CITY COUNCIL AGENDA

NOTICE OF REGULAR MEETING

Tuesday, June 16, 2015
7:00 p.m.
City Hall - Council Chamber
Daniel P. Moore Community Center Complex
1900 Billy G. Webb Drive
Portland, Texas

A. PROCEDURAL MATTERS, HONORS AND RELATED NON-ACTION ITEMS:

1. **CALL TO ORDER:** MAYOR KREBS

2. **INVOCATION AND PLEDGE:** MAYOR KREBS OR DESIGNEE

3. **FORMAL ANNOUNCEMENTS, RECOGNITION, PRESENTATIONS AND REPORTS THAT MAY BE DISCUSSED:**

   - **PRESENTATION OF FOURTH OF JULY HOLIDAY SCHEDULE (FACILITIES AND SERVICES) – LIBRARY DIRECTOR**

4. **CITY COUNCIL AND STAFF COMMENTS CONCERNING ITEMS OF COMMUNITY INTEREST THAT MAY NOT BE DISCUSSED:**

   Members of the City Council may present reports regarding items of community interest and/or be presented reports from the Staff regarding items of community interest, provided no action is taken or discussed. Items of community interest include the following:

   - Expressions of thanks, congratulations, or condolence
   - Information regarding holiday schedules
   - Honorary recognition of city officials, employees, or other citizens
   - Reminders about upcoming events sponsored by the city or another entity that is scheduled to be attended by a city official or city employee
   - Announcements involving imminent threats to the public health and safety of the city

B. ACTION ITEMS, RESOLUTIONS AND ORDINANCES:

Members of the audience who wish to (1) comment on issues concerning an agenda item, (2) present questions concerning an agenda item, (3) request assistance concerning an agenda item or (4) propose regulatory changes concerning an agenda item, must comply with the following rules of procedure:

- Persons who wish to speak must fill out and turn in a speaker card before the meeting is convened (The Mayor will notify you when it's your turn to speak and direct you to the podium)
- Persons who wish to speak must identify themselves and their places of residence
- All comments, requests and proposals must be presented to or through the Mayor
- Persons who wish to speak will be given 4 minutes to do so

5. **MINUTES OF PREVIOUS MEETINGS**: THE CITY COUNCIL WILL CONSIDER THE MINUTES OF ITS JUNE 2, 2015 REGULAR MEETING - MAYOR KREBS AND CITY SECRETARY

6. **ORDINANCE NO. 2111 – AUTHORIZING THE ISSUANCE OF TEXAS VENUE SALES TAX REVENUE BONDS, SERIES 2015:** THE CITY COUNCIL WILL CONSIDER AN ORDINANCE AUTHORIZING THE ISSUANCE OF APPROXIMATELY $3,900,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF PORTLAND, TEXAS SALES TAX REVENUE BONDS, SERIES 2015; SECURING THE PAYMENT THEREOF BY PLEDGING GROSS REVENUES DERIVED FROM THE ONE-HALF OF ONE PERCENT VENUE SALES TAX LEVIED BY THE CITY AND APPROVED BY THE VOTERS IN 2003; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE CONTRACT, AN OFFICIAL STATEMENT AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO – DIRECTOR OF FINANCE, FINANCIAL ADVISOR AND BOND COUNSEL

7. **PUBLIC HEARING – SPECIAL USE PERMIT REQUEST:** THE CITY COUNCIL WILL CONDUCT A PUBLIC HEARING TO SOLICIT COMMENTS FROM CITIZENS AND OTHER INTERESTED PARTIES CONCERNING A REQUEST FROM MARK MALEY FOR A SPECIAL USE PERMIT TO CONSTRUCT A TWO-FAMILY DWELLING O LOTS 11, 12 AND THE WEST 90 FEET OF LOTS 13 THROUGH 16, BLOCK 9, TIER C – ASSISTANT CITY MANAGER

8. **ORDINANCE NO. 2110 – SPECIAL USE PERMIT:** THE CITY COUNCIL WILL CONSIDER THE FIRST READING OF ORDINANCE NO. 2110 TO GRANT A SPECIAL USE PERMIT FOR THE CONSTRUCTION OF A TWO-FAMILY DWELLING ON LOTS 11,12 AND THE WEST 90 FEET OF LOTS 13 THROUGH 16, BLOCK 9, TIER C – ASSISTANT CITY MANAGER

C. CITIZEN COMMENTS, QUESTIONS, REQUESTS AND PROPOSALS NOT APPEARING ON THE AGENDA:

Members of the audience who wish to (1) comment on issues for which there is no item on this agenda, (2) present questions for which there is no item on this agenda, (3) request assistance for which there is no item on this agenda or (4) propose regulatory changes for which there is no item on this agenda, must comply with the following rules of procedure:

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D. ADJOURNMENT: MAYOR KREBS

NOTICE OF ASSISTANCE

If you plan to attend this public meeting and you have a disability that requires special arrangements to be made, please contact City Secretary Annette Hall (361) 777-4513 or annette.hall@portlandtx.com) in advance of the meeting. Reasonable accommodations will be made to facilitate your participation. The City Hall is wheelchair accessible and specially marked parking spaces are located in front of its entrance. Special seating will be provided in the Council Chamber during the meeting.

BRAILLE IS NOT AVAILABLE

Posted: June 12, 2015 by 5:00 p.m.
Portland City Hall

By: Annette Hall
Annette Hall
City Secretary

CITY OF PORTLAND
CITY COUNCIL
REGULAR MEETING
MINUTES
JUNE 2, 2015 – 7:00 P.M.

On this the 2nd day of June 2015, the Council of the City of Portland convened in a regular meeting session at 7:00 p.m. in the Council Chambers of City Hall, Daniel P. Moore Community Center Complex and notice of regular meeting giving the time, place and date and subject having been posted as described by Section 551 of the Government Code.

MEMBERS PRESENT:

David Krebs	Mayor
Ron Jorgensen	Mayor Pro Tem
Cathy Skurow	Council Member
Gary Moore, Sr.	Council Member
John Green	Council Member
Nathan Taggart	Council Member
Bill T. Wilson II	Council Member

STAFF PRESENT:

Randy Wright	City Manager
Brian DeLatte	Assistant City Manager
Annette Hall	City Secretary
Lyle Lombard	Fire Chief
Jaime Pyle	Director of Public Works
Kristin Connor	Director of Parks and Recreation
Ginny Moses	Library Director
Drew Schell	IT Technician
Brandon Lemon	Accounting Assistant

And with a quorum being present, the following business was transacted:

A. PROCEDURAL MATTERS, HONORS, AND RELATED NON-ACTION ITEMS:

1. **CALL TO ORDER**: MAYOR KREBS

   Mayor Krebs called the meeting to order at 7:00 pm.

2. **INVOCATION AND PLEDGE**: MAYOR KREBS OR DESIGNEE

Council Member Taggart gave the invocation and Mayor Krebs led the Pledge of Allegiance.

3. FORMAL ANNOUNCEMENTS, RECOGNITION, PRESENTATIONS, AND REPORTS THAT MAY BE DISCUSSED:

- **RECOGNITION OF EMPLOYEES – CITY MANAGER**

  City Manager, Randy Wright, presented the following employees with a Certificate of Appreciation for their commitment and dedication to the City of Portland and it citizens as demonstrated by their willingness to act in a leadership during 2014 and 2015.

  Fire Department
  Captain Dan Willott
  Administrative Assistant, Anna Mooney

  Police Department
  Lieutenant Tony Cano
  Lieutenant Jon Quade
  Division Coordinator, Becky Stewart

  Library
  Children's Librarian, Dorothy Torres

4. CITY COUNCIL AND STAFF COMMENTS CONCERNING ITEMS OF COMMUNITY INTEREST THAT MAY NOT BE DISCUSSED:

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- Expressions of thanks, congratulations, or condolence
- Information regarding holiday schedules
- Honorary recognition of city officials, employees, or other citizens
- Reminders about upcoming events sponsored by the city or other entity that is scheduled to be attended by a city official or city employee
- Announcements involving imminent threats to the public health and safety of the city

There were none.

B. ACTION ITEMS, RESOLUTIONS, AND ORDINANCES:

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There were none.

5. **MINUTES OF PREVIOUS MEETINGS**: THE CITY COUNCIL WILL CONSIDER THE MINUTES OF ITS MAY 19, 2015 WORKSHOP AND REGULAR MEETING - MAYOR KREBS AND CITY SECRETARY

Council Member Taggart read the following statement:

"During the May 19th meeting, I voted on Item 8 approving the issuance of Venue Sales Tax Revenue Bonds. That item was presented by our financial advisor with Frost Bank.

I serve on a board for Frost Bank and, while my involvement is far below the threshold that would require me to recuse myself from any such votes, I want to avoid any suggestion that I may have had any conflict of interest.

With the approval of the Council, I would request that the Council approve the minutes to reflect that I have rescinded my vote on that motion. "

Council Member Green made the motion to approve the minutes of the May 19, 2015 workshop as presented and amending the May 19, 2015 regular meeting to reflect Council Member Taggart abstaining from the vote on Item No. 8 **ISSUANCE OF VENUE SALES TAX REVENUE BONDS, SERIES 2015**, seconded by Mayor Pro Tem Jorgensen.

The motion passed 7-0.

6. **ORDINANCE NO. 2109 – AMENDING THE PORTLAND OIL AND GAS ORDINANCE:** THE CITY COUNCIL WILL CONSIDER THE SECOND AND FINAL READING OF ORDINANCE NO. 2109 AMENDING THE PORTLAND OIL AND GAS ORDINANCE – CITY MANAGER AND ASSISTANT CITY MANAGER

City Manager, Randy Wright explained that the city has been in negotiations with a Third Party Professional who would have conducted inspection and oversight as described in the ordinance. Changes to the ordinance would change the funding for services. Since the first reading of Ordinance No. 2109 the progress with the Third Party Professionals has not been successful and recommends this item be tabled for further discussion at a later date.

Mayor Pro Tem Jorgensen made the motion to table Ordinance No. 2109 amending the Portland Oil and Gas Ordinance for further discussion at a later dated, seconded by Council Member Taggart.

The motion passed by acclamation.

7. **PUBLIC WORKS MASTER PLAN:** THE CITY COUNCIL WILL CONSIDER A PROPOSAL FOR PROFESSIONAL SERVICES FOR THE PUBLIC WORKS CENTER MASTER PLAN FROM COYM, REHMET & GUTIERREZ, LP – ASSISTANT CITY MANAGER

Assistant City Manager Brian Delatte explained item will consider a proposal for Professional Services for the Public Works Center Master Plan from Coym, Rehmet & Gutierrez (CRG) in the amount of $49,815.00.

Mr. DeLatte presented and reviewed the following Public Works Master Plant site plans:

Current Public Works Center Site Plan

- Wastewater Treatment Plant
- Maintenance Shops and Equipment Storage
- Material Storage Yard
- Public Works and Development Services Offices

Public Master Plan Site

- Develop Ultimate Wastewater Treatment Plant Site Plan
- Develop Effluent Routing
- New Fire Station/PW Apparatus Bay
- New Animal Control Facility
- Increase Covered/Enclosed Storage
- Consider Relocation of Fuel Tank
- Increase General Storage
- Rehabilitate Materials Storage Yard
- Improve Drive and Walking Surfaces
- Improve Security

Phase 1 of the construction is scheduled to begin in 2016 and will include public works buildings, parking lots and driving surfaces, a new fire station, and a new animal control

facility. Phase 2 would occur in 2019. Preliminary planning efforts are required to determine the scope, scale, and sequencing of construction.

It is anticipated that the preliminary engineering design would be completed in October 2015 and that further City Council consideration would be required for the final design and construction administration services for Phase 1 construction.

Donnie Rehmet of Coym, Rehmet & Gutierrez (CRG) explained that they will perform a space needs analysis of the current Public Works Center buildings and for the future growth of the city. He then introduced sub-consultant Architect David Nisbet with The Wallace Group.

Mr. Nisbet explained that the role of The Wallace Group will include engaging with city staff to determine the current needs, staffing needed to help benchmark an anticipated future growth plan and make recommendations on the status of the current and future facility needs.

The City Council, City Manager, Assistant City Manager, Mr. Rehmet and Mr. Nisbet discussed the proposed Public Works Master Plan, the confined area for the project and the status of the existing drying beds at the Wastewater Treatment Plant.

Mayor Pro Tem Jorgensen made the motion to engage Coym, Rehmet & Gutierrez, LP, for the Public Works Center Master Plan in the lump sum amount of $49,815.00 and authorize the City Manager to execute all necessary contract documents, seconded by Council Member Moore.

The motion passed 7-0.

8. <u>JUNIOR HIGH LIFT STATION DESIGN</u>: THE CITY COUNCIL WILL CONSIDER A PROPOSAL FOR ENGINEERING SERVICES FROM COYM, REHMET & GUTIERREZ ENGINEERING, L.P., FOR ENGINEERING DESIGN FOR A NEW JUNIOR HIGH LIFT STATION IN THE AMOUNT OF $47,300.00 – DIRECTOR OF PUBLIC WORKS AND DEVELOPMENT

Director of Public Works and Development, Jaime Pyle, explained that the existing ground around the lift station has settled significantly, causing damage to the valve vault, electrical panel and accelerating deterioration. Repairs have been made to portions of the lift station numerous times in recent years with early indications that the current situation could be remedied through additional minor repairs and modifications.

Further geotechnical drilling and analysis has led our consulting engineers to conclude that a new wet well should be constructed instead to prevent further degradation at the site. And would be more cost effective to construct than to continue to make repairs.

The financial risk is being in non- compliance with Texas Commission of Environmental Quality regulations, if the pumps fail.

Coym, Rehmet & Gutierrez Engineering, L.P., (CRG) has submitted a proposal for engineering services for the design of a new wet well which will be located adjacent to the existing lift station.

Donnie Rehmet of Coym, Rehmet & Gutierrez explained that geotechnical investigation by Rock Engineering determined unconsolidated sand 26 ft. deep. A video of the line also discovered that the line flows backwards and has significant fractures. The long term solution would be to construct a fiber glass wet well.

The City Council, City Manager, Assistant City Manager and Mr. Rehmet discussed the depth of the well, obtaining a temporary construction easement from the school district, timing of construction, and clarification of design fees being included in the projected costs.

Council Member Moore made the motion to authorize the engagement of Coym, Rehmet & Gutierrez Engineering, L.P., for engineering services for the engineering design for a new Junior High Lift Station in the amount of $47,300.00, seconded by Council Member Wilson.

The motion passed 7-0.

9. **RESOLUTION NO. 698 - APPOINTING MEMBERS TO BOARD OF DIRECTORS:** THE CITY COUNCIL WILL CONSIDER RESOLUTION NO. 698 WHICH APPOINTS 3 MEMBERS TO THE BOARD OF DIRECTORS OF THE PORTLAND COMMUNITY CENTER COMPLEX DEVELOPMENT CORPORATION FOR 2 YEAR TERMS OF OFFICE – CITY MANAGER

City Manager, Randy Wright, explained that the Portland Community Center Complex Development Corporation was created to oversee the 4B Sales Tax and includes four current members of the City Council and three non-council citizens that serve two year staggered terms.

The terms of three members of the Board of Directors have expired:

Council Member	David Krebs
Council Member	John Green
Citizen	Peter Davidson

A vacancy for a one year term was created when City Council Member, John Vilo's position was vacated on May 19, 2015, upon his termination of his position as City Council Member.

The proposed resolution can be amended to include the vacancy created by John Vilo upon the termination of his position as City Council Member, the proposed resolution can be approved as presented to fill terms of three board members or can be tabled for consideration at the next regular City Council meeting.

Council Member Green made the motion to amend Resolution No. 698 to include the appointment of Council Member Skurow to fill the one year term created upon the termination of John Vilo's position as City Council Member, seconded by Mayor Pro Tem Jorgensen.

Mayor Pro Tem Jorgensen made the motion to reappoint David Krebs (City Council), John Green (City Council), and Peter Davidson (non- City Council citizen) to 2 year terms and appoint Cathy Skurow (City Council) to a one year term of office on the Portland Community Center Complex Development Corporation, seconded by Council Member Taggart.

The motion passed 7-0.

Mayor Krebs announced that Item C. CITIZENS COMMENTS, QUESTIONS, REQUESTS, AND PROPOSAL NOT APPEARING ON THE AGENDA will be discussed before Item No. 10. **EXECUTIVE SESSION.**

C. CITIZEN COMMENTS, QUESTIONS, REQUESTS, AND PROPOSALS NOT APPEARING ON THE AGENDA:

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the City Council or the City Manager may place an item on the agenda of a future City Council workshop or meeting to legally do so. If that is done, the audience member seeking a response will be given advance notice.

There were none.

10. **<u>EXECUTIVE SESSION:</u>** THE CITY COUNCIL WILL CONDUCT AN EXECUTIVE SESSION ACCORDING TO §551.087 OF THE TEXAS GOVERNMENT CODE TO DELIBERATE ECONOMIC DEVELOPMENT NEGOTIATIONS WITH SHERWIN ALUMINA AND §551.072 TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY WITH GREGORY-PORTLAND INDEPENDENT SCHOOL DISTRICT AND PORTLAND CHRISTIAN CENTER – MAYOR AND CITY MANAGER

At 7:53 p.m. Mayor Krebs announced that the City Council will conduct an Executive Session according to §551.087 of the Texas Government Code to deliberate Economic Development Negotiations with Sherwin Alumina and §551.072 to deliberate the purchase, exchange, lease or value of real property with Gregory-Portland Independent School District and Portland Christian Center.

Mayor Krebs announced that Council Member Wilson will recuse himself from discussions during the Executive Session pertaining to deliberation of the purchase, exchange, lease or value of real property with Gregory-Portland Independent School District.

Mayor Krebs announced that the Executive Session was concluded at 8:45 p.m. and no action will be taken at this time.

D. ADJOURNMENT: MAYOR

Mayor Krebs adjourned the meeting at 8:47 p.m.

E. NOTICE OF ASSISTANCE:

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BRAILLE IS NOT AVAILABLE

Approved:

_____
David Krebs
Mayor

Attest:

_____
City Secretary

CITY COUNCIL ACTION ITEM

AGENDA TITLE **ORDINANCE NO. 2111 AUTHORIZING THE ISSUANCE OF CITY OF PORTLAND, TEXAS SALES TAX REVENUE BONDS, SERIES 2015**:
THE CITY COUNCIL WILL CONSIDER AN ORDINANCE AUTHORIZING THE ISSUANCE OF APPROXIMATELY $3,900,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF PORTLAND, TEXAS SALES TAX REVENUE BONDS, SERIES 2015; SECURING THE PAYMENT THEREOF BY PLEDGING GROSS REVENUES DERIVED FROM THE ONE-HALF OF ONE PERCENT VENUE SALES TAX LEVIED BY THE CITY AND APPROVED BY THE VOTERS IN 2003; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE CONTRACT, AN OFFICIAL STATEMENT AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO

MEETING DATE 6/16/2015

DEPARTMENT Finance

SUBMITTED BY Michel Sorrell, Director of Finance

EXECUTIVE SUMMARY

The Adopted Capital Improvement Program for FY 2014-2019 includes The Sports Complexes Improvement, Phase I and Phase II for a total of $3,500,000 and the method of funding is the use of Sales Tax Revenue Bonds. Ordinance No. 2111 will put in motion the sale of issuance of up to $3,900,000 in sales tax revenue bonds. Funds from this sale will finance the Sports Complexes Improvement Projects Phase I and II, and any bond issuance costs.

PRIOR ACTIONS OR REVIEWS

On May 19, 2015, the City Council approved the financing plan for the issuance of Sales Tax Revenue Bonds, Series 2015.

DETAILS / STAFF ANALYSIS

The sports facilities at the Softball Complex and Municipal (13-Acre) Park are in poor condition and require reconstruction and enhancement. The City has commissioned preliminary design plans to rehabilitate the existing fields and make significant additions to the two parks. Originally planned as a two-phase project, we have combined the projects to take advantage of economies of scale and to reduce bond sale costs.

The project will rehabilitate existing fields, buildings, parking areas and other facilities and add a youth football field and associated facilities at the Softball Complex. At the 13-Acre Park, we

will remove the old Veterans Memorial and replace and reconfigure the existing park by adding fields to the additional 5-acres of undeveloped park land to the south of 13-Acre Park. This project will add capacity and expand usage of both sites, bring our existing facilities up to par with neighboring communities and insure that the facilities are ADA compliant and safe for the general public.

This project involves stakeholders from several youth sport groups as well as an evaluation by the City of the future demands of various sports and how the City should meet those demands. Design and implementation of the project will be done in coordination with stakeholders and with defined City goals. Coym, Rehmet and Gutierrez has been engaged to develop 30% plans. Stakeholders will be engaged when those preliminary plans are complete. Construction is scheduled for mid 2016.

ALTERNATIVES CONSIDERED

None. Ordinance No. 2111 is required to authorize the issuance of Sales Tax Revenue Bonds, Series 2015.

FINANCIAL IMPACT

The issuance of venue sales tax bonds to fund capital projects is consistent with the Council's operating vision to maintain infrastructure. In addition, the repayment plan for these bonds follows the City's practice of tying the term of debt to the useful life of the asset constructed.

The funding of the Sports Complexes Improvement Project is large in scope and the issuance of sales tax revenue bonds while interest rates are still low makes the most sense. Also, doing one issuance instead of two phases will save the City in issuance costs. Funding piecemeal by "pay as you go" for such a comprehensive project would not be the best use of reserves.

Our Financial Advisor, Victor Quiroga of Frost Capital Markets, and the bond counsel, Tom Spurgeon of McCall, Parkhurst and Horton have collaborated to develop the offering statement and other documentation necessary to sell bonds on the market.

ATTACHMENTS

Ordinance No. 2111

RECOMMENDED ACTION

Motion to approve on first and final reading of Ordinance No. 2111 approving the issuance City of Portland, Texas Sales Tax Revenue Bonds, Series 2015

ORDINANCE NO. 2111

ORDINANCE AUTHORIZING THE ISSUANCE OF $3,900,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF PORTLAND, TEXAS VENUE SALES TAX REVENUE BONDS, SERIES 2015; SECURING THE PAYMENT THEREOF BY PLEDGING GROSS REVENUES DERIVED FROM THE ONE-HALF OF ONE PERCENT VENUE SALES TAX LEVIED BY THE CITY AND APPROVED BY THE VOTERS IN 2003; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE CONTRACT, AN OFFICIAL STATEMENT AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO

Date of Approval: June 16, 2016

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Description of Annual Financial Information . . . . . Exhibit B
Written Procedures Relating to Continuing Compliance with Federal Tax Covenants Exhibit C
Form of Purchase Contract . . . . . Exhibit D
Requirements of the Insurer with Respect to the Municipal Bond Insurance Policy . . Exhibit E

ORDINANCE NO. ____

ORDINANCE AUTHORIZING THE ISSUANCE OF $_____ IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF PORTLAND, TEXAS VENUE SALES TAX REVENUE BONDS, SERIES 2015; SECURING THE PAYMENT THEREOF BY PLEDGING GROSS REVENUES DERIVED FROM THE ONE-HALF OF ONE PERCENT VENUE SALES TAX LEVIED BY THE CITY AND APPROVED BY THE VOTERS IN 2003; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE CONTRACT, AN OFFICIAL STATEMENT AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO

THE STATE OF TEXAS §
COUNTIES OF SAN PATRICIO AND NUECES §
CITY OF PORTLAND §

WHEREAS, in accordance with the provisions of Chapter 334, as amended, Texas Local Government Code (the "***Act***"), the qualified voters of the City of Portland, Texas (the "***City***"), voting in an election held on February 1, 2003, authorized the City to improve and add to all of its parks and recreation system, including swimming pool facilities to be located at the site adjacent to the Community Center, and to impose a sales and use tax at the rate of one-half of one percent for the purpose of financing such Project (the "***Sales Tax***"); and

WHEREAS, the City Council of the City (the "***City Council***") adopted a resolution on October 7,2003, creating the Venue Project Fund as required by the Act; and

WHEREAS, the City has heretofore authorized the following outstanding bonds, which are secured by and payable from the Sales Tax:

> *City of Portland, Texas Sales Tax Revenue Refunding Bonds, Series 2013*, dated as of August 15, 2013, issued in the original principal amount of *$1,980,000* and currently outstanding in the aggregate principal amount of *$1,620,000* (the "***Series 2013 Bonds***"); and

WHEREAS, the Series 2013 Bonds are secured by a first lien on and pledge of the "Pledged Revenues" (as defined in the ordinance which authorized the issuance of the Series 2013 Bonds), which consist of the gross revenues derived from the Sales Tax and received by the City from the Comptroller of Public Accounts of the State of Texas and currently are the only obligations of the City secured in whole or in part with such Pledged Revenues; and

WHEREAS, pursuant to Section 17 of the ordinance which authorized the issuance of the Series 2013 Bonds (the "***Previously Issued Parity Obligation Ordinance***"), the City reserved the right, upon satisfaction of certain conditions set forth therein, to issue and deliver additional parity bonds which are payable equally and ratably on a parity with the Series 2013 Bonds from a first lien on and pledge of the Pledged Revenues (known therein and herein in as "***Additional Parity Obligations***") "*in any amounts, for purposes of financing of projects (including the project) under*

the provisions of the Act, or for the purpose of refunding of any Parity Obligations or other obligations of the City incurred in connection with the financing of projects under the provisions of the Act"; and

WHEREAS, the Director of Finance of the City has executed a certificate that satisfies the requirements set forth in Section 17(d)(i) and (ii) of the Previously Issued Parity Obligation Ordinance relating to the issuance of Additional Parity Obligations; and

WHEREAS, the City Council of the City hereby finds and declares a public purpose and deems it advisable and in the best interests of the City to issue a series of Additional Parity Obligations (defined in Section 2 hereof as the "***Bonds***"), the proceeds of which will be used to construct and equip improvements to the City's parks and recreation system, including but not limited to _____, to pay all or a portion of the legal, fiscal and engineering fees in connection with such projects, and to pay costs of issuance; and

WHEREAS, the Bonds hereinafter authorized and designated are to be issued and delivered pursuant to the Act and Chapter 1201, Texas Government Code; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND, TEXAS THAT:

SECTION 1. AMOUNT AND PURPOSE OF THE BONDS.

(a) *Authorization to Issue Venue Sales Tax Revenue Bonds*. Revenue bonds of the City further described in Section 2 of this Ordinance and referred to herein as the "Bonds" are hereby authorized to be issued and delivered in the aggregate principal amount of $_____***FOR THE PURPOSE OF PROVIDING FUNDS TO CONSTRUCT AND EQUIP IMPROVEMENTS TO THE CITY'S PARKS AND RECREATION SYSTEM, INCLUDING BUT NOT LIMITED TO _____, TO PAY ALL OR A PORTION OF THE LEGAL, FISCAL AND ENGINEERING FEES IN CONNECTION WITH SUCH PROJECTS, AND TO PAY COSTS OF ISSUANCE.***

SECTION 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF BONDS. Each bond issued pursuant to this Ordinance shall be designated: **CITY OF PORTLAND, TEXAS VENUE SALES TAX REVENUE BOND, SERIES 2015**, and initially there shall be issued, sold and delivered hereunder one fully registered bond, numbered T-1 (the "***Initial***

Bond"), without interest coupons, dated as of July 15, 2015, in the aggregate principal amount of ***$_____***, numbered T-1 (the "***Initial Bond***"), with issued in replacement thereof being in the denomination of $5,000 or any integral multiple thereof and numbered consecutively from R-1 upward, all payable to the initial registered owner thereof (with the Initial Bond being payable to the initial purchaser designated in Section __ hereof), or to the registered assignee or assignees of said bonds or any portion or portions thereof (in each case, the "***Registered Owner***"), and the bonds shall mature and be payable serially on ***August 15*** in each of the years and in the principal amounts, respectively, as set forth in the following schedule:

YEAR OF MATURITY	PRINCIPAL AMOUNT ($)	YEAR OF MATURITY	PRINCIPAL AMOUNT ($)	YEAR OF MATURITY	PRINCIPAL AMOUNT ($)
2016		2023		2030	
2017		2024		2031	
2018		2025		2032	
2019		2026		2033	
2020		2027		2034	
2021		2028		2035	
2022		2029			

The term "***Bonds***" as used in this Ordinance shall mean and include the bonds initially issued and delivered pursuant to this Ordinance and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "***Bond***" shall mean any of the Bonds.

SECTION 3. INTEREST. The Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF BOND set forth in this Ordinance to their respective dates of maturity or prior redemption at the following rates per annum:

YEAR OF MATURITY	INTEREST RATE (%)	YEAR OF MATURITY	INTEREST RATE (%)	YEAR OF MATURITY	INTEREST RATE (%)
2016		2023		2030	
2017		2024		2031	
2018		2025		2032	
2019		2026		2033	
2020		2027		2034	
2021		2028		2035	
2022		2029			

Said interest shall be payable in the manner provided and on the dates stated in the FORM OF BOND set forth in this Ordinance.

SECTION 4. CHARACTERISTICS OF THE BONDS.

(a) *Registration and Transfer*. The City shall keep or cause to be kept at the designated corporate trust or commercial banking office (initially located in Austin, Texas) of **BOKF NA, DBA BANK OF TEXAS** (the "***Paying Agent/Registrar***") books or records for the registration of the transfer and exchange of the Bonds (the "***Registration Books***"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided. Attached hereto as *Exhibit A* is a copy of the Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar which is hereby approved in substantially final form, and the Mayor and City Secretary of the City are hereby authorized to execute the Paying Agent/Registrar Agreement and approve any changes in the final form thereof.

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. To the extent possible and under reasonable circumstances, all transfers of Bonds shall be made within three business days after request and presentation thereof. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Bond or Bonds shall be paid as provided in the FORM OF BOND set forth in this Ordinance. Registration of assignments, transfers and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

Except as provided in (c) below, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Bond shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for transfer and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing transfer and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, and particularly Subchapter D and Section 1201.067 thereof, the duty of transfer and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar,

and, upon the execution of said Certificate, the transferred and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) *Payment of Principal and Interest*. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Ordinance. The Paying Agent/ Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds.

(c) *In General*. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturity (notice of which shall be given to the Paying Agent/Registrar by the City at least 45 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) may be exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Ordinance. The Initial Bond is not required to be, and shall not be, authenticated by the Paying Agent/ Registrar, but on each substitute Bond issued in exchange for the Initial Bond issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Bond delivered on the closing date (as further described in subparagraph (i) below) shall have attached thereto the Comptroller's Registration Certificate substantially in the form set forth in the FORM OF BOND below, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) *Substitute Paying Agent/Registrar*. The City covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity and shall be an entity registered with the Securities and Exchange Commission. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the City. Upon any

change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) *Book-Entry Only System for Bonds*. The Bonds issued in exchange for the Bonds initially issued to the purchaser specified in Section 25 hereof shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("***DTC***"), and except as provided in subsection (i) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("***DTC Participant***") to hold securities to facilitate the clearance and settlement of securities transaction among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the direction of the registered owners, as shown in the Registration Books 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 of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(f) *Successor Securities Depository; Transfers Outside Book-Entry Only Systems*. In the event that the City determines that DTC is incapable of discharging its responsibilities described

herein and in the representation letter of the City to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City 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 of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books 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 registered owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

(g) *Payments to Cede & Co*. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

(h) *DTC Letter of Representation*. The officers of the City are herein authorized for and on behalf of the City and as officers of the City to enter into one or more Letters of Representation, if necessary, with DTC establishing the book-entry only system with respect to the Bonds.

(i) *Delivery of Initial Bond*. On the closing date, one Initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the initial registered owner named in Section 25 hereof or its designee, executed by manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the initial purchaser or its designee. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to the initial registered owner or its designee one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity.

SECTION 5. FORM OF BONDS. The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to appear only on the Initial Bond) shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance:

FORM OF BOND

R- ____

PRINCIPAL AMOUNT
$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF PORTLAND, TEXAS
VENUE SALES TAX REVENUE BOND, SERIES 2015

INTEREST RATE	MATURITY DATE	DATE OF ISSUE	CUSIP NO.
_____%	August 15, 20__	July 15, 2015	

REGISTERED OWNER:

PRINCIPAL AMOUNT: **DOLLARS**

ON THE MATURITY DATE specified above, the ***CITY OF PORTLAND, TEXAS*** (the "***City***"), being a political subdivision and home-rule municipality of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "***Registered Owner***") the Principal Amount set forth above, and to pay interest thereon from July 15, 2015 at the Interest Rate per annum specified above, on February 15, 2016, and semiannually on each February 15 and August 15 thereafter to the Maturity Date specified above; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such Principal Amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON THIS BOND are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity at the designated corporate trust or commercial banking office (initially located in Austin, Texas) of **BOKF, NA, DBA BANK OF TEXAS**, which is the "***Paying Agent/Registrar***" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of the Bonds (the "***Bond Ordinance***") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the

last business day of the month next preceding each such date (the "***Record Date***") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "***Special Record Date***") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice. The City covenants with the Registered Owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Debt Service Fund" created by the Bond Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

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

THIS BOND IS ONE OF A SERIES OF BONDS dated as of July 15, 2015, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of ***$_____ FOR THE PURPOSE OF PROVIDING FUNDS TO CONSTRUCT AND EQUIP IMPROVEMENTS TO THE CITY'S PARKS AND RECREATION SYSTEM, INCLUDING BUT NOT LIMITED TO _____, TO PAY ALL OR A PORTION OF THE LEGAL, FISCAL AND ENGINEERING FEES IN CONNECTION WITH SUCH PROJECTS, AND TO PAY COSTS OF ISSUANCE***.

ON AUGUST 15, 2024, or on any date thereafter, the Bonds of this Series maturing on and after August 15, 2025, may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part (provided that a portion of a Bond may be redeemed only in an integral multiple of $5,000), at the redemption price of the principal amount of Bonds called for redemption, plus accrued interest thereon to the date fixed for redemption. The City shall determine the maturity or maturities, and the principal amount of Bonds within each maturity, to be redeemed. If less than all Bonds of a maturity are to be redeemed, the particular Bonds to be redeemed shall be selected by the Paying Agent/Registrar at random and by lot.

ADDITIONALLY, THE BONDS MATURING on August 15 in the years 20__, 20__, and 20__ (collectively, the "***Term Bonds***") are subject to mandatory redemption prior to maturity in part by lot, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, on ***August 15*** in the respective years and principal amounts shown below:

TERM BONDS MATURING AUGUST 15, 20__		TERM BONDS MATURING AUGUST 15, 20__	
REDEMPTION DATE	**REDEMPTION AMOUNT ($)**	**REDEMPTION DATE**	**REDEMPTION AMOUNT ($)**
August 15, 20__		August 15, 20__	
August 15, 20__		August 15, 20__	
August 15, 20__ (Maturity)		August 15, 20__ (Maturity)	

TERM BONDS MATURING AUGUST 15, 20	
REDEMPTION DATE	**REDEMPTION AMOUNT ($)**
August 15, 20__	
August 15, 20__	
August 15, 20__ (Maturity)	

The principal amount of the Term Bonds required to be redeemed pursuant to the operation of such mandatory redemption requirements may be reduced, at the option of the City, by the principal amount of any such Term Bonds which, prior to the date of the mailing of notice of such mandatory redemption, (i) shall have been acquired by the City and delivered to the Paying Agent/Registrar for cancellation, (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City, or (iii) shall have been redeemed pursuant to the optional redemption provisions described in the preceding paragraph and not theretofore credited against a mandatory redemption requirement.

AT LEAST 30 DAYS PRIOR to the date fixed for any redemption of Bonds or portions thereof prior to maturity, a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption to the Registered Owner of each Bond to be redeemed at its address as it appeared on the Registration Books maintained by the Paying Agent/Registrar on the day such notice of redemption is mailed. The notice with respect to the optional redemption of Bonds may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar no later than the redemption date, or (2) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of an authorized representative to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the

notice is so rescinded. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. Any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Registered Owner. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is mailed (and not rescinded), and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the Registered Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Bond Ordinance.

ALL BONDS OF THIS SERIES are issuable solely as fully registered Bonds, without interest coupons, in the denomination of any integral multiple of $5,000. As provided in the Bond Ordinance, this Bond may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate amount of fully registered Bonds, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having any authorized denomination or denominations as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any authorized denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer or exchange of a Bond during the period commencing with the close of business on any Record Date immediately preceding a principal or interest payment date for such Bond and ending with the opening of business on the next following principal or interest payment date.

WHENEVER THE BENEFICIAL OWNERSHIP of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT ANY PAYING AGENT/REGISTRAR for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Bond Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED, AND COVENANTED that this Bond has been duly and validly authorized, issued, sold, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that this Bond is a special obligation of the City; that neither the State of Texas, the City, nor any political corporation, subdivision, or agency of the State of Texas, nor any member of the City Council of the City, either individually or collectively, shall be obligated to pay the principal of or the interest on this Bond and neither the faith and credit nor the taxing power (except as described below) of the State of Texas, the City, or any other political corporation, subdivision, or agency of the State of Texas is pledged to the payment of the principal of or the interest on this Bond; that the principal of and interest on this Bond, together with all other outstanding "Parity Obligations" (as defined in the Ordinance) are secured by and payable from a first lien on and pledge of the revenues defined in the Ordinance as the "Pledged Revenues", which include the proceeds of a one-half of one percent sales and use tax levied by the City pursuant Chapter 334, Texas Local Government Code, as amended (the "***Act***"); and that the registered owner hereof shall not have the right to demand payment of the principal of or interest on this Bond from any tax proceeds in excess of the aforesaid sales and use tax proceeds levied by the City pursuant to the Act, or from any other source other than the Pledged Revenues.

THE CITY HAS RESERVED THE RIGHT, subject to the restrictions stated, and adopted by reference, in the Bond Ordinance, to issue additional parity revenue bonds which also may be made payable from, and secured by a first lien on and pledge of, the "Pledged Revenues" (as defined in the Bond Ordinance).

THE CITY ALSO HAS RESERVED THE RIGHT TO AMEND the Bond Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Bonds.

BY BECOMING THE REGISTERED OWNER of this Bond, the Registered Owner thereby acknowledges all of the terms and provisions of the Bond Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Bond Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Bond and the Bond Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Bond to be signed with the manual or facsimile signature of the Mayor or Mayor Pro-Tem of the City and countersigned with the manual or facsimile signature of the City Secretary of the City, and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Bond.

(facsimile signature)	(facsimile signature)
City Secretary, City of Portland, Texas	Mayor [Pro-Tem], City of Portland, Texas

(SEAL)

FORM OF REGISTRATION CERTIFICATE OF
THE COMPTROLLER OF PUBLIC ACCOUNTS:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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

Witness my signature and seal this

_____
Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

FORM OF STATEMENT RELATING TO BOND INSURANCE

STATEMENT RELATING TO BOND INSURANCE

[To come from Insurer, if any]

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a bond, bonds, or a portion of a bond or bonds of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated

BOKF, NA, DBA BANK OF TEXAS
Austin, Texas
Paying Agent/Registrar

By_____
Authorized Representative

FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Registered Owner of this Bond, or duly authorized representative or attorney thereof, hereby assigns this Bond to

_____
/_____/_____
(Assignee's Social Security or Taxpayer Identification) (Print or typewrite Assignee's name and address, including zip code)

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

Dated: _____

Signature Guaranteed:

_____
NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

_____
NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

INITIAL BOND INSERTIONS

The Initial Bond shall be in the form set forth above except that:

(A) Immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall be completed with the words "As shown below" and "CUSIP NO. _____" shall be deleted.

(B) The first paragraph shall be deleted and the following shall be inserted:

"***ON THE RESPECTIVE MATURITY DATES*** specified below, the ***CITY OF PORTLAND, TEXAS*** (the "***City***"), being a political subdivision and home-rule municipality of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "***Registered Owner***"), the respective Principal Installments specified below, and to pay interest thereon (calculated on the basis of a 360-day year composed of twelve 30-day months) from July 15, 2015 at the respective Interest Rates per annum specified below, payable on February 15, 2016, and semiannually on each February 15 and August 15 thereafter to the respective Maturity Dates specified below. The respective Maturity Dates, Principal Installments and Interest Rates for this Bond are set forth in the following schedule:

MATURITY DATE (AUGUST 15)	PRINCIPAL INSTALLMENT ($)	INTEREST RATE (%)
_____	_____	_____
_____	_____	_____
_____	_____	_____

[Insert information from Sections and 3 hereof]

(C) The Initial Bond shall be numbered "T-1."

SECTION 6. DEFINITIONS. As used in this Ordinance, the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

"***Act***" shall mean Chapter 334, Texas Local Government Code, as amended.

"***Additional Obligations***" shall mean those obligations hereafter issued by the City pursuant to Section 17 of this Ordinance.

"***Bonds***" shall mean the *City of Portland, Texas Venue Sales Tax Revenue Bonds, Series 2015*, dated of as July 15, 2015, and authorized to be issued by this Ordinance.

"***City***" shall mean the City of Portland, Texas.

"***Code***" shall mean the Internal Revenue Code of 1986, as amended.

"***Comptroller***" shall mean the Comptroller of Public Accounts of the State of Texas, and any successor official or officer thereto.

"***Depository Bank***" shall mean the official depository bank of the City.

"***Fiscal Year***" shall mean the fiscal year of the City, being the twelve month period beginning October 1 of each year.

"***Investment Act***" shall mean the Public Funds Investment Act, Chapter 2256, Texas Government Code.

"***Parity Obligations***" shall mean, collectively, the Previously Issued Parity Obligations, the Bonds, and any Additional Obligations.

"***Paying Agent/Registrar***" shall mean the financial institution so designated in accordance with the provisions of Section 4 of this Ordinance.

"***Pledged Revenues***" shall mean the gross revenues received by the City from the Sales Tax plus any interest earnings thereon, less any amounts due or owing to the Comptroller as charges for collection or retention by the Comptroller for refunds and to redeem dishonored checks and drafts, to the extent such charges and retention are authorized or required by law.

"***Previously Issued Parity Obligations***" shall mean the Series 2013 Bonds.

"***Reserve Fund Credit Facility***"[1] shall mean a policy of municipal bond insurance, a surety bond or a bank letter or line of credit issued by a Reserve Fund Credit Facility Provider to cause the amount on deposit in the applicable account of the Reserve Fund to satisfy the corresponding amount required to be on deposit therein.

"***Reserve Fund Credit Facility Provider***"[2] means (i) with respect to any Reserve Fund Credit Facility consisting of a policy of municipal bond insurance or a surety bond, any issuer of policies of insurance insuring the timely payment of debt service on governmental obligations such as the Parity Obligations and provided that a nationally recognized rating agency having an outstanding rating on the Parity Obligations would rate such Parity Obligations fully insured by a standard policy issued by that issuer in on of its three highest rating categories for such obligations; and (ii) with respect to any Reserve Fund Credit Facility consisting of a letter or line of credit, any bank, provided that a nationally recognized rating agency having an outstanding rating on the Parity Obligations

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[1]Note: As of the date of passage of this Ordinance, state law does not authorize the City to obtain a Reserve Fund Credit Facility in connection with the issuance of sales tax revenue bonds issued under the Act. Nevertheless, provisions regarding a Reserve Fund Credit Facility and a Reserve Fund Credit Facility Provider are incorporated in this Ordinance in the event state law, at a later date, permits the City to obtain a Reserve Fund Credit Facility.

would rate the Parity Obligations in one of its three highest rating categories for such obligations if the letter or line of credit proposed to be issued by such bank secured the timely payment of the entire principal amount of the Parity Obligations and the interest thereon.

"***Sales Tax***" shall mean the one-half of one percent sales and use tax levied by the City within the boundaries of the City as they now or hereafter exist, together with any increases in the aforesaid rate if provided and authorized by the laws of the State of Texas, including specifically the Act, and collected for the benefit of the City, all in accordance with the Act.

"***Series 2013 Bonds***" shall mean the *City of Portland, Texas Sales Tax Revenue Refunding Bonds, Series 2013*, dated as of August 15, 2015, and issued in the original principal amount of *$1,980,000.*

SECTION 7. CUMULATIVE EFFECT OF ORDINANCE; PLEDGE; SECURITY INTEREST.

(a) Cumulative Effect of Ordinance. The Bonds are "Additional Parity Obligations" issued pursuant to applicable sections of the ordinance authorizing the issuance of the Previously Issued Parity Obligations, and are in all respects on a parity with the Previously Issued Parity Obligations. Sections 7 through 18 of this Ordinance substantially restate, and are supplemental to and cumulative of, Sections 7 through 18 of the ordinance authorizing the issuance of the Previously Issued Parity Obligations, so that Sections 7 through 18 of this Ordinance are applicable to all Parity Obligations, including any future Additional Parity Obligations, and state all requirements with respect thereto.

(b) Pledge. The Parity Obligations, and any interest payable thereon, are and shall be secured by and payable from a first lien on and pledge of the Pledged Revenues; and the Pledged Revenues are further pledged to the establishment and maintenance of the Debt Service Fund and the Reserve Fund as hereinafter provided. The Parity Obligations are and will be secured by and payable only from the Pledged Revenues, and are not secured by or payable from a mortgage or deed of trust on any real, personal or mixed properties constituting any project financed with proceeds of any Parity Obligations.

(c) Security Interest. Chapter 1208, Texas Government Code, applies to the issuance of the Parity Obligations and the pledge of the Pledged Revenues granted by the City under Section 7(b) of this Ordinance, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Parity Obligations are outstanding and unpaid such that the pledge of the Pledged Revenues granted by the City under Section 7(b) of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Parity Obligations the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 8. VENUE PROJECT FUND. There has been created and established, and shall continue to be maintained, on the books of the City, and accounted for separate and apart from all other funds of the City, a special fund entitled the *"City of Portland, Texas Parks and Recreation Venue Project Fund"* (hereinafter called the "***Venue Project Fund***"). All Pledged Revenues shall be credited to the Venue Project Fund immediately upon receipt. Monies in said Fund shall be maintained at an official depository bank of the City.

SECTION 9. DEBT SERVICE FUND. For the sole purpose of paying the principal of and interest on the Parity Obligations, as the same come due, there has been created and established, and shall continue to be maintained on the books of the City, a separate fund entitled the *"City of Portland, Texas Parks and Recreation Venue Project Debt Service Fund"* (hereinafter called the "***Debt Service Fund***"). Monies in said Fund shall be maintained at an official depository bank of the City.

SECTION 10. RESERVE FUND. (a) Establishment of Reserve Fund; Series Accounts. There is hereby created for the benefit only of the Registered Owners of a particular series of Parity Obligations for which an account is created in the ordinance authorizing such series of Parity Obligations, and shall be maintained on the financial records of the City (or at a Depository Bank of the City), for the pro rata benefit of all Parity Obligations of such series for which an account is created, the *"City of Portland, Texas Parks and Recreation Venue Project Reserve Fund*," hereinafter called the "***Reserve Fund***." The City may create and establish accounts in the Reserve Fund pursuant to the provisions of any ordinance authorizing the issuance of Parity Obligations for the purpose of securing that particular issue or series of Parity Obligations or any specific group of issues or series of Parity Obligations and the amounts once deposited or credited to said account shall no longer constitute Pledged Revenues and shall be held solely for the benefit of the Registered Owners of the particular Parity Obligations for which such account in the Reserve Fund was established. Each such account in the Reserve Fund shall be designated in such manner as is necessary to identify the Parity Obligations it secures and to distinguish such account from all other accounts in the Reserve Fund created for the benefit of a particular series of Parity Obligations. All terms relating to the requirements to establish, fund and maintain required balances in an account of the Reserve Fund, including but not limited to the use of any Reserve Fund Credit Facility therein, shall be set forth in the ordinance authorizing the issuance of the particular series of Parity Obligations for which such account is established.

(b) Use of Funds on Deposit in Reserve Fund. Funds on deposit in an account of the Reserve Fund established for the benefit of a particular series of Parity Obligations shall be used to (i) pay the principal of and interest on such series of Parity Obligations for which such account was created at any time when there is not sufficient money available in the Debt Service Fund for such purpose, (ii) pay the principal of or interest on the last maturing Parity Obligations of such series, or (iii) pay Reimbursement Obligations to restore the amount available to be drawn under a Reserve Fund Credit Facility to its original amount. If the amount on deposit in an account of the Reserve Fund for a particular series of Parity Obligations consists of cash and investments and a Reserve Fund Credit Facility, all cash and investments in such account shall be liquidated and withdrawn prior to drawing on the Reserve Fund Credit Facility. If more than one Reserve Fund Credit Facility is maintained in an account of the Reserve Fund, any withdrawals on such Reserve Fund Credit Facilities shall be pro rata.

(c) Additional Reserve Fund Requirements to be Set Forth in Additional Obligations Ordinance. In the event the City establishes an account in the Reserve Fund for the benefit of the Holders of a particular series of Parity Obligations, all provisions with respect to the funding requirements and other details shall be set forth in the ordinance authorizing such series of Parity Obligations.

SECTION 11. DEPOSITS OF PLEDGED REVENUES; INVESTMENTS. (a) The Pledged Revenues deposited in the Venue Project Fund shall be transferred to and deposited in the Debt Service Fund and the Reserve Fund, or shall be used to reimburse a Reserve Fund Credit Facility Provider in the event a Reserve Fund Credit Facility has been drawn upon to pay debt service requirements on any Parity Obligations, when and as required by this Ordinance.

(b) Money in any Fund established by this Ordinance may, at the option of the Board, be invested in eligible investment securities as described in the Investment Act; provided that all such deposits and investments shall have a par value (or market value when less than par) exclusive of accrued interest at all times at least equal to the amount of money credited to such Funds, and shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Money in the Reserve Fund shall not be invested in securities maturing later than five years from the date such investment is made. Such investments shall be valued in terms of current market value as of the last day of each year, except that direct obligations of the United States (State and Local Government Series) in book-entry form shall be continuously valued at their par or face principal amount. Such investments shall be sold promptly when necessary to prevent any default in connection with the Parity Obligations.

SECTION 12. FUNDS SECURED. Money in all Funds created by this Ordinance, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the City.

SECTION 13. DEBT SERVICE REQUIREMENTS. (a) Promptly after the delivery of a series of Parity Obligations, the City shall cause to be deposited to the credit of the Debt Service Fund any accrued interest and any capitalized interest received from the sale and delivery of such Parity Obligation, and any such deposit shall be used to pay the interest next coming due on such Parity Obligations.

(b) The City shall transfer or cause to be transferred Pledged Revenues on deposit in the Venue Project Fund, and deposit to the credit of the Debt Service Fund the amounts, at the times, as follows:

(1) Such amounts, in substantially equal monthly installments, deposited on or before the 25th day of each month hereafter, as will be sufficient, together with other amounts, if any, then on hand in the Debt Service Fund and available for such purpose, to pay the interest scheduled to accrue and come due on the Parity Obligations on the next succeeding interest payment date.

(2) Such amounts, in substantially equal monthly installments deposited on or before the 25th day of each month hereafter, as will be sufficient, together with other amounts, if any, then on hand in the Debt Service Fund and available for such

purpose, to pay the principal scheduled to mature and come due on the Parity Obligations on the next succeeding principal payment date.

SECTION 14. RESERVE REQUIREMENTS.

(a) Series 2013 Reserve Account. Pursuant to Section 14 of the ordinance which authorized the issuance of the Series 2013 Bonds, an account was established in the Reserve Fund for the benefit of the Holders of the Series 2013 Bonds, which was funded on the date of delivery thereof by a transfer of funds on deposit in the debt service reserve fund established in connection with the revenue bonds which were refunded with proceeds of the Series 2013 Bonds.

(b) Series 2015 Reserve Fund Account. There is established an account in the Reserve Fund, to be known as the "***Series 2015 Reserve Fund Account***," for the benefit of the Registered Owners of the Bonds. The amount required to be on deposit in the Series 2015 Reserve Fund Account is equal to the average annual Principal and Interest Requirements of the Bonds calculated on the date of issuance and delivery of the Bonds (the "***Series 2015 Reserve Account Requirement***"). The City shall initially shall fund the Series 2015 Reserve Account Requirement within sixty (60) months from the date of delivery of the Bonds by making monthly deposits from funds on deposit in the Revenue Fund on the 25th day of each month in approximately equal amounts, commencing with the first month following the date of delivery of the Bonds. When and so long as the money and investments in the Series 2015 Reserve Fund Account total not less than the Series 2015 Reserve Account Requirement, no deposits need be made to the credit of the Series 2015 Reserve Fund Account; but when and if the Series 2015 Reserve Fund Account at any time contains less than the Series 2015 Reserve Account Requirement, the City covenants and agrees to cure the deficiency in the Series 2015 Reserve Account Requirement within sixty (60) months from the date the deficiency occurred by making monthly deposits from funds on deposit in the Revenue Fund (but only after making the required deposits into the Debt Service Fund then due) on the 25th day of each month in approximately equal amounts. During such time as the Series 2015 Reserve Fund Account contains the Series 2015 Reserve Account Requirement, the City may, at its option, withdraw all surplus funds in the Series 2015 Reserve Fund Account in excess of the Series 2015 Reserve Account Requirement and deposit such surplus in the Debt Service Fund. For the purpose of determining the amount on deposit to the credit of the Series 2015 Reserve Fund Account, investments in which money in such account shall have been invested shall be computed at cost. The amount on deposit to the credit of the Series 2015 Reserve Fund Account shall be computed by the City at least annually, and shall be computed immediately upon any withdrawal from the Series 2015 Reserve Fund Account.

SECTION 15. DEFICIENCIES; EXCESS PLEDGED REVENUES. (a) If on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Debt Service Fund and the Reserve Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(b) Subject to making the required deposits to the credit of the Debt Service Fund and the Reserve Fund when and as required by this Ordinance, or any ordinance authorizing the issuance of Additional Obligations, the excess Pledged Revenues may be used by the City for any lawful purpose not inconsistent with the Act.

SECTION 16. PAYMENT. On or before each February 15 and August 15 while any of the Parity Obligations are outstanding and unpaid, the City shall make available to the paying agents therefor (including the Paying Agent/Registrar), out of the Debt Service Fund, and the Reserve Fund (if necessary), money sufficient to pay such interest on and such principal of the Parity Obligations as shall become due on such dates, respectively, at maturity or by redemption prior to maturity. The aforesaid paying agents (including the Paying Agent/Registrar) shall destroy all paid Parity Obligations, and furnish the City with an appropriate certificate of cancellation or destruction.

SECTION 17. ADDITIONAL OBLIGATIONS. (a) The City shall have the right and power at any time and from time to time and in one or more series or issues, to authorize, issue and deliver additional parity revenue bonds (herein called "***Additional Obligations***"), in accordance with law, in any amounts, for purposes of financing of projects (including the project) under the provisions of the Act, or for the purpose of refunding of any Parity Obligations or other obligations of the City incurred in connection with the financing of projects under the provisions of the Act. Such Additional Obligations, if and when authorized, issued and delivered in accordance with this Ordinance, shall be secured by and made payable equally and ratably on a parity with the Parity Obligations then outstanding from a first lien on and pledge of the Pledged Revenues.

(b) The Debt Service Fund and the Reserve Fund established by this Ordinance shall secure and be used to pay all Parity Obligations. However, each ordinance under which Additional Obligations are issued shall provide and require that, in addition to the amounts required by the provisions of this Ordinance and the provisions of any other ordinance or ordinances authorizing Additional Obligations to be deposited to the credit of the Debt Service Fund, the City shall deposit to the credit of the Debt Service Fund at least such amounts as are required for the payment of all principal and interest on said Additional Obligations then being issued, as the same come due; and that the aggregate amount to be accumulated and maintained in the Reserve Fund shall be increased (if and to the extent necessary) to an amount not less than the average annual principal and interest requirements of all Parity Obligations which will be outstanding after the issuance and delivery of the then proposed Additional Obligations; and that the required additional amount shall be so accumulated by the deposit in the Reserve Fund of all or any part of said required additional amount in cash immediately after the delivery of the then proposed Additional Obligations, or, at the option of the City, by the deposit of said required additional amount (or any balance of said required additional amount not deposited in cash as permitted above) in monthly installments, made on or before the 25th day of each month following the delivery of the then proposed Additional Obligations, of not less than 1/60th of said required additional amount (or 1/60th of the balance of said required additional amount not deposited in cash as permitted above).

(c) All calculations of average annual principal and interest requirement made pursuant to this Section shall be made as of and from the date of the Additional Obligations then proposed to be issued.

(d) No installment, series or issue of Additional Obligations shall be issued or delivered unless:

(i) The Mayor, the City Manager and/or the Director of Finance of the City sign a written certificate to the effect that the City is not in default as to any covenant,

condition or obligation in connection with all outstanding Parity Obligations, and the ordinances authorizing same, and that the Debt Service Fund and the Reserve Fund each contains the amount then required to be therein;

(ii) The Director of Finance of the City (or such other officer of the City then having the primary responsibility for the financial affairs of the City) signs a written certificate to the effect that, during either the next preceding year, or any twelve consecutive calendar month period ending not more than ninety days prior to the date of the then proposed Additional Obligations, the Pledged Revenues were, in his or her opinion, at least equal to 1.40 times the average annual principal and interest requirements (computed on a fiscal year basis) of all Parity Obligations to be outstanding after the issuance of then proposed Additional Obligations;

(iii) The governing body of the City by official action approves the issuance of the Bonds, as required by applicable law; and

(iii) The City receives the written consent of a Reserve Fund Credit Facility Provider in the event a Reserve Fund Credit Facility provided by such Reserve Fund Credit Facility Provider has been drawn upon and such Reserve Fund Credit Facility Provider has not been fully reimbursed for costs related to such withdrawal,

The foregoing notwithstanding, the City may issue Additional Obligations, all or a portion of the proceeds of which are to be used to refund all of the outstanding Parity Obligations, without the necessity of satisfying the provisions of clause (ii) of this subsection.

(e) Any installment, series or issue of Additional Obligations may be issued in such a manner that such Additional Obligations would qualify as obligations described by Section 103(a) of the Code, without regard as to whether any other obligations of the City then outstanding were so issued.

SECTION 18. GENERAL COVENANTS. The City further covenants and agrees that in accordance with and to the extent required or permitted by law:

(a) Performance. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance, each ordinance authorizing the issuance of Additional Obligations, and in each and every Parity Obligation; it will promptly pay or cause to be paid the principal of and interest on every Parity Obligation, on the dates and in the places and manner prescribed in such ordinances and Parity Obligations; and it will, at the times and in the manner prescribed, deposited or cause to be deposited the amounts required to be deposited into the Debt Service Fund and the Reserve Fund; and any registered owner of the Parity Obligations may require the City, its officials and employees to carry out, respect or enforce the covenants and obligations of this Ordinance, or any ordinance authorizing the issuance of Additional Obligations, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the City, its officials and employees, or by the appointment of a receiver in equity.

(b) Legal Authority. It is a duly created and existing industrial development corporation, and is duly authorized under the laws of the State of Texas, including the Act, to create and issue the Parity Obligations; that all action on its part for the creation and issuance of the Parity Obligations has been duly and effectively taken, and that the Parity Obligations in the hands of the registered owners thereof are and will be valid and enforceable special obligations of the City in accordance with their terms.

(c) Further Encumbrance. It, while the Parity Obligations are outstanding and unpaid, will not additionally encumber the Pledged Revenues in any manner, except as permitted in this Ordinance in connection with Additional Obligations, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants and agreements of this Ordinance; but the right of the City to issue revenue bonds payable from a subordinate lien on the Pledged Revenues, in accordance with the provisions of the Act, is specifically recognized and retained.

(d) Collection of Sales Tax. The City will take all steps necessary in any action at law or in equity to ensure that, for so long as the Parity Obligations are outstanding, that the City will levy, charge and collect the Sales Tax as required by the Act.

(e) Records. It will keep proper books of record and account in which full, true and correct entries will be made of all dealings, activities and transactions relating to the Project, the Pledged Revenues and the Funds created or maintained pursuant to this Ordinance, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any bondholders.

SECTION 19. DEFEASANCE OF PARITY OBLIGATIONS. (a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "***Defeased Bond***") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "***Future Escrow Agreement***") for such payment (1) lawful money of the United States of America sufficient to make such payment and/or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of

that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) The term "***Defeasance Securities***" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date on the date the governing body of the City adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable state law that may be used to defease obligations such as the Bonds.

(d) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) In the event that the City elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

(e) Notwithstanding the foregoing, no defeasance shall be deemed to occur until all costs (including draws, expenses and accrued interest) due to a Reserve Fund Credit Facility Provider for a draw on a Reserve Fund Credit Facility have been paid in full.

SECTION 20. ORDINANCE A CONTRACT; AMENDMENTS. (a) This Ordinance shall constitute a contract with the registered owners of the Parity Obligations, binding on the City

and its successors and assigns, and shall not be amended or repealed by the City as long as any Parity Obligations remain outstanding except as permitted in this Section.

(b) The City may, with notice to each Reserve Fund Credit Facility Provider but without the consent of or notice to any registered owners, amend, change, or modify this Ordinance (i) as may be required by the provisions hereof, (ii) as may be required for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (iii) in connection with any other change (other than any change described in clauses (i) through (iv) of the first sentence in subsection (c) below) with respect to which the City receives written confirmation from each rating agency then maintaining a rating on the Parity Obligations at the request of the City that such amendment would not cause such rating agency to withdraw or reduce its then current rating on the Parity Obligations.

(c) In addition, the City may, with the written consent of each Reserve Fund Credit Facility Provider and the registered owners of at least a majority in aggregate principal amount of the Parity Obligations then outstanding affected thereby, amend, change, modify, or rescind any provisions of this Ordinance; provided that without the consent of all of the registered owners affected, no such amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Parity Obligations, reduce the principal amount thereof or the rate of interest thereof, (ii) give any preference to any Parity Obligations over any other Parity Obligation, (i) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Parity Obligations required for consent to any such amendment, change, modification, or rescission.

(d) Whenever the City shall desire to make any amendment or addition to or rescission of this Ordinance requiring consent of each Reserve Fund Credit Facility Provider and/or the registered owners of the Parity Obligations, the City shall cause notice of the amendment, addition, or rescission to be sent by first class mail, postage prepaid, to (i) each Reserve Fund Credit Facility Provider, and (ii) the registered owners (if the registered owners of all Parity Obligations or at least a majority in aggregate principal amount of the Parity Obligations are required to consent) at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, the City shall receive an instrument or instruments in writing executed by each Reserve Fund Credit Facility Provider and the registered owners of all or a majority (as the case may be) in aggregate principal amount of the Parity Obligations then outstanding affected by any such amendment, addition, or rescission requiring the consent of the registered owners, which instrument or instruments shall refer to the proposed amendment, addition, or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the City may adopt such amendment, addition, or rescission in substantially such form, except as herein provided.

(e) No Registered Owner may thereafter object to the adoption of any amendment, addition, or rescission which is accomplished pursuant to and in accordance with the provisions of this Section, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

SECTION 21. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS. (a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the registered owner applying for a replacement bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the registered owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bonds. In accordance with Chapter 1201, Texas Government Code, as amended, this Section shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 4(d) of this Ordinance, for Bonds issued in conversion and exchange for other Bonds.

SECTION 22. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND BOND INSURANCE, IF OBTAINED. The Mayor of the City is hereby authorized to have control of each Bond issued hereunder and all necessary records and proceedings pertaining to each Bond pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their

registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of each Bond said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate on each Bond, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each Bond. The approving legal opinion of the City's Bond Counsel and the assigned CUSIP numbers may, at the option of the City, be printed on each Bond or on any Bonds issued and delivered in conversion of and exchange or replacement of any Bond, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. In addition, the printer of the Bonds is hereby directed to print on the Bonds the form of bond counsel's opinion relating thereto, and is hereby authorized to print on the Bonds an appropriate statement of insurance supplied by a municipal bond insurance company providing insurance, if any, covering all or any part of the Bonds.

SECTION 23. COMPLIANCE WITH RULE 15c2-12.

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

"***EMMA***" means the Electronic Municipal Market Access system being established by the MSRB.

"***MSRB***" means the Municipal Securities Rulemaking Board.

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

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

(b) *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 2015, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by this Ordinance being the information described in *Exhibit B* hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in *Exhibit B* hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (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 (1) unaudited financial statements for such fiscal year within such six month period, and (2) audited financial statements for the applicable fiscal year to the MSRB through EMMA when and if the audit report on such statements become available.

If the City changes its fiscal year, it will notify the MSRB through EMMA 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 paragraph (b).

The financial information and operating data to be provided pursuant to this paragraph (b) 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.

(c) *Event Notices*.

(i) The City shall notify the MSRB through EMMA in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

1. Non-payment related defaults;

2. Modifications to rights of holders;

3. Redemption calls;

4. Release, substitution, or sale of property securing repayment of the Bonds;

5. 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; and

6. Appointment of a successor or additional trustee or the change of name of a trustee.

(ii) The City shall notify the MSRB through EMMA in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Bonds, without regard to whether such event is considered material within the meaning of the federal securities laws:

1. Principal and interest payment delinquencies;

2. Unscheduled draws on debt service reserves reflecting financial difficulties;

3. Unscheduled draws on credit enhancements reflecting financial difficulties;

4. Substitution of credit or liquidity providers, or their failure to perform;

5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with

respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds;

6. Tender offers;

7. Defeasances;

8. Rating changes; and

9. Bankruptcy, insolvency, receivership or similar event of an obligated person.

(iii) The City shall notify the MSRB through EMMA, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such subsection.

(d) *Limitations, Disclaimers, and Amendments*. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Section 21 of this Ordinance that causes Bonds no longer to be outstanding.

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

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

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

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

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 24. COVENANTS REGARDING TAX-EXEMPTION OF INTEREST ON THE BONDS.

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

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the Refunded Bonds or the projects financed or refinanced 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 of the Bonds or the Refunded Bonds or the projects financed or refinanced 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 Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the Refunded Bonds or the projects financed or refinanced therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

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

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

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

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(A) proceeds of the Bonds invested for a reasonable temporary period of three years or less or, in the case of a refunding bond, for a period of thirty days or less until such proceeds are needed for the purpose for which the Bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section l.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

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

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

(b) *Rebate Fund*. In order to facilitate compliance with the above covenant (8), a "***Rebate Fund***" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) *Proceeds*. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the 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 Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, the City Manager and the Director of Finance 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 Bonds.

(d) *Allocation of, and Limitation on, Expenditures for the Project*. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Ordinance on its books and records in accordance with the requirements of the Internal Revenue Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) *Disposition of Project*. The City covenants that the property constituting the projects financed or refinanced with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) *Written Procedures*. Unless superseded by another action of the City, to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the City Council hereby adopts and establishes the instructions attached hereto as *Exhibit C* as the City's written procedures.

(g) *Designation as Qualified Tax-Exempt Obligations*. The City hereby designates the Bonds as "qualified tax-exempt obligations" as defined in section 265(b)(3) of the Code. In furtherance of such designation, the City represents, covenants and warrants the following: (i) that during the calendar year in which the Bonds are issued, the City (including any subordinate entities) has not designated nor will designate bonds, which when aggregated with the Bonds, will result in more than $10,000,000 of "qualified tax-exempt bonds" being issued; (ii) that the City reasonably anticipates that the amount of tax-exempt obligations issued, during the calendar year in which the Bonds are issued, by the City (or any subordinate entities) will not exceed $10,000,000; and (iii) that the City will take such action or refrain from such action as necessary, and as more particularly set forth in this Section, in order that the Bonds will not be considered "private activity bonds" within the meaning of section 141 of the Code.

SECTION 25. SALE OF BONDS. The Bonds are hereby initially sold and shall be delivered to **RBC CAPITAL MARKETS, LLC** (the "***Underwriter***"), at a price of ***$_____*** which amount is equal to par, plus an original issue premium of ***$_____*** and less Underwriter's discount of ***$_____***), plus accrued interest from July 15, 2015 to the date of delivery thereof, all pursuant to the terms and provisions of a Purchase Contract in substantially the form attached hereto as *Exhibit D* which the Mayor or Mayor Pro-Tem of the City is hereby authorized to execute and deliver, and which the City Secretary is hereby authorized to attest. In satisfaction of Section 1201.022(a)(3), Texas Government Code, and upon consultation with the City's Financial Advisor, the City Council hereby determines that the final terms of the Bonds as set forth in this Ordinance are in the City's best interests. The City will deliver to the Underwriter an Initial Bond in the aggregate principal amount of *$_____* payable in principal installments on the dates and in the principal amounts shown in Section 2 hereof, and bearing interest at the rates for each respective maturity as shown in Section 3 hereof. The Initial Bond shall be registered in the name of **RBC CAPITAL MARKETS, LLC.**

SECTION 26. APPROVAL OF OFFICIAL STATEMENT, IF REQUIRED. The City hereby approves the form and content of the Official Statement relating to the Bonds and any addenda, supplement, or amendment thereto, and approves the distribution of the Official Statement in the reoffering of the Bonds by the Underwriter in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement for the Bonds, dated June __, 2015, prior to the date hereof is hereby ratified and confirmed. The City Council finds and determines that the Preliminary Official Statement and the Official Statement were and are "deemed final" as of each of their respective dates within the meaning, and for the purpose, of Rule 15c2-12 promulgated under authority granted by the Federal Securities and Exchange Act of 1934.

SECTION 27. MUNICIPAL BOND INSURANCE POLICY. On the date of delivery of the Bonds, the City shall obtain from _____(the "***Insurer***") a municipal bond insurance policy in support of the Bonds. For so long as said policy is in effect, the requirements of the Insurer, as a condition to the issuance of said policy, attached hereto as *Exhibit E* are herein incorporated by reference into this Ordinance and made a part hereof for all purposes, notwithstanding any other provision of this Ordinance to the contrary. The City is authorized to use proceeds of the Bonds to purchase such policy.

SECTION 28. AUTHORITY AND APPROVAL FOR OFFICERS TO EXECUTE OTHER DOCUMENTS AND APPROVE CHANGES. The Mayor, the Mayor Pro-Tem, the City Manager, the Assistant City Manager, the City Secretary and the Director of Finance of the City are hereby authorized to execute, deliver, attest and affix the seal of the City to all documents and instruments necessary and appropriate in connection with the issuance, sale and delivery of the Bonds, including, without limitation, the Paying Agent/Registrar Agreement and the Purchase Contract. In addition, prior to the initial delivery of the Bonds, the Mayor, the Mayor Pro-Tem, the City Manager, the Assistant City Manager, the City Secretary and the Director of Finance of the City, and the City's Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance, (ii) obtain a rating from any of the national bond rating agencies or satisfy any requirements of the provider of a municipal bond insurance policy and/or a Reserve Fund Credit Facility, if any, or (iii) obtain the approval of the Bonds by the Attorney General's office. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 29. INTERESTED PARTIES. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City and the registered owners of the Bonds, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the registered owners of the Bonds.

SECTION 30. **REMEDIES IN EVENT OF DEFAULT**. In addition to all the rights and remedies provided by the laws of the State of Texas, it is specifically covenanted and agreed particularly that in the event the City (i) defaults in the payment of the principal, premium, if any, or interest on the Bonds, (ii) defaults in the deposits and credits required to be made to the Debt Service Fund or the Reserve Fund (if required), or (iii) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance which 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 60 days after the City has received written notice of such defaults, the Holders of any of the Bonds shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance. Notwithstanding the foregoing, the Insurer shall have the right to

direct all remedies upon an event of default, and the Insurer shall be recognized as the registered owner of the Bonds for the purposes of exercising all rights and privileges available to the Bondholders.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedy herein provided shall be cumulative of all other existing remedies, and the specification of such remedy shall not be deemed to be exclusive.

SECTION 31. INCORPORATION OF RECITALS. The findings and preambles set forth in this Ordinance are hereby incorporated into this Ordinance and made a part hereof for all purposes.

SECTION 32. EFFECTIVE DATE. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Ordinance shall become effective immediately after it is approved by the City Council.

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PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF PORTLAND, TEXAS AT A REGULAR MEETING ON THE 16TH DAY OF JUNE, 2015, AT WHICH MEETING A QUORUM WAS PRESENT.

APPROVED:

_____

Mayor, City of Portland, Texas

ATTEST:

_____

City Secretary, City of Portland, Texas

** ** ** ** **

EXHIBIT A

FORM OF PAYING AGENT REGISTRAR AGREEMENT

THE PAYING AGENT/REGISTRAR AGREEMENT IS OMITTED AT THIS POINT AS IT APPEARS ELSEWHERE IN THIS TRANSCRIPT OF PROCEEDINGS

EXHIBIT B

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 23 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The annual audited financial statements of the City or the unaudited financial statements of the City in the event audited financial statements are not completed within six months after the end of any fiscal year.

2. All quantitative financial information and operating data with respect to the City of the general type included in the Official Statement under Tables 1 and 2 of Appendix B thereof.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above.

EXHIBIT C

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Bonds, the City's chief financial officer (the "***Responsible Person***"), which currently is the Director of Finance of the City, will:

(i) monitor all amounts deposited into a sinking fund or funds (e.g., the Debt Service Fund), to assure that the maximum amount invested at a yield higher than the yield on the Bonds does not exceed an amount equal to the debt service on the Bonds in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Bonds for the immediately preceding 12-month period;

(ii) monitor the actions of the Escrow Agent to ensure compliance with the applicable provisions of the Escrow Agreement, including with respect to reinvestment of cash balances;

(iii) ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and

(iv) assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (A) at least every 5 years after the date of delivery of the Bonds (the "***Issue Date***"), and (B) within 30 days after the date the Bonds are retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Bonds the Responsible Person will:

(i) monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;

(ii) monitor whether, at any time the Bonds are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;

(iii) monitor whether, at any time the Bonds are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);

(iv) monitor whether, at any time the Bonds are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;

(v) determine whether, at any time the Bonds are outstanding, any person, other than the City, has a naming right for the facilities or any other contractual right granting an intangible benefit;

(vi) determine whether, at any time the Bonds are outstanding, the facilities are sold or otherwise disposed of; and

(vii) take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Ordinance related to the public use of the facilities.

C. Record Retention. The Responsible Person will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Bonds and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Bonds. If any portion of the Bonds is refunded with the proceeds of another series of tax-exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Person. The Responsible Person shall receive appropriate training regarding the City's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed or refinanced with the proceeds of the Bonds. The foregoing notwithstanding, the Responsible Person is authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

EXHIBIT D

FORM OF PURCHASE CONTRACT

THE PURCHASE CONTRACT IS OMITTED AT THIS POINT
AS IT APPEARS ELSEWHERE IN THIS TRANSCRIPT OF PROCEEDINGS

EXHIBIT E

REQUIREMENTS OF THE INSURER
WITH RESPECT TO THE MUNICIPAL BOND INSURANCE POLICY

[To come from the Insurer]

PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT, dated as of July 15, 2015 (this "***Agreement***"), by and between the **CITY OF PORTLAND, TEXAS** (the "***Issuer***") and **BOKF, NA dba BANK OF TEXAS**, Austin, Texas (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 **CITY OF PORTLAND, TEXAS SALES TAX REVENUE BONDS, SERIES 2015** (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 July 15, 2015; 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:

"***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 Secretary/Treasurer 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 or Redemption 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 Code 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, or 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.

The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum as prepared by the Issuer's financial advisor, bond counsel or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum acknowledged 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 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 a fiduciary 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 Property Code (Unclaimed Property).

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

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; MERGER, CONVERSION, CONSOLIDATION OR SUCCESSION. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Any corporation into which the Bank may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor the Bank hereunder without the execution or filing of any paper or any further act on the part of either of the parties hereto. In case any Security shall have been registered, but not delivered, by the Bank then in office, any successor by merger, conversion, or consolidation to such authenticating Bank may adopt such registration and deliver the Security so registered with the same effect as if such successor Bank had itself registered such Security.

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, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

SECTION 6.08. 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. If the 60-day notice period expires and no successor has been appointed, the Bank, at the expense of the Issuer, has the right to petition a court of competent jurisdiction to appoint a successor under the Agreement. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with 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.

[The remainder of this page intentionally left blank]

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

BOKF, NA dba BANK OF TEXAS

By: _____
Title: _____

Address: 100 Congress Avenue, Suite 250
Austin, Texas 78701
Attention: Corporate Trust Services

Attest:

_____
Title: _____

CITY OF PORTLAND, TEXAS

By: _____
Title: Mayor

Address: 1900 Billy G Webb Dr.
Portland, Texas 78374
Attention: Director of Finance

Attest:

_____
City Secretary

SCHEDULE A

PAYING AGENT/REGISTRAR FEE SCHEDULE

See attached Fee Schedule

LAW OFFICES
McCALL, PARKHURST & HORTON L.L.P.

717 NORTH HARWOOD
NINTH FLOOR
DALLAS, TEXAS 75201-6587
TELEPHONE: 214 754-9200
FACSIMILE: 214 754-9250

700 N. ST. MARY'S STREET
1525 ONE RIVERWALK PLACE
SAN ANTONIO, TEXAS 78205-3503
TELEPHONE: 210 225-2800
FACSIMILE: 210 225-2984

600 CONGRESS AVENUE
1800 ONE AMERICAN CENTER
AUSTIN, TEXAS 78701-3248
TELEPHONE: 512 478-3805
FACSIMILE: 512 472-0871

Proposed Form of Opinion of Bond Counsel

An opinion in substantially the following form will be delivered by McCall, Parkhurst & Horton L.L.P., Bond Counsel, upon the delivery of the Bonds, assuming no material changes in facts or law.

July __, 2015

CITY OF PORTLAND, TEXAS
VENUE SALES TAX REVENUE BONDS, SERIES 2015
DATED JULY 15, 2015
IN THE AGGREGATE PRINCIPAL AMOUNT OF $_____

AS BOND COUNSEL FOR THE CITY OF PORTLAND, TEXAS (the "***City***"), the issuer of the Bonds described above (the "***Bonds***"), which bear interest from the dated date of the Bonds until maturity at the respective rates and payable on the respective dates, and which mature on the dates and are subject to prior redemption, all in accordance with the terms and conditions stated in the text of the Bonds.

WE HAVE EXAMINED the applicable and pertinent provisions of the Constitution and laws of the State of Texas and a transcript of certified proceedings of the City, and other pertinent instruments authorizing and relating to the issuance of the Bonds including (i) the ordinance authorizing the issuance of the Bonds (the "***Ordinance***"), (ii) one of the executed Bonds (Bond No. T-1), and (iii) the City's Federal Tax Certificate of even date herewith.

BASED ON SAID EXAMINATION, IT IS OUR OPINION that the Bonds have been authorized, issued and duly delivered in accordance with law, and that the Bonds, except as may be limited by laws applicable to the City relating to bankruptcy, reorganization and other similar matters affecting creditors' rights, constitute valid and legally binding obligations of the City, and that the Bonds are special obligations of the City, secured by and payable from an irrevocable first lien on and pledge of the "Pledged Revenues" (as defined and described in the Ordinance), which include the proceeds of a one-half of one percent sales and use tax levied by the City pursuant Chapter 334, Texas Local Government Code, as amended.

THE CITY HAS RESERVED THE RIGHT, subject to the restrictions stated in the Ordinance, to issue additional parity revenue bonds, designated as "Additional Obligations" in the Ordinance, which also may be secured by and payable from an irrevocable lien on and pledge of the aforesaid Pledged Revenues on a parity and of equal dignity in all respects with the Bonds.

THE CITY ALSO HAS RESERVED THE RIGHT to amend the Ordinance, subject to the restrictions stated in the Ordinance.

IT IS FURTHER OUR OPINION, except as discussed below, that the interest on the Bonds is excludable from the gross income of the owners for federal income tax purposes under the statutes, regulations, published rulings, and court decisions existing on the date of this opinion. We are further of the opinion that the Bonds are not "specified private activity bonds" and that, accordingly, interest on the Bonds will not be included as an individual or corporate alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986 (the "***Code***"). In expressing the aforementioned opinions, we have relied on, certain representations, the accuracy of which we have not independently verified, and assume compliance with certain covenants, regarding the use and investment of the proceeds of the Bonds and the use of the property refinanced therewith. We call your attention to the fact that if such representations are determined to be inaccurate or upon a failure by the City to comply with such covenants, interest on the Bonds may become includable in gross income retroactively to the date of issuance of the Bonds.

EXCEPT AS STATED ABOVE, we express no opinion as to any other federal, state or local tax consequences of acquiring, carrying, owning or disposing of the Bonds.

WE CALL YOUR ATTENTION TO THE FACT that the interest on tax-exempt obligations, such as the Bonds, is included in a corporation's alternative minimum taxable income for purposes of determining the alternative minimum tax imposed on corporations by section 55 of the Code.

WE EXPRESS NO OPINION as to any insurance policies issued with respect to the payments due for the principal of and interest on the Bonds, nor as to any such insurance policies issued in the future.

OUR OPINIONS ARE BASED ON EXISTING LAW, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of a result and are not binding on the Internal Revenue Service (the "***Service***"); rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the City as the taxpayer. We observe that the City has covenanted not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Bonds as includable in gross income for federal income tax purposes.

OUR SOLE ENGAGEMENT in connection with the issuance of the Bonds is as Bond Counsel for the City, and, in that capacity, we have been engaged by the City for the sole purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas, and with respect to the exclusion from gross income of the interest on the Bonds for federal income tax purposes, and for no other reason or purpose. The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of a result. We have not been requested to investigate or verify, and have not independently investigated or verified, any records, data, or other material relating to the financial condition or capabilities of the City, or the disclosure thereof in connection with the sale of the Bonds, and we have not assumed any responsibility with respect thereto. We express no opinion and make no comment with respect to the marketability of the Bonds, and we have relied solely on certificates executed by officials of the City as to the current outstanding indebtedness of the City and the sufficiency of revenues of the City pledged to secure the Bonds. Our role in connection with the City's Official Statement prepared for use in connection with the sale of the Bonds has been limited as described therein.

Respectfully,

CITY COUNCIL ACTION ITEM

AGENDA TITLE

PUBLIC HEARING – SPECIAL USE PERMIT REQUEST
THE CITY COUNCIL WILL CONDUCT A PUBLIC HEARING TO SOLICIT COMMENTS FROM CITIZENS AND OTHER INTERESTED PARTIES CONCERNING A REQUEST FROM MARK MALEY FOR A SPECIAL USE PERMIT TO CONSTRUCT A TWO-FAMILY DWELLING ON LOTS 11, 12, AND THE WEST 90 FEET OF LOTS 13 THROUGH 16, BLOCK 9, TIER C – ASSISTANT CITY MANAGER

ORDINANCE NO. 2110 – SPECIAL USE PERMIT REQUEST
THE CITY COUNCIL WILL CONSIDER THE FIRST READING OF ORDINANCE NO. 2110 TO GRANT A SPECIAL USE PERMIT FOR THE CONSTRUCTION OF A TWO-FAMILY DWELLING ON LOTS 11, 12, AND THE WEST 90 FEET OF LOTS 13 THROUGH 16, BLOCK 9, TIER C – ASSISTANT CITY MANAGER

MEETING DATE 6/16/2015

DEPARTMENT Building and Development

SUBMITTED BY Brian DeLatte, P.E., Assistant City Manager

EXECUTIVE SUMMARY

A Special Use Permit (SUP) application has been submitted by Mark Maley for a Special Use Permit to construct a two-family dwelling on Lots 11, 12, and the west 90 feet of Lots 13 through 16, Block 9, Tier C. Staff analysis shows that the request meets the technical requirements for granting the SUP. The Planning and Zoning Commission recommended approval of the SUP at its June 9, 2015, meeting.

SPECIAL USE PERMIT REQUEST

The property is located on the north side of Bay View Blvd. between Sunset Drive and Third Avenue. Mr. Maley is proposing the construction of a two-family dwelling, which is not permitted by right in the OT-1 Olde Town Residential District. An SUP is required so that the Planning and Zoning Commission and City Council can review the merits of the application and enforce any conditions necessary to prevent or minimize adverse effects on other properties in the neighborhood.

SPECIAL USE PERMIT APPROVAL CRITERIA

Section 315 of the UDO outlines the following criteria for which the Planning and Zoning

Commission and City Council shall base approval:

1. *Impacts Minimized.* Whether and the extent to which the site plan minimizes adverse effects, including adverse visual impacts, on adjacent properties.

2. *Consistent with this Ordinance.* Whether and the extent to which the proposed special use would conflict with any portion of this Ordinance, including the applicable zoning district intent statement.

3. *Compatible with Surrounding Area.* Whether and the extent to which the proposed special use is compatible with existing and anticipated uses surrounding the subject land.

4. *Traffic Circulation.* Whether and the extent to which the proposed special use is likely to result in extraordinarily prolonged or recurrent congestion of surrounding streets, especially minor residential streets.

5. *Effect on Natural Environment.* Whether and the extent to which the proposed special use would result in significant adverse impacts on the natural environment, including but not limited to water or air quality, noise, storm water management, wildlife, vegetation, wetlands and the practical functioning of the natural environment.

6. *Community Need.* Whether and the extent to which the proposed special use addresses a demonstrated community need.

7. *Development Patterns.* Whether and the extent to which the proposed special use would result in a logical and orderly pattern of urban development in the community.

Mr. Maley has provided responses to each of these criteria.

The City Attorney has previously provided an opinion that the single-family residential masonry ordinance (UDO Section 702.B.4) is not applicable in instances in which a lot was platted at the time of the passage of the ordinance in February 2013. City Staff is recommending a condition be added to the SUP expressly allowing for a deviation from the masonry requirements.

CONDITIONS TO THE SPECIAL USE PERMIT

If the Planning and Zoning Commission desires to recommend to the City Council that a Special Use Permit be granted, City Staff recommends that the following conditions.

1. The use of the property shall be limited to those permitted uses in the OT-1, Olde Town Residential District or to a two-family dwelling.

2. The requirement to construct the house with seventy-five (75) percent masonry materials per Unified Development Ordinance Section 702.B.4 is waived.

ADJACENT PROPERTY NOTIFICATIONS AND PUBLIC HEARING NOTICES

There are 15 adjacent properties within 200 feet of the subject lot. Property owners were notified by mail, postmarked May 20, 2015, of Public Hearings at the Planning and Zoning Commission and City Council meetings. Notice was also posted in the Coastal Bend Herald on May 21, 2015, in conformance with UDO Section 302. There has been no written or oral comment to the Development Services Department as of June 10, 2015.

PUBLIC HEARING HEARING AND RECOMMENDATION BY PLANNING AND ZONING COMMISSION

In accordance with UDO Section 315, the Planning and Zoning Commission conducted a public hearing on June 9, 2015. There was no public comment during the public hearing. At the conclusion of the public hearing, the Planning and Zoning Commission considered the application, pertinent comments by City Staff, other relevant support materials and public testimony given at the public hearing. The Planning and Zoning Commission voted 6-0 to recommend to the City Council the approval of the Special Use Permit.

ATTACHMENTS

- Application for Special Use Permit
- Location Map
- Public Hearing Notice
- Proposed Ordinance No. 2110

RECOMMENDED ACTION

Adopt one of the following motions:

(1) Approve the first reading of Ordinance No. 2110

OR

(2) Approve the first reading of Ordinance No. 2110 with conditions

OR

(3) Reject the first reading of Ordinance No. 2110

received
5/11/15 ahall

CITY OF PORTLAND
1101 Moore Avenue
Portland, TX 78374
Phone: (361) 777-4553
Fax: (361) 643-5709

APPLICATION FOR ZONING CHANGE

APPLICANT: MARK MALEY PHONE: 361-765-5648

ADDRESS: 310 LOUISIANA, CORPUS CHRISTI, TX. 78404

(If other than owner, attach a written authorization from owner.)

AGENT OR ATTORNEY: —

PHONE: — ADDRESS: —

~~PROPERTY ADDRESS:~~ ~~LOTS 11, 12~~ LOTS 11, 12, AND WEST 80' OF LOTS 13, 14, 15 AND 16

LEGAL DESCRIPTION: BLOCK 9, TIER C

CURRENT ZONING: OT-1 PROPOSED ZONING: SUP-OT-1

REASON FOR REQUEST: TWO FAMILY DWELLING - SPECIAL PERMIT

PRINTED NAME: MARK MALEY DATE: 5/11/15

SIGNATURE OF APPLICANT OR AGENT: M J Maley

FILING FEE: $500.00 plus actual engineering and legal costs

Make check payable to the City of Portland

Mail or bring application and filing fee to:

Office of the City Engineer
Public Works Building
1101 Moore Avenue
Portland, Texas 78374
(361) 777-4553

H. Special Use Approval Criteria

Approval of a special use by the Planning and Zoning Commission and City Council shall be based upon the following criteria.

1. Impacts Minimized
   Whether and the extent to which the site plan minimizes adverse effects, including adverse visual impacts, on adjacent properties.

   The duplex project design offered for your consideration will have in my estimation no adverse impact on surrounding properties. No adverse visual impact, appeal or neighborhood market value reduction. I believe it could very well be the stimuli needed to encourage improvements to existing structures and promote more pride and investment in the area. I believe Old Town is a gem in the rough and wish more people felt this way. I will always advocate for the betterment of the area.

   The neighborhood is dear to me. Our old family home is located at 335 Bayview and is across the street from the proposed rezoning request. My brother and I still own the family homestead and have no plans to sell. Our family history will indicate we have been active in the community for many years, dating back to the 1960's. I believe our family reputation has been one of honesty and hard work. I own a couple of lots, formerly 421 Bayview, on which stood a couple of family rental houses. I removed/demolished and cleaned up the area. I intend to build my home on this site as I have always hoped. I own several other properties along Bayview and have focused much of my energy and investment outlay to this part of our community. If my project for consideration was not deemed good for my neighbors or community I would have the most at stake. I believe all the incurred risk will be my own. I am willing to take the risk but would rather say opportunity, without fear, in an area other investors might deem too blighted and offer a risk premium too low. New construction dollars, not on the water view side of Bayview, close to areas not nearly as attractive and much needing work or demolishing? This has as much to do with my community investment in Old Town and what I feel the future holds for such a neighborhood. Furthermore, the lot size areas I proposed far exceeds the minimum requirements set forth by zoning. No crowded development will be present whereby developers are only eager in

flipping/selling or how they can maximize their capitalization rates. They often build and are gone, not a part of the community. I own and manage all my investment properties and hardly a day goes by I am not driving up and down Bayview either mowing lots or making repairs. I think it is important to note I have chosen to have two building sites rather than three possible in the plat diagram. I briefly thought of building a string of townhouses. I can build townhouses, I understand currently, without Special Use Approval consideration and would save time by getting started right away. I believe the area will be better served aesthetically with the plans I have submitted. Presently, the lots are vacant and have been for many years. Vacant land if not managed well can in my experience invite adverse effects. Tall weeds and poor drainage among other issues offer very little benefit to surrounding property owners. There have been instances very recently the City Code Enforcement Officer has sited nearby owners of abandoned and or neglected property. It is my desire to work with the City Building Department to create a good working relationship. I have enjoyed the relationship over the years as past construction projects on Bayview have been completed.

2. Consistent with this Ordinance
   Whether and the extent to which the proposed special use would conflict with any portion of this Ordinance, including the applicable zoning district intent statement.

   I believe it is consistent with ordinance and spirit of applicable zoning intent.

3. Compatible with Surrounding Area
   Whether and the extent to which the proposed special use is compatible with existing and anticipated uses surrounding the subject land.

   I believe it is consistent and compatible with existing area. Not sure of my knowledge of all anticipated uses in surrounding area but have faith it will not be a detriment to others.

4. Traffic Circulation
   Whether and the extent to which the proposed special use is likely to result in

extraordinarily prolonged or recurrent congestion of surrounding streets, especially minor residential streets.

None

5. Effect on Natural Environment
Whether and the extent to which the proposed special use would result in significant adverse impacts on the natural environment, including but not limited to water or air quality, noise, storm water management, wildlife, vegetation, wetlands and the practical functioning of the natural environment.

None

6. Community Need
Whether and the extent to which the proposed special use addresses a demonstrated community need.

I believe my projected construction project will serve the community well this year and for years to come. Much of my understanding revolves around the need for more housing and the dilemma of meeting future housing needs. I see large apartment complexes being permitted and constructed. I must gather the City of Portland and Council feel the need exists, as well. I don't invest in apartments only smaller properties I can afford, manage, maintain and offer a reasonable and affordable lease. I think most people would prefer not living in an apartment if a house, duplex with yard and a little more privacy were offered. I don't think an apartment complex is attractive necessarily and don't think one in my neighborhood will be a positive influence. If anyone feels they would like to see an example of a project I was involved in and located just down the street in same neighborhood drive no further than 525/527 Bayview. We have enjoyed terrific tenants. One couple has been there I believe 8-9 yrs. The units are over 2000 sq. ft. and we command a nice rental value. I plan to do the same with the one I am proposing.

7. Development Patterns
   Whether and the extent to which the proposed special use would result in a logical and orderly pattern of urban development in the community.

Will not provide discord of orderly development patterns.

I. Expiration of a Special Use Permit Site Plan
   Approval of an SUP Site Plan shall be void if a building permit is not issued and construction begun within two (2) years of the granting of the SUP.

J. Violation of Permit Requirements

Any violation of the requirements of a special use permit may be considered grounds for immediately voiding the special use permit.

Special Use Permit Request

NOTICE OF PUBLIC HEARINGS

Notice is hereby given that Public Hearings will be held before the Planning and Zoning Commission of the City of Portland on June 9, 2015 (Tuesday) and the City Council of the City of Portland on June 16, 2015 (Tuesday) in the Council Chambers of the City Hall (1900 Billy G. Webb Drive - Daniel P. Moore Community Center Complex) at 7:00 p.m. on each date to solicit comments from citizens and other interested parties concerning a request from Mark Maley for a Special Use Permit to construct a two-family dwelling on Lots 11, 12, and the west 90 feet of Lots 13 through 16, Block 9, Tier C. The property is generally located at the southeast corner of Bay View Blvd. and Third Avenue.

Any questions concerning this matter should be directed to Brian DeLatte, Assistant City Manager, at (361) 777-4516 or brian.delatte@portlandtx.com

ORDINANCE NO. 2110

AN ORDINANCE GRANTING A SPECIAL USE PERMIT TO CONSTRUCT A TWO-FAMILY DWELLING ON LOTS 11, 12, AND THE WEST 90 FEET OF LOTS 13 THROUGH 16, BLOCK 9, TIER C; PROVIDING FOR THE REPEAL OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; ESTABLISHING A PENALTY FOR VIOLATIONS; PROVIDING AND ESTABLISHING AN EFFECTIVE DATE; AND PROVIDING FOR PUBLICATION

WHEREAS Mark Maley, the owner of Lots 11, 12, and the west 90 feet of Lots 13 through 16, Block 9, Tier C, has submitted a Special Use Permit application to construct a two-family dwelling on the property; and

WHEREAS the Planning and Zoning Commission conducted a Public Hearing on June 9, 2015, and recommended that the request be granted by the City Council with conditions; and,

WHEREAS the City Council conducted a Public Hearing on June 16, 2015, to solicit comments concerning revisions to the Unified Development Ordinance; and,

WHEREAS no formal written protest was filed by adjacent property owners and a majority vote is required to approve both readings of this ordinance; and,

WHEREAS the City Council deliberated approval of the Special Use Permit on June 16, 2015.

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

SECTION 1: Special Use Permit No. 2110 is hereby granted with the following conditions as set forth in the Unified Development Ordinance Section 315.

1. The use of the property shall be limited to those permitted uses in the OT-1, Olde Town Residential District or to a two-family dwelling.

2. The requirement to construct the house with seventy-five (75) percent masonry materials per Unified Development Ordinance Section 702.B.4 is waived.

SECTION 2: The failure of of the facility owner or tenant to comply with any conditions of this Ordinance shall immediately render this Ordinance null and void. In such an event, the City of Portland shall strictly enforce the requirements of the OT-1, Olde Town Residential District by any and all legal means necessary.

SECTION 3: If any provision, section, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances is, for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof, or provisions or regulations contained herein, shall become inoperative or fail by reason of any unconstitutionality of any other portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

SECTION 4: Any previously adopted ordinance, resolution, rule, regulation, or policy in conflict with this Ordinance is hereby repealed.

SECTION 5: Any person who violates this Ordinance shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine not exceeding five hundred dollars ($500.00). Each and every day that a violation of this Ordinance occurs shall constitute a separate offense.

SECTION 6: This Ordinance shall be published after second reading hereof by publishing the caption thereof in the official newspaper with a statement the public may view the Ordinance in the Office of the City Secretary. This Ordinance shall be effective from and after the publication provided herein.

PASSED and **APPROVED** on second reading this ___ day of _____ 2015.

CITY OF PORTLAND

_____

David Krebs
Mayor

ATTEST:

_____

Annette Hall
City Secretary

STAFF

WEEKLY

REPORTS

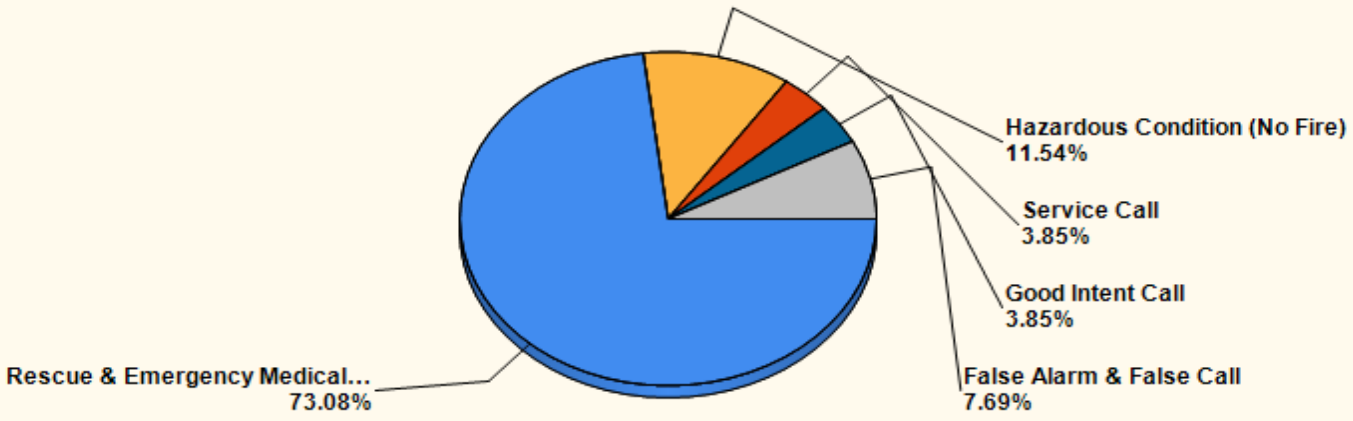
Portland Fire Department

Portland, TX

This report was generated on 6/1/2015 8:15:21 AM

Breakdown by Major Incident Types for Date Range

Zone(s): All Zones | Start Date: 05/25/2015 | End Date: 05/31/2015



MAJOR INCIDENT TYPE	# INCIDENTS	% of TOTAL
Rescue & Emergency Medical Service	19	73.08%
Hazardous Condition (No Fire)	3	11.54%
Service Call	1	3.85%
Good Intent Call	1	3.85%
False Alarm & False Call	2	7.69%
TOTAL	26	100.00%

Detailed Breakdown by Incident Type		
INCIDENT TYPE	# INCIDENTS	% of TOTAL
311 - Medical assist, assist EMS crew	13	50.00%
321 - EMS call, excluding vehicle accident with injury	4	15.38%
322 - Motor vehicle accident with injuries	1	3.85%
324 - Motor vehicle accident with no injuries.	1	3.85%
412 - Gas leak (natural gas or LPG)	1	3.85%
422 - Chemical spill or leak	1	3.85%
444 - Power line down	1	3.85%
510 - Person in distress, other	1	3.85%
611 - Dispatched & cancelled en route	1	3.85%
745 - Alarm system activation, no fire - unintentional	2	7.69%
TOTAL INCIDENTS:	26	100.00%

Number of times on scene or enroute to a call when a call was dispatched: 0

Average Response Time: 4.62

Portland Fire Department
595 Buddy Ganem
Portland, TX 78374
361-643-0155
361-643-0369

Completed Activities

05/17/2015 through 05/23/2015

Report run on: 05-26-2015

Activity Date	Record Type	Activity	Party	Site Address	Inspector	Status
05/18/2015	ANNUAL INSPECTION	Annual	DOMINOS PIZZA	01500 WILDCAT DR STE A	Nathan Kelley	PASS
05/18/2015	ANNUAL INSPECTION	Annual	VAPERIZED	01500 WILDCAT DR STE B	Nathan Kelley	FAIL
05/18/2015	ANNUAL INSPECTION	Annual	EDWARD JONES INVESTMENTS	01500 WILDCAT DR STE D	Nathan Kelley	PASS
05/18/2015	ANNUAL INSPECTION	Annual	MONOGRAMS AND MORE	01500 WILDCAT DR STE F	Nathan Kelley	FAIL
05/18/2015	ANNUAL INSPECTION	Annual	DR. HEREDIA MD PA	1500 Wildcat Dr. Suite H	Nathan Kelley	FAIL
05/18/2015	ANNUAL INSPECTION	Re-inspection	ARMED FORCES CAREER CENTER	01500 WILDCAT DR STE K	Nathan Kelley	FAIL
05/18/2015	ANNUAL INSPECTION	Annual	NATURAL NAILS	01500 WILDCAT DR STE N	Nathan Kelley	FAIL
05/18/2015	ANNUAL INSPECTION	Annual	INSURANCE SERVICES	01500 WILDCAT DR STE O	Nathan Kelley	PASS
05/18/2015	ANNUAL INSPECTION	Annual	DELUXE CLEANERS	01500 WILDCAT DR STE P	Nathan Kelley	PASS
05/18/2015	ANNUAL INSPECTION	Annual	LAKESHORE COMMERCIAL SERVICES CORP	01500 WILDCAT DR STE C	Nathan Kelley	N/A
05/18/2015	ANNUAL INSPECTION	Annual	VAPERIZED	01500 WILDCAT DR STE B	Nathan Kelley	SCHEDULED
05/19/2015	ANNUAL INSPECTION	Annual	K-BOB'S STEAKHOUSE	1702 U.S. Highway 181 Suite A-6	Nathan Kelley	SCHEDULED
05/19/2015	FIRE FINAL	Permitting	RELIANT STORAGE SOLLUTIONS	1605 US 181, STE B	Nathan Kelley	PASS
5/20/2015	FIRE FINAL	Permitting	SHERWIN FEDERAL CREDIT UNION	607 EIGHTH	Nathan Kelley	FAIL
5/21/2015	CERTIFICATE OF OCCUPANCY	Permitting	LAKESHORE COMMERCIAL SERVICES CORP	01500 WILDCAT DR STE L	Nathan Kelley	PASS
05/21/2015	ANNUAL INSPECTION	Annual	PINK ELEPHANT	01500 WILDCAT DR STE L	Nathan Kelley	PASS
05/22/2015	Foster Care	Periodic	ROBERTO G GALVAN	00130 DANIEL MOORE AVE	Nathan Kelley	PASS
05/22/2015	ANNUAL INSPECTION	Re-Inspection	PEPITO'S	01807 US 181	Nathan Kelley	FAIL
05/22/2015	ANNUAL INSPECTION	Re-Inspection	ST. CHRISTOPHER'S BY THE SEA	00820 WILDCAT DR	Nathan Kelley	SCHEDULED

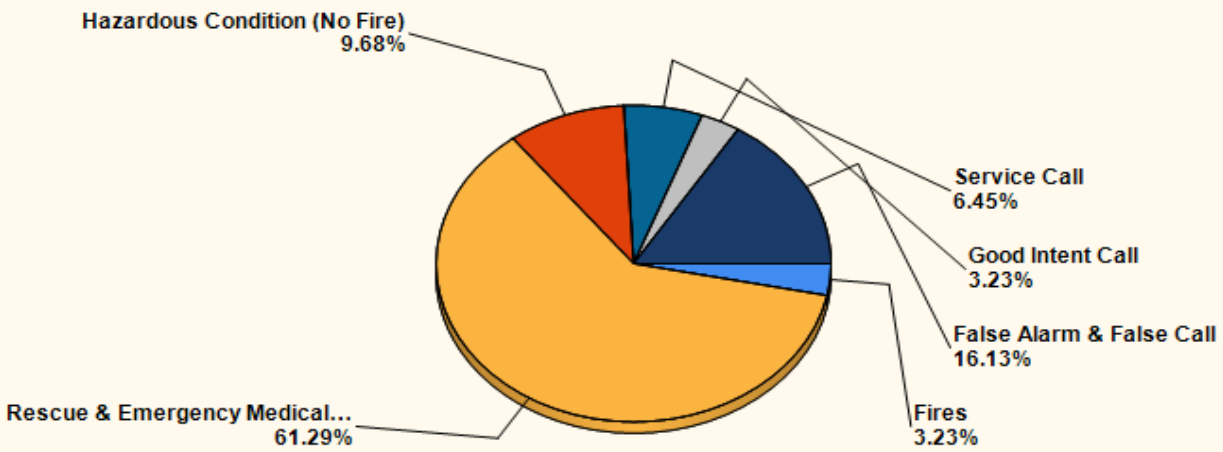
Total Completed Activities: 19

Portland Fire Department

Portland, TX

This report was generated on 5/26/2015 10:15:28 AM

Breakdown by Major Incident Types for Date Range
Zone(s): All Zones | Start Date: 05/18/2015 | End Date: 05/24/2015



MAJOR INCIDENT TYPE	# INCIDENTS	% of TOTAL
Fires	1	3.23%
Rescue & Emergency Medical Service	19	61.29%
Hazardous Condition (No Fire)	3	9.68%
Service Call	2	6.45%
Good Intent Call	1	3.23%
False Alarm & False Call	5	16.13%
TOTAL	31	100.00%

Detailed Breakdown by Incident Type		
INCIDENT TYPE	# INCIDENTS	% of TOTAL
160 - Special outside fire, other	1	3.23%
311 - Medical assist, assist EMS crew	7	22.58%
321 - EMS call, excluding vehicle accident with injury	9	29.03%
322 - Motor vehicle accident with injuries	2	6.45%
324 - Motor vehicle accident with no injuries.	1	3.23%
444 - Power line down	2	6.45%
445 - Arcing, shorted electrical equipment	1	3.23%
510 - Person in distress, other	1	3.23%
511 - Lock-out	1	3.23%
611 - Dispatched & cancelled en route	1	3.23%
733 - Smoke detector activation due to malfunction	2	6.45%
745 - Alarm system activation, no fire - unintentional	3	9.68%
TOTAL INCIDENTS:	31	100.00%

3 Personnel Participated in Shipboard Firefighting Operations Training with RTFC
Participated in the Veterans Memorial Service hosted by the Rotary Club of Portland

Number of times on scene or enroute to a call when a call was dispatched: 2

Average Response Time: 4.18 Min.

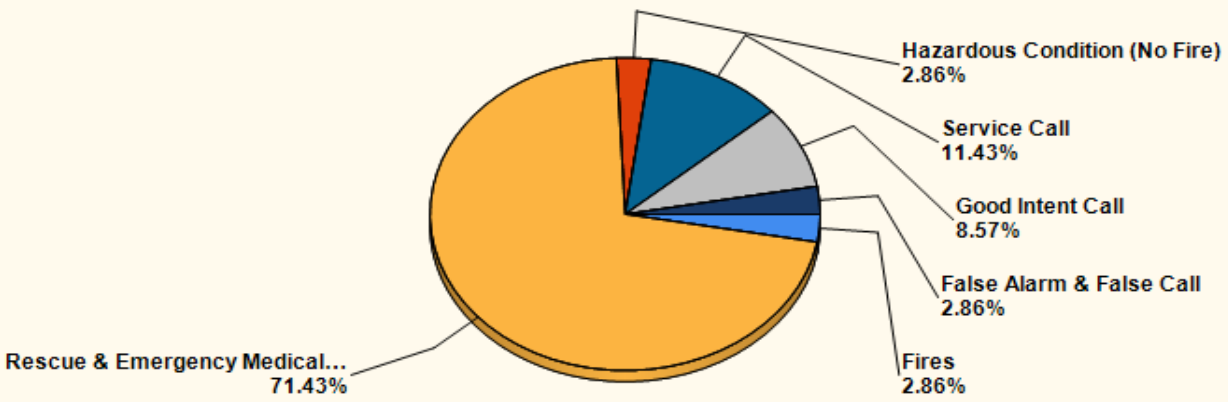
Portland Fire Department

Portland, TX

This report was generated on 6/8/2015 8:44:14 AM

Breakdown by Major Incident Types for Date Range

Zone(s): All Zones | Start Date: 06/01/2015 | End Date: 06/07/2015



MAJOR INCIDENT TYPE	# INCIDENTS	% of TOTAL
Fires	1	2.86%
Rescue & Emergency Medical Service	25	71.43%
Hazardous Condition (No Fire)	1	2.86%
Service Call	4	11.43%
Good Intent Call	3	8.57%
False Alarm & False Call	1	2.86%
TOTAL	35	100.00%

Detailed Breakdown by Incident Type		
INCIDENT TYPE	# INCIDENTS	% of TOTAL
143 - Grass fire	1	2.86%
311 - Medical assist, assist EMS crew	13	37.14%
321 - EMS call, excluding vehicle accident with injury	11	31.43%
324 - Motor vehicle accident with no injuries.	1	2.86%
411 - Gasoline or other flammable liquid spill	1	2.86%
510 - Person in distress, other	2	5.71%
511 - Lock-out	2	5.71%
611 - Dispatched & cancelled en route	1	2.86%
651 - Smoke scare, odor of smoke	2	5.71%
735 - Alarm system sounded due to malfunction	1	2.86%
TOTAL INCIDENTS:	35	100.00%

Number of times on scene or enroute to a call when a call was dispatched: 1

Average Response Time: 3.41 minutes

Portland Fire Department
595 Buddy Ganem
Portland, TX 78374
361-643-0155
361-643-0369

Completed Activities

05/24/2015 through 05/30/2015

Report run on: 06-01-2015

Activity Date	Record Type	Activity	Party	Site Address	Inspector	Status
05/26/2015	ANNUAL INSPECTION	Re-Inspection	PEPITO'S	01807 US 181	Nathan Kelley	SCHEDULED
05/27/2015	ANNUAL INSPECTION	Annual	SOUTH TEXAS SPORTS MEDICINE	00203 CEDAR DR	Nathan Kelley	PASS
05/27/2015	ANNUAL INSPECTION	Annual	GOLD FALCON	707 Moore Ave.	Nathan Kelley	SCHEDULED
05/28/2015	ANNUAL INSPECTION	Annual	MOORE VAPOR	708 MOORE AVE.	Nathan Kelley	SCHEDULED
05/28/2015	ANNUAL INSPECTION	Annual	MCALISTER'S DELI	01704 U.S. Highway 181	Nathan Kelley	SCHEDULED

Total Completed Activities: 5

Portland Fire Department
595 Buddy Ganem
Portland, TX 78374
361-643-0155
361-643-0369

Completed Activities

05/31/2015 through 06/06/2015

Report run on: 06-08-2015

Activity Date	Record Type	Activity	Party	Site Address	Inspector	Status
06/01/2015	ANNUAL INSPECTION	Annual	WILDCAT APARTMENTS	4000 Wildcat	Nathan Kelley	SCHEDULED
06/06/2015	ANNUAL INSPECTION	Annual	SNAPPY FOOD	617 Moore Ave.	Nathan Kelley	FAIL
06/06/2015	ANNUAL INSPECTION	Annual	VALERO DIAMOND SHAMROCK	01402 WILDCAT DR	Nathan Kelley	FAIL
06/06/2015	ANNUAL INSPECTION	Annual	MURPHY OIL USA INC	02045 US 181	Nathan Kelley	FAIL

Total Completed Activities: 4

SINGLE-FAMILY HOUSING PERMITS ISSUED

	Number	Running Total	Value	Running Value	Revenue	Running Revenue
FY 2013-2014						
October	7	7	$ 1,410,388.52	$ 1,410,388.52	$ 9,366.16	$ 9,366.16
November	3	10	$ 576,596.12	$ 1,986,984.64	$ 3,999.18	$ 13,365.34
December	2	12	$ 404,323.14	$ 2,391,307.78	$ 2,759.72	$ 16,125.06
January (14)	3	15	$ 1,928,146.00	$ 4,319,453.78	$ 10,232.12	$ 26,357.18
February	2	17	$ 596,668.50	$ 4,916,122.28	$ 3,639.44	$ 29,996.62
March	8	25	$ 1,950,368.36	$ 6,866,490.64	$ 12,101.03	$ 42,097.65
April	9	34	$ 2,351,493.09	$ 9,217,983.73	$ 14,760.62	$ 56,858.27
May	2	36	$ 387,889.93	$ 9,605,873.66	$ 2,685.10	$ 59,543.37
June	3	39	$ 1,115,803.00	$ 10,721,676.66	$ 4,353.96	$ 63,897.33
July	12	51	$ 3,087,523.45	$ 13,809,200.11	$ 17,664.03	$ 81,561.36
August	12	63	$ 2,786,292.61	$ 16,595,492.72	$ 18,380.31	$ 99,941.67
September	9	72	$ 1,973,744.64	$ 18,569,237.36	$ 13,104.59	$ 113,046.26
Total	**72**		**$ 18,569,237.36**		**$ 113,046.26**	
FY 2014-2015						
October	12	12	$ 2,888,010.24	$ 2,888,010.24	$ 18,609.28	$ 18,609.28
November	8	20	$ 2,241,454.08	$ 5,129,464.32	$ 13,803.99	$ 32,413.27
December	7	27	$ 2,027,752.00	$ 7,157,216.32	$ 11,411.00	$ 43,824.27
January (15)	11	38	$ 2,584,888.32	$ 9,742,104.64	$ 16,366.62	$ 60,190.89
February	2	40	$ 484,638.72	$ 10,226,743.36	$ 3,127.08	$ 63,317.97
March	12	52	$ 3,205,230.45	$ 13,431,973.81	$ 19,308.44	$ 82,626.41
April	11	63	$ 2,658,990.60	$ 16,090,964.41	$ 17,513.92	$ 100,140.33
May	7	70	$ 1,698,649.75	$ 17,789,614.16	$ 11,054.18	$ 111,194.51
June	2	72				
July						
August						
September						
Total	**72**		**$ 17,789,614.16**		**$ 111,194.51**	

City of Portland
1900 Billy G Webb Dr.
Portland, TX 78374
Phone (361) 777-4553

Development Services
Permit Report

Permits	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Total
Accessory Structure	4	4	3	3	5	4	6	4					33
Addition/Remodel - COM	1	0	1	2	1	2	1	4					12
Addition/Remodel - RES	1	0	1	1	0	0	2	1					6
Cert of Reoccupancy	1	6	2	1	3	1	3	1					18
Contractor Registration	74	15	30	27	23	21	24	27					241
Demolition	2	0	0	0	0	0	0	1					3
Driveway/Slab	5	2	3	1	8	12	8	11					50
Drought Mgnt. Var.	1	1	1	0	1	1	4	2					11
Electrical	19	16	12	32	21	22	22	28					172
Fence	7	3	4	4	4	8	11	7					48
Foundation Repair	5	1	2	6	7	5	4	2					32
Garage Sales	66	25	23	19	33	46	41	58					311
Gas	4	2	4	6	3	4	4	3					30
Mechanical	25	14	19	16	15	35	40	33					197
New Commercial	1	0	0	1	0	0	1	0					3
New Single Family Res	12	8	7	11	2	12	11	7					70
New Multi Family Res	0	2	0	0	0	0	0	0					2
Plumbing	38	32	32	24	32	25	22	28					233
POD's	1	2	4	3	1	1	1	0					13
Re-Roof	7	3	8	10	3	3	5	15					54
Sign	4	5	6	7	4	2	3	3					34
Swimming Pool	2	1	2	0	1	2	1	2					11
Vending Machine	0	0	3	0	0	0	0	0					3
Window/ Siding	7	0	3	3	4	4	7	4					32
Total	**287**	**142**	**170**	**177**	**171**	**210**	**221**	**241**	**0**	**0**	**0**	**0**	**1619**

MONTHLY VIOLATION ACTIVITY STATISTICS

From 06/06/2015 To 06/12/2015

Information contained here in for YTD is for 10/01/2014 To 06/12/2015
Information contained here in for Previous YTD is for 10/01/2013 To 06/12/2014

VIOLATION ISSUED BY:	CURRENT MONTH	YEAR TO DATE	PREVIOUS YTD	VARIATION IN (+/-)
Municipal Police Department	42	1812	2691	-879
TOTALS	42	1812	2691	-879
TOTAL NEW FEES LEVIED:	$9,526.00	$399,749.90	$555,420.00	$-155,670.10
FUNDS COLLECTED:				
State Taxes:	$2,488.20	$90,800.31	$110,783.45	$-19,983.14
Fines:	$1,250.00	$81,259.96	$101,308.65	$-20,048.69
LEA Fees:	$140.00	$5,533.64	$7,118.00	-1,584.36
Multiuse:	$990.20	$44,662.90	$42,234.63	$2,428.27
D/L Fees:	$30.00	$9,970.59	$11,810.62	$-1,840.03
Warrant Fees:	$250.00	$1,200.00	$950.00	$250.00
Capias Fees:	$0.00	$650.00	$1,059.00	$-409.00
Pay Plan Fees:	$0.00	$1,691.40	$2,762.59	$-1,071.19
Collection Fees:	$0.00	$0.00	$0.00	$0.00
TOTALS	$5,148.40	$235,768.80	$278,026.94	$-42,258.14
WARRANT INFORMATION:				
Warrants Issued:	7	136	169	-33
Capias Issued:	0	49	48	1
TOTALS	7	185	217	-32
Warrants Closed:	55	774	71	703
Capias Closed:	3	47	26	21
TOTALS	58	821	97	724
OTHER INFORMATION:				
Citations Closed:	158	3881	2668	1213
Failure to Appear:	0	0	0	0

Average current month speeding ticket issued was for 14.9 miles above posted limit.

By: _____ Date: _____