88	22.53	23.21	23.90	24.62	25.36	26.12	26.91	27.71
	Sergeant	52	20.60	21.22	22.07	22.73	23.41	24.12	24.84	25.59	26.35	27.14	27.96	28.80
	Lieutenant	53	24.82	25.56	26.33	27.12	27.93	28.77	29.63	30.52	31.44	32.38	33.35	34.35
	Captain	54	25.12	25.87	26.65	27.45	28.55	29.41	30.29	31.20	32.13	33.10	34.09	35.11
SUPERVISORY														
	Senior Center Director	61	16.07	16.55	17.05	17.56	18.09	18.63	19.19	19.77	20.36	20.97	21.60	22.25
	Airport Manager, Golf Course Superintendent	62	18.67	19.23	19.81	20.40	21.01	21.64	22.29	22.96	23.65	24.36	25.09	25.84
	Superintendents, WTP Operator-AA, Code Off, *	63	24.48	25.21	25.97	26.75	27.55	28.38	29.23	30.11	31.01	31.94	32.90	33.89
	Electric&WWTP Superintendents, Billing Mang	64	35.11	36.16	37.24	38.36	39.51	40.70	41.92	43.18	44.48	45.81	47.18	48.60
ADMINISTRATIVE														
	City Secretary	71	OPEN											
	Chief of Fire / EMS	72	OPEN											
	Chief of Police	73	OPEN											
	Deputy City Manager	74	OPEN											
	Director of Finance	75	OPEN											
	Director of Public Works	76	OPEN											
EXECUTIVE														
Series 80	City Manager	80	OPEN											

\*10/10 Pool Manager \$15.00; Asstaint Pool Manager \$13.00; Lead Lifeguards \$11.00

\*\* Complete listing on Job List page

CITY OF BRADY  
 CERTIFICATION PAY SCHEDULE FOR FULL TIME EMPLOYEES\*

Incentive Level	Certification By Type	Monthly Incentive
Level One:	Permit Technician Certification Texas Pesticide Applicators License Texas Vector Control (Mosquito) License Electric Hotline Level One (I)	\$50.00
Level Two:	Water Treatment/Distribution (C Certificate) Wastewater Treatment (C Certificate) Texas Irrigators License / Backflow License Electric Hotline Level Two (II) Customer Service Inspection (CSI) Gas Qualified Operator (Year 1) Instructor I License	\$75.00
Level Three:	EMT Intermediate Certified Court Clerk Certification (Level I) Municipal Solid Waste Management Class A License Certificate in Basic Code Enforcement Electric Hotline Level Three (III)	\$100.00
Level Four:	Water Treatment/Distribution (B Certificate) Wastewater Treatment/Collection (B Certificate) Communications Officer Intermediate Certificate Certified Court Clerk Certification (Level II) Electric Hotline Level Four (IV) Gas Operator Qualification II (OQ II)	\$125.00
Level Five:	Firefighter Intermediate License Paramedic License Communications Officer Advanced Certification Building Inspection Plan Review Certification Supervisor Level Electrical Certification Instructor II License Gas Operator Qualification III (Superintendent)	\$150.00
Level Six:	Peace Officer Intermediate License Firefighter Advanced Certification Certified Court Clerk Certification (Level III) Communication Officer - Master	\$175.00
Level Seven:	Water Treatment/Distribution (A Certification) Wastewater Treatment/Collection (A Certification) Firefighter Master Certification Peace Officer Advance/Master License Certified Municipal Clerk	\$200.00

\*For full time positions / Effective 10-1-2014; revised 9-3-24 by Ordinance 1384

**SUPPLEMENTAL REQUESTS  
SUMMARY OF DECISIONS by CITY COUNCIL**

Account Number	Line Item / Priority / Description	Page No.	Requesting Division	Program Revenue /Cost	Program Status		
					Not Approved	Approved	Requirements
<b>PROPOSED 8/6/2024</b>							
<b>GENERAL FUND (10)</b>							
10-5-01-601.00	Voter Approval Tax Rate		General Fund	31,500	31,500		
10-4-12-690.00	Loan Proceeds - High Tract Loader / Pothole Truck	6/7	Streets	360,000		360,000	5 YR TERM
10-4-29-690.00	Loan Proceeds - Physio Control LIFEPAK 15 Monitor	8	EMS	44,000		44,000	5 YR TERM/ 0% INT
10-4-29-690.00	Loan Proceeds / Trade-in Ambulance	BASE	EMS	350,000	350,000		Reduce Base Budget
10-4-29-898.00	Trade-in Ambulance	BASE	EMS	30,000	30,000		Reduce Base Budget
10-4-01-910.22	Additional Transfer-in from Electric Fund		General Fund	613,000		613,000	Budget Workshop Decision
			<b>General Revenues</b>	<b>\$ 1,428,500</b>	<b>\$ 411,500</b>	<b>\$ 1,017,000</b>	
10-5-45-321.00	1 Additional funds for Property Clean-ups	9	Code Enforcement	50,000		75,000	
10-5-12-402.00	2 Purchase New Compact High Track Loader	6	Streets	110,000		110,000	Finance
10-5-12-402.00	3 Replace Asphalt Pothole Patch Truck	7	Streets	250,000		250,000	Finance
10-5-12-398.00/01	Debt service expense - Loader and Pothole truck	6/7	Streets	50,000		50,000	Principal and interest
10-5-03-106.00	4 Increase daily rate for Standby Pay	2	PPM	10,920		10,920	
10-5-29-402.00	5 Purchase Physio Control LIFEPAK 15 Monitor	8	EMS	44,000		44,000	Finance
10-5-29-398.01	Debt service expense - Monitors	8	EMS	8,800		8,800	Principal only
10-5-05-401.00	6 Replace Cart Sheds at Brady Municipal Golf Course	4	Golf	250,000	50,000	200,000	
10-5-03-401.00	7 Replace Show Barn at Richards Park	3	PPM	560,000	560,000		
Various	8 Add 1 FT Employee to Fire Department	5	Fire	88,320	88,320		
10-5-01-401.00	9 Remodel City Hall	1	Admin	50,000		100,000	
10-5-29-203.00	Consultant to review EMS/Fire structure		EMS	90,000		90,000	Council recommendation
10-5-07-215.00	BVFD maintenance fund		Fire	24,000		24,000	Contract required
10-5-29-402.00	Replace 2016 Ambulance	BASE	EMS	380,000	380,000		Reduce Base Budget
10-5-29-398.00/01	Debt service expense - Ambulance	BASE	EMS	58,000	58,000		Reduce Base Budget
10-5-32-401.00	Remodel / upgrade Brady Lake Pavilion Restroom		Lake	25,000		25,000	Council recommendation
				<b>\$ 2,049,040</b>	<b>\$ 1,136,320</b>	<b>\$ 987,720</b>	
<b>SPECIAL REVENUE FUND (80)</b>							
80-4-43-672.00	1 TXDOT Aviation Grant to Replace Airfield Lighting	17	Comm Dev Revenue	1,260,000		1,260,000	
				<b>\$ 1,260,000</b>	<b>\$ -</b>	<b>\$ 1,260,000</b>	
80-5-16-401.00	1 Add a separate HVAC system to the kitchen & enclose the office	16	Senior Citizens	30,000		30,000	
80-5-43-272.00	1 Replace Airfield Lighting	17	Community Dev	1,260,000		1,260,000	TXDOT Aviation Grant
80-5-43-272.01	City's matching funds for Airfield Lighting			140,000		140,000	
				<b>\$ 1,430,000</b>	<b>\$ -</b>	<b>\$ 1,430,000</b>	
<b>TOTAL GOVERNMENTAL FUND REVENUE REQUESTS</b>				<b>\$ 2,688,500</b>		<b>\$ 1,017,000</b>	
<b>TOTAL GOVERNMENTAL FUND EXPENDITURES REQUESTS</b>				<b>\$ 3,479,040</b>	<b>\$ 1,136,320</b>	<b>\$ 2,417,720</b>	

## SUPPLEMENTAL REQUESTS SUMMARY OF DECISIONS by CITY COUNCIL

Account Number	Line Item / Priority / Description	Page No.	Requesting Division	Program Revenue /Cost	Program Status			
					Not Approved	Approved	Requirements	
<b>PROPOSED 8/6/2024</b>								
<b><u>ELECTRIC FUND (20)</u></b>								
20-5-22-203.00	1 Professional Services for Grant Application for Department of Energy	10	Electric	50,000		50,000	Budget Workshop Decision	
20-5-22-910.10	Additional Transfer-out to General Fund		Electric			613,000		
					\$ 50,000	\$ -		\$ 663,000
<b><u>WATER AND SEWER FUND (30)</u></b>								
Various	1 Increase base fee and raise Sewer service rate by 20 cents	11	Sewer Revenue	80,000	80,000			
					\$ 80,000	\$ 80,000	\$ -	
30-5-31-910.33	Transfer to Fund 33 - Debt Service		Water	5,000		5,000		
30-5-35-211.00	Radium Removal Fee		GWTP	26,000		26,000		
					\$ 31,000	\$ -		\$ 31,000
<b><u>WATER CONSTRUCTION FUND (33)</u></b>								
Various	1 TWDB Loan/Loan Forgiveness - Lead Service Line Replacement	12	DW Constr Revenue	5,234,693		5,234,693		
33-4-33-910.30	Transfer from Fund 30		DW Constr Revenue	5,000		5,000		
					\$ 5,239,693	\$ -		\$ 5,239,693
Various	1 Lead Service Line Replacement Project	12	DW Construction	5,234,693		5,234,693	TWDB - DWSRF	
33-5-33-900.00	Debt Service expense - LSLR, inventory loan only		DW Construction	5,000		5,000		
					\$ 5,239,693	\$ -		\$ 5,239,693
<b><u>GAS FUND (40)</u></b>								
40-5-42-402.00	1 Replace City Gate 4" Gas Check Meter	13	Gas	38,000		38,000		
40-5-42-910.50	Additional Transfer-out to Utility Support		Gas			10,000		
					\$ 38,000	\$ -		\$ 48,000
<b><u>UTILITY SUPPORT FUND (50)</u></b>								
50-4-50-910.40	Additional Transfer-in from Gas Fund		Util Suppt Revenue			10,000		
				\$ -	\$ -	\$ 10,000		
50-4-46-232.00	1 Purchase software for Advance Meter Access data for customers	14	Utility Support	9,800		9,800		
					\$ 9,800	0		\$ 9,800
<b><u>SOLID WASTE FUND (60)</u></b>								
Various	1 Add 1 FT Employee to Solid Waste	15	Solid Waste	43,400		30,633	PT position	
					\$ 43,400	\$ -		\$ 30,633
<b>TOTAL UTILITY FUNDS - REVENUE REQUESTS</b>				\$ 5,319,693	\$ 80,000	\$ 5,249,693		
<b>TOTAL UTILITY FUNDS - EXPENDITURES REQUESTS</b>				\$ 5,411,893	\$ -	\$ 6,022,126		

City Council  
City of Brady, Texas

## Agenda Action Form for Ordinance

<b>AGENDA DATE:</b>	9-3-2024	<b>AGENDA ITEM</b>	7. B.
<b>AGENDA SUBJECT:</b>	Discussion, consideration, and possible action regarding the <b>first reading of Ordinance 1385</b> of the City of Brady, Texas, to adopt the 2024 Property Tax Rate.		
<b>PREPARED BY:</b>	Lisa McElrath	<b>Date Submitted:</b>	8-27-2024
<b>EXHIBITS:</b>	Ordinance 1385		
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>		\$00.00
	<b>Amount Budgeted:</b>		\$00.00
	<b>Appropriation Required:</b>		\$00.00
<b>CITY MANAGER APPROVAL:</b>			

<b>SUMMARY:</b>		
<p>The FY 25 budget will require to raise no new property tax revenues. Additionally, the no new revenue tax rate of 0.342092, will generate \$1,935 in tax revenues from new property added to the roll this year.</p> <p>3 City Council members voted in favor of the proposed No New Revenue Tax Rate at the August 6, 2024 regular council meeting.</p>		
Tax Rate	Adopted FY 2023-2024	<b>Proposed FY 2024-2025</b>
Property Tax Rate	<b>0.342220</b>	<b>0.342092</b>
No New Revenue Tax Rate	0.342220	0.342092
Voter Approval Tax Rate including unused increment rate	0.385095	0.379233
Debt Rate	0.00000	0.00000

<b>RECOMMENDED ACTION:</b>
<p><b>Mayor will ask:</b> <u>“Madam City Secretary please read the Ordinance Preamble for the record in accordance with the City Charter.”</u> “Secretary reads preamble”</p> <p><b>Mayor calls for a motion:</b> Move to approve the first reading of Ordinance 1385</p> <p><b>Mayor will ask:</b> <u>“Madam City Secretary please proceed with a Roll Call vote in accordance with the City Charter (4 affirmative votes required).”</u></p>



**ORDINANCE NO. 1385**

**AN ORDINANCE LEVYING TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF BRADY, TEXAS FOR THE TAX YEAR 2024**

**Whereas**, the Chief Appraiser of the McCulloch County Appraisal District has certified the 2024 Appraisal Roll for property taxable by the City of Brady, Texas; and

**Whereas**, based upon said Appraisal Roll, the Chief Appraiser has calculated the no-new revenue and voter approval rates for the City of Brady for 2024; and

**Whereas**, the City of Brady posted a Notice on August 14, 2024, in a local newspaper a proposed tax rate equal to 0.342092 per \$100 valuation; and

**Whereas**, the City Council is in favor of the proposed no-new revenue tax rate of 0.342092 as the 2024 tax year property rate as well;

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

**Section 1. Findings.** The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes and findings of fact.

**Section 2. Cemetery Tax.** Under Section 713.006(b) of the Texas Health and Safety Code, that there is hereby levied and there shall be collected for the maintenance of the City's cemetery for the year two thousand twenty-four (2024), upon all property, real, personal and mixed, within the corporate limits of said City subject to taxation, a tax of \$00.02 on each one-hundred dollars (\$100.00) valuation of property.

**Section 3. Tax.** That there is hereby levied and there shall be collected for the use and support of the municipal government of the City of Brady, Texas for the year two thousand twenty-four (2024), upon all property, real, personal and mixed, within the corporate limits of said City subject to taxation, an M&O tax rate of \$00.342092 on each one-hundred dollars (\$100.00) valuation of property, and an I&S tax rate of \$00.00. The M&O tax includes the cemetery tax of \$00.02 on each one-hundred dollars (\$100.00) valuation of property.

**Section 4.** The foregoing tax shall be due and payable at the office of the City Tax Collector on October 1, 2024 and shall be paid before February 1, 2025. All such taxes not paid prior to such

date shall be deemed delinquent and shall be subject to all legal remedies, including maximum penalty and interest as allowed by law.

**Roll Call Vote:**

- Missi Elliston, Mayor Pro Tem
- Terry Phillips, Council Member Place 1
- Jeffrey Sutton, Council Member Place 3
- Felix Gomez, Jr., Council Member Place 4
- Gabe Moreno, Council Member Place 5

**PASSED AND ADOPTED ON FIRST READING** on this 3<sup>rd</sup> day of September 2024.

**Roll Call Vote:**

- Missi Elliston, Mayor Pro Tem
- Terry Phillips, Council Member Place 1
- Jeffrey Sutton., Council Member Place 3
- Felix Gomez, Jr., Council Member Place 4
- Gabe Moreno, Council Member Place 5

**PASSED AND ADOPTED ON SECOND READING** on this 17th day of September 2024.

---

Mayor, Anthony Groves

ATTEST:

---

Tina Keys, City Secretary

**CITY COUNCIL  
CITY OF BRADY, TEXAS  
AGENDA ACTION FORM for ORDINANCE**

<b>AGENDA DATE:</b>	09/03/2024	<b>AGENDA ITEM</b>	7. C.
<b>AGENDA SUBJECT:</b>	Discussion, consideration and possible action regarding <b>first reading of Ordinance 1386</b> of the City of Brady, Texas, adopting the Utility Rates and Fee Schedule for City Services.		
<b>PREPARED BY:</b>	Tina Keys	<b>Date Submitted:</b>	8/22/2024
<b>EXHIBITS:</b>	Ordinance No. 1386 Consolidated Utility Rates and Fee Schedule		
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>		\$00.00
	<b>Amount Budgeted:</b>		\$00.00
	<b>Appropriation Required:</b>		\$00.00
<b>CITY MANAGER APPROVAL:</b>			

**SUMMARY:**  
City Council has held several workshops to discuss various utility rates and fees for City Services for the FY 2025 Budget.  
  
Attached is the consolidated fee schedule for fees, utility rates and charges by the City of Brady as amended by City Council.

**RECOMMENDED ACTION:**  
  
**Mayor will ask:** “Madam City Secretary please read the Ordinance Preamble for the record in accordance with the City Charter.” **“Secretary reads preamble”**  
  
**Mayor calls for a motion:** Move to approve the **first** reading of Ordinance 1386

**ORDINANCE NO. 1386**

**AN ORDINANCE OF THE CITY OF BRADY, TEXAS, UPDATING ORDINANCE NUMBER 1366 A SCHEDULE OF FEES, FOR THE ADMINISTRATION OF UTILITY RATES, PROGRAMS, REGULATIONS, AND OTHER OPERATIONS OF THE CITY; UPDATING THOSE FEES; PROVIDING FOR AN EFFECTIVE DATE, AND PROVIDING A SEVERANCE CLAUSE.**

**WHEREAS**, the City of Brady, Texas (hereinafter the “City”) has established numerous fees for the administration of programs and regulations by the City; and

**WHEREAS**, it is often appropriate and equitable for the individuals and businesses that use particular city services to bear the cost of providing those services; and

**WHEREAS**, many of those fees have become obsolete and no longer even approximate the cost to the city of providing those services; and

**WHEREAS**, appropriate fees will encourage the judicious use of city resources in light of the cost to the public of using those resources and the need for the benefit provided by those resources; and

**WHEREAS**, it is necessary to update the existing fee schedule on an as needed basis to keep the public up to date on applicable fees for a particular service, and

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BRADY, TEXAS, THAT:**

That the Fee Schedule attached hereto as “Exhibit A” to this Ordinance is hereby adopted.

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions of this ordinance. Effective October 1, 2024.

PASSED, APPROVED on FIRST READING on this the \_\_\_\_\_ day of September, 2024.

PASSED, APPROVED on SECOND READING on this the \_\_\_\_\_ day of September, 2024.

\_\_\_\_\_  
Anthony Groves, Mayor

ATTEST:

\_\_\_\_\_  
Tina Keys, City Secretary

# COMMUNITY & TOURISM SERVICES

## BRADY LAKE

Art. 1.10, Ord. 941

*Staff is authorized to adjust retail prices and equipment rates as dictated by market forces to achieve fair market value*

### Camping Fees

#### RV Spaces

	\$35 per day - full hookups (50 amp electric., water, sewer)	(when available)
	\$25 per day (water, 30 amp electric only)	1 week advance only
	<del>\$150 per week</del>	
	\$450 per month - full hookup *	
	\$25 per day late fee	
(with tent set up)	Add \$ 10 per day	
RV Spaces w/ electric only	\$20 per day	

#### Cabanas

	\$25 per day (maximum 10 days)
<del>(Screened Shelters, no AC)</del>	<del>\$20 per day (Oct 1st - March 1st)</del>
(with tent set up)	Add \$ 10 per day
<del>(with RV set up)</del>	<del>Add \$ 25 per day</del>

#### Cabin

with air conditioning	<del>\$50 per day (maximum 10 days)</del>	<del>(March 2nd thru Sept 30)</del>
(with tent set up)	<del>\$40 per day (October 1st thru March 1st)</del>	\$50 per day (maximum 10 days)
<del>(with RV set up)</del>	Add \$ 10 per day	
	<del>Add \$ 25 per day</del>	
	<del>\$500 per month *</del>	

#### Tent Camping

<u>Primitive Camping</u>	\$10 per day (maximum 10 days)
	\$5 per day (maximum 10 days)

\* Approved by Lake Store Manager as space available

### Pavilion Reservation (1 year advance booking reservation allowed)

Available 6:00 a.m. to 11:00 p.m. only

#### Pavilion Rental

\$50 per day / \$50 deposit
-----------------------------

#### Dump Station Fee

\$10 per use
--------------

#### Kayak Rental

\$40 per day
--------------

#### Paddle Board Rental

\$10 per hour
---------------

#### Storage Shed Rental

\$45 per month
\$500 per year

### Shooting Range (Open Sun - Thurs 8:00a - 5:00p, Fri/Sat 8:00a - 7:00p)

Use of Range	\$5 per person / day	When time changes
55/up & under 12 & Veterans \$3	per person / day	
Annual Fee	\$100 per person / year	

#### Winter Hours

Mon - Fri 8:00 am - 5:00 pm  
 Sat & Sun 7:00 a.m. - 5:00 p.m.

### Lake Lot Leases - Div 2 Sec 1.10.033

Dodge Heights Addition (SF)	<del>\$400 per year, over .5 acre, lake front</del>
	<del>\$200 per year, under .5 acre, lake front</del>
	<del>\$350 per year, over .5 acre</del>
	<del>\$175 per year, under .5 acre</del>
Davee Addition (MH)	<del>\$300 per year, over .5 acre</del>

#### Summer Hours

Sun - Thurs 8:00 am - 5:00 pm  
 Fri & Sat 8:00 am - 7:00 pm

### Boat Dock Annual Permit Sec 1.10.033 (policies)

\$25 per year
---------------

CITY OF BRADY  
Service Fees and Utility Rates Schedule  
Effective Oct. 1, 2024

**RICHARDS PARK**

with electric, water and some sewer hookups

**Camping Fees Sec 1.10.001, Ord. 1109**

RV spaces	\$25	per day (maximum 10 days - maximum of 20 days annually)
Tent camping	\$10	per day (maximum 10 days - maximum of 20 days annually)
Dumping Station fee	\$10	(per use vehicle and/or camping shelter) Sec. A2.002

Available 6:00 a.m. to 11:00 p.m. only

Showbarn Rental	\$50 per day / \$50 deposit
-----------------	-----------------------------

**Commercial Use**

Pavilion Rental / Show barn	\$150
Deposit	\$50

**WILLIE WASHINGTON PARK**

with electric and/water/sewer hookups

**Camping Fees Sec 1.10.001, Ord 1109, 1134**

RV spaces	\$20 per day (maximum 10 days - maximum of 20 days annually)
-----------	--

**Pavilion Reservation (1 year advance booking reservation allowed)**

Available 6:00 a.m. to 11:00 p.m. only	\$50 per day / \$50 deposit
--	-----------------------------

**AQUATICS CENTER**

Ord. 1152

*Staff is authorized to adjust retail prices and equipment rates as dictated by market forces to achieve fair market value*

**Swimming Fees** Sec.1.10.121

Ages 3 and up	\$2 per day
Season Pass	\$60 per person
	\$35 each additional family member / includes Non-Profit

BISD fee for programs scheduled outside of normal pool hours:

Lifeguard rates: 1 senior guard at \$11.00 / hour and 2 lifeguards at \$9.00 / hour

**Private Parties (3 hour maximum)** Sec. 1.10.122

up to 50 swimmers	\$100
51 - 100 swimmers	\$150
over 100 swimmers	\$200
Non-refundable deposit	\$50

**ED DAVENPORT CIVIC CENTER**

**Facility Use** Art. A.2.006, Ord. 849

Booking Deposit /Damage/Key:	\$200 * see rules for refunds
If Alcohol allowed, Added Damage Deposit:	\$200 *refundable, if no damage
Weekday Daily Rental (Sunday - Thursday):	\$250 per day (4 hours or less \$125)
Weekend Daily Rental (Friday or Saturday):	\$400 per day Commercial / Business
Weekend Daily Rental (Friday or Saturday):	\$300 per day Non-Business
Holiday / High Demand Rental, add:	\$100 per day *see rules for holiday/high demand days
Daily Cleaning Fee:	\$150 per day
Cleaning fee Sunday - Thursday use	\$100 per day
Multi-day event cleaning fee	\$50 per day
McCulloch Co. 501(c)3 discount	\$100 one time per year
January & February rentals discount	50% off
Reservation Waiting List:	\$100 refundable

**No fee for events hosted by Brady/McCulloch County Chamber of Commerce**

CITY OF BRADY  
Service Fees and Utility Rates Schedule  
Effective Oct. 1, 2024

**REST HAVEN CEMETERY FEES**

Ord. 1049

<b>Cemetery Plots</b>	Sec. 1.12.033	
Residents/Non-Residence		\$350
Babyland		\$75
<b>Grave Opening and Closing</b>	Sec. 1.602d	
Weekday Service		\$350
Saturday Service		\$425
Babyland		\$75
Permit to place monument		\$25 per year
Permit to Open/Close gravesite		\$25 per year

**MUNICIPAL GOLF COURSE**

Sec 1.10.151, Ord 1112

*Staff is authorized to adjust retail prices and equipment rates as dictated by market forces to achieve fair market value*

**Green Fees - 18 holes**

Tuesday thru Thursday	\$15 per day	
Weekend (Fri/Sat/Sun)	\$30 per day	
Twilight (after 5:00 p.m.)	\$5 per day	
Youth 18 and under	\$5 per day	
Senior (over 75 yrs)	\$10 per day	(Excluding tournaments)

**Club Cart Rental**

1/2 cart	\$12.50 + tax	
Full Cart	\$25 + tax	(\$12.50 twilight)

**Trail Fee for Personal Cart**

\$4

**Cart Shed Rental (Oct. 1st)**

Monthly	\$25 member	\$30.00 non member
Annually	\$200 member	\$260.00 non member

**Cart Shed Unlocking Fee**

\$25

**Range Balls**

Annual Membership (Oct. 1st)

~~\$200~~ not used

**Range Balls Only**

Large bucket daily	\$5
Small bucket daily	\$3

**Student Rate**

18 years of age and under enrolled in school	\$45/ yr plus \$1/day - Tues thru Friday
	\$5 green fee Saturday - Sunday

**Tournament Course Closure Fee**

\$600 per day

**OR a Per Player Fee (to Include Cart)**

\$15 each

(no charge for local youth and/or school tournaments/BGA)

**ANNUAL MEMBERSHIP**

Single	\$500	include pool pass
Couple	\$750	include pool pass x 2

**MONTHLY MEMBERSHIP**

Single	\$50
Couple	\$70

**SEASONAL MEMBERSHIP**

~~\$165~~ not used

Three consecutive months, must be paid in single payment

**CURTIS FIELD - AIRPORT**

*Retail prices and equipment rates as dictated by market forces to achieve fair market value*

**Fuel**

Price per gallon Call for current rates

**Hangar Rental**    Sec. 1.11.076 Ord 8410

**Monthly Aircraft Storage Fees:**

Piston Single Engine	\$100 per month
Piston Twin Aircraft	\$170 per month
Turbine Aircraft	\$215 per month
Jet Aircraft	\$565 per month
Aircraft (Over 11,000 lbs)	\$705 per month
Helicopter	\$215 per month

\*\* Aircraft over \$15,000 lbs. will be negotiated between Operator and Airport

**Nightly Aircraft Storage Fees:**

Piston Single Engine	\$30 per day
Piston Twin Aircraft	\$60 per day
Turbine Aircraft	\$70 per day
Jet Aircraft	\$105 per day
Aircraft (Over 11,000 lbs)	\$170 per day
Helicopter	\$70 per day

*Non-Flying/Non-Airworthy Aircraft will be charged double the stated rate for the aircraft type  
 Storage of Non-Aviation related items, equipment, material is prohibited*

**Misc**

After Hours Call Out Fee	\$50
Ramp Fee	\$75
Aeronautical maintenance storage fee	\$25 per month
Tie Down Fee	\$5/day or \$50/month
Conditional Tie Down Fee - applies after the 4th day on the Tie down to customers <b>not</b> buying fuel and aircraft that are <b>not</b> airworthy	
Long Term Parking	\$30 per month

**Airport Conference Room Rental** \$100 per day



CITY OF BRADY  
Service Fees and Utility Rates Schedule  
Effective Oct. 1, 2024

**BUILDING PERMITS**

(a) Commercial and Multi-Family construction plan review		Sec. A5.001, Ord. 1134
Valuation	Fee	
\$1.00 to \$10,000.00	\$50.00	
\$10,001 to \$25,000	\$70.69 for the first \$10,000 plus \$5.46 for each additional \$1,000	
\$25,001 to \$50,000	\$152.59 for the first \$25,000 plus \$3.94 for each additional \$1,000	
\$50,001 to \$100,000	\$251.09 for the first \$50,000 plus \$2.73 for each additional \$1,000	
\$100,001 to \$500,000	\$387.59 for the first \$100,000 plus \$2.19 for each additional \$1,000	
\$500,001 to \$1,000,000	\$1,263.59 for the first \$500,000 plus \$1.85 for each additional \$1,000	
\$1,000,001 and up	\$2,188.59 for the first \$1,000,000 plus \$1.23 for each additional \$1,000	

Valuation is based on construction valuation for project

(b) Commercial and Multi-Family construction inspection		Sec.A.001, Ord. 1134
Valuation	Fee	
\$1.00 to \$10,000.00	\$76.92	
\$10,001 to \$25,000	\$108.75 for the first \$10,000 plus \$8.40 for each additional \$1,000	
\$25,001 to \$50,000	\$234.75 for the first \$25,000 plus \$6.06 for each additional \$1,000	
\$50,001 to \$100,000	\$386.25 for the first \$50,000 plus \$4.20 for each additional \$1,000	
\$100,001 to \$500,000	\$596.25 for the first \$100,000 plus \$3.36 for each additional \$1,000	
\$500,001 to \$1,000,000	\$1,940.25 for the first \$500,000 plus \$2.85 for each additional \$1,000	
\$1,000,001 and up	\$3,365.25 for the first \$1,000,000 plus \$1.89 for each additional \$1,000	

The construction valuation is determined by the greater of the declared valuation of the project or the valuation calculated using the International Code Council Building Valuation Data table, first update of each calendar year.

**Section A5.001 - Residential Construction Plan Review Permits & Inspections**

City of Brady			
Square footage	Permit Fee	Plan Review	Alterations by Trade
0 - 800	\$75	0	\$75.00 per trade
<b>800 - 1500</b>	\$500.00	\$75.00	\$75.00 per trade
<b>1,501 - 10,000</b>	\$500 for the first 1,500 s.f. plus \$0.35 for ea add'l s.f. up to 10,000 s.f.	\$75.00	Building, Mechanical, Electrical, Plumbing
<b>Over 10,000</b>	\$3,300 for the first 10,000 plus \$0.15 for ea add'l s.f.	Included	

Bureau Veritas			
Square footage	Permit Fee	Plan Review	Alterations by Trade
0 - 800	\$100.00		
800 - 1500	\$785.00	Included	\$100 per listed trade - Gas, Building, Mechanical, Electrical, Plumbing
1,501 - 10,000	\$785 for the first 1,500 s.f. plus \$0.35 for ea add'l s.f. up to 10,000 s.f.	Included	
Over 10,000	\$3,760 for the first 10,000 plus \$0.15 for ea add'l s.f.	Included	Included

<b>Plan Review Only</b>	Plan Review Fee Only		
	Per Dwelling Unit, a new plan for previously reviewed plan or Master Plan		\$200.00 per plan or per Address
	Plan Review fee when a permit has been issued for the dwelling and the construction plans are altered such that an additional plan review is required (excludes new plan)		\$150 per plan or per address

<b>Public Works Services</b>	
Public Works Inspection Only	2.5% of the cost of construction
Public Works Plan Review and Inspection	3.0% of the cost of construction
Temporary Back Up Inspection	\$150/hr, minimum 4 hours

<b>Back-up Inspection</b>	
Backup Inspections will be performed during times of inspector absence due to illness, vacation or training at the listed rates. All other project activity will utilize the tables above.	
Single Family Residential	\$76.92 per address/building
Commercial and non-Single Family Residential	\$125 per address/building/unit

All services performed by Bureau Veritas will have a 15% administrative fee added to the total cost to cover City staff administrative time.

Bureau Veritas - Miscellaneous Services	
Solar Panels	\$160
Manufactured Homes	\$400
Pools	Based on Valuation

CITY OF BRADY  
Service Fees and Utility Rates Schedule  
Effective Oct. 1, 2024

**BUILDING PERMITS**

**Fire Code Plan Review Services (Fire Alarm and/or Sprinkler System) Sec. A5.002, Ord. 1134**

Valuation	Fee
\$1.00 to \$250,000	\$500.00
\$250,001 to \$500,000	\$850.00
\$500,001 to \$1,000,000	\$1,100.00
\$1,000,001 to \$3,000,000	\$1,600.00
\$3,000,001 to \$6,000,000	\$2,400.00
\$6,000,001 and up	\$2400.00 for first \$6,000,000 plus \$0.25 for ea additional \$1,000,000

**Fire Code Inspection Services (Fire, Alarm and/or Sprinkler System) Sec. A5.002, Ord. 1134**

Valuation	Fee
\$1.00 to \$250,000	\$750.00
\$250,001 to \$500,000	\$1,050.00
\$500,001 to \$1,000,000	\$1,100.00
\$1,000,001 to \$3,000,000	\$1,350.00
\$3,000,001 to \$6,000,000	\$1,900.00
\$6,000,001 and up	\$2,850.00 for first \$6,000,000 plus \$0.25 for ea additional \$1,000,000

**Platting, Zoning and Re-Inspection Fees**

Sec. A5.003 and A5.004, Ord. 1134

Re-inspection Fee	\$50
Zoning Application Fee	\$200
Zoning Variance Fee	\$200
Filing Fee for Preliminary Plats	\$100
Filing Fee for Final Plats	\$100

**On-Site Sewage Facility Permit**

Sec. A5.005, Ord. 884

\$200

(Septic Tank System)

TCEQ Fee

\$10

CITY OF BRADY  
Service Fees and Utility Rates Schedule  
Effective Oct. 1, 2024

**MISCELLANEOUS PERMITS & SERVICES**

<b>Permitting</b>	Sec. A5.006, Ord. 1077	
Solar Panels (Ord 1188)		\$100
Fence Permit		\$75
Demolition Permit, Residential		\$50
Demolition Permit, Commercial		\$150
Swimming Pool In Ground		\$100
Swimming Pool Above Ground (24" deep or deeper)		\$75
Carport		\$75
Accessory Building larger than 150 sq. ft.		\$50
Customer Service Inspection (CSI)-Commercial		\$125
Customer Service Inspection (CSI)-Residential		\$50 in-house inspector
Sign Permit (less than 50 sq. ft.)		\$75
Sign Permit (larger than 50 sq. ft.)		\$125
Seasonal Permit Fee		\$100 with a \$50 - 90 day extension fee
Mobile Food Vendor Permit Fee		\$100
Manufactured Home Moving / Relocation		\$200
House Moving		\$200
Driveway / Curb Cut		\$40
Street or Alley Closing		\$125
Peddler Permit		\$35 per year
Garage Sale Permit		Free 1 per quarter, 3 continuous day maximum
Cargo / Shipping Container Permit		\$50
Grease Trap		\$40
Underground & above ground fuel tanks		\$100
Gasoline fuel pumps		\$10
LPG permit		\$10
Fuel gas line		\$40
Preliminary plan review - residential		\$125
Preliminary plan review - commercial		\$200
<b>Certificates of Occupancy - Commercial</b>		
Per Ownership Change		\$75 each
<b>Contractor Registration</b>		\$50
<b>Return Check</b>	Sec. 13.03.049	\$30
<b>Alcoholic Beverage Permits</b>	Sec. 4.03.032	
Package Store Permit (P)		\$250.00 per year
Local Distributor's Permit (LP)		\$50.00 per year
Wine and Beer Retailer's Permit (BG/V/Y)		\$87.50 per year
Wine and Beer Retailer's Off-Premise Permit (BQ)		\$30.00 per year
Mixed Beverage Permit (MB/RM)		\$350.00 per year
Beer Retailers Off Premise Permit (BF)		\$30.00 per year
Wine Only Package Store Permit (Q)		\$37.50 per year
Package Store Tasting Permit (PS)		\$12.50 per year
Winery (G)		\$37.50 per year

**FIRE & EMS SERVICES**

**Annual Fire Safety Inspections - Commercial Property - State Law** Sec. A7.001

	Staff	Outside
Annual Fire Safety Inspection Program setup for City (one-time fee)	\$500	\$1,000
Annual Fire Safety Inspection and each re-inspection (per location)	\$50	\$150
Annual Fire Safety Foster Home Inspection	\$25	\$100

**Ambulance Stand-by Fee - per game**

<b>Fire / EMS Staff Stand-By</b> (3 hr min / 2 personnel min) Paid direct to personnel	<del>\$50</del>	<b>\$75 \$30 per hour</b>
<b>Burn Permit</b>		\$50

**POLICE SERVICES**

**TxDOT Crash Report** \$6

**Funeral Procession**

Sec. 1.12.041, Ord. 1067

On-Duty Officers (when available)	\$0
Off-Duty Officers (2 hour minimum)	\$25 per hour

**Security fee to Police Staff**

\$50 per hour Pd direct to personnel

**Wrecker Service**

\$150 per call (Paid to Vendor)

**ANIMAL SERVICES**

**City Ordinance Fees**

Impounded Animal, (Sec 2.02.009) Required to pay all fees incurred-Boarding and Compliance

First Offense	\$75
Second Offense	\$150
Each Subsequent Offense	\$200
Daily Boarding Fee	\$15 per day
Redemption of Quarantined Animal, (Sec 2.114) After payment of all fees incurred	\$10 per day for 10 days minimum

Animal Pick-up by (Surrender to) ACO requested by owner

Dog	\$50 each, if altered
Dog	\$90 each, if not altered
Cat	\$5 each, if altered
Cat	\$10 each, if not altered

Evidence leading to conviction of poisoning any animal (Sec 2.104) \$50 award

Annual Exotic Animal Permit (Expires Each December) (Permits held by City Secretary)

\$25 per year for 1st year
\$15 per year for 2nd (or subsequent) year
\$15 to amend permit

Adoption Fee \$50

## UTILITY RATES & PUBLIC WORKS

### ELECTRIC

**ELECTRIC UTILITY RATES** Sec. 13.05.031, Ord. 1104

**Residential rates:**

Meter Service Charge	\$10.25 per month, plus;
Distribution Charge	\$0.0720 per kWh for all kWh per mo, plus;
Power Cost Adjustment	A component adjusted monthly based on <del>wholesale power costs</del>

**Small Commercial:**

Meter Service Charge	\$12.25 per month, plus;
Distribution Charge	\$0.0630 per kWh for all kWh per mo, plus;
Power Cost Adjustment	A component adjusted monthly based on wholesale power costs

**Large Commercial:**

<del>Meter Service Charge</del>	<del>\$22.25 per month, plus;</del>	
Distribution Charge	\$0.0451 per kWh for all kWh per mo, plus;	
Power Cost Adjustment	A component adjusted monthly based on wholesale power costs	
Demand Charge	<del>\$3.92 per kW, plus;</del>	
Power Cost Adjustment	A component adjusted monthly based on wholesale power costs	\$50 per day (maximum 10 days)
	500	

**Industrial**

Meter Service Charge	\$1,000.00 per month for service, plus;
Distribution Charge	\$0.0351 per kWh for all kWh, plus;
Demand Charge	\$3.92 per kW, plus;
Power Cost Adjustment	A component adjusted monthly based on wholesale power costs

**Distributed Generation** Ord 1245

- \* The Brady Electric Utility will determine the Delivered kWh and the Received kWh on an ongoing, monthly basis
- \* Delivered kWh (energy) will be billed on the standard applicable rate schedule
- \* Received kWh (energy) will be multiplied by the utility's Avoided Cost of Generation Rate (ACGR)
- \* ACGR is based on the actual cost of generation from the City of Brady's wholesale supplier(s) divided by the total retail sales by the City for the billing period
- \* Any credit related to the ACGR shall be remitted by the Brady Utility billing service to the Customer in the billing period that the energy received was metered.
- \* one-time non-refundable installation set up fee of \$50.00 will be required
- \* monthly meter data processing fee will be charged at the rate of \$3.00 per billing cycle
- \* Actual cost of the specialized DG meter will be charged to the Customer
- \* Penalty: \$1,000 if solar company starts work or energizes without inspections and approvals

**SECURITY LIGHTS** Art. 13.05.033, Ord. 1092

**Installation Fees**

On existing City pole	\$50
On pole set by City	\$100
Plus \$0.50 per foot for wire	

**Monthly Rates:**

175 watt	\$15.00 LED
----------	-------------

~~**Electric – Commercial Fees** Sec. 13.05.031, Ord. 1104, **Electric – Line and Transformer Fees – New Construction or Remodel**~~

~~The Electric Division will not, under any circumstances, authorize or construct an extension in conflict with the City's ordinances. —  
 Any installation of primary electrical overhead line expansion (span) over 250 feet will be charged to the customer on an actual cost basis. —  
 The Electric Division will neither start work nor will the Electric Division order materials until it receives payment in full.~~

<b>Transformer Installation fee:</b>	Transformers, kVA Size/\$Fee	CT Metering Set
	<u>Residential</u>	
	15kVA / <del>\$250.00</del> \$1,200	\$0.00 Charge applies to a single use customer
	25kVA / <del>\$500.00</del> \$1,400	\$0.00 Charge applies to a single use customer
	<u>Small Commercial</u>	
	<del>15</del> 50kVA / <del>\$350.00</del> \$1,800	\$0.00
	<del>25</del> 100kVA / <del>\$500.00</del> \$2,000	\$0.00
	<u>Large Commercial</u>	
	50kVA / <del>\$750.00</del> actual cost	actual cost
	100kVA / <del>\$1,000.00</del> actual cost	actual cost
	Greater than 100kVA	Actual Cost
	Pad Mounted	Actual Cost
	Onsite monthly meter reading fee	\$15.00

~~— Any installation of primary electrical overhead service over 250 feet will be charged to the customer on a cost basis. —~~

**GAS**

**GAS UTILITY RATES** Sec. 13.13.06.003 Definitions, Ord. 947

**Residential Rates:** Sec. 13.1207

Monthly Service Charge	\$9.00 per meter *
Distribution Charge	\$5.00 per 1000 cu ft (MCF)
plus	
cost of fuel adjustment	
*The minimum bill shall be \$10 per month	

**Commercial Rates:** Sec. 13.06.003

Monthly Service Charge	\$9.50 per meter *
Distribution Charge	\$5.00 per 1000 cu ft (MCF)
plus	
cost of fuel adjustment	
*The minimum bill shall be \$10 per month	

**Industrial Rates:** Sec. 13.06.003

Monthly Service Charge	\$150.00 per meter
------------------------	--------------------

**Cost of Fuel Adjustment:** Sec. 13.1210, Ord. 1118

Equal to the rate charged to the city for all gas purchases times the customer's gas consumption

**Relight Pilot Light** Sec. A10.005

During normal Business Hours 8 a.m. to 5 p.m.	
Citizens age 60 and above	no charge
Citizens age 59 and below	\$25.00
Before 9:00 a.m. or after 5:00 p.m. (not during normal business)	
1st time lighting pilot	\$25.00
2nd time lighting pilot	\$35.00
3rd time lighting pilot	\$45.00

**Gas - Regulator Fees - New Construction or Remodel**

The Gas division will neither start work nor will the Gas Division order materials until it receives full payment.

No fee for events hosted by Brady/McCulloch County Chamber of Commerce

In the event a customer desires to increase the capacity of an existing service and it is agreeable with the City, the charge of such will be at the actual cost of installing a new regulator.

**Utility Line Extension - Electric, Gas, Water and Sewer**

Any utility division will not, under any circumstances, authorize or construct an utility extension in conflict with City of Brady Ordinances.

Utility divisions will neither start work nor will utility division order materials until it receives full payment.

CITY OF BRADY  
Service Fees and Utility Rates Schedule  
Effective Oct. 1, 2024

**WATER**

**WATER USE RATES** Sec. A.10.006, Ord. 1051

Inside City Limits

**Residential**

Customer Meter Charge	\$23.10
0 - 10,000 gallons	\$6.10 per 1000 gallons
10,001 to 50,000 gallons	\$6.45 per 1000 gallons
50,001 to 100,000 gallons	\$7.40 per 1000 gallons
over 100,000 gallons	\$7.80 per 1000 gallons

**Commercial**

Customer Meter Charge	\$24.40
0 - 10,000 gallons	\$6.10 per 1000 gallons
10,001 to 50,000 gallons	\$6.45 per 1000 gallons
50,001 to 100,000 gallons	\$7.40 per 1000 gallons
over 100,000 gallons	\$7.80 per 1000 gallons

Outside City Limits

**Residential**

Customer Meter Charge	\$23.10
0 - 10,000 gallons	\$8.05 per 1000 gallons
10,001 to 50,000 gallons	\$8.60 per 1000 gallons
50,001 to 100,000 gallons	\$9.60 per 1000 gallons
over 100,000 gallons	\$10.00 per 1000 gallons

**Commercial**

Customer Meter Charge	\$24.40
0 - 10,000 gallons	\$15.00 per 1000 gallons
10,001 to 50,000 gallons	\$30.00 per 1000 gallons
50,001 to 100,000 gallons	\$9.60 per 1000 gallons
over 100,000 gallons	\$5.00 per 1000 gallons

**Bulk Water**

Standpipe Rate	\$25.00 per 1,000 gallons
----------------	---------------------------

**SEWER**

**SEWER RATES** Sec. A.10.007, Ord. 1051

**Monthly Rates - Class A Residential Users**

Customer Base Rate Charge	\$23.10
\$3.40 per thousand gallons for the average monthly consumption metered to the customer during December, January, and February, adjusted annually every October 1.	

**Monthly Rates - Class B Commercial Users**

Customer Base Rate Charge	\$23.80
\$5.05 per thousand gallons for water metered to customer during the month being billed, (subject to adjustment for water proved not to enter the sewer).	

Outside City Limits per gallon	\$0.25
--------------------------------	--------

**New Customer Rate** \$43.50 \*\*

\*\*Assessed for a residential account that does not have consumption history for December, January, and February until an average can be established.

CITY OF BRADY  
Service Fees and Utility Rates Schedule  
Effective Oct. 1, 2024

**SOLID WASTE DISPOSAL**

**Solid Waste Disposal - Monthly Rates** Sec. A10.008, Ord. 1051

	Inside City Limits	Outside City Limits
<b>Commercial Dumpster single container</b>		
Two pick ups per week	\$116.00	\$126.00
Three pick ups per week	\$174.00	\$189.00
Four pick ups per week	\$232.00	\$252.00
Five pick ups per week	\$290.00	\$315.00
Six pick ups per week	\$348.00	\$378.00
<b>Commercial Dumpster shared container</b>		
Two customers per container		
Two pick ups per week	\$58.00	\$63.00
Three pick ups per week	\$87.00	\$94.50
Four pick ups per week	\$116.00	\$126.00
Five pick ups per week	\$145.00	\$157.50
Six pick ups per week	\$174.00	\$189.00
Three customers per container		
Two pick ups per week	\$38.70	\$42.00
Three pick ups per week	\$58.05	\$63.00
Four pick ups per week	\$77.40	\$84.00
Five pick ups per week	\$96.75	\$105.00
Six pick ups per week	\$116.10	\$126.00
Four customers per container		
Two pick ups per week	\$29.00	\$31.50
Three pick ups per week	\$45.90	\$47.25
Four pick ups per week	\$58.00	\$63.00
Five pick ups per week	\$72.50	\$78.75
Six pick ups per week	\$87.00	\$94.50
<b>Residential - one pick up per week</b>	\$21.00	\$25.00
<b>Commercial Mechanically flipped carts</b>	\$29.00	\$33.00
<b>Churches - dumpster collection</b>	\$58.00	
<b>Churches - Mechanically flipped carts</b>	\$15.00	
<b>Additional dumpster pick up (drive-by)</b>	\$15.00	per dump
<b>Additional dumpster pick up (reload)</b>	\$30.00	per dump
<b>Additional 96-gallon cart</b>	\$10.00	per month
<b>Landfill</b> Sec.A.10.008, Ord. 1111, 773		
Inside City	\$28.00 per ton	
Outside City	\$37.00 per ton	
Any load less than 1,000 lbs (1/2 ton) (rate applies to both inside and outside city.) (no leaves, yard clippings or bagged waste)	\$15.00 per load up to 1/2 ton	Inside and Outside City
Unsecured Load	\$10.00	
<b>Damaged Poly Cart</b>		
(a) Comm Poly Cart	\$70.00	
Lid	\$19.00	
Wheel	\$5.00	
<b>Street Sanitation Fee</b> Sec. A10.008		\$2.55 per month per utility customer inside city limits
<b>Brush Chipping</b> Sec. A10.008, Ord. 10.		\$30.00 minimum for first half hour \$25.00 for each additional half hour \$15.00 per half hour for Senior Citizens age 60 and older



**MISCELLANEOUS**

The City of Brady will accept no more than \$2.00 in unrolled coins as a form of payment. The City will accept Bureau Veritas each rolled coin jacket to be accepted.

<b><u>Deposit - Residential</u></b>	Sec. A10.010	
Electric		\$100.00
Water / Sewer / Solid Waste		\$50.00
Gas		\$50.00

Customers shall deposit an amount established by the finance director or City Manager

Two utilities	\$30.00
Three utilities	\$45.00

<b><u>Transfer Fee</u></b>	Sec. 13.205, 13.321b	
One utility		\$10.00
Two utilities		\$20.00
Three utilities		\$30.00

<b><u>Utility Payment Late Fee</u></b>	Sec. 13.03.008	10%
--	----------------	-----

<b><u>Account Payment History Fee</u></b>	Sec. 13.321g	\$5.00
---	--------------	--------

<b><u>Utility Bill Reprint Fee</u></b>		\$2.00
--	--	--------

<b><u>Re-Read Fee</u></b>	Sec. 13.321f	\$5.00
---------------------------	--------------	--------

<b><u>Turn on / off fee</u></b>	Ord. 1062, Sec. 6E	\$50.00
---------------------------------	--------------------	---------

**Connect Fees:**

<b>Reconnect Fee</b>	Sec. 13.207	\$50.00
<b>After Hours Reconnect Fee</b>		\$60.00

<b><u>Credit Card Fee</u></b>	Ord. 1286	2.5%
-------------------------------	-----------	------

**Trip Charges:**

<b>Unscheduled Trip Charge</b>	Sec. 13.321, Ord. 727	\$25.00
<b>Unscheduled Maintenance Fee</b>		\$50.00
<b>After Hours:</b>		
<b>Unscheduled Trip Charge</b>		\$35.00
<b>Unscheduled Maintenance Fee</b>		\$65.00

<b><u>Bulk Trash Pick up</u></b>	Sec. A10.015	
Classification:		
(Load size assessed at time of service requested)		
Extra Small Load, less than 3 yards	\$35.00	per trip
Small load, 3 yds to 6 yds	\$75.00	per trip
Large Load, Greater than 6 yds	\$90.00	per trip
General debris, furniture, large mattresses	\$85.00	per hour
(excludes concrete, tires, appliances)		

**Heavy Equipment** - Federal Emergency Management Agency (FEMA) published equipment rate charges are hereby adopted and are applicable to job cost estimates and may vary

CITY OF BRADY  
Service Fees and Utility Rates Schedule  
Effective Oct. 1, 2024

**METER TAMPERING/DAMAGE FEES** Art. A.10.016.300, Ord. 1062

Charges will include cost of parts and equipment including service rate of \$50 per hour

**Water:**

MXU (radio transceiver)		
Single	<del>\$168.42</del>	\$180.44
Dual	<del>\$223.73</del>	\$239.71
Water Meter		
** 3/4"	<del>\$148.72</del>	\$163.33
** 1"	<del>\$230.77</del>	\$253.43
** 1 1/2" R2	<del>\$566.27</del>	\$655.99
** 2 R2	<del>\$794.53</del>	\$920.40
Meter Cables	<del>\$19.05</del>	\$23.39
Housing Unit	<del>\$40.24</del>	\$45.74
Meter Box		
3/4" - 1 1/2"	<del>\$50.00</del>	\$104.80
2" and up	<del>\$560.00</del>	\$214.70
Lid		
3/4" - 1 1/2"	<del>\$14.00</del>	\$52.80
2" and up	<del>\$94.00</del>	\$107.35
	**Rates subject to vary based on third-party charge.	

**GAS**

GAS METER		
** Sensus R275	<del>\$168.75</del>	\$224.53
** Sensus 417	<del>\$503.83</del>	
** Sonix 600	<del>\$1,059.32</del>	\$1,271.17
** Sonix 880	<del>\$1,181.20</del>	\$1,417.44
** 2" Romet 3000	<del>\$1,983.34</del>	\$2,959.31
** 3" Romet 7000	<del>\$2,775.77</del>	\$4,696.11
	**Rates subject to vary based on third-party charges	
ELECTRIC METER		
** 2s Single Phase	<del>\$137.73</del>	\$153.42
** APX 3 Phase	-	
9S	<del>\$437.41</del>	\$540.53
16S	<del>\$509.50</del>	\$540.53
45S	<del>\$437.41</del>	\$540.53
** 2SE 320A Single Phase	<del>\$141.98</del>	\$169.19
2s Single Phase		
** w/ Remote Disconnect	<del>\$204.50</del>	\$227.81
Net Meter (solar)	Actual Cost	
	** Rates subject to vary based on third-party charges	

**Meter Tap Fees** Sec. A10.017 Ord. 972

	<u>Sewer Tap</u>	<u>Water Meter Size</u>	<u>Water Tap</u>	
<b>Inside City Limits</b>	\$250.00	3/4" meter	\$710.00	*
		1" meter	\$710.00	*
		1-1/2" meter	\$1,360.00	*
		2" meter	\$1,550.00	*
		larger than 2" meter	Actual Cost	

\* Plus meter exchange charge based on the actual cost of the meter installed less the cost of a 3/4" meter.

~~Any installation of water piping exceeding 60 feet will be charged to the customer on a cost basis.~~

	<u>Gas Tap Size</u>	<u>Gas Tap</u>	
	1" inch	\$750.00	*
	1-1/4" inch	\$832.00	*
	2" inch	\$938.00	*
	Larger than 2" inch	Actual Cost	

\* Plus meter exchange charge based on the actual cost of the meter installed less the cost of a Sensus R275 meter.

\*Plus Street Cut Charge per Tap, 1975 Code of Ordinances

Small Asphalt Cut and Repair	\$300.00 ***
Large Asphalt Cut and Repair	\$500.00 ***
*** to be determined by superintendent	
Concrete Cut & Repair	\$900.00

**Outside City Limits:** same as above plus 50% surcharge

**Fees for services not specifically addressed in this ordinance will be charged in the amount of the actual cost of performing the service.**

**Note: Installation of standard utility main extension is at actual cost for gas, sewer and water**

**City Council  
City of Brady, Texas**

## Agenda Action Form for Ordinance

<b>AGENDA DATE:</b>	9-3-2024	<b>AGENDA ITEM</b>	7.D.
<b>AGENDA SUBJECT:</b>	Discussion, consideration and possible action to approve <b>ORDINANCE 1387 AUTHORIZING THE ISSUANCE OF \$680,000 "CITY OF BRADY, TEXAS COMBINATION TAX AND SURPLUS WATERWORKS AND SEWER SYSTEM REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024"</b>		
<b>PREPARED BY:</b>	Lisa McElrath	<b>Date Submitted:</b>	8-28-24
<b>EXHIBITS:</b>	Ordinance 1387 Transaction Summary		
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>		\$00.00
	<b>Amount Budgeted:</b>		\$00.00
	<b>Appropriation Required:</b>		\$00.00
<b>CITY MANAGER APPROVAL:</b>			

<b>SUMMARY:</b>
<p>The Texas Water Development Board (TWDB) has given the City of Brady a financial commitment to fund a Certificate of Obligation (CO) loan at a discounted interest rate of 3.068% in an amount not to exceed \$680,000 through the Economically Distressed Areas Program (EDAP) funds.</p> <p>COs are a commonly used debt instrument that allows a City Council to issue debt for a critical public need on a shorter timeline rather than waiting for the next uniform election date on the calendar. Accordingly, the Council voted, at its regular meeting on July 2, 2024, in favor of responding to the TWDB offering and directed staff to notify the public of its intent to issue debt. Appropriately, the city published a notice of Council’s intent to issue debt, on 7-17-24 and 7-24-24 as mandated by law.</p> <p>The CO loan proceeds along with \$1,585,500 (70%) in EDAP Grant proceeds from the TWDB will be used to fund the estimated \$2,265,500 cost of replacing 11,000 feet of under-sized water distribution line to customers in the Luhr East addition.</p> <p>This project was approved in the FY 24 Budget cycle along with the approval to apply up to \$1,000,000 in excess fund balance towards the cost of the project. Since the city was successful in obtaining grant funding, only \$699,000 will be needed to pay off the debt in 2 years which includes minimal interest cost of \$19,000.</p>

A summary of the financial transaction, prepared by the City's Financial Advisor, Erick Macha of Hilltop Securities, is included. His team prepared the financial application to the TWDB and will guide the city through the debt issuance process.

**The City Council may approve the ordinance authorizing issuance of the stated COs on one reading at a single meeting. Section 1208 of the Government Code** states that an issuer may authorize the sale of securities at a single meeting without the need for a subsequent meeting even if the city charter states otherwise.

**RECOMMENDED ACTION:**

**Mayor will ask:** "Madam City Secretary please read the Ordinance Preamble for the record in accordance with the City Charter." "Secretary reads preamble"

**Mayor calls for a motion:**

Move to approve the **first and final** reading of Ordinance 1387

**AUTHORIZING THE ISSUANCE OF \$680,000 "CITY OF BRADY, TEXAS COMBINATION TAX AND SURPLUS WATERWORKS AND SEWER SYSTEM REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024"; AUTHORIZING THE SALE THEREOF; ENACTING PROVISIONS INCIDENT AND RELATED TO THE ISSUANCE OF SAID CERTIFICATES**

# City of Brady, Texas

## Financing Through the Texas Water Development Board (TWDB)

September 3, 2024

---

### Economically Distressed Areas Program (EDAP)

- The City received a funding commitment on May 9, 2024
  - Commitment expires on November 30, 2024
  
- TWDB commitment totaling \$2,265,500 in funding
  - \$1,585,500 Grant funding
  - \$680,000 EDAP Loan at subsidized TWDB interest rate
  
- \$2,006,430 in estimated debt service savings compared to a public market issuance

### Series 2024 EDAP Financing Terms

#### **\$680,000 Combination Tax and Surplus WW&SS Revenue Certificates of Obligation, Series 2024 (EDAP)**

- Closing date: 10/8/2024
- Tax status: Tax-exempt
- Construction proceeds: \$648,000
- Interest Rates: 2.95% - 3.07%
- **True Interest Cost: 3.068%**
- First principal payment due (Annual): 9/1/2025
- Final payment due: 9/1/2026
- Optional call feature: Non-callable
- Weighted Average Maturity: 0.912 Years

# City of Brady, Texas

## Financing Through the Texas Water Development Board (TWDB)

September 3, 2024

FYE	Existing	Comb Tax & Surplus WW&SS Rev CO, Series 2024 (EDAP)				Net
	Debt Service	Principal	Coupon	Interest	Debt Service	Debt Service
2024	\$ 1,044,824					\$ 1,044,824
2025	1,045,859	\$ 670,000	3.07%	\$ 18,720	\$ 688,720	1,734,579
2026	1,045,859	10,000	2.95%	295.00	10,295	1,056,154
2027	1,045,859					1,045,859
2028	1,045,859					1,045,859
2029	1,040,802					1,040,802
2030	1,045,517					1,045,517
2031	1,044,966					1,044,966
2032	834,183					834,183
2033	833,197					833,197
2034	832,037					832,037
2035	830,732					830,732
2036	829,311					829,311
2037	822,748					822,748
2038	821,066					821,066
2039	824,267					824,267
2040	822,317					822,317
2041	825,247					825,247
2042	823,020					823,020
2043	825,702					825,702
2044	823,284					823,284
2045	820,835					820,835
2046	823,355					823,355
2047	825,797					825,797
2048	828,200					828,200
2049	830,523					830,523
2050	832,765					832,765
	<u>\$ 24,068,131</u>	<u>\$ 680,000</u>		<u>\$ 19,015</u>	<u>\$ 699,015</u>	<u>\$ 24,767,146</u>

---

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$680,000 "CITY OF BRADY, TEXAS COMBINATION TAX AND SURPLUS WATERWORKS AND SEWER SYSTEM REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024"; AUTHORIZING THE SALE THEREOF; ENACTING PROVISIONS INCIDENT AND RELATED TO THE ISSUANCE OF SAID CERTIFICATES**

---

**DATE OF APPROVAL: September 3, 2024**

## Table of Contents

ARTICLE I DEFINITIONS AND OTHER PRELIMINARY MATTERS .....	2
ARTICLE II .....	4
SECURITY FOR THE CERTIFICATES AND CREATION OF FUNDS .....	4
ARTICLE III AUTHORIZATION: GENERAL TERMS AND PROVISIONS REGARDING THE CERTIFICATES .....	8
ARTICLE IV REDEMPTION OF CERTIFICATES BEFORE MATURITY .....	15
ARTICLE V PAYING AGENT/REGISTRAR.....	16
ARTICLE VI FORM OF THE CERTIFICATES .....	17
ARTICLE VII INVESTMENTS .....	23
ARTICLE VIII PARTICULAR REPRESENTATIONS AND COVENANTS.....	23
ARTICLE IX CONTINUING DISCLOSURE UNDERTAKING.....	30
ARTICLE X DEFAULT AND REMEDIES .....	34
ARTICLE XI .....	35
DISCHARGE AND DEFEASANCE.....	35
ARTICLE XII SALE AND DELIVERY OF CERTIFICATES; DEPOSIT OF PROCEEDS ....	36
ARTICLE XIII ESCROW AGREEMENT .....	37
ARTICLE XIV MISCELLANEOUS .....	37
EXHIBIT A Paying Agent/Registrar Agreement	
EXHIBIT B Escrow Agreement	



**ORDINANCE NO. 1387**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$680,000 "CITY OF BRADY, TEXAS COMBINATION TAX AND SURPLUS WATERWORKS AND SEWER SYSTEM REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024"; AUTHORIZING THE SALE THEREOF; ENACTING PROVISIONS INCIDENT AND RELATED TO THE ISSUANCE OF SAID CERTIFICATES**

**WHEREAS**, on May 9, 2024, the Texas Water Development Board (the "Board" or "TWDB") approved and authorized financial assistance in the amount of \$2,265,500 to the City of Brady, Texas (the "City") consisting of (a) the sale of \$680,000 City of Brady, Texas Combination Tax and Surplus Waterworks and Sewer System Revenue Certificates of Obligation, Series 2024, and (b) the execution of a Grant Agreement in the amount of \$1,585,500 pursuant to the Economically Distressed Area Program Account of the Texas Water Development Fund II, to finance the planning, design and construction of certain water system improvements identified as TWDB Project No. 10466; and

**WHEREAS**, in accordance with the provisions of the Texas Water Code and the approval of the City Council, such financial assistance is to be evidenced by the Board's purchase of obligations of the City payable from a combination of the levy and collection of a direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property within the City and the pledge of Surplus Net Revenues of the City's Waterworks and Sewer System; and

**WHEREAS**, the City Council determined that certificates of obligation should be issued in accordance with the provisions of the Certificate of Obligation Act of 1971, TEXAS LOCAL GOVERNMENT CODE, §§ 271.041, et seq. and the Texas Public Security Procedures Act, CHAPTER 1201, TEXAS GOVERNMENT CODE, for the purpose of paying contractual obligations to be incurred for the planning, design and construction activities associated with improvements to the City's water system, and the payment of professional services and costs of issuance related thereto; and

**WHEREAS**, notice of intention to issue said certificates of obligation has been published in *The Brady Standard-Herald*, a newspaper of general circulation in the City of Brady, Texas, on July 17, 2024 and July 24, 2024, respectively, the date of the first publication of such notice being before the forty-fifth (45th) day prior to the tentative date stated therein for the passage of this ordinance; and

**WHEREAS**, on the 3rd day of September, 2024, pursuant to the published notice of intention, the City Council of the City of Brady, Texas, convened to consider passage of an Ordinance (the "Ordinance") authorizing the issuance of said certificates of obligation; and

**WHEREAS**, the certificates of obligation should be sold for cash in accordance with the provisions of TEXAS LOCAL GOVERNMENT CODE § 271.052, as amended; and

**WHEREAS**, no petition protesting the issuance of the certificates of obligation described in the aforesaid notice, signed by at least 5% of the qualified electors of the City, has been

presented to or filed with the City Secretary or any other City official on or prior to the date of the passage of this Ordinance; and

**WHEREAS**, no bond proposition to authorize the issuance of bonds for the same purpose as any of the projects being financed with the proceeds of the Certificates was submitted to the voters of the City during the preceding three years and failed to be approved; and

**WHEREAS**, this City Council hereby finds and determines that the above specified certificates of obligation described in said notice should be issued at this time;

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

ARTICLE I  
DEFINITIONS AND OTHER PRELIMINARY MATTERS

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

"Certificate" or "Certificates" means the certificates of obligation authorized to be issued by Section 3.01 of this Ordinance and designated as "City of Brady, Texas Combination Tax and Surplus Waterworks and Sewer System Revenue Certificates of Obligation, Series 2024," in the aggregate principal amount of \$680,000.

"City" means the City of Brady, Texas.

"City Council" means the City Council of the City of Brady, Texas.

"Closing Date" means the date of the initial delivery of and payment for the Certificates.

"Code" means the Internal Revenue Code of 1986, as amended, including the regulations and published rulings thereunder.

"Date of Delivery" means the date the Certificates are delivered to the Initial Purchaser in exchange for the payment for the Certificates.

"Dated Date" means October 8, 2024.

"Defeasance Securities" means (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent; or (iii) noncallable obligations of a state or an agency

or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent.

“Designated Payment/Transfer Office” means the office of the Paying Agent which is designated for the presentment of the Certificates.

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

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

“Escrow Agent” means UMB Bank, Dallas, Texas.

“Escrow Agreement” means the escrow agreement between the City and the Escrow Agent as provided in Article XIII of this Ordinance.

"Event of Default" means any event of default as defined in Section 10.01 of this Ordinance.

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

"Initial Certificate" means the initial certificate described in Sections 3.04(d) and 6.02(e) of this Ordinance.

“Initial Purchaser” means the Texas Water Development Board.

"Interest and Sinking Fund" means the interest and sinking fund established by Section 2.05 of this Ordinance.

"Mayor" means the Mayor of the City of Brady, Texas.

"Owner" or “Registered Owner” means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

"Paying Agent/Registrar" means initially UMB Bank, Dallas, Texas or any successor thereto as provided in this Ordinance.

"Register" means the register specified in Section 3.06(a) of this Ordinance.

"Surplus Net Revenues" means those revenues of the City's Waterworks and Sewer System available after deduction of the reasonable expenses of operation and maintenance of said System and payment of all debt service, reserve and other requirements with respect to all of the City's

revenue bonds and other obligations, now outstanding or hereafter issued, that are payable from and secured by a lien on and pledge of all or part of the net revenues of said System.

“System” means the City’s Waterworks and Sewer System.

“TWDB Resolution” means Resolution No. 24-022, dated as of May 9, 2024, of the Texas Water Development Board Approving an Application for Financial Assistance in the Amount of \$2,265,500 to the City of Brady from the Economically Distressed Areas Program Account through the Purchase of \$680,000 City of Brady, Texas Combination Tax and Surplus Waterworks and Sewer System Revenue Certificates of Obligation, Proposed Series 2024, and the Execution of a Grant Agreement in the Amount of \$1,585,500, pursuant to the Economically Distressed Area Program Account of the Texas Water Development Fund II, to finance the planning, design and construction of certain water system improvements identified as Project 10466.

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

Section 1.02. Findings. The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.03. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.04. Interpretation.

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

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

## ARTICLE II SECURITY FOR THE CERTIFICATES AND CREATION OF FUNDS

Section 2.01. Tax Levy for Payment of Certificates. Pursuant to the authority granted by the Constitution and laws of the State of Texas, there shall be levied and there is hereby levied for the current year and each succeeding year thereafter while the Certificates are outstanding and

unpaid, an ad valorem tax within legal limitations on each \$100 valuation of taxable property in the City, at a rate sufficient within the limits prescribed by law to pay the debt service requirements on the Certificates, being a sinking fund for their payment at maturity or a sinking fund of two percent (2%) per annum (whichever amount is the greater), when due and payable, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the debt service requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Interest and Sinking Fund. This governing body hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the debt service requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations.

The amount of taxes to be provided annually for the payment of principal of the Certificates shall be determined and accomplished in the following manner:

(a) The City's annual budget shall reflect the amount of debt service requirements to become due on the Certificates in the next succeeding Fiscal Year of the City.

(b) The amount required to be provided in the succeeding Fiscal Year of the City from ad valorem taxes shall be the amount of the debt service requirements to be paid on the Certificates in the next succeeding Fiscal Year of the City.

(c) Following the final approval of the annual budget of the City, the governing body of the City shall, by ordinance, levy an ad valorem tax at a rate sufficient to produce taxes in the amount determined in paragraph (b) above, to be utilized for purposes of paying the principal of the Certificates in the next succeeding Fiscal Year of the City.

If the liens and provisions of this Ordinance shall be released in a manner permitted by Article XI hereof, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit. In determining the aggregate principal amount of outstanding Certificates, there shall be subtracted the amount of any Certificates that have been duly called for redemption and for which money has been deposited with the Paying Agent/Registrar for such redemption.

Section 2.02. Revenue Pledge. The Certificates are additionally secured by and shall be payable from a pledge of the Surplus Net Revenues of the City's Waterworks and Sewer System, such pledge authorized pursuant to Chapter 1502, Texas Government Code.

Section 2.03. Reduction in Tax Levy. Notwithstanding the requirements of Section 2.01:

(a) if Surplus Net Revenues are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes which otherwise would be required to be levied pursuant to Section 2.01 may be reduced to the extent and by the amount of the Surplus Net Revenues then on deposit in the Interest and Sinking Fund; or

- (b) if surplus revenues are based on budgeted amounts, then
- (i) The City shall transfer and deposit in the Interest and Sinking Fund each month an amount of not less than 1/12th of the annual debt service on the Certificates until the amount on deposit in the Interest and Sinking Fund equals the amount required for annual debt service on the Certificates; further, that the City shall not transfer any funds from the City's pledged system revenues to any fund other than the Interest and Sinking Fund until such time as an amount equal to the annual debt service on the Certificates for the then-current fiscal year has been deposited in the Interest and Sinking Fund;
  - (ii) That for each year that the Certificates are outstanding, and prior to the time taxes are to be levied for such year, the City shall establish, adopt, and maintain an annual budget that provides for either the monthly deposit of sufficient Surplus Net Revenues and/or tax revenues, the monthly deposit of any other legally available funds on hand at the time of the adoption of the annual budget, or a combination thereof, into the Interest and Sinking Fund for the repayment of the Certificates; and
  - (iii) The City shall at all times maintain and collect sufficient System rates and charges in conjunction with any other legally available funds that, after payment of the costs of operating and maintaining the System, produce revenues in an amount not less than 1.10 times the debt service requirements of all outstanding obligations of the City and other obligations of the City which are secured in whole or in part by a pledge of revenues of the System, for which the City is budgeting the repayment of such obligations from the revenues of the System, or the City shall provide documentation which evidences the levy and collection of an ad valorem tax rate dedicated to the Interest and Sinking Fund, in conjunction with any other legally available funds, sufficient for the repayment of System debt service requirements.

Section 2.04. Effect of Pledge. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates and the pledge of the taxes and revenues granted by the City under this Article II, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Certificates are outstanding and unpaid such that the pledge of the taxes and revenues granted by the City under Sections 2.01 and 2.02 of this Ordinance is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the Registered Owner of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

Section 2.05. Interest and Sinking Fund.

(a) The City hereby establishes a special fund or account to be designated the "City of Brady, Texas Combination Tax and Surplus Waterworks and Sewer System Revenue Certificates of Obligation, Series 2024 Interest and Sinking Fund" (the "Interest and Sinking Fund"), said fund to be maintained at an official depository bank of the City separate and apart from all other funds and accounts of the City.

(b) Money on deposit in or required by this Ordinance to be deposited to the Interest and Sinking Fund shall be used solely for the purpose of paying interest on, the redemption premium, if any, and principal of the Certificates when and as due and payable in accordance with their terms and this Ordinance.

Section 2.06. Project Fund.

(a) Establishment of Project Fund. A special fund or account, to be designated the "City of Brady, Texas Combination Tax and Surplus Waterworks and Sewer System Revenue Certificates of Obligation, Series 2024 Project Fund" (the "Project Fund") is hereby created and shall be established and maintained by the City at the official City depository. The Project Fund shall be kept separate and apart from all other funds and accounts of the City. The proceeds from the sale of the Certificates shall be deposited first into the Escrow Account, as provided in Section 13.03, prior to transfer to the Project Fund and payments therefrom shall be made as provided below.

(b) Payments from Project Fund. Payments from the Project Fund shall be used solely for the purpose of paying contractual obligations to be incurred for the planning, design and construction of certain water system improvements identified as TWDB Project No. 10466, and the payment of professional services and costs of issuance related thereto.

(c) Surplus Project Funds. Any moneys remaining in the Project Fund after completion of the entirety of the planning, design and construction activities associated with improvements to the City's water system, and the payment of professional services and costs of issuance related thereto, shall be deposited into the Interest and Sinking Fund.

Section 2.07. Security of Funds. All moneys on deposit in the Interest and Sinking Fund and the Project Fund for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas in the Public Funds Collateral Act, Chapter 2257, Texas Government Code, as amended, for the security of City funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

ARTICLE III  
AUTHORIZATION: GENERAL TERMS AND PROVISIONS  
REGARDING THE CERTIFICATES

Section 3.01. Authorization. The City's certificates of obligation to be designated "City of Brady, Texas Combination Tax and Surplus Waterworks and Sewer System Revenue Certificates of Obligation, Series 2024" (the "Certificates"), are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas. The Certificates shall be issued in the aggregate principal amount of \$680,000 for the purpose of paying contractual obligations to be incurred for planning, design and construction of certain water system improvements identified as TWDB Project No. 10466, and the payment of professional services and costs of issuance related thereto.

Section 3.02. Date, Denomination and Maturities.

(a) The Certificates shall be dated October 8, 2024 and shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof and shall be numbered separately from R-1 upward, except the Initial Certificate, which shall be numbered I-1.

(b) The Certificates shall mature on September 1 in the years and in the principal amounts set forth in the following schedule:

<u>Year of Maturity</u>	<u>Principal Installments</u>	<u>Interest Rate</u>
2025	\$670,000	3.070
2026	10,000	2.950

(c) The Certificates shall bear interest from the Date of Delivery thereof or the most recent Interest Payment Date (as defined below) to which interest has been paid or provided for at the rates per annum for each respective maturity specified above. Such interest shall be payable semiannually on March 1 and September 1 of each year, commencing March 1, 2025 (each, an "Interest Payment Date").

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of and redemption premium, if any, and interest on the Certificates shall be paid in lawful money of the United States of America.

(b) Interest on the Certificates shall be payable to the Owner whose name appears in the Register at the close of business on the fifteenth calendar day of the month preceding such Interest Payment Date (the "Record Date"); provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for thirty (30) days thereafter, a new record date for such interest payment (the "Special Record Date") will be established by the Paying Agent/Registrar (hereinafter defined and designated) if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled



payment date of the past due interest (the “Special Payment Date,” which shall be at least 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last business day preceding the date of mailing of such notice.

(c) Interest shall be paid by check, dated as of the Interest Payment Date, and sent by the Paying Agent/Registrar to each Owner, first-class United States mail, postage prepaid, to the address of each Owner as it appears in the Register, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and each Owner to whom interest is to be paid; provided, however, that the Owner shall bear all risk and expenses of such customary banking arrangements.

(d) The principal of each Certificate shall be paid to the Owner thereof on the due date (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Certificate at the Designated Payment/Transfer Office of the Paying Agent/Registrar, which shall initially be UMB Bank, NA, Dallas, Texas.

(e) Notwithstanding anything in this Section to the contrary, payment to the Texas Water Development Board will be done by wire transfer at no cost to the Texas Water Development Board for so long as the Texas Water Development Board is Owner of the Certificates.

(f) If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are required or authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, a legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in this Section.

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

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

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

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Certificates. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Certificate delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent, which certificate shall be evidence that the Certificate has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one Initial Certificate representing the entire principal amount of all Certificates, payable in stated installment to the Initial Purchaser, or its designee, manually signed by the Mayor and City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Initial Purchaser or its designee. Upon payment for the Initial Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver registered definitive Certificates in accordance with instructions received from the Initial Purchaser or its designee.

#### Section 3.05. Ownership.

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

(b) All payments made to the Owner of a Certificate shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

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

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

(b) Registration of any Certificate may be transferred in the Register only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Certificates, or any portion thereof in any integral

multiple of \$5,000, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Certificate or any portion thereof registered in the name of such assignee or assignees. No transfer of any Certificate shall be effective until entered in the Register. Upon assignment and transfer of any Certificate or portion thereof, a new Certificate or Certificates will be issued by the Paying Agent/Registrar in conversion and exchange for such transferred and assigned Certificate. To the extent possible, the Paying Agent/Registrar will issue such new Certificate or Certificates in not more than three (3) business days after receipt of the Certificate to be transferred in proper form and with proper instructions directing such transfer.

(c) Any Certificate may be converted and exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the Owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Certificate or Certificates of the same maturity and in any authorized denomination and in an aggregate principal or maturity amount equal to the unpaid principal or maturity amount of the Certificate presented for exchange. If a portion of any Certificate is redeemed prior to its scheduled maturity as provided herein, a substitute Certificate or Certificates having the same maturity date, in the denomination or denominations of any integral multiple of \$5,000 at the request of the Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Owner upon surrender thereof for cancellation. To the extent possible, a new Certificate or Certificates will be required to be delivered by the Paying Agent/Registrar to the Owner of the Certificate or Certificates in not more than three (3) business days after receipt of the Certificate to be exchanged in proper form and with proper instructions directing such exchange.

(d) Each Certificate issued in exchange for any Certificate or portion thereof assigned, transferred or converted shall have the same principal maturity date as the Certificate for which it is being exchanged. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate. The Paying Agent/Registrar shall convert and exchange the Certificates as provided herein, and each substitute Certificate delivered in accordance with this Section shall constitute an original additional contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such substitute Certificate is delivered.

(e) The City will pay the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer, exchange or conversion of Certificates, but the Paying Agent/Registrar will require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, exchange or conversion of a Certificate. In addition, the City hereby covenants with the Owners of the Certificates that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of the Certificates, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration, conversion and exchange of Certificates as provided herein.

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

Section 3.07. Cancellation.

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

(b) Each substitute Certificate issued in conversion of and exchange for or replacement of (pursuant to the provisions of Sections 3.06, 3.08 and 3.09 hereof) any Certificate or Certificates issued under this Ordinance shall have printed thereon a Certificate of Paying Agent/Registrar, in the form hereinafter set forth. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate, manually sign and date such Certificate of Paying Agent/Registrar, and no such Certificate shall be deemed to be issued or outstanding unless such Certificate of Paying Agent/Registrar is so executed. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing conversion and exchange or replacement of any Certificate or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Certificates in the manner prescribed herein, and said Certificates shall be of customary type and composition and be printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to CHAPTER 1201, TEXAS GOVERNMENT CODE, the duty of conversion and exchange or replacement of Certificates as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Certificate of Paying Agent/Registrar, the converted and exchanged or replaced Certificates shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Certificate which was originally delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Certificates issued in conversion and exchange or replacement of any other Certificate or portion thereof (i) shall be issued in fully registered form, without interest coupons, with the principal of such Certificates to be payable only to the Owners thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Certificates, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the principal of the Certificates shall be payable, all as provided, and in the manner required or indicated, in the Form of Certificates set forth in this Ordinance.

Section 3.08. Temporary Certificates.

(a) Following the delivery and registration of the Initial Certificate and pending the preparation of definitive Certificates, the City may execute and, upon the City's request, the Paying

Agent/Registrar shall authenticate and deliver, one or more temporary Certificates that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Certificates in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Certificates may determine, as evidenced by their signing of such temporary Certificates.

(b) Until exchanged for Certificates in definitive form, such Certificates in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar, and thereupon, upon the presentation and surrender of the Certificate or Certificates in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a Certificate or Certificates of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Certificate or Certificates in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

#### Section 3.09. Replacement Certificates.

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

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

- (i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Certificate;
- (ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar, and acceptable to the City, to save the Paying Agent/Registrar and the City harmless;
- (iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

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

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

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

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

#### Section 3.10. Book-Entry-Only System.

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

(b) With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, and interest on the Certificates. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute Owner of such Certificate for the purpose of payment of principal of and premium, if any, and interest on the Certificates, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and premium, if any, and interest on the Certificates only to or upon the order of the respective Owners,

as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal and premium, if any, and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Register, shall receive a certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

Section 3.11. Successor Securities Depository; Transfer Outside Book-Entry-Only System. The City shall not discontinue the use of book-entry only system through DTC without prior written approval from the TWDB. In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter by and between the City, the Paying Agent/Registrar and DTC (the "Representation Letter"), and that it is in the best interest of the Owners of the Certificates that they be able to obtain certificated Certificates, or in the event DTC discontinues the services described herein, the City or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended; notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository; or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts, as identified by DTC. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

Section 3.12. Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and premium, if any, and interest on such Certificates, and all notices with respect to such Certificates, shall be made and given, respectively, in the manner provided in the Representation Letter.

Section 3.13. Additional Obligations. The City reserves the right to issue any additional obligations authorized by law and such obligations may be payable from ad valorem taxes within the limits prescribed by law. The City further reserves the right to issue any additional obligations secured by the Surplus Net Revenues of the City's Waterworks and Sewer System, which is senior to the lien and pledge securing payment of the Certificates.

#### ARTICLE IV REDEMPTION OF CERTIFICATES BEFORE MATURITY

Section 4.01. Limitation on Redemption. The Certificates are not subject to redemption before scheduled maturity only as provided in this Article IV.

ARTICLE V  
PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

(a) The City hereby appoints UMB Bank, NA, Dallas, Texas, as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfers and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Certificate to which payments with respect to the Certificates shall be mailed, as provided herein. The City or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(b) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of the Certificates. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates, and of all conversions, exchanges and replacements of such Certificates, as provided in the Ordinance.

Section 5.02. Qualifications. Each Paying Agent/Registrar shall be (i) a banking corporation, a banking association or a financial institution organized and doing business under the laws of the United States or of any state thereof, (ii) authorized under such laws to exercise trust powers, (iii) subject to supervision or examination by a federal or state governmental authority, and (iv) a DTC Participant.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Certificates are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance. The Mayor is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar, a form of which is attached hereto as Exhibit A. The signature of the Mayor shall be attested by the City Secretary.

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

Section 5.04. Termination. The City, upon not less than sixty (60) days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination.

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



effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

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

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

## ARTICLE VI FORM OF THE CERTIFICATES

### Section 6.01. Form Generally.

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

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

(c) The Certificates shall be typed, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Certificates, as evidenced by their execution thereof.

(d) The Initial Certificate submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 6.02. Form of the Certificates. The form of the Certificates, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of Paying Agent/Registrar and the form of Assignment appearing on the Certificates, shall be substantially as follows:

(a) Form of Certificate.

REGISTERED

REGISTERED

No. R-\_\_

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

United States of America  
State of Texas  
CITY OF BRADY, TEXAS  
COMBINATION TAX AND SURPLUS  
WATERWORKS AND SEWER SYSTEM REVENUE  
CERTIFICATE OF OBLIGATION  
SERIES 2024

Dated Date: Interest Rate: Stated Maturity: CUSIP No.:

October 8, 2024 \_\_\_\_\_% September 1, 20\_\_\_\_

Date of Delivery:

Registered Owner:

Principal Amount: DOLLARS

CITY OF BRADY, STATE OF TEXAS (the "City"), for value received, hereby promises to pay to the order of the Registered Owner named above, or registered assigns, on the Maturity Date specified above, the Principal Amount hereinabove stated and to pay interest on the unpaid principal amount hereof from the Date of Delivery to the Registered Owner, or the most recent date to which the interest has been paid by check or duly provided for, at the per annum rate of interest specified above computed on the basis of a 360-day year or twelve 30-day months, such interest to be paid semiannually on March 1 and September 1 of each year, commencing March 1, 2025.

THE PRINCIPAL OF THIS Certificate shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Certificate at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the Certificate of Paying Agent/Registrar appearing hereon. The interest on these Certificates shall be payable by check dated as of the Interest Payment Date, mailed by the Paying Agent/Registrar to the Registered Owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid provided, however, that such person shall bear all risk and expenses of such customary banking arrangements. For the purpose of the payment of interest on this Certificate, the Registered Owner shall be the person in whose name this Certificate is registered at the close of business on the "Record Date," which shall be the fifteenth calendar day of the month next preceding such Interest Payment Date.

IF THE DATE FOR THE PAYMENT of the principal or of interest on this Certificate shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE IS ONE OF A SERIES of fully registered certificates specified in the title hereof issued in the aggregate principal amount of \$680,000 (herein referred to as the "Certificates"), issued pursuant to a certain ordinance of the City (the "Ordinance") for the purpose of paying contractual obligations incurred for the planning, design and construction of certain water system improvements identified as TWDB Project No. 10466, and the payment of professional services and costs of issuance related thereto.

THE CERTIFICATES are payable from the levy of a direct and continuing ad valorem tax, within the limits prescribed by law, against all taxable property in the City, and from a pledge of Surplus Net Revenues (as defined in the Ordinance) from the City's Waterworks and Sewer System.

THE CERTIFICATES are not subject to optional redemption either in whole or in part.

AS PROVIDED IN THE ORDINANCE, and subject to certain limitations therein set forth, this Certificate is transferable upon surrender of this Certificate for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar, and, thereupon, one or more new fully registered Certificates of the same stated maturity, of authorized denominations and for the same aggregate principal amount will be issued to the designated transferee or transferees.

THE CITY, THE PAYING AGENT/REGISTRAR, and any other person may treat the person in whose name this Certificate is registered as the Registered Owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Certificate be overdue, and neither the City nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Certificate and the series of which it is a part is duly authorized by law; that all acts, conditions and things to be done precedent to and in the issuance of this Certificate, and the series of which it is a part, have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; that proper provisions have been made for the levy and collection annually of taxes upon all taxable property in said City sufficient within the limits prescribed by law, and a pledge of the Surplus Net Revenues of the Waterworks and Sewer System to provide for the payment of the principal as the same matures; and that the total indebtedness of the City, including the Certificates, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City has caused this Certificate to be executed by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or

facsimile signature of the City Secretary, and the official seal of the City has been duly impressed or placed in facsimile on this Certificate.

\_\_\_\_\_  
Mayor  
City of Brady, Texas

\_\_\_\_\_  
City Secretary  
City of Brady, Texas

[CITY SEAL]

(b) Form of Comptroller's Registration Certificate.

The following Comptroller's Registration Certificate may be deleted from the definitive Certificates if such certificate on the Initial Certificate is fully executed.

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

I hereby certify that there is on file and of record in my office an opinion of the Attorney General of the State of Texas to the effect that this Certificate has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that this Certificate has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, \_\_\_\_\_.

[SEAL]

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

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

The following Certificate of Paying Agent/Registrar may be deleted from the Initial Certificate if the Comptroller's Registration Certificate appears thereon.

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Certificate of this series of Certificates was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Certificates referred to in the within-mentioned Ordinance.

\_\_\_\_\_, Texas  
As Paying Agent/Registrar

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

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

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto  
\_\_\_\_\_/

(Please print or typewrite name and address, including zip code, of Transferee)

\_\_\_\_\_  
(Please insert Social Security or Taxpayer Identification Number) the within Certificate and all rights thereunder,

and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney, to register the transfer of the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

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

Signature Guaranteed By:

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

\_\_\_\_\_  
NOTICE: The signature on this Assignment must correspond with the name of the Registered Owner as it appears on the face of the within Certificate in every particular and must be guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers

(e) Form of Initial Certificate.

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

REGISTERED  
No. I-1

\$680,000

United States of America  
State of Texas

CITY OF BRADY, TEXAS  
COMBINATION TAX AND SURPLUS  
WATERWORKS AND SEWER SYSTEM REVENUE  
CERTIFICATE OF OBLIGATION  
SERIES 2024

DATED DATE:

CUSIP NUMBER:

October 8, 2024

\_\_\_\_\_

Date of Delivery: October 8, 2024

Registered Owner: TEXAS WATER DEVELOPMENT BOARD

Principal Amount: SIX-HUNDRED EIGHTY THOUSAND DOLLARS

CITY OF BRADY, STATE OF TEXAS (the "City"), for value received, hereby promises to pay to the order of the Registered Owner named above, or registered assigns, on the Maturity Date specified above, the Principal Amount hereinabove stated on September in the years and in principal installments in accordance with the following schedule:

<u>Year of Maturity</u>	<u>Principal Installments</u>	<u>Interest Rate</u>
-----------------------------	-----------------------------------	--------------------------

(Information to be inserted from  
Section 3.02(b) to the Ordinance.)

and to pay interest on the unpaid principal amounts hereof from the Date of Delivery to the Initial Purchaser, or the most recent date to which the interest has been paid by check or duly provided for, 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 March 1 and September 1 in each year, commencing March 1, 2025. Principal installments of this Certificate are payable in the year of maturity or on a prepayment date to the Registered Owner hereof by UMB Bank, NA (the "Paying Agent/Registrar"), upon presentation and surrender, at its Designated Payment/Transfer Office in Dallas, Texas. The interest is payable to the Registered Owner of this Certificate whose name appears on the "Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the fifteenth calendar day of the month next preceding each Interest Payment Date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first class postage prepaid, to the address of the Registered Owner recorded in the 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 Certificate shall 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.

Section 6.03. CUSIP Registration. The City may secure identification numbers ("CUSIP

Numbers") and may authorize the printing of such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP Numbers on the Certificates shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Certificates as to legality are to be held responsible for CUSIP Numbers incorrectly printed on the Certificates.

Section 6.04. Legal Opinion. The approving legal opinion of Bickerstaff Heath Delgado Acosta LLP, Bond Counsel, may be printed on the reverse side of each Certificate, which may be executed in facsimile, or may be attached to each Certificate.

## ARTICLE VII INVESTMENTS

### Section 7.01. Investments.

(a) Money in the Project Fund and the Interest and Sinking Fund, at the option of the City, may be invested in such securities or obligations as permitted under the Public Funds Investment Act, Chapter 2256, Texas Government Code.

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

(c) The proceeds of the Certificates shall be held at a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Chapter 2256, Government Code (the "PFIA"), and the Public Funds Collateral Act, Chapter 2257, Government Code (the "PFCA").

Section 7.02. Investment Income. Interest and income derived from investment of the Interest and Sinking Fund and the Project Fund shall be credited to the respective fund.

## ARTICLE VIII PARTICULAR REPRESENTATIONS AND COVENANTS

8.01. Rates. The City further covenants and agrees that it will at all times charge, and collect for services rendered by the System, rates sufficient to pay all the operating, maintenance, depreciation, replacement and betterment expenses, and other costs deductible in determining "Surplus Net Revenues", as herein defined, and in lieu of tax revenues, to produce Surplus Net Revenues in an amount not less than the amounts required to accumulate and maintain the associated debt service requirements.

8.02. Maintenance and Operation; Insurance. While any of the Certificates are outstanding, the City covenants and agrees to maintain the System in good condition and operate

the same in an efficient manner and at reasonable expense, and to maintain adequate insurance coverage on the System, customarily carried by political subdivisions of the State of Texas operating similar properties in an amount adequate to protect the Board's interest in the project.

8.03. Accounts and Fiscal Year. The City will maintain accurate records and accounts in accordance with generally accepted accounting principles (GAAP) as required under 33 U.S.C. § 1382 *et seq.* and 31 TAC 371.70(a)(2)(L). The City shall keep the books of records and accounts separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the System and shall have said books audited once each fiscal year by a certified public accountant. The City agrees to operate the System and keep their books of record and accounts pertaining thereto on the basis of its current fiscal year; provided, however, that the City Council may change such fiscal year by ordinance duly passed, if such change is deemed necessary by the City Council.

8.04. Accounting Reports. The City will furnish each year, within 180 days after the end of each fiscal year, to the Texas Water Development Board as long as the State owns any of the Certificates a copy of its audit in accordance with generally accepted auditing standards as required under 31 TAC 371.70(a)(2)(M). As required during construction, the City shall submit outlay reports with sufficient documentation on costs on a quarterly or monthly basis in accordance with the Board's outlay report guidelines. Further, the City shall provide the Board with all information required to be reported in accordance with the Federal Funding Accountability and Transparency Act of 2006, Pub. L. 109-282, as amended by Pub. L. 110-252. The City shall obtain a Unique Entity Identification Number and shall register with System for Award Management (SAM) and maintain current registration at all times during which the Certificates are outstanding.

8.05. Covenant to Comply with Rules and Regulations of Texas Water Development Board. That in compliance with the published rules and regulations of the Board, the City agrees and covenants that upon completion of the project to be financed with the proceeds of the Certificates issued for the planning, design and construction of certain water system improvements identified as TWDB Project No. 10466, the proper officials of the City shall cause to be prepared and submitted to the Board (i) a final accounting of the total costs of the project and the expenditure of funds therefor, and (ii) a copy of the construction plans for the project as built and completed. In addition to other information required by the Board, said final accounting shall identify (i) all funds utilized or represented to be available in the City's application from whatever source derived, and (ii) all project costs contained and approved in the City's application to the Board or approved in subsequent change orders.

The City shall use any proceeds from the Certificates that are determined to be remaining unused funds, which are those funds unspent after the original approved project is completed, for enhancements to the original project that are explicitly approved by the Executive Administrator or if no enhancements are authorized by the Executive Administrator, requiring the City to submit a final accounting and disposition of any unused funds. The City shall use any proceeds from the Certificates that are determined to be surplus proceeds remaining after completion of the project and completion of a final accounting in a manner as approved by the Executive Administrator. The City further covenants and agrees that (i) all proceeds of sale of the Certificates shall be deposited in a "City of Brady, Texas Combination Tax and Surplus Waterworks and Sewer System



Revenue Certificates of Obligation, Series 2024 Project Fund" hereby created and established with the City's depository bank, and (ii) all funds deposited in such Fund shall be disbursed only for the project the Certificates are being issued to finance and, as is appropriate, in accordance with the provisions of Chapters 15, 16 or 17 of the Texas Water Code.

The City further agrees and covenants to comply with all applicable laws of the State of Texas and all applicable rules and policies of the Board with respect to the planning, design and construction of the project and the financing to the City by the Board evidenced by the Certificates.

The City further agrees and covenants to:

- (a) adopt and implement an approved water conservation plan;
- (b) comply with all conditions as specified in the final environmental finding of the Executive Administrator when issued, including the standard emergency discovery conditions for threatened and endangered species and cultural resources;
- (c) abide by all applicable construction contract requirements related to the use of iron and steel products produced in the United States, as required by 31 TAC § 371.4 and related State Revolving Fund Policy Guidelines;
- (d) comply with all other applicable requirements of 31 TAC Chapter 371;
- (e) comply with all of the conditions set forth in the TWDB Resolution;
- (f) (i) comply with Davis-Bacon Act prevailing wage requirements and the U.S. Department of Labor's implementing regulations (including ensuring that all laborers and mechanics employed by contractors and subcontractors for the project shall be paid wages at rates not less than those prevailing on projects of a similar character in the locality in accordance with the Davis-Bacon Act, and the U.S. Department of Labor's implementing regulations), (ii) ensure, and cause all contractors, and all sub-contractors to ensure, that all project contracts mandate compliance with Davis-Bacon, and (iii) ensure that contracts and subcontracts for the construction of the project carried out in whole or in part with financial assistance made available from proceeds of the Certificates shall insert in full in any contract in excess of \$2,000 the contracts clauses as provided by the TWDB;
- (g) abide by the prohibition on certain telecommunications and video surveillance services or equipment as required by 2 CFR § 200.216;
- (h) abide by all applicable requirements related to the Build America, Buy America Act, Public Law 117-58 and 2 CFR part 184;
- (i) immediately notify the TWDB, in writing, of any suit against it by the Attorney General of Texas under Texas Penal Code § 1.10(f) (related to federal laws regulating firearms, firearm accessories, and firearm ammunition);
- (j) return any principal forgiveness funds associated with the project that are determined to be surplus funds in a manner determined by the Executive Administrator;
- (k) to comply with the requirement of Texas Water Code § 16.356 that no revenues received from rates or fees collected from the system to be constructed in whole or in part from funds through the EDAP be used for any purposes other than utility purposes, and that the annual financial statement prepared by the City under Texas

Local Government Code § 103.001 includes a specific report on compliance with this condition; and

- (l) before the release of funds for construction, provide evidence satisfactory to the Executive Administrator that the City has received and will maintain a designation as an authorized agent of the Texas Commission on Environmental Quality, in compliance with Texas Health and Safety Code § 366.035.

8.06. Environmental Restrictions and Indemnification. The City shall not use the proceeds of the Certificates when sampling, testing, removing or disposing of contaminated soils and/or media at the project site. To the extent permitted by law, the City agrees to indemnify, hold harmless and protect the Board from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment, recycling, and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the City, its contractors, consultants, agents, officials and employees as a result of activities relating to the project to the extent permitted by law.

8.07. Timely and Expedient Project Implementation. The City agrees to pursue the project and expend the proceeds of the Certificates in a timely and expeditious manner, as required by 40 CFR Section 35.3135(d), in accordance with the approved project schedule.

8.08. Covenants Regarding Tax Exemption. The City covenants to refrain from taking any action which would adversely affect, and to take any required action to ensure, the treatment of the Certificates as obligations described in Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the Holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in Section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates, in contravention of Section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in Subsection (a) hereof exceeds 5 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited into a reserve fund, if any), then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of Section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Certificates (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of Section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Certificates being treated as "private activity bonds" within the meaning of Section 141 of the Code and the Treasury Regulations promulgated thereunder ("Regulations");

(e) to refrain from taking any action that would result in the Certificates being "federally guaranteed" within the meaning of Section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Certificates, directly or indirectly, in a manner that would cause the Certificates to be "arbitrage bonds" within the meaning of Section 148(a) of the Code and Regulations, including to acquire or to replace funds which were used, directly or indirectly, to acquire Nonpurpose Investments (as defined in the Code and Regulations) which produce a yield materially higher than the yield on the TWDB's Certificates that are issued to provide financing for the City ("Source Series Bonds"), other than Nonpurpose Investments acquired with--

- (1) proceeds of the TWDB's Source Series Bonds invested for a reasonable temporary period of up to 3 years after the issue date of the Source Series Bonds until such proceeds are needed for the facilities to be financed,
- (2) amounts invested in a bona fide debt service fund, within the meaning of Section 1.148-1(b) of the IRS Regulations, and
- (3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed the least of maximum annual debt service on the Certificates, 125 percent of average annual debt service on the Certificates or 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Certificates;

(g) to take all necessary steps to comply with the requirement that certain amounts earned on the investment of gross proceeds of the Certificates be rebated to the federal government in order to satisfy the requirements of Section 148 of the Code;

- (1) to account for all Gross Proceeds, as defined in the Code and Regulations (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 retain all records of such accounting for at least six years after the final Computation Date. The City may, however, to the extent permitted by law, commingle Gross Proceeds of the Certificates with other money of the City, provided that the City separately accounts for each receipt and expenditure of such Gross Proceeds and the obligations acquired therewith;
- (2) to calculate the Rebate Amount, as defined in the Code and Regulations, with respect to the Certificates, not less frequently than each Computation Date, in accordance with rules set forth in §148(f) of the Code, §1.148-3 of

the Regulations, and the rulings thereunder. The City shall maintain a copy of such calculations for at least six years after the final Computation Date;

- (3) as additional consideration for the purchase of the Certificates, and in order to induce the purchase of the Certificates by measures designed to ensure the excludability of the interest on the TWDB's Source Series Bonds from the gross income of the owners thereof for federal income tax purposes, to pay to the United States the amount described in paragraph (2) above within 30 days after each Computation Date; and
- (4) to exercise reasonable diligence to assure that no errors are made in the calculations required by paragraph (2) above and, if such error is made, to discover and promptly to correct such error within a reasonable amount of time thereafter, including payment to the United States of any interest and any penalty required by the Regulations; and

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Certificates) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of Section 148(f) of the Code, and to pay to the United States of America, not later than 60 days after the Certificates have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under Section 148(f) of the Code;

(i) to maintain such records as will enable the City to fulfill its responsibilities under this Section and Section 148 of the Code, and to retain such records for at least six years following the final payment of principal on the Certificates;

(j) to comply with the information reporting requirements of Section 149(e) of the Code. In addition, the applicable completed IRS Form 8038 or other evidence that the information reporting requirements of section 149(e) have been satisfied must be provided to the Executive Administrator within fourteen (14) days of closing; and

(k) to refrain from using the proceeds provided the TWDB commitment or the proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Certificates in contravention of the requirements of section 149(d) of the Code (relating to advance refundings).

In order to facilitate compliance with the above covenants, a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the certificate holders. The Rebate Fund is established for the additional purpose of compliance with Section 148 of the Code.

It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated

which modify or expand provisions of the Code, as applicable to the Certificates, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates under Section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor of the City to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates.

8.09. Ordinance a Contract – Amendments – Outstanding Certificates. This Ordinance shall constitute a contract with the Owners from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Certificate remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Owners holding a majority in aggregate principal amount of the Certificates then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Owners of Outstanding Certificates, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and the redemption price or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest in the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required to be held by Owners for consent to any such amendment, addition, or rescission.

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

- (1) those Certificates canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;
- (2) those Certificates deemed to be duly paid by the City in accordance with the provisions of Article XI hereof; and
- (3) those mutilated, destroyed, lost, or stolen Certificates which have been replaced with Certificates registered and delivered in lieu thereof as provided in Section 3.09 hereof.

Notwithstanding anything in this Section to the contrary, the City shall not amend this Ordinance without the approval of the Board for so long as the Board is a Holder of the Certificates.

The TWDB retains option to purchase Certificates in separate lots and/or on an installment basis, with delivery of the purchase price for each installment to be paid against delivery of the relevant installment of Certificates as approved by the Executive Administrator.

The City further covenants that neither it nor a related party will acquire any of the Board's Source Series Bonds in an amount related to the amount of the Certificates acquired from the City by the Board.

8.10. Additional Certifications. Proper officers of the City charged with the responsibility of issuing the Certificates are hereby directed to make, execute and deliver certifications as to facts, estimates and circumstances in existence as of the Closing Date and stating whether there are any facts, estimates or circumstances that would materially change the City's current expectations.

8.11. Benefit of Covenants. The covenants and representations made or required by this Article are for the benefit of the Holders and may be relied upon by the Holders and bond counsel for the City.

## ARTICLE IX CONTINUING DISCLOSURE UNDERTAKING

Section 9.01. Definitions. As used in this Article IX, the following terms have the meanings ascribed to such terms below:

"EMMA" means the Electronic Municipal Market Access System established by the MSRB.

"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 Commission.

Section 9.02. Annual Reports. The City shall provide annually to the MSRB through EMMA, within six months after the end of each fiscal year ending in or after 2024, financial information and operating data with respect the City that is contained in its annual financial statements as is customarily prepared by the City and publicly available. The financial statements so to be provided shall be (1) prepared in accordance with the accounting principles as the City may be required to employ from time to time pursuant to state law or regulation and (2) 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 the audit of such financial statements is not complete within such period, then the City shall provide audited financial statements for the applicable fiscal year to the MSRB through EMMA, when and if the audit report on such statements becomes available.

If the City changes its fiscal year, it will notify the MSRB through EMMA 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 (including an official statement or other offering document, if it is available from the MSRB, that theretofore has been provided to the MSRB through EMMA or filed with the SEC).

Section 9.03. Event Notices. The City shall notify the MSRB through EMMA, in a timely manner not in excess of ten business days after the occurrence of any of the following events with respect to the Certificates:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates or other material events affecting the tax-exempt status of the Certificates;
7. Modifications to rights of holders of the Certificates, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event;
13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive

agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

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

For the purposes of the preceding (15) of this Section 9.03 of the Ordinance, the term, “financial obligation” means a: (A) Debt obligation; (B) Derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) Guarantee of paragraph (A) or (B). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule 15c2-12 of the Securities Exchange Act of 1934.

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 Section 9.02 by the time required by this Section.

Section 9.04. Disclosures in Compliance with 17 CFR § 240.15c2-12 (Rule 15c2-12). The City will, or will cause an obligated person for whom financial or operating data is presented to the TWDB in the application for financial assistance either individually or in combination with other issuers of the Certificates or obligated persons to, comply with requirements for continuing disclosure on an ongoing basis substantially in the manner required by Securities and Exchange Commission (SEC) in 17 CFR § 240.15c2-12 (Rule 15c2-12) and determined as if the TWDB were a Participating Underwriter within the meaning of such rule, such continuing disclosure undertaking being for the benefit of the TWDB and the beneficial owners of the Certificates, if the



TWDB sells or otherwise transfers such Certificates, and the beneficial owners of the TWDB's bonds if the City is an obligated person with respect to such bonds under SEC Rule 15c2-12.

Section 9.05 Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Article with respect to the City and the Certificates while, but only while, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice required by Section 9.03 of any bond calls and defeasance that cause the City to no longer be such an "obligated person."

The provisions of this Article are for the sole benefit of the Holders and Beneficial Owners of the Certificates, and nothing in this Article, 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 Article 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 Article or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, 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 Article shall comprise a breach of or default under the Ordinance for purposes of any other provision of this Ordinance.

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

The provisions of this Article 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 Article, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule 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 Certificates consent to such amendment or (b) a Person that is

unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and Beneficial Owners of the Certificates. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 9.02 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.

## ARTICLE X DEFAULT AND REMEDIES

Section 10.01. Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an "Event of Default," to wit:

- (i) the failure to make payment of the principal of, redemption premium, if any, or interest on any of the Certificates when the same becomes due and payable; or
- (ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 30 days after notice of such default is given by any Owner to the City.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then and in every case any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

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

Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificates or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Certificates shall not be available as a remedy under this Ordinance.

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

(c) The TWDB may exercise all remedies available to it in law or equity, and any provision of the Certificates that restricts or limits the TWDB's full exercise of these remedies shall be of no force and effect.

ARTICLE XI  
DISCHARGE AND DEFEASANCE

Section 11.01. Defeasance of Certificates.

(a) Any Certificate shall be deemed to be paid, retired and no longer outstanding (a "Defeased Certificate") within the meaning of this Ordinance, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Certificate, either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of prepayment or the establishment of irrevocable provisions for the giving of such notice) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or an eligible trust company or commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the City with the Paying Agent/Registrar or an eligible trust company or commercial bank for the payment of its services until all Defeased Certificates shall have become due and payable or (3) any combination of (1) and (2). At such time as a Certificate shall be deemed to be a Defeased Certificate hereunder, as aforesaid, such Certificate shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues herein levied and pledged as provided in this Ordinance, and such principal shall be payable solely from such money or Defeasance Securities.

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

(c) Notwithstanding any provision of any other Section of this Ordinance which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Certificate and premium, if any, shall be applied to and used solely for the payment of the particular Certificate and premium, if any, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Certificates shall have become due and payable, the Paying

Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

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

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

## ARTICLE XII SALE AND DELIVERY OF CERTIFICATES; DEPOSIT OF PROCEEDS

Section 12.01. Sale of the Certificates. The sale of the Certificates to the Texas Water Development Board, as the Initial Purchaser, pursuant to a financing commitment received from the Initial Purchaser at the price of par and the payment of an origination fee of 2.00% (which fee was or is approved by the Executive Administrator or the TWDB pursuant to 31 TAC Chapter 371) is hereby confirmed. The Mayor and all other officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Certificates. The Initial Certificate shall be registered in the name of the Texas Water Development Board.

### Section 12.02. Control and Delivery of Certificates.

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

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

ARTICLE XIII  
ESCROW AGREEMENT

Section 13.01. Escrow Agent. The City appoints UMB Bank, NA, as Escrow Agent.

Section 13.02. Escrow Agreement. The Mayor is hereby authorized and directed to execute and deliver an Escrow Agreement substantially in the form attached hereto as Exhibit B, with such changes as may be approved by the Mayor, such approval to be evidenced by his execution thereof. The Escrow Agreement shall be approved as to form and substance by the Executive Administrator, and the executed agreement shall be submitted to the TWDB.

Section 13.03. Escrow Account. An escrow account separate and apart from all other funds and accounts of the City is hereby authorized to be created pursuant to the Escrow Agreement referred to in Section 13.01. Except for the proceeds deposited to the Project Fund in accordance with Section 2.06 hereof, the proceeds of the Certificates shall be deposited in the escrow account and be transferred to the Project Fund to pay costs of the project upon the authorized release of the escrowed proceeds by the Board.

ARTICLE XIV  
MISCELLANEOUS

Section 14.01. Further Procedures. The Mayor, City Manager, City Secretary and all other officers, employees, and agents of the City, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things to execute, acknowledge and deliver in the name and under the official seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable to carry out the terms and provisions of this Ordinance and the Certificates. In case any officer whose facsimile signature shall appear on any Certificates shall cease to be such officer before the delivery of the Certificates, such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until such delivery.

Section 14.02. Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance has been read, passed and finally adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of the Open Meetings Act, Chapter 551, Texas Government Code.

*[The remainder of this page intentionally left blank.]*

PASSED AND APPROVED this 3<sup>rd</sup> day of September, 2024.

---

Mayor  
City of Brady, Texas

ATTEST:

---

City Secretary  
City of Brady, Texas

[CITY SEAL]

**EXHIBIT A**

**Paying Agent/Registrar Agreement**

(See complete copy at Tab \_\_.)

**EXHIBIT B**

**Escrow Agreements**

(See complete copy at Tab \_\_.)



## PAYING AGENT/REGISTRAR AGREEMENT

This PAYING AGENT/REGISTRAR AGREEMENT, dated as of September 3, 2024 (this “Agreement”), by and between the City of Brady, Texas (the “Issuer”) and UMB, NA (the “Bank”), a national banking association duly organized and operating under the laws of the United States of America.

**WHEREAS**, the Issuer has duly authorized and provided for the issuance of its Combination Tax and Surplus Waterworks and Sewer System Revenue Certificates of Obligation, Series 2024, (the “Securities”), such Securities to be issued in fully registered form only as to the payment of principal and interest thereon; and

**WHEREAS**, the Securities are scheduled to be delivered to the initial purchasers thereof on or about October 8, 2024; 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 the 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. 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 “Ordinance” (hereinafter defined).

The Issuer hereby appoints the Bank as Registrar with respect to the Securities. 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 Ordinance, a copy of which books and records shall be maintained at the office of the Bank located in the State of Texas or shall be available to be accessed from such office located in the State of Texas.

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

Schedule A attached hereto for the first year of this Agreement and thereafter the fees and amounts set forth in the Bank's current fee schedule then in effect for services as Paying Agent/Registrar for municipalities, which shall be supplied to the Issuer on or before 90 days prior to the close of the Fiscal Year of the Issuer, and shall be effective upon the first day of the following Fiscal Year.

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, if applicable, 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.

**"Bank Office"** means the corporate trust or commercial banking office of the Bank as indicated on the signature page hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

**"Fiscal Year"** means the fiscal year of the Issuer, ending September 30.

**"Holder"** and **"Security Holder"** each means the Person in whose name a Security is registered in the Security Register.

**"Legal Holiday"** means a day on which the Bank is required or authorized to be closed.

**"Ordinance"** means the resolutions, orders or ordinances of the governing body of the Issuer pursuant to which the Securities are issued, certified by the City Secretary or any other officer of the Issuer and delivered to the Bank, together with any pricing certificate executed pursuant thereto.

**"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 Ordinance).

**"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 Ordinance.

**"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 transfer of the Securities.

**"Stated Maturity"** means the date specified in the Ordinance 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.** (a) Principal Payments. 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 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 Bank Office.

(b) Interest Payments. 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 preparing and sending checks by United States mail, first class postage prepaid, on each payment date, to the Holders of the Securities (or their Predecessor Securities) on the respective Record Date, to the address appearing on the Security Register or by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

(c) Federal Tax Information Reporting. To the extent required by the Internal Revenue Code of 1986, as amended, and the Regulations, it shall be the duty of the Bank to report to the owners of the Securities and the Internal Revenue Service (i) the amount of "reportable payments," if any, subject to back up withholding during each year and the amount of tax withheld, if any, with respect to the payments on the Securities, and (ii) the amount of interest or

amount treated as interest, such as original issue discount, on the Securities required to be included in the gross income of the owners thereof for federal income tax purposes.

**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 Ordinance.

## **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. If the Bank Office is located outside the State of Texas, a copy of the Security Register shall be kept in the State of Texas. All transfers, exchanges, and replacement 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 Financial Industry Regulatory Authority, in form satisfactory to the Bank, 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 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 an adequate inventory of printed Securities to facilitate transfers or exchanges thereof. The Bank covenants that the inventory of printed Securities 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 political subdivisions 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.

Unless required by law, 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 Securities to the Issuer in lieu of which or in exchange for which other Securities have been issued, or which have been paid, or will provide a certificate of destruction relating thereto.

**SECTION 4.06. MUTILATED, DESTROYED, LOST, OR STOLEN SECURITIES.** The Issuer hereby instructs the Bank, subject to the applicable provisions of the Ordinance, 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 over issuance.

In case any Security shall be mutilated, destroyed, lost, or stolen, the Bank, in its discretion, 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 destroyed, lost, or stolen Security, only 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, or 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 in the Ordinance and agrees to use reasonable care in the performance thereof.

Additionally, the Bank is authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner described in the closing memorandum prepared by the Issuer's financial advisor or other agent of the Issuer. The Bank may act on a facsimile or e-mail transmission of the closing memorandum by the Financial Advisor or the Issuer, as the final closing memorandum. 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 5.02. 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 on 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.

**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.

**SECTION 5.05. MONEY HELD BY BANK.** The Bank shall deposit any moneys received from the Issuer into an account to be held in an agency capacity for the payment of the Securities, with such moneys in the account that exceed the deposit insurance, available to the Issuer, provided by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas and to the extent practicable under the laws of the United States of America to secure and be pledged as collateral for trust accounts until the principal and interest on such securities have been presented for payment and paid to the owner thereof. Payments made from such trust account shall be made by check drawn on such trust account unless the owner of such Securities shall, at its own expense and risk, request such other medium of payment.

Funds held by the Bank hereunder need not be segregated from any other funds provided appropriate accounts are maintained in the name and for the benefit of the Issuer.

The Bank shall be under no liability for interest on any money received by it hereunder.

Any money deposited with the Bank for the payment 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 (Unclaimed Property).

The Bank will comply with the reporting provisions of Chapter 74 of the Texas Property Code with respect to property that is presumed abandoned under Chapter 72 or Chapter 75 of the Texas Property Code or inactive under Chapter 73 of the Texas Property Code.

**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 County in the State of Texas where either the Bank maintains an office or the administrative offices 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 located in the State of Texas to determine the rights of any Person claiming any interest herein.

**SECTION 5.08. DEPOSITORY TRUST COMPANY 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,” effective from time to time, 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.

**SECTION 5.09. COMPLIANCE WITH LAWS PROHIBITING THE BOYCOTTING OF ISRAEL.** The Bank represents and verifies, under Section 2271.002, Texas Government Code, that the Bank and any parent company, wholly-or majority-owned subsidiaries, and other affiliates of the Banker, if any, do not boycott Israel and will not boycott Israel through the full term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section. As used in the foregoing verification, “boycott Israel,” a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

**SECTION 5.10. NO TERRORIST ORGANIZATION.** The Bank is a Company as defined in Section 2270.0001(2) of the Texas Government Code, which means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association whose securities are publicly traded, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit. The Bank, including any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate thereof, hereby verifies that it is not identified on the lists prepared and maintained by the Comptroller of Public Accounts under Section 2252.153 or 2270.0201, Texas Government Code, as amended and posted on any of the following pages of such officer’s Internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,  
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or  
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and excludes the Bank and each of its parent company, wholly-or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran



or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

**SECTION 5.11. COMPLIANCE WITH LAWS PROHIBITING CONTRACTS WITH COMPANIES THAT BOYCOTT ENERGY COMPANIES.** The Bank represents and verifies, under Section 2276.002, Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session (“SB 13”)), as amended, that the Bank, and the parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, of the Bank do not boycott energy companies and, such entities will not boycott energy companies through the full term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section. As used in the foregoing verification, “boycott energy companies,” a term defined in Section 2276.001(1), Texas Government Code (as enacted by SB 13) by reference to Section 809.001, Texas Government Code (also as enacted by SB 13), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

**SECTION 5.12. COMPLIANCE WITH LAWS PROHIBITING CONTRACTS WITH COMPANIES THAT DISCRIMINATE AGAINST A FIREARM ENTITY OR TRADE ASSOCIATION.** The Bank represents and verifies, under Section 2274.002, Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, (“SB 19”)), as amended, that Bank, nor the parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, of the Bank have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and such entities will not through the full term of this Agreement discriminate against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section.

As used in the foregoing verification and the following definitions, (a) “discriminate against a firearm entity or firearm trade association,” a term defined in Section 2274.001(3), Texas Government Code (as enacted by SB 19), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade

association, (b) “firearm entity,” a term defined in Section 2274.001(6), Texas Government Code (as enacted by SB 19), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by SB19, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by SB 19, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by SB 19, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and (c) “firearm trade association,” a term defined in Section 2274.001(7), Texas Government Code (as enacted by SB 19), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

**SECTION 5.13. SURVIVAL OF REPRESENTATIONS.** As used in the foregoing verifications, the Bank understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Bank. Notwithstanding anything contained herein, a claim arising for the breach of the representations and covenants contained in the four preceding subsections shall survive termination of the Agreement until the statute of limitations has run.

## **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 of this Agreement.

**SECTION 6.04. EFFECT OF HEADINGS.** The Article and Section headings herein are for convenience 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. BENEFITS OF AGREEMENT.** Nothing herein, expressed 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 6.08. ENTIRE AGREEMENT.** This Agreement and the Ordinance 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 Ordinance, the Ordinance shall govern.

**SECTION 6.09. 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 6.10. TERMINATION.** This Agreement will terminate on the date of final payment of the principal of and interest on the Securities to the Holders thereof or may be earlier terminated by either party upon 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. Furthermore, the Bank and 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 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 6.11. GOVERNING LAW.** This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

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

CITY OF BRADY, TEXAS

By: \_\_\_\_\_  
Title: Mayor

Address: 201 E Main Street  
Brady, Texas 76825

Attest:

\_\_\_\_\_  
Title: City Secretary

UMB BANK, NA

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

Title: \_\_\_\_\_

Address: 5910 N. Central Expressway, Suite 1900  
Dallas, Texas 75206

## **Schedule A**

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT (Agreement), made by and between City of Brady, a political subdivision of the State of Texas in McCulloch County, Texas (City), and UMB, NA, as Escrow Agent together with any successor in such capacity;

W I T N E S S E T H:

WHEREAS, pursuant to an Ordinance finally adopted on September 3, 2024 (Ordinance), the City of Brady authorized the issuance of \$680,000 City of Brady, Texas Combination Tax and Surplus Waterworks and Sewer System Revenue Certificates of Obligation, Series 2024, dated October 8, 2024, applicable to TWDB Project No. 10466, Commitment Number L1001746; pursuant to which the City will accept certain contractual obligations (the Obligations) to obtain financial assistance from the Texas Water Development Board (TWDB) for the purpose of funding projects identified as Project No. 10466 (Project); and

WHEREAS, the Escrow Agent is a state or national bank designated by the Texas Comptroller as a state depository institution in accordance with Texas Government Code, Chapter 404, Subchapter C, or is a designated custodian of collateral in accordance with Texas Government Code, Chapter 404, Subchapter D and is otherwise qualified and empowered to enter into this Agreement, and hereby acknowledges its acceptance of the terms and provisions hereof; and

WHEREAS, a condition of the Obligations is the deposit of the proceeds of the Obligations (Proceeds) in escrow subject to being withdrawn only with the approval of the Executive Administrator or another designated representative; provided, however, the Proceeds can be transferred to different investments so long as all parties hereto consent to such transfer;

NOW, THEREFORE, in consideration of the mutual agreements herein contained and in consideration of the amount of fees to be paid by the City to the Escrow Agent, as set forth on **EXHIBIT A**, the receipt of which is hereby acknowledged, and in order to secure the delivery of the Obligations, the parties hereto mutually undertake, promise, and agree for themselves, their respective representatives and successors, as follows:

**SECTION 1: ESCROW ACCOUNT(S).** Upon the delivery of the Obligations described above, the Proceeds identified under TWDB Commitment Number L1001746 shall be deposited to the credit of a special escrow account(s) or escrow subaccount(s) (Escrow Account(s)) maintained at the Escrow Agent on behalf of the City and the TWDB and shall not be commingled with any other accounts or with any other proceeds or funds. The Proceeds received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the City, and the Escrow Agent shall have no right to title with respect thereto except as Escrow Agent under the terms of this Agreement.

The Escrow Account(s) shall be entitled "TWDB L1001746 City of Brady, Texas Combination Tax and Surplus Waterworks and Sewer System Revenue Certificates of Obligation, Series 2024 Escrow Account" and shall not be subject to warrants, drafts or checks drawn by the City but shall be disbursed or withdrawn to pay the costs of the Project for which the Obligations were issued or other purposes in accordance with the Ordinance and solely upon written authorization from the Executive

Administrator or his/her designated representative. The Escrow Agent shall provide to the City and to the TWDB the Escrow Account(s) bank statements upon request.

**SECTION 2: COLLATERAL.** All cash deposited to the credit of such Escrow Account(s) and any accrued interest in excess of the amounts insured by the FDIC and remaining uninvested under the terms of this Agreement shall be continuously secured by a valid pledge of direct obligations of the United States of America or other collateral meeting the requirements of the Public Funds Collateral Act, Texas Government Code, Chapter 2257.

**SECTION 3: INVESTMENTS.** While the Proceeds are held in escrow, the Escrow Agent shall only invest escrowed Proceeds in investments that are authorized by the Public Funds Investment Act, Texas Government Code, Chapter 2256 (PFIA). It is the City's responsibility to direct the Escrow Agent to invest all public funds in a manner that is consistent not only with the PFIA but also with its own written investment policy.

**SECTION 4: DISBURSEMENTS.** The Escrow Agent shall not honor any disbursement from the Escrow Account(s), or any portion thereof, unless and until it has been supplied with written approval and consent by the Executive Administrator or his/her designated representative. However, no written approval and consent by the Executive Administrator shall be required if the disbursement involves transferring Proceeds from one investment to another within the Escrow Account(s) provided that all such investments are consistent with the PFIA requirements.

**SECTION 5: UNEXPENDED FUNDS.** Any Proceeds remaining unexpended in the Escrow Account(s) after completion of the Project and after the final accounting has been submitted to and approved by the TWDB shall be disposed of pursuant to the provisions of the Ordinance. The City shall deliver a copy of such TWDB approval of the final accounting to the Escrow Agent together with instructions concerning the disbursement of unexpended Proceeds hereunder. The Escrow Agent shall have no obligation to ensure that such unexpended Proceeds are used as required by the provisions of the Ordinance, that being the sole obligation of the City.

**SECTION 6: CERTIFICATIONS.** The Escrow Agent shall be authorized to accept and rely upon the certifications and documents furnished to the Escrow Agent by the City and shall not be liable for the payment of any funds made in reliance in good faith upon such certifications or other documents or approvals, as herein recited.

**SECTION 7: LIABILITY OF ESCROW AGENT.** To the extent permitted by law, the Escrow Agent shall not be liable for any act done or step taken or omitted by it or any mistake of fact or law, except for its negligence or default or failure in the performance of any obligation imposed upon it hereunder. The Escrow Agent shall not be responsible in any manner for any proceedings in connection with the Obligations or any recitation contained in the Obligations.

**SECTION 8: RECORDS.** The Escrow Agent will keep complete and correct books of record and account relating to the receipts, disbursements, allocations and application of the money deposited to the Escrow Account, and investments of the Escrow Account and all proceeds thereof. The records shall be available for inspection and copying at reasonable hours and under reasonable conditions by the City and the TWDB.



**SECTION 9: MERGER/CONSOLIDATION.** In the event that the Escrow Agent merges or consolidates with another bank or sells or transfers substantially all of its assets or corporate trust business, then the successor bank shall be the successor Escrow Agent without the necessity of further action as long as the successor bank is a state or national bank designated by the Texas Comptroller as a state depository institution in accordance with Texas Government Code, Chapter 404, Subchapter C, or is a designated custodian of collateral in accordance with Texas Government Code Chapter 404, Subchapter D. The Escrow Agent must provide the TWDB with written notification within 30 days of acceptance of the merger, consolidation, or transfer. If the merger, consolidation or other transfer has occurred between state banks, the newly-created entity shall forward the certificate of merger or exchange issued by the Texas Department of Banking as well as the statement filed with the pertinent chartering authority, if applicable, to the TWDB within five business days following such merger, consolidation or exchange.

**SECTION 10: AMENDMENTS.** This Agreement may be amended from time to time as necessary with the written consent of the City and the TWDB, but no such amendments shall increase the liabilities or responsibilities or diminish the rights of the Escrow Agent without its consent.

**SECTION 11: TERMINATION.** In the event that this Agreement is terminated by either the City or by the Escrow Agent, the Escrow Agent must report said termination in writing to the TWDB within five business days of such termination. The City is responsible for ensuring that the following criteria are satisfied in selecting the successor escrow agent and notifying the TWDB of the change in escrow agents: (a) the successor escrow agent must be an FDIC-insured state or national bank designated by the Texas Comptroller as a state depository; (b) the successor escrow agent must be retained prior to or at the time of the termination; (c) an escrow agreement must be executed by and between the City and the successor escrow agent and must contain the same or substantially similar terms and conditions as are present in this Agreement; and (d) the City must forward a copy of the executed escrow agreement with the successor escrow agent within five business days of said termination. No funds shall be released by the TWDB until it has received, reviewed and approved the escrow agreement with the successor escrow agent. If the City has not appointed a successor escrow agent within thirty (30) days of the notice of termination, the Escrow Agent may petition any court of competent jurisdiction in Texas for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon the City. Whether appointed by the City or a court, the successor escrow agent and escrow agreement must be approved by the TWDB for the appointment to be effective. The Escrow Agent is responsible for performance under this Agreement until a successor has been approved by the TWDB and has signed an acceptable escrow agreement.

**SECTION 12: EXPIRATION.** This Agreement shall expire upon final transfer of the funds in the Escrow Account(s) to the City.

**SECTION 13: POINT OF CONTACT.** The points of contact for the Escrow Agent, the City and the TWDB are as follows:

UMB Bank  
Damien Daly

Executive Administrator  
Texas Water Development Board

5910 N. Central Expressway  
Suite 1900  
Dallas, Texas 75206  
Phone: (214) 389-5941  
Email Address: Damien.Daley@umb.com

1700 North Congress Avenue  
Austin, Texas 78701

Lisa McElrath, Director of Finance  
City of Brady  
201 E Main Street  
P.O. Box 351  
Brady, Texas 76825

**SECTION 14: CHOICE OF LAW.** This Agreement shall be governed exclusively by the applicable laws of the State of Texas. Venue for disputes shall be in the District Court of Travis County, Texas.

**SECTION 15: ASSIGNABILITY.** This Agreement shall not be assignable by the parties hereto, in whole or in part, and any attempted assignment shall be void and of no force and effect.

**SECTION 16: ENTIRE AGREEMENT.** This Agreement evidences the entire Escrow Agreement between the Escrow Agent and the City and supersedes any other agreements, whether oral or written, between the parties regarding the Proceeds or the Escrow Account(s). No modification or amendment of this Agreement shall be valid unless the same is in writing and is signed by the City and consented to by the Escrow Agent and the TWDB.

**SECTION 17: VALIDITY OF PROVISIONS.** If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

**SECTION 18: COMPENSATION FOR ESCROW SERVICES.** The Escrow Agent shall be entitled to compensation for its services as stated in Exhibit A, which compensation shall be paid by the City but may not be paid directly from the Escrow Account(s).

**SECTION 19: ANTI-BOYCOTT VERIFICATION.** The Escrow Agent represents that the Escrow Agent or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Escrow Agent either (i) meets one of the exemption criteria under Section 2271.002 of the Texas Government Code or (ii) does not boycott Israel and will not boycott Israel through the term of this Agreement. The term "boycott Israel" as used in this paragraph has the meaning assigned in Section 809.001 of the Texas Government Code, as amended.

**SECTION 20: IRAN, SUDAN AND FOREIGN TERRORIST ORGANIZATIONS.** The Escrow Agent represents that neither the Escrow Agent nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Escrow Agent (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed

by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

**SECTION 21: ANTI-BOYCOTT VERIFICATION OF ENERGY COMPANIES.** The City and the Escrow Agent hereby certify that the aggregate value of this Agreement shall not exceed the dollar limitation set forth in Chapter 2276 of the Texas Government Code and is therefore exempt from Section 2276.002(b), Texas Government Code, as amended, pursuant to Section 2276.002(a)(2), Texas Government Code, as amended.

**SECTION 22: ANTI-BOYCOTT VERIFICATION OF FIREARM COMPANIES AND ASSOCIATED TRADE ASSOCIATIONS.** The City and the Escrow Agent hereby certify that the aggregate value of this Agreement shall not exceed the dollar limitation set forth in Chapter 2274 of the Texas Government Code and is therefore exempt from Section 2274.002(b), Texas Government Code, as amended, pursuant to Section 2274.002(a)(2), Texas Government Code, as amended.

**SECTION 23: SURVIVAL OF REPRESENTATIONS.** As used in the foregoing verifications, the Escrow Agent understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Bank. Notwithstanding anything contained herein, a claim arising for the breach of the representations and covenants contained in the four preceding subsections shall survive termination of the Agreement until the statute of limitations has run.

**SECTION 24: EXECUTION BY COUNTERPARTS.** This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument. The parties hereto agree that the transactions described herein may be conducted and related documents may be sent, received, and stored by electronic means.

**SECTION 25: TAX MATTERS/PATRIOT ACT & BANK SECRECY ACT.** The City agrees that, for tax reporting purposes, all interest or other income, if any, attributable to the amounts held in escrow by the Escrow Agent pursuant to this Agreement shall be allocable to the City. Tax reporting will be completed by the City. The City agrees to provide the Escrow Agent completed Forms W-9 (or Forms W-8, in the case of non-U.S. Persons) and other forms and documents that the Escrow Agent may reasonably request at the time of execution of this Agreement, and any information reasonably requested by the Escrow Agent to comply with the USA Patriot Act of 2001, as amended from time to time or the Bank Secrecy Act, as amended from time to time. The City understands that if such documentation is not so certified to the Escrow Agent, the Escrow Agent may be required by the Internal Revenue Code, as it may be amended from time to time, to withhold a portion of any interest or other income earned on the investment of monies or other property held by the Escrow Agent pursuant to this Escrow Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective upon signature of both parties.

CITY OF BRADY, TEXAS

By: \_\_\_\_\_  
Authorized Representative

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

Address: 201 E. Main Street  
Brady, Texas 76825

(Seal)

UMB, NA  
as Escrow Agent

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

Title: \_\_\_\_\_

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

Address:

5910 N. Central Expressway, Suite 1900  
Dallas, Texas 75206

(Bank Seal)

**EXHIBIT A**  
Fee Schedule

# City Council

## City of Brady, Texas

### Agenda Action Form

<b>AGENDA DATE:</b>	9-3-2024	<b>AGENDA ITEM</b>	7. E.
<b>AGENDA SUBJECT:</b>	Discussion, consideration and possible action regarding the approval of a revised Cell Phone Allowance Policy by Resolution 2024-013.		
<b>PREPARED BY:</b>	Lisa McElrath	<b>Date Submitted:</b>	8-28-24
<b>EXHIBITS:</b>	Resolution 2024-013 Cell Phone Policy with Exhibit 1- Authorization Form		
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>		\$0
	<b>Amount Budgeted:</b>		\$0
	<b>Appropriation Required:</b>		\$0
<b>CITY MANAGER APPROVAL:</b>			

<b>SUMMARY:</b>
<ul style="list-style-type: none"> <li>In order to ensure compliance with IRS regulations, the City has discontinued assignment of City-owned or contractual Mobile Communication Device(s) to individual employees.</li> <li>An allowance is paid to the qualified employee and reflected as income on their W2.</li> <li>City staff is recommending a more stream-lined allowance amount and qualification criteria.</li> <li>Stipends to replace a phone will no longer be given, but a stipend up to \$100 will be granted to an employee whose phone was damaged while performing job duties upon validation from the supervisor.</li> <li>The financial analysis indicates that the recommended updates have minimal budgetary impact.</li> </ul>

<b>RECOMMENDED ACTION:</b>
<p>It is recommended that the City Council approve the revised Cell Phone Allowance Policy by Resolution 2024-013.</p>

**RESOLUTION NO. 2024-013**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRADY, TEXAS  
TO AMEND THE CITY OF BRADY'S  
CELL PHONE ALLOWANCE POLICY  
ORIGINALLY ADOPTED IN 2014**

**WHEREAS**, February 2014, the City Council adopted a Cell Phone Allowance Policy to promote fiscal accountability; and

**WHEREAS**, this policy outlines how City staff and will be reimbursed for using a personal phone to the benefit of City of Brady business calls; and

**WHEREAS**, the City Council desires to provide transparency and accountability by establishing a process to document such reimbursements; and

**WHEREAS**, the City wishes to proceed with revising the City Cell Phone Allowance Policy; and

**WHEREAS**, the City Charter requires City Council to set policy by resolution.

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Brady, Texas:

The City of Brady Cell Phone Allowance Policy, which was adopted February 2014, is hereby updated.

**PASSED AND APPROVED** this the 3rd day of September 2024.

\_\_\_\_\_  
Anthony Groves, Mayor

Attest: \_\_\_\_\_  
Tina Keys, City Secretary

## Mobile Communications Device Allowance Authorization Form

EMPLOYEE NAME:
POSITION:
DEPARTMENT NUMBER:
MOBILE DEVICE NUMBER:

*Used for cancellation or if a service duration is defined.*

START DATE:	END DATE:
-------------	-----------

**MOBILE PHONE:**

- \$25.00 PLAN (*Staff*)
- \$50.00 PLAN (*Division Superintendent*)

**REPLACEMENT due to on-the-job damage \* Requires written verification from Supervisor**

- Up to \$100.00 (*available once per year*)

**JUSTIFICATION – MUST IDENTIFY WHY THE CITY SHOULD PAY STIPEND**

- Safety - SCADA monitoring duty
- Accessibility - Requires communication in the field away from office lines
- Responsiveness - Requires communication in the field to staff or management quickly/timely to promote effective/efficient use of time
- Other: \_\_\_\_\_

I certify that I have read the City of Brady’s Mobile Communications Device Allowance Policy and agree to the responsibilities outlined in the policy. I understand the amounts received under this plan are taxable income. I understand I am responsible for all costs and contract terms associated with my service plan. ***Employee will receive allowance on the second payroll of each month.***

**Employee:**

Print Name	Signature	Date
------------	-----------	------

**Supervisor:**

Print Name	Signature	Date
------------	-----------	------

**City Manager:**

Print Name	Signature	Date
------------	-----------	------



<b>CITY OF BRADY ADMINISTRATIVE PROCEDURES</b>		
<b>SUBJECT:</b> Mobile Communications Device Allowance Policy	<b>EFFECTIVE DATE:</b> 2-18-2014	<b>REVISED DATE:</b> 10-1-2024
<b>APPROVED:</b> Resolution 2014-2		

**PURPOSE**

This policy addresses the allowance provided by the City of Brady to an active employee who uses their personal-owned mobile communications devices (MCD) for business purposes.

**OVERVIEW**

In order to ensure compliance with IRS regulations, the City will discontinue assignment of City-owned or contractual MCD(s) to individual employees. There will be exceptions to divisions where the devices are shared, temporary or infrequent use, regularly used to communicate with the general public, and/or special approval by the City Manager. Approved employees whose job duties require the frequent use of MCD(s) will be given a taxable monthly allowance to compensate for city business usage. All employees receiving an allowance will be paid through payroll and will be subject to withholdings such as FIT, FICA, TMRS, etc.

**ELIGIBILITY**

The justification for an MCD allowance should include an explanation of how the device will be used for conducting city business as well as an estimate on the frequency of usage. Justification must be submitted on the Mobile Communications Device Allowance Authorization Form (**see Exhibit 1**). The form must be approved by the City Manager before being submitted to HR for processing. The allowance will not be issued solely based on position or title.

Eligibility must include at least one (1) of the following categories:

1. Public/Personal safety – the employee requires immediate direct communications with local police, fire and/or emergency medical units or agencies in order to provide for the safety of citizens or employees.
2. Accessibility – the employee requires immediate direct communication to conduct city business and there is typically no access to a conventional telephone or computer.
3. Responsiveness – the employee requires immediate direct communication to conduct urgent city business to ensure responsiveness to operational and/or support functions.

Interns, contract employees, part-time employees, temporary employees, or consultants will not be eligible to receive MCD allowances unless extenuating circumstances require such an arrangement.

### **MCD ALLOWANCE**

The MCD allowance is not intended to pay for the full cost of the employee's monthly usage with their designated provider. This allowance will cover a reasonable cost that the employee incurs while using the device/service as part of their job duties and responsibilities.

The MCD allowance guidelines are as follows:

1. The employee is responsible for selecting, procuring and paying for all services and equipment.
2. Allowances are based upon careful analysis of type of service required, employees' business usage trends, as well as cost comparisons of current market offerings.
3. An employee must retain an active MCD service for as long as the allowance is in place. The employee owns the device and may use the device for both personal and business purposes, as needed. Additional features or services may be added at the employee's own expense.
4. If the MCD is damaged while performing on the job duties, the city will provide a reimbursement allowance up to \$100 upon presentation of receipt of a new MCD and a statement from the employee's supervisor verifying that damage occurred while performing duties on the job.
5. All MCD allowances are taxable income. The allowance does not constitute an increase to base pay and will not be included in the calculation of pay increases or retirement contributions. Taxes incurred as a result of the MCD allowance are the responsibility of the employee and will not be reimbursed to the employee.

### **EMPLOYEE RESPONSIBILITIES**

1. Employees shall comply with applicable laws regarding the use of cell phones and wireless communication devices while driving and avoid any use that may jeopardize the safety of the employee and/or others.
2. **Employees are prohibited from talking, texting, e-mailing, or surfing the internet while driving.**
3. Employees are also prohibited from above activities while driving their privately owned vehicles during official City business.
4. In regards to driving while using a cell phone for conversing, Public Safety employees are exempt from this section of the policy only when conducting official police or fire business, where stopping or parking is not an option.
5. Employees are required to sign the Mobile Communications Device Allowance Authorization Form.

6. Select a device and service provider whose service and coverage meets the requirements of the job responsibilities. If an employee is repeatedly unable to be contacted via their MCD due to problems with the selected mobile service provider, the City may request that the employee change providers.
7. Provide supervisor with current contact information within three (3) days of activation.
8. Acknowledge that supervisors may periodically request that the employee provide a copy of the first page of the phone bill in order to verify that he/she has an active mobile communications device. Supervisors may also periodically request documentation of business use to determine the appropriateness of eligibility and level of the allowance amount.
9. Assure availability for communication, be in possession of the MCD, and have it charged and turned on during the days/times as specified by supervisor.
10. Notify supervisor immediately of damaged, lost, or stolen MCDs and service cancellations. Employee must secure device/service replacement with three (3) days or a timeframe set by supervisor. Any associated costs for replacement will be the responsibility of the employee. Employees utilizing MCDs that store electronic files, data, e-mail messages or other potentially sensitive City data are required to notify their supervisor immediately of the loss or theft.
11. Acknowledge responsibility for complying with any contracts the employee enters into with service providers, including payment of all charges incurred. In the event an employee ceases to be employed with the City or becomes ineligible for the allowance, the employee continues to be responsible for the contractual obligations of the service plan.
12. Acknowledge that MCD records may be subject to the Public Information/Open Records Act. Information generated on, processed by, or stored on an MCD used for City-related business, as well as all related billing records, is considered as public information and may be subject to requests made by members of the public including the press. Examples of types of information requested may include, but are not limited to, phone calls, voicemails, e-mails, all types of messaging, photographs, internet usage, and application usage. Information related to phone conversations typically obtained through the Open Records Act include phone numbers called/received, length of calls, and date/time of calls.
13. Ensure that MCD's audible/vibrate notification settings are appropriate for current working environment and should not interfere with customers or other employees.
14. Make the personal MCD phone number available for inclusion in the City's telephone directories as deemed appropriate by management.
15. Reimburse City for allowances received by employee for periods of inactive service exceeding seven (7) days. In some instances, a prorated amount may apply.
16. Assure that MCDs used to access any City information system or which may contain any City data is locked and password protected when not in use.

## **DEPARTMENTAL RESPONSIBILITIES**

1. Once eligibility is established, the department heads must submit a completed Mobile Communications Device Allowance Authorization Form to the Finance Officer and City Manager for approval and additional processing.
2. The department head must periodically review the need for the MCD(s) used by each employee.
3. The department head will have the option to revoke the allowance if the need is no longer required by the employee.
4. If an employee is terminated, resigns, transfers, or for any reason is no longer eligible for a mobile communications device allowance, the department head will resubmit the Mobile Communications Device Allowance Authorization Form showing the service end date to terminate the allowance and will notify Human resources immediately.
5. Department Heads are required to notify the Finance Officer and City Manager immediately of the loss or theft of a MCD that stores electronic files, data, e-mail messages or other potentially sensitive City data.
6. Department Heads are responsible for ensuring that personal conversations on MCDs are kept to a minimum during official working hours.

## **COMPLIANCE**

Employees shall comply with this policy and any subsequent policy or guidelines issued by the City Manager. Violations of this policy may subject an employee to disciplinary action up to and including indefinite suspension/termination. These responsibilities are to be included in the designated individual's performance evaluation.

# City Council

## City of Brady, Texas

### Agenda Action Form

<b>AGENDA DATE:</b>	9-3-2024	<b>AGENDA ITEM</b>	7. F.
<b>AGENDA SUBJECT:</b>	Discussion, consideration and possible action regarding the approval of an Advanced Meter Opt-out Program Policy by Resolution 2024-014.		
<b>PREPARED BY:</b>	Lisa McElrath	<b>Date Submitted:</b>	8-28-24
<b>EXHIBITS:</b>	Resolution 2024-014 Advanced Meter Opt-out Program Policy and Fees		
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>		\$0
	<b>Amount Budgeted:</b>		\$0
	<b>Appropriation Required:</b>		\$0
<b>CITY MANAGER APPROVAL:</b>			

<b>SUMMARY:</b>	<p>In May 2024, by official referendum, section 12.21 of the City Charter was repealed by the voters.</p> <p>However, during budget workshop discussions, council members were in favor of providing an Advanced Meter Opt-out Program for City of Brady Electric Utility Customers.</p> <p>Through policy adoption, the council may at its sole discretion choose to re-evaluate and modify the program terms and fees without a public referendum.</p> <p>Staff recommends a program policy that is in line with the Texas Administrative Code Chapter 25 subchapter F requirements.</p> <p>Those accounts that currently have a digital meter will become subject to the monthly meter-reading fee.</p> <p>If an electric customer that has a digital meter, desires to switch back to an advanced meter, city staff will switch out the digital meter free of charge.</p>
-----------------	---

<b>RECOMMENDED ACTION:</b>	<p>It is recommended that the City Council adopt the Advanced Meter Opt-out Program Policy for City of Brady Electric customers by approving Resolution 2024-014.</p>
----------------------------	---

**RESOLUTION NO. 2024-014**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRADY, TEXAS  
TO ADOPT AN  
ADVANCED ELECTRIC METER OPT-OUT PROGRAM POLICY**

**WHEREAS**, the City Council desires to provide an advanced meter opt-out program for the City of Brady electric customers; and

**WHEREAS**, the City Council desires to provide a written policy outlining the program purpose, eligibility, enrollment, and fees; and

**WHEREAS**, the City Council desires to provide transparency and accountability by establishing a process to document and guide staff and customers consistent with the Texas Administrative Code; and

**WHEREAS**, the City Charter requires City Council to set policy by resolution.

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Brady, Texas:

The City of Brady Advanced Meter Opt-out Program Policy is hereby:

**PASSED AND APPROVED** this the 3rd day of September 2024, effective October 1, 2024.

---

Anthony Groves, Mayor

Attest: \_\_\_\_\_  
Tina Keys, City Secretary

**I. Purpose**

Subject to eligibility requirements, certain City of Brady Electric Utilities (CoBU) customers (“Customer(s)”) May “opt out” of the installation of an electric advanced meter under this Advanced Meter Opt-Out Program.

**II. Participation in the Program**

By opting out of the electric advanced meter, the customer is requesting that CoBU either (a) not install an advanced meter at the customer’s residence or (b) remove an advanced meter that is already installed. As a result, the customer is requesting that a meter requiring a monthly in-person reading by CoBU or its contractors be installed. By electing to have a meter that requires a field visit, the customer must pay applicable meter installation(s) costs at time of application and a monthly meter read fee to be billed each month. (see Exhibit A).

**III. Eligibility**

- A. Only single-family residential electric customers may opt out. Multi-family residential and commercial customers are not eligible.
- B. To qualify, customer accounts may not have had any disconnection for non-payment in a consecutive twelve (12)-month period. In order to maintain eligibility, a customer’s account may not have had any disconnection for non-payment in a twelve (12) month period;
- C. Customers with Distributed Energy Resources (DER) such as solar are not eligible;
- D. If CoBU must return to the residence more than two (2) times to read a meter because the customer has refused to provide access, or makes access unsafe or impractical, eligibility is automatically revoked;
- E. Customers who have altered the Opt-Out Form other than by completing the customer Information are not eligible; and
- F. Customers who have tampered with CoBU meter(s) and/or meter equipment, resulting in irregular connections, diversion of service, or any other unauthorized changes to service, are not eligible.

**IV. Enrollment**

A Customer must submit an unaltered, completed and signed Advanced Meter Opt-Out Program Form to CoBU for processing along with a \$50 meter exchange fee. (see Exhibit A) If at any time, the customer desires to have an advanced meter placed at his/her residence, the customer must submit a completed and signed Advanced Meter Acceptance Form.

**V. Fees**

The Program Fees include all costs associated with the removal and replacement of the advanced meter(s) with a meter(s) that requires an in-person visit (see Exhibit A). The meter read fee will be billed to the customer, with the subsequent billing statement.

**VI. Access**

In order to provide utility service, including maintenance, each customer agrees to provide access to his/her property and CoBU’s meter(s).

**NOTE:** City of Brady Utilities may, at any time and in its sole discretion, choose to re-evaluate and modify these Program Terms and Conditions and associated fees without prior notice to the customer.

**EXHIBIT A – ADVANCED METER OPT-OUT PROGRAM FEES**

<b>ADVANCED METER</b>	<b>FEES</b>
One-time fee to exchange an Advanced Meter for a digital meter requiring a field visit.	\$50.00 – Due with Application
Monthly Meter Reading Fee	\$15.00 – Billed Monthly



# City Council

## City of Brady, Texas

### Agenda Action Form

<b>AGENDA DATE:</b>	9-3-24	<b>AGENDA ITEM</b>	7.G.
<b>AGENDA SUBJECT:</b>	Discussion, consideration and possible action to <b>approve RESOLUTION 2024-015 CONCERNING AN EDAP GRANT AGREEMENT WITH THE TEXAS WATER DEVELOPMENT BOARD IN THE AMOUNT OF \$1,585,500; ACCEPTING THE TERMS OF THE FINANCIAL ASSISTANCE FROM THE STATE AGENCY; AND, AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT.</b>		
<b>PREPARED BY:</b>	Lisa McElrath	<b>Date Submitted:</b>	8-28-24
<b>EXHIBITS:</b>	Resolution 2024-015		
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>		\$00.00
	<b>Amount Budgeted:</b>		\$00.00
	<b>Appropriation Required:</b>		\$00.00
<b>CITY MANAGER APPROVAL:</b>			

<b>SUMMARY:</b>
<p>The Texas Water Development Board (TWDB) has granted the City of Brady through the TWDB Economically Distressed Areas Program (EDAP) funds in the amount of \$1,585,000.</p> <p>The CO loan proceeds (\$680,000) along with \$1,585,500 (70%) in EDAP Grant proceeds from the TWDB will be used to fund the estimated \$2,265,500 cost of replacing 11,000 feet of under-sized water distribution line to customers in the Luhr east addition.</p> <p>This project was approved in the FY 24 Budget cycle along with the approval to apply up to \$1,000,000 in excess fund balance towards the cost of the project. Since the city was successful in obtaining grant funding, approximately \$699,000 will be needed to pay off the debt in 2 years which includes minimal interest cost of \$19,000.</p> <p>Funds will be delivered to UMB as the city's escrow agent. Monies will be invested in accordance with the City's investment policy.</p>

<b>RECOMMENDED ACTION:</b>
<p>It is recommended that the Council approve Resolution 2024-015 authorizing Mayor Groves as the Designated Representative of the City, to execute an agreement with the TWDB for EDAP Grant in the amount of \$1,585,500.</p>

**CITY OF BRADY, TEXAS**  
**RESOLUTION NO. 2024-015**

**Authorized Representative Agreement Execution Resolution**

A RESOLUTION by the City of Brady, Texas (the “City”) authorizing Tony Groves, Mayor of the City, the Designated Representative of the City, to execute an agreement with the Texas Water Development Board for funding in the amount of \$1,585,500.00.

WHEREAS, the Texas Water Development Board (“TWDB”) made a commitment to provide financial assistance in the form of a grant agreement in the amount of \$1,585,500.00 to the City to finance a project, to wit: (1) planning, design and construction for the replacement of a water line, including the restoration of residential service connections and the addition of new fire hydrants and related asphalt repair, such improvements being identified as Texas Water Development Board Project No. 10466; and (2) costs of financing the aforementioned project (including related professional services and costs of issuance), upon execution of a grant agreement; therefore

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRADY, TEXAS:

SECTION 1. Approval of Agreement. The agreement setting out the terms and conditions of the financial assistance between the Texas Water Development Board and the City is approved and the City’s Designated Representative is authorized to execute the agreement on behalf of the City.

SECTION 2. Effective Date. This Resolution shall become effectively immediately after its adoption.

PASSED AND APPROVED, this the \_\_\_ day of \_\_\_\_\_, 2024.

ATTEST: \_\_\_\_\_  
City Secretary, City of Brady

By: \_\_\_\_\_  
Mayor, City of Brady

(City Seal)

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT (Agreement), made by and between City of Brady, a political subdivision of the State of Texas in McCulloch County, Texas (City), and UMB, NA, as Escrow Agent together with any successor in such capacity;

W I T N E S S E T H:

WHEREAS, pursuant to a Grant Agreement in the amount of \$1,585,500 (Grant Agreement) applicable to TWDB Project No. 10466, Commitment Number G1001747; pursuant to which the City will accept certain contractual obligations (the Obligations) to obtain financial assistance from the Texas Water Development Board (TWDB) for the purpose of funding projects identified as Project No. 10466 (Project); and

WHEREAS, the Escrow Agent is a state or national bank designated by the Texas Comptroller as a state depository institution in accordance with Texas Government Code, Chapter 404, Subchapter C, or is a designated custodian of collateral in accordance with Texas Government Code, Chapter 404, Subchapter D and is otherwise qualified and empowered to enter into this Agreement, and hereby acknowledges its acceptance of the terms and provisions hereof; and

WHEREAS, a condition of the Obligations is the deposit of the proceeds of the Obligations (Proceeds) in escrow subject to being withdrawn only with the approval of the Executive Administrator or another designated representative; provided, however, the Proceeds can be transferred to different investments so long as all parties hereto consent to such transfer;

NOW, THEREFORE, in consideration of the mutual agreements herein contained and in consideration of the amount of fees to be paid by the City to the Escrow Agent, as set forth on **EXHIBIT A**, the receipt of which is hereby acknowledged, and in order to secure the delivery of the Obligations, the parties hereto mutually undertake, promise, and agree for themselves, their respective representatives and successors, as follows:

**SECTION 1: ESCROW ACCOUNT(S).** Upon the delivery of the Obligations described above, the Proceeds identified under TWDB Commitment Number G1001747 shall be deposited to the credit of a special escrow account(s) or escrow subaccount(s) (Escrow Account(s)) maintained at the Escrow Agent on behalf of the City and the TWDB and shall not be commingled with any other accounts or with any other proceeds or funds. The Proceeds received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the City, and the Escrow Agent shall have no right to title with respect thereto except as Escrow Agent under the terms of this Agreement.

The Escrow Account(s) shall be entitled "TWDB G1001747 City of Brady, Texas Grant Account Escrow Account" and shall not be subject to warrants, drafts or checks drawn by the City but shall be disbursed or withdrawn to pay the costs of the Project for which the Obligations were issued or other purposes in accordance with the Ordinance and solely upon written authorization from the Executive Administrator or his/her designated representative. The Escrow Agent shall provide to the City and to the TWDB the Escrow Account(s) bank statements upon request.

**SECTION 2: COLLATERAL.** All cash deposited to the credit of such Escrow Account(s) and any accrued interest in excess of the amounts insured by the FDIC and remaining uninvested under the terms of this Agreement shall be continuously secured by a valid pledge of direct obligations of the United States of America or other collateral meeting the requirements of the Public Funds Collateral Act, Texas Government Code, Chapter 2257.

**SECTION 3: INVESTMENTS.** While the Proceeds are held in escrow, the Escrow Agent shall only invest escrowed Proceeds in investments that are authorized by the Public Funds Investment Act, Texas Government Code, Chapter 2256 (PFIA). It is the City's responsibility to direct the Escrow Agent to invest all public funds in a manner that is consistent not only with the PFIA but also with its own written investment policy.

**SECTION 4: DISBURSEMENTS.** The Escrow Agent shall not honor any disbursement from the Escrow Account(s), or any portion thereof, unless and until it has been supplied with written approval and consent by the Executive Administrator or his/her designated representative. However, no written approval and consent by the Executive Administrator shall be required if the disbursement involves transferring Proceeds from one investment to another within the Escrow Account(s) provided that all such investments are consistent with the PFIA requirements.

**SECTION 5: UNEXPENDED FUNDS.** Any Proceeds remaining unexpended in the Escrow Account(s) after completion of the Project and after the final accounting has been submitted to and approved by the TWDB shall be disposed of pursuant to the provisions of the Ordinance. The City shall deliver a copy of such TWDB approval of the final accounting to the Escrow Agent together with instructions concerning the disbursement of unexpended Proceeds hereunder. The Escrow Agent shall have no obligation to ensure that such unexpended Proceeds are used as required by the provisions of the Ordinance, that being the sole obligation of the City.

**SECTION 6: CERTIFICATIONS.** The Escrow Agent shall be authorized to accept and rely upon the certifications and documents furnished to the Escrow Agent by the City and shall not be liable for the payment of any funds made in reliance in good faith upon such certifications or other documents or approvals, as herein recited.

**SECTION 7: LIABILITY OF ESCROW AGENT.** To the extent permitted by law, the Escrow Agent shall not be liable for any act done or step taken or omitted by it or any mistake of fact or law, except for its negligence or default or failure in the performance of any obligation imposed upon it hereunder. The Escrow Agent shall not be responsible in any manner for any proceedings in connection with the Obligations or any recitation contained in the Obligations.

**SECTION 8: RECORDS.** The Escrow Agent will keep complete and correct books of record and account relating to the receipts, disbursements, allocations and application of the money deposited to the Escrow Account, and investments of the Escrow Account and all proceeds thereof. The records shall be available for inspection and copying at reasonable hours and under reasonable conditions by the City and the TWDB.

**SECTION 9: MERGER/CONSOLIDATION.** In the event that the Escrow Agent merges or consolidates with another bank or sells or transfers substantially all of its assets or corporate trust business, then the successor bank shall be the successor Escrow Agent without the necessity of further action as long as the successor bank is a state or national bank designated by the Texas Comptroller as a state depository institution in accordance with Texas Government Code, Chapter 404, Subchapter C, or is a designated custodian of collateral in accordance with Texas Government Code Chapter 404, Subchapter D. The Escrow Agent must provide the TWDB with written notification within 30 days of acceptance of the merger, consolidation, or transfer. If the merger, consolidation or other transfer has occurred between state banks, the newly-created entity shall forward the certificate of merger or exchange issued by the Texas Department of Banking as well as the statement filed with the pertinent chartering authority, if applicable, to the TWDB within five business days following such merger, consolidation or exchange.

**SECTION 10: AMENDMENTS.** This Agreement may be amended from time to time as necessary with the written consent of the City and the TWDB, but no such amendments shall increase the liabilities or responsibilities or diminish the rights of the Escrow Agent without its consent.

**SECTION 11: TERMINATION.** In the event that this Agreement is terminated by either the City or by the Escrow Agent, the Escrow Agent must report said termination in writing to the TWDB within five business days of such termination. The City is responsible for ensuring that the following criteria are satisfied in selecting the successor escrow agent and notifying the TWDB of the change in escrow agents: (a) the successor escrow agent must be an FDIC-insured state or national bank designated by the Texas Comptroller as a state depository; (b) the successor escrow agent must be retained prior to or at the time of the termination; (c) an escrow agreement must be executed by and between the City and the successor escrow agent and must contain the same or substantially similar terms and conditions as are present in this Agreement; and (d) the City must forward a copy of the executed escrow agreement with the successor escrow agent within five business days of said termination. No funds shall be released by the TWDB until it has received, reviewed and approved the escrow agreement with the successor escrow agent. If the City has not appointed a successor escrow agent within thirty (30) days of the notice of termination, the Escrow Agent may petition any court of competent jurisdiction in Texas for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon the City. Whether appointed by the City or a court, the successor escrow agent and escrow agreement must be approved by the TWDB for the appointment to be effective. The Escrow Agent is responsible for performance under this Agreement until a successor has been approved by the TWDB and has signed an acceptable escrow agreement.

**SECTION 12: EXPIRATION.** This Agreement shall expire upon final transfer of the funds in the Escrow Account(s) to the City.

**SECTION 13: POINT OF CONTACT.** The points of contact for the Escrow Agent, the City and the TWDB are as follows:

UMB Bank  
Damien Daly  
5910 N. Central Expressway  
Suite 1900  
Dallas, Texas 75206  
Phone No.: 214-389-5941  
Email Address: Damien.Daly@umb.com

Executive Administrator  
Texas Water Development Board  
1700 North Congress Avenue  
Austin, Texas 78701

Lisa McElrath, Director of Finance  
City of Brady  
201 E Main Street  
P.O. Box 351  
Brady, Texas 76825

**SECTION 14: CHOICE OF LAW.** This Agreement shall be governed exclusively by the applicable laws of the State of Texas. Venue for disputes shall be in the District Court of Travis County, Texas.

**SECTION 15: ASSIGNABILITY.** This Agreement shall not be assignable by the parties hereto, in whole or in part, and any attempted assignment shall be void and of no force and effect.

**SECTION 16: ENTIRE AGREEMENT.** This Agreement evidences the entire Escrow Agreement between the Escrow Agent and the City and supersedes any other agreements, whether oral or written, between the parties regarding the Proceeds or the Escrow Account(s). No modification or amendment of this Agreement shall be valid unless the same is in writing and is signed by the City and consented to by the Escrow Agent and the TWDB.

**SECTION 17: VALIDITY OF PROVISIONS.** If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

**SECTION 18: COMPENSATION FOR ESCROW SERVICES.** The Escrow Agent shall be entitled to compensation for its services as stated in Exhibit A, which compensation shall be paid by the City but may not be paid directly from the Escrow Account(s).

**SECTION 19: ANTI-BOYCOTT VERIFICATION.** The Escrow Agent represents that the Escrow Agent or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Escrow Agent either (i) meets one of the exemption criteria under Section 2271.002 of the Texas Government Code or (ii) does not boycott Israel and will not boycott Israel through the term of this Agreement. The term "boycott Israel" as used in this paragraph has the meaning assigned in Section 809.001 of the Texas Government Code, as amended.

**SECTION 20: IRAN, SUDAN AND FOREIGN TERRORIST ORGANIZATIONS.** The Escrow Agent represents that neither the Escrow Agent nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Escrow Agent (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

**SECTION 21: ANTI-BOYCOTT VERIFICATION OF ENERGY COMPANIES.** The City and the Escrow Agent hereby certify that the aggregate value of this Agreement shall not exceed the dollar limitation set forth in Chapter 2276 of the Texas Government Code and is therefore exempt from Section 2276.002(b), Texas Government Code, as amended, pursuant to Section 2276.002(a)(2), Texas Government Code, as amended.

**SECTION 22: ANTI-BOYCOTT VERIFICATION OF FIREARM COMPANIES AND ASSOCIATED TRADE ASSOCIATIONS.** The City and the Escrow Agent hereby certify that the aggregate value of this Agreement shall not exceed the dollar limitation set forth in Chapter 2274 of the Texas Government Code and is therefore exempt from Section 2274.002(b), Texas Government Code, as amended, pursuant to Section 2274.002(a)(2), Texas Government Code, as amended.

**SECTION 23: SURVIVAL OF REPRESENTATIONS.** As used in the foregoing verifications, the Escrow Agent understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Bank. Notwithstanding anything contained herein, a claim arising for the breach of the representations and covenants contained in the four preceding subsections shall survive termination of the Agreement until the statute of limitations has run.

**SECTION 24: EXECUTION BY COUNTERPARTS.** This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument. The parties hereto agree that the transactions described herein may be conducted and related documents may be sent, received, and stored by electronic means.

**SECTION 25: TAX MATTERS/PATRIOT ACT & BANK SECRECY ACT.** The City agrees that, for tax reporting purposes, all interest or other income, if any, attributable to the amounts held in escrow by the Escrow Agent pursuant to this Agreement shall be allocable to the City. Tax reporting will be completed by the City. The City agrees to provide the Escrow Agent completed Forms W-9 (or Forms W-8, in the case of non-U.S. Persons) and other forms and documents that the Escrow Agent may reasonably request at the time of execution of this Agreement, and any information reasonably requested by the Escrow Agent to comply with the USA Patriot Act of 2001, as amended from time to time or the Bank Secrecy Act, as amended from time to time. The City understands that if such documentation is not so certified to the Escrow Agent, the Escrow Agent may be required by the Internal Revenue Code, as it may be amended from time to time, to withhold a portion of any interest or other income earned on the investment of monies or other property held by the Escrow Agent pursuant to this Escrow Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective upon signature of both parties.

CITY OF BRADY, TEXAS

By: \_\_\_\_\_  
Authorized Representative

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

Address: 201 E. Main Street  
Brady, Texas 76825

(Seal)

UMB, NA  
as Escrow Agent

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

Title: \_\_\_\_\_

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

Address:

5910 N. Central Expressway , Suite 1900  
Dallas, Texas 75206

(Bank Seal)



**EXHIBIT A**  
Fee Schedule

# City Council

## City of Brady, Texas

### Agenda Action Form

<b>AGENDA DATE:</b>	9-3-2024	<b>AGENDA ITEM</b>	7.H.
<b>AGENDA SUBJECT:</b>	Discussion, consideration and possible action approving Agreement Regarding Fire Services between City of Brady and Brady Volunteer Fire Department.		
<b>PREPARED BY:</b>	Erin Corbell	<b>Date Submitted:</b>	8-6-2024
<b>EXHIBITS:</b>	Agreement for Services		
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>		\$0.00
	<b>Budget Amount Available:</b>		\$0.00
	<b>Appropriation Required:</b>		\$0.00
<b>CITY MANAGER APPROVAL:</b>			
<b>SUMMARY:</b>			
<p>Staff and the Brady Volunteer Fire Department have been working on an agreement outlining reporting guidelines and qualified uses for the annual contribution made from the City of Brady to the Brady Volunteer Fire Department.</p> <p>Funds contributed by the City of Brady are to be used for only fire training, uniforms, fire equipment purchases, equipment and vehicle repairs and local match requirements for grants benefiting the City of Brady.</p> <p>Brady Volunteer Fire Department agrees to submit to the City monthly financial reports—bank statements with invoices are sufficient. Reports are due by the 10<sup>th</sup> of the following month of receipt of the bank statement. Past due reports may subject monthly payments to be withheld until received.</p> <p>BVFD shall submit to the City an annual inventory and an annual budget request on or before May 15 of each year in a format acceptable to the City, to coincide with the city’s annual budgeting process.</p> <p>Excess funds not spent from previous budget year as of May 15 <i>may</i> be applied to the budget request being considered for the upcoming budget year.</p>			

<b>RECOMMENDED ACTION:</b>
Approve agreement and authorize Mayor to execute the agreement for services between the City of Brady and the Brady Volunteer Fire Department.

THE STATE OF TEXAS           §  
  §  
COUNTY OF MCCULLOCH       §

**AGREEMENT REGARDING FIRE SERVICES BETWEEN**  
**CITY OF BRADY, TEXAS**  
**AND**  
**BRADY VOLUNTEER FIRE DEPARTMENT**

THIS AGREEMENT IS BETWEEN CITY OF BRADY, TEXAS (“CITY”) AND THE BRADY VOLUNTEER FIRE DEPARTMENT (“SERVICE PROVIDER”)

**Whereas**, the City’s commitment is to provide protection of life and property from fire, hazardous materials incidents, accident, disaster, and other emergencies, and for the conservation of natural resources; and

**Whereas**, the Service Provider has available personnel and equipment to assist in providing fire protection and suppression services, hazardous materials, emergency rescue services, and emergency medical first responder services.

**NOW, THEREFORE, BE IT RESOLVED THAT** the parties hereto agree as follows:

**1. CONSIDERATION**

1.1 In consideration for the monies and equipment to be provided to the Service Provider under the terms of this Agreement, the Service Provider will provide the following services (collectively referred to below as “Fire Services”) within the incorporated city limits of the City on a 24-hour basis: Fire Protection and Suppression; Fire Prevention; Hazardous Materials response to the level currently trained; First Responder Emergency Medical Services; Emergency Rescue; and, Other assistance to the public as necessary.

1.2 If the Service Provider provides First Responder Emergency Medical Services, such services are as backup and support to the Emergency Medical Services provided by City and operate in accordance with the medical protocols provided by the City.

1.3 The Service Provider shall provide fire, emergency rescue and other services in the incorporated City limits in conjunction with any other service provider of the City.

**2. TERMS**

2.1 In consideration for the terms of this Agreement, the City agrees to provide the Service Provider with funds, on an annual basis as available and as approved and appropriated by the City Council, from the City’s tax revenues or from other sources legally available to the City. The amount and method of payments of these funds will be approved by the City Council for the term of this Agreement on or before September 30, of each year preceding the year for which the allocations are made. No funds provided by the City may be used by the Service Provider for

legal representation, costs, or expenses of any kind or nature whatsoever of the Service Provider for clarifications, determinations, issues or disputes related to or arising from this Agreement or otherwise, without the previous written permission of the City.

2.2 Nothing in this Agreement shall obligate the City to appropriate to the Service Provider the full amount of funds, or any funds, requested by the Service Provider.

2.3 Funds shall only be used for specific fire uses listed in 1.1 above. **Therefore, only fire training, uniforms, fire equipment purchases, equipment and vehicle repairs and local match requirements for grants benefiting the City of Brady will be considered acceptable uses of city contributions.** Funds shall not be used for ancillary or incidental expenses not related to fire uses listed in 1, unless prior written consent is given by the City Council.

### **3. PAYMENTS**

3.1 Upon approval of the budgeted amount, the funds will be disbursed in equal monthly installments. Any appropriation by the City shall be subject to the City's right of non-appropriation.

3.2 The Service Provider agrees and shall maintain all City funds in a separate account from all other accounts of the Service Provider at all times.

### **4. REPORTING REQUIREMENTS**

4.1 The Service Provider agrees to submit to the City monthly financial reports—bank statements with invoices are sufficient. Reports are due by the 10<sup>th</sup> of the following month of receipt of the bank statement. Past due reports may subject monthly payments to be withheld until received.

4.2 The parties agree that the Service Provider shall submit to the City an annual inventory and an annual budget request on or before May 15 of each year in a format acceptable to the City. (see Exhibit A)

4.3 Excess funds not spent from previous budget year as of May 15 may be applied to the budget request being considered for the upcoming budget year. Budget year shall begin on October 1 of each year and end on September 30 of the next year.

### **5. MUTUAL AID—intentionally left blank**

### **6. STATEMENT OF PARTICULARS**

6.1 The Service Provider agrees to use the funds from the City to provide services set forth in paragraph 1.

6.2 All real or personal property purchased by the Service Provider with City funds may be assigned to the Service Provider and/or titled in the Service Provider's name, but shall remain the sole property of the City, regardless of how titled. Any such real or personal property will be immediately transferred to the City in the event of dissolution of the Service Provider or termination of this Agreement. It is understood and agreed that all personal or real property purchased, leased, or otherwise obtained by the Service Provider with City funds shall be and remain the sole property of the City, for use by the Service Provider, regardless of how encumbered, nominally owned, or otherwise titled.

6.3 The Service Provider shall implement policies and procedures to ensure to the best of its ability, that individuals performing services under this Agreement behave in a lawful, safe, courteous, professional and respectful manner to the public it serves and with all other individuals or entities involved in rendering assistance under this Agreement.

6.4 Service Provider will not allow members that do not meet its standards as set forth in the By-Laws or other operating documents or procedures. Service Provider shall ensure that current members and future applicants have an appropriate driving record before they are allowed to provide services for the City. A copy of the member or applicant's driving record shall be filed with the City's paid Fire Chief for record keeping purposes. City reserves the right to refuse a Service Provider member from assisting with City matters if there is a disqualifying reason as set forth in its By-Laws or other operating documents and procedures or if so requested by the City.

6.5 It is recognized that the Service Provider has other sources of income and nothing in this Agreement limits how the Service Provider can utilize these other funds.

6.6 The parties to this Agreement affirm that the City and the Service Provider are separate entities and as such, the Service Provider is responsible for its actions as an emergency services organization or provider, and the City is responsible for its actions as a political subdivision of the State of Texas. Neither party shall be responsible for the actions of the other in case of any liability for damages or other relief. Neither the Service Provider, its agents, nor any other person operating under this Agreement, shall be deemed to be an agent or employee of the City and the City shall not be liable for negligence, tortious or other conduct of any such person. Sovereign is not waived by this Agreement.

6.7 The Service Provider further agrees to maintain insurance upon its vehicles and those of its members to cover minimum liability of the Service Provider under the Texas Tort Claims Act as it now exists and as it may be amended from time to time. The Service Provider will require its members to maintain the minimum level of financial responsibility as required by state law. In the event that liability insurance on real or personal property other than vehicles is required by the Texas Tort Claims Act, the Service Provider agrees to maintain the minimum amount required under the Texas Tort Claims Act. Proof of such insurance required under this paragraph shall be submitted to the City at the time the policies are renewed. Any insurance obtained by the Service Provider hereunder shall name the City as an additional insured and loss payee.

6.8 The Service Provider also agrees to provide liability, management liability and other applicable insurance for its activities hereunder, and, if requested by the City to obtain such insurance for the benefit of the City. The Service Provider also agrees to name the City as the loss payee for any real or personal property purchased by the Service Provider with City funds or as approved in any budgets presented to the City by the Service Provider. It is expressly agreed that if City requests additional coverage, the amount may be submitted to the City for approval as a budget item and is an eligible expense under paragraph 1 above.

## 7. PERFORMANCE STATEMENT

### Service Provider shall:

7.1 Reasonably assure all fire prevention, firefighting, and other personnel providing emergency services hereunder, including, but not limited to, emergency medical services personnel are:

- a. appropriately trained and certified for the levels of service provided;
- b. available to respond to each emergency call on which the Service Provider is dispatched; and
- c. adequately equipped and operational emergency vehicles, equipment, and personnel to respond to each emergency call that requires a Code 3 (emergency lights and sirens response) with an appropriate response time.

## 8. DISSOLUTION OR TERMINATION

The Service Provider agrees to immediately transfer to the City all assets and funds of the Service Provider, whether real or personal, tangible or intangible, upon the dissolution of the Service Provider, or the termination of this Agreement. This provision shall survive the termination of this Agreement, and the City shall be entitled to all attorney's fees, costs, and expenses related to the enforcement of this provision against the Service Provider, whether outside litigation, and whether at law or in equity. **If funds are spent on items other than allowed in this contract, any further payments will cease until the City is reimbursed.**

## 9. INDEMNIFICATION

The Service Provider shall fully indemnify, defend and hold the City harmless, as well as its officials, agents, representatives, and employees, from any and all claims of any type, including negligence, and all attorney's fees and related costs, made on account of any loss through personal injuries, deaths, or property damages, arising directly or indirectly out of the sole or concurrent negligence, or the sole or concurrent intentional acts or omissions of the Service Provider or its contractors, officials, agents, volunteers, representatives, employees, subcontractors, or consultants, in performing the services required under this Agreement. The

preceding indemnity clause shall be construed to also mean that the Service Provider shall indemnify the City for personal injuries, deaths, or property damages arising solely or partly from negligence or intentional acts or omissions of the Service Provider, its contractors, officials, agents, employees, volunteers, subcontractors, or consultants but shall not indemnify the City for the City's sole negligence, or sole intentional tortious acts or omissions.

## **10. MISCELLANEOUS PROVISIONS:**

10.1 This Agreement is executed in MCCULLOCH County, Texas, and venue over any action relating to any provision of this Agreement shall be exclusively in MCCULLOCH County, Texas. This Agreement shall be governed by the laws of the State of Texas.

10.2 In any action brought to enforce any provision of this Agreement, the City may recover from the Service Provider its attorney's fees, costs, and expenses. This section shall survive the termination of this Agreement.

10.3 The individuals executing this Agreement warrant that they are authorized to enter into this Agreement on behalf of the respective entities that they represent and to bind those entities to the provisions of this Agreement.

10.4 This Agreement shall become effective upon execution by the parties and shall remain in full force and effect from the date of execution through September 30, 2025. In the event that this Agreement is not renewed at the end of its term as stated herein, this Agreement shall remain in full force and effect after such expiration of this Agreement and shall be automatically renewed thereafter on a month-to-month basis until a new agreement is reached between the City and the Service Provider or the Agreement is otherwise terminated by either party hereto. A party desiring to terminate this Agreement will give a ninety (90) day written notice to the other party, unless one of the parties is in violation of any provisions of this Agreement and the party desiring to terminate this Agreement desires to terminate for cause, in which event the Agreement may be terminated upon a thirty (30) day written notice citing the specific provisions being violated and any cure thereof. Any written notice required herein shall be mailed to the other party's last known mailing address via U.S. certified mail, postage prepaid and return receipt requested; and the date of mailing shall be deemed the date of the postmark or by hand delivery. Upon notice of the desire to terminate or amend the agreement, both parties may negotiate any mutually satisfactory amendment or renewal of the Agreement.

10.5 This Agreement contains the entire agreement between the parties and all prior negotiations, statements, representations, or agreements whether oral or written are superseded and displaced hereby. A waiver, alteration, or modification of this Agreement shall not be binding unless it is in writing and signed by both parties.

10.6 The headings of the various paragraphs of the Agreement have been inserted for convenient reference only and shall not be construed to enlarge, diminish, or otherwise change the express provisions hereof.

10.7 In the event that any one or more of the provisions contained in the Agreement shall be held to be invalid or unenforceable in any respect by a court of competent jurisdiction, such invalidity of unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision did not exist.

10.8 Any rights or obligations that the Service Provider may have under this Agreement may not be assigned without the express written permission of the City.

10.9 The Service Provider understands and agrees that the City has the sole discretion and authority to determine the emergency services organizations or governmental units that provide emergency services in the City, or that the City may provide such emergency services itself, and the City reserves the right to retain volunteers or employ employees to provide or coordinate on behalf of the City emergency services in the City.

10.10 The City Fire Chief, or his designee, shall have the sole authority as to the coordination or provision of the emergency services provided for under this Agreement, which the Service Provider herein recognizes. The City retains the sole discretion to amend, change, or reorganize said command or organizational structure, or the method or manner of providing emergency services in the City, as necessary during the term of this Agreement. Nothing in this Agreement changes the independent contractor status of the Service Provider, and by entering into this Agreement, neither party hereto waives, and shall not be deemed to waive, any immunity, right, or defense either party may have under the Texas Tort Claims Act, Chapter 775, Texas Health & Safety Code, or other applicable law, rule, doctrine, or regulation.

**This Agreement is executed and signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2024.**

**CITY OF BRADY**

201 E Main  
P.O. Box 351  
Brady, TX 76825

**BRADY VOLUNTEER  
FIRE DEPARTMENT**

216 W Commerce St,  
  
Brady, TX 76825

By: \_\_\_\_\_  
Anthony Groves  
Mayor

By: \_\_\_\_\_  
James Stewart,  
President

ATTEST:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Secretary



EXHIBIT A

ANNUAL BVFD BUDGET REQUEST FORM

AS OF : May 15

BUDGET YEAR (OCTOBER 1 -SEPTEMBER 30)

**FIRE TRAINING** \$ -

NUMBER OF VOLUNTEERS: 2

**UNIFORMS**

SHIRTS

PANTS

BUNKER GEAR \$ -

**EQUIPMENT - LIST ITEM(S)**

HOSE \$ -

**VEHICLE / EQUIPMENT REPAIR FUNDING** \$ -

**MATCHING FUNDS FOR GRANT - LIST GRANT(S)** \$ -

BALANCE OF CHECKING ACCOUNT AS OF SEPT 30 \_\_\_\_\_ \$ -

**BUDGET REQUESTED NET OF EXCESS FUNDS** \$ -

# City Council

## City of Brady, Texas

### Agenda Action Form

<b>AGENDA DATE:</b>	9-3-2024	<b>AGENDA ITEM</b>	7.I.
<b>AGENDA SUBJECT:</b>	Discussion, consideration and possible action regarding rebranding for Brady Municipal Golf Course.		
<b>PREPARED BY:</b>	Rustin Bush	<b>Date Submitted:</b>	8-28-2024
<b>EXHIBITS:</b>			
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>		\$0.00
	<b>Budget Amount Available:</b>		\$0.00
	<b>Appropriation Required:</b>		\$0.00
<b>CITY MANAGER APPROVAL:</b>			
<b>SUMMARY:</b>	Course superintendent is exploring options to rebrand the Municipal Golf Course in efforts to enhance the course's image and attract more golfers, including a name and logo change.		

<b>RECOMMENDED ACTION:</b>
Direct staff as desired.

EXHIBIT A



EXAMPLE

ANNUAL BVFD BUDGET REQUEST FORM

AS OF : 5/15/2024

BUDGET YEAR (OCTOBER 1 -SEPTEMBER 30)	2025
---------------------------------------	------

**FIRE TRAINING**

NUMBER OF VOLUNTEERS: 2 \$ 2,000

**UNIFORMS**

SHIRTS

PANTS

BUNKER GEAR \$ 10,000

**EQUIPMENT - LIST ITEM(S)**

HOSE \$ 10,000

VEHICLE / EQUIPMENT REPAIR FUNDING \$ 4,000

MATCHING FUNDS FOR GRANT - LIST GRANT(S) \$ -

BALANCE OF CHECKING ACCOUNT AS OF SEPT 30 2023 \$ (3,000)

**BUDGET REQUESTED NET OF EXCESS FUNDS \$ 23,000**