

**FARMERSVILLE CITY COUNCIL
SPECIAL SESSION AGENDA
November 5, 2013, 6:00 P.M.
Council Chambers, City Hall
205 S. Main Street**

I. PRELIMINARY MATTERS

- Call to Order, Roll Call, Prayer and Pledge of Allegiance
- Welcome guests and visitors: Anyone wanting to speak on any items that are not the subject of a Public Hearing on this agenda is asked to speak at this time, with an individual time limit of 3 minutes. This forum is limited to a total of 30 minutes. Please note that the City Council cannot comment or take any action on this item.
- Announcements relating to items of public interest: Announcements regarding local or regional civic and charitable events, staff recognition, commendation of citizens, traffic issues, upcoming meetings, awards, acknowledgement of meeting attendees, birthdays, and condolences.
 - Proclamation dedicating November 4 – 8, 2013 as Municipal Court's Week
 - Election Day will be held at First Baptist Church Warehouse on Farmersville Parkway November 5th from 7am-7pm
 - City Offices will be closed November 11th to observe Veteran's Day and November 28th and 29th to observe Thanksgiving Holiday

II. PUBLIC HEARING

- A. Public Hearing to consider, discuss and act upon a replat for a nonresidential subdivision to be located at or about the north side of West Audie Murphy Parkway and west of Bob Tedford Drive, Farmersville
- B. Public Hearing to consider, discuss and act upon a request for rezoning from Highway Commercial (HC) District uses to Highway Commercial (HC) District uses subject to a Specific Use Permit for a nursing facility to be located at or about the north side of West Audie Murphy Parkway and west of Bob Tedford Drive, Farmersville

III. READING OF ORDINANCES

- A. Only Reading – Consider, discuss and act upon all matters incident and related to the issuance and sale of "City of Farmersville, Texas, Notes, Series 2013", including the adoption of an ordinance authorizing the issuance of such notes

IV. REGULAR AGENDA

- A. Consider, discuss and act upon accepting a donation from the Farmersville Chamber of Commerce for the Chaparral Trail
- B. Consider, discuss and act upon dumpsters located in right-of-ways of City streets
- C. Receive, discuss and act upon information presented from the Environmental Protection Agency regarding Brownfield properties
- D. Consider, discuss and act upon a site plan for a Travel Center located along Highway 380 east of Bob Tedford Drive

- E. Consider, discuss and act upon a site plan for a skilled nursing facility to be located at or about the north side of West Audie Murphy Parkway and west of Bob Tedford Drive, Farmersville
- F. Consider, discuss and act upon awarding the bid for the 12" water line bond project
- G. Consider, discuss and act upon awarding the bid for the street overlay bond projects
- H. Consider, discuss and act upon an Interlocal Agreement between Collin County and the City of Farmersville regarding the Chaparral Trail Enhancement project

V. EXECUTIVE SESSION

A. Section 551.086, COMPETITIVE MATTERS OF A PUBLIC POWER UTILITY

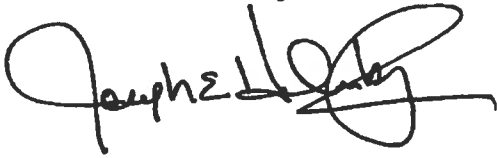
- 1. Consideration, discussion and possible action regarding Farmersville Electric competitive matters as allowed by Section 551.086 of the Texas Government Code for purposes of maintaining the confidentiality of certain information relating to competitive electric utility matters engaged in or to be engaged in by the City of Farmersville.

VI. RECONVENE FROM EXECUTIVE SESSION AND CONSIDER, DISCUSS AND ACT ON MATTERS DISCUSSED IN EXECUTIVE SESSION

VII. REQUEST FOR CONSIDERATION OF PLACING ITEMS ON FUTURE AGENDAS

VIII. ADJOURNMENT

Dated this the 1st day of November, 2013.



Joseph E. Helmberger, P.E., Mayor

The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any matters listed on the agenda, as authorized by the Texas Government Code, including, but not limited to, Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), 551.087 (Economic Development), 418.175-183 (Deliberations about Homeland Security Issues) and as authorized by the Texas Tax Code, including, but not limited to, Section 321.3022 (Sales Tax Information).

Persons with disabilities who plan to attend this meeting and who may need assistance should contact the City Secretary at 972-782-6151 or Fax 972-782-6604 at least two (2) working days prior to the meeting so that appropriate arrangements can be made. Handicap Parking is available in the front and rear parking lot of the building.

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted in the regular posting place of the City Hall building for Farmersville, Texas, in a place and

manner convenient and readily accessible to the general public at all times, and said Notice was posted November 1, 2013 by 5:00 P.M. and remained so posted continuously at least 72 hours proceeding the scheduled time of said meeting.

A handwritten signature in blue ink, appearing to read "Edie Sims".

Edie Sims, City Secretary



A Proclamation
Naming November 4th - November 8th, 2013
as
Municipal Court Week

Whereas, the Municipal Court of Farmersville, a time honored and vital part of local government; and

Whereas more people, citizens and non-citizens alike, come in personal contact with municipal courts than all other Texas courts combined, and

Whereas public impression of the entire Texas judicial system is largely dependent upon the public's experience in municipal court,

Whereas, Municipal Judges and court support personnel have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all, and conform to the standards set by the Canons of Judicial Conduct,

Whereas, the Municipal Courts play a significant role in preserving the quality of life in Texas communities through the adjudication of traffic offenses, ensuring a high level of traffic safety for our citizens,

Whereas, the Municipal Courts serve as the local justice center for the enforcement of local ordinances and fine-only state offenses that protect the peace and dignity of our community,

Whereas, the Municipal Judges and Clerks continually strive to improve the administration of justice through participation in judicial education programs, seminars, workshops and the annual meetings of their state and local professional organizations.

Therefore, it is most appropriate that we recognize the accomplishments of the 916 Texas Municipal Courts, and salute their critical role in preserving public safety, protecting the quality of life in Texas communities, and deterring future criminal behavior,

Now, I Joseph E. Helmberger, Mayor of the City of Farmersville, do recognize the week of November 4 - November 8, 2013, as *Municipal Court Week*, and further extend appreciation to all Municipal Judges and court support personnel for the vital services they perform and their exemplary dedication to our community. I call upon all residents of Farmersville to join with the City Council in recognizing the vital service they perform and their exemplary dedication to the communities they represent.

Dated this day 5th of November, 2013.

Joseph E. Helmberger, P.E.
Mayor of the City of Farmersville



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Public Hearing to consider, discuss and act upon a replat for a nonresidential subdivision to be located at or about the north side of West Audie Murphy Parkway and west of Bob Tedford Drive, Farmersville

- Replat has been delivered to Council for review

ACTION: Council to approve or disapprove the replat as presented.



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Public Hearing to consider, discuss and act upon a request for rezoning from Highway Commercial (HC) District uses to Highway Commercial (HC) District uses subject to a Specific Use Permit for a nursing facility to be located at or about the north side of West Audie Murphy Parkway and west of Bob Tedford Drive, Farmersville

- Specific Use Permit and building information has been delivered to Council for review
- A recommendation letter is included from Daniel & Brown, City Engineer

ACTION: Council to approve or disapprove the request for rezoning/Specific Use Permit as presented.



DANIEL & BROWN INC.
ENGINEERS/CONSULTANTS/PLANNERS

31 October 2013

Mr. Ben White, P.E.
City Manager/Director of Public Works
City of Farmersville
205 S Main Street
Farmersville, Texas 75442

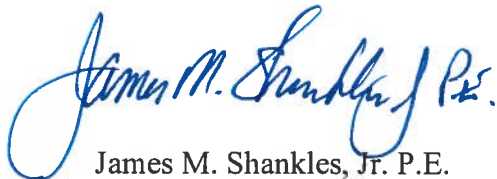
RE: Farmersville Skilled Nursing Facility
Murphy's Crossing

Mr. White:

The Site Plan submittal for the Farmersville Skilled Nursing Facility to be located at Lot 14R Murphy's Crossing Phase III has been reviewed.

We recommend that the Site Plan for this project be approved at this time. Please contact me if you should have any questions or need additional information.

Sincerely,

A handwritten signature in blue ink that reads "James M. Shankles, Jr. P.E.".

James M. Shankles, Jr. P.E.





**CITY OF FARMERSVILLE
SPECIFIC USE PERMIT APPLICATION**

APPLICANT'S NAME: Rick McNealy – Smithers Merchant Builders, LP

APPLICANT'S ADDRESS: 21726 Hardy Oak

APPLICANT'S CONTACT NUMBERS: (210) 479-2500 x103
380 Land Development, LLC – Lot 14

NAME OF OWNER: Meguire Real Estate Investments, LLC – Lot 15

ADDRESS OF OWNER: 15266 County Road 614, Farmersville, TX 75442-5301
Northwest Corner of the intersection of U.S. Hwy 380

LOCATION OF PROPERTY: and Bob Tedford Drive

LEGAL DESCRIPTION OF PROPERTY:

LOT NO. 14 & 15 TRACT _____ BLOCK NO. _____

PLAT _____ ADDITION: Murphy's Crossing
Phase II and Phase III

SURVEY: W.B. Williams, Abstract No. 952 NUMBER OF ACRES: 4.03

For properties not in a recorded subdivision, submit a copy of a current survey or plat showing the properties proposed to be changed, and a complete legal field note description.

PROPOSED USE: Skilled Nursing Facility

ATTACH A LETTER describing all processes and activities involved with the proposed uses.

ATTACH A SITE PLAN drawn to scale with the information listed on the back of this sheet.

THE EIGHT CONDITIONS listed on the back of this sheet **MUST** be met before City Council can grant a Specific Use Permit.

ATTACH THE APPROPRIATE FEE:

LESS THAN ½ ACRE	\$100.00
½ ACRE OR MORE AND LESS THAN 5 ACRES	\$250.00
5 ACRES OR MORE	\$500.00
PUBLIC HEARING FEE (PER HEARING).....	\$ 12.50

I, being the undersigned applicant, understand that all of the conditions, dimensions, building sizes, landscaping and parking areas depicted on the site plan shall be adhered to as amended and approved by the City Council.

SIGNATURE OF APPLICANT:



Date: 9-27-13

SIGNATURE OF OWNER:
(If not applicant)

~~Kevin McQuinn~~
~~McQuinn Real Estate Investments, LLC~~
Kevin McQuinn, President
380 Grand Development, LLC

Date: 9-27-13
9-27-13
9-27-13

INCLUDE THE FOLLOWING INFORMATION ON A SITE PLAN. THE PLAN MUST BE DRAWN TO SCALE.

- Boundaries of the area covered by the site plan.
- The location of each existing and proposed building and structure in the area covered by the site plan and the number of stories, height, roof line, gross floor area and location of building entrances and exits.
- The location of existing drainage ways and significant natural features.
- Proposed landscaping and screening buffers.
- The location and dimensions of all curb cuts, public and private streets, parking and loading areas, pedestrian walks, lighting facilities, and outside trash storage facilities.
- The location, height and type of each wall, fence, and all other types of screening.
- The location, height and size of all proposed signs.

THE ZONING ORDINANCE REQUIRES THAT THESE EIGHT CONDITIONS MUST BE MET BEFORE A SPECIFIC USE PERMIT CAN BE ISSUED:

- That the specific use will be compatible with and not injurious to the use and enjoyment of other property, nor significantly diminish or impair property values within the immediate vicinity; and
- That the establishment of the specific use will not impede the normal and orderly development and improvement of surrounding vacant property.
- That adequate utility, access roads, drainage and other necessary supporting facilities have been or will be provided.
- The design, location and arrangement of all driveways and parking spaces provide for the safe and convenient movement of vehicular and pedestrian traffic without adversely affecting the general public or adjacent development.
- That adequate nuisance prevention measures have been or will be taken to prevent or control offensive odor, fumes, dust, noise and vibration.
- That directional lighting will be provided so as not to disturb or adversely affect neighboring properties.
- That there are sufficient landscaping and screening to insure harmony and compatibility with adjacent property
- That the proposed use is in accordance with the Comprehensive Plan.

September 27, 2013

City of Farmersville
205 South Main Street
Farmersville, TX 75442

Re: Specific Use Permit
Lot 14 & 15, Murphy's Crossing, Phase II and Phase III

City Staff,

The proposed facility to be operated using this Special Use Permit is a skilled nursing facility. A skilled nursing facility is defined as an establishment that houses chronically ill, usually elderly patients, and provides long-term care, rehabilitation and other services. In addition, this institution meets the criteria for accreditation established by the sections of the Social Security Act that determine the basis for Medicaid and Medicare reimbursement for skilled nursing care. Skilled nursing care includes rehabilitation and various medical and nursing procedures. Written policies and protocols are formulated with appropriate professional consultation. Law requires that these policies designate which level of caregiver is responsible for implementation of each policy, that the care of every patient be under the supervision of a physician, that a physician be available on an emergency basis, that records of the condition and care of every patient be maintained, that nursing service be available 24 hours a day, and that at least one full-time registered nurse be employed. Other criteria stipulate that the facility have appropriate facilities for storing and dispensing drugs and biologics, that it maintain a use review plan, that all licensing requirements of the state in which it is located be met, and that an overall budget be maintained.

The site facility includes a full dining facility including assessing the resident dietary needs, preparing dining menus, and preparing meals that the residents will consume on site. The facility will also have an onsite professional laundry service which collects the soiled linen, launders the linen and provide clean linen for the residents' use. Onsite recreational activities will be planned for the residents as well as onsite social activities.

If you having any question in regards to the facility's intended use, please contact me.

Sincerely,



Frederick J. McNealy
Design Manager



2011
PLATINUM
AWARD



DANIEL & BROWN INC.
ENGINEERS/CONSULTANTS/PLANNERS

18 October 2013

Mr. Ben White, P.E.
City Manager/Director of Public Works
City of Farmersville
205 S Main Street
Farmersville, Texas 75442

RE: Farmersville Skilled Nursing Facility
Murphy's Crossing

Mr. White:

The Site Plan submittal for the Farmersville Skilled Nursing Facility to be located at Lot 14R Murphy's Crossing Phase III has been reviewed. The following items shall be addressed before final approval.

Site Plan

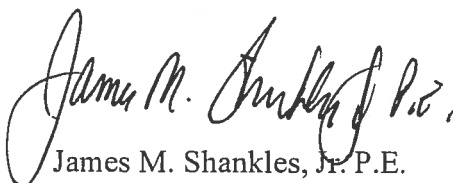
1. The name, address, phone and legal interest of both the owner and the applicant shall be shown.

Building Elevation

1. The areas of the exterior walls of the proposed building appear to have greater than 25% stucco. The zoning ordinance of the City of Farmersville requires that Stucco shall not exceed 25% of the area of any exterior wall in the Highway Commercial (HC). The accessory building shall be of like construction.

We recommend that the Site Plan for this project be approved contingent upon the completion of the above comments. Please contact me if you should have any questions or need additional information.

Sincerely,


James M. Shankles, Jr. P.E.





Collin County
2300 Bloomdale Road Ste. 2324
P.O. Box 8046
McKinney, TX 75071
972-547-5020

2012 Tax Statement

Property Account Number:

R876200001501

Statement Date: 10/01/2013
Owner: MEGUIRE REAL ESTATE INVESTMEN
Mailing Address: 15266 COUNTY ROAD 614
FARMERSVILLE TX 75442-5301

Property Location: 0002004 W AUDIE MURPHY PKWY
Acres: 1.9759
Legal: MURPHYS CROSSING #2 & #3 (CFC
, LOT 15, 1.9759 ACRES

Exemptions:

IMPROVEMENT VALUE	LAND MARKET VALUE	NON-HOMESITE IMPRV	NON-HOMESITE LAND	AG VALUE
0	215,176	0	215,176	0

Taxing Entities	Exemption Amount	Taxable Value	Tax Rate Per \$100	Base Tax
COLLIN COUNTY	0	215.176	0.240000	0.00
FARMERSVILLE CITY	0	215.176	0.697500	0.00
FARMERSVILLE ISD	0	215.176	1.370000	0.00
COLLIN COLLEGE	0	215.176	0.086299	0.00

TOTAL BASE TAX 0.00

PRIOR YEARS 0.00

Total Amount Due \$0.00

↓ Detach ↓
Return With Payment

Property Account Number
R876200001501

Total Amount Due \$0.00

IF PAID IN	AMOUNT DUE
NOV	\$0.00
DEC	\$0.00
JAN	\$0.00
FEB	\$0.00
MAR	\$0.00
APR	\$0.00

Please Make Checks Payable To:

Kenneth L. Maun

MEGUIRE REAL ESTATE INVESTMENTS LLC
15266 COUNTY ROAD 614
FARMERSVILLE TX 75442-5301

**Collin County**

2300 Bloomdale Road Ste. 2324

P.O. Box 8046

McKinney, TX 75071

972-547-5020

2012 Tax Statement

Property Account Number:

R876200001401

Statement Date: 10/01/2013
Owner: 380 LAND DEVELOPMENT LLC
Mailing Address: 15266 COUNTY ROAD 614
FARMERSVILLE TX 75442-5301

Property Location: 0002002 W AUDIE MURPHY PKWY
Acres: 2.0715
Legal: MURPHYS CROSSING #2 & #3 (CFC
, LOT 14, 2.0715 ACRES

Exemptions:

IMPROVEMENT VALUE	LAND MARKET VALUE	NON-HOMESITE IMPRV	NON-HOMESITE LAND	AG VALUE
0	210,000	0	210,000	0

Taxing Entities	Exemption Amount	Taxable Value	Tax Rate Per \$100	Base Tax
COLLIN COUNTY	0	210.000	0.240000	0.00
FARMERSVILLE CITY	0	210.000	0.697500	0.00
FARMERSVILLE ISD	0	210.000	1.370000	0.00
COLLIN COLLEGE	0	210.000	0.086299	0.00

TOTAL BASE TAX 0.00

PRIOR YEARS 0.00

Total Amount Due \$0.00

↓ Detach ↓
Return With Payment

Property Account Number
R876200001401

Total Amount Due \$0.00

<u>IF PAID IN</u>	<u>AMOUNT DUE</u>
NOV	\$0.00
DEC	\$0.00
JAN	\$0.00
FEB	\$0.00
MAR	\$0.00
APR	\$0.00

Please Make Checks Payable To:
Kenneth L. Maun

380 LAND DEVELOPMENT LLC
15266 COUNTY ROAD 614
FARMERSVILLE TX 75442-5301

BSA
REC



20110712000722920 07/12/2011 02:35:55 PM D1 1/4

GF# 1912700151; File No. 11-154KD

AFTER RECORDING RETURN TO:
380 LAND DEVELOPMENT, LLC
15266 CR 614
Farmersville, TX 75442

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

SPECIAL WARRANTY DEED

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF COLLIN

THAT **INDEPENDENT BANK** (hereinafter called "grantor"), of the County of Collin, and State of Texas, for and in consideration of the sum of TEN & NO/100 DOLLARS (\$10.00) and other good and valuable consideration paid by the grantee herein, have GRANTED, SOLD, AND CONVEYED, and by these presents do GRANT, SELL, AND CONVEY unto **380 LAND DEVELOPMENT, LLC**, a Texas Limited Liability Company (herein called "grantee"), of the County of Collin and State of Texas, all of the following described real property in Collin County, Texas, to-wit:

Lot 14 of Murphy's Crossing Phase II & Phase III, an Addition to the City of Farmersville, Collin County, Texas, according to the plat thereof recorded in Volume Q, Page 432 of the Map and Plat Records of Collin County, Texas.

THIS CONVEYANCE IS MADE SUBJECT TO THE FOLLOWING:

(SEE EXHIBIT A ATTACHED HERETO AND FOR ALL PURPOSES MADE A PART
HEREOF.)

TO HAVE AND TO HOLD the above described premises, together with all and
singular the rights and appurtenances thereto in anywise belonging, unto the said grantee,
grantee's heirs and assigns forever; and grantor hereby binds grantor, grantor's heirs,
executors and administrators to WARRANT AND FOREVER DEFEND all and singular the
said premises unto the said grantee, grantee's heirs and assigns, against every person
whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under
grantor, but not otherwise.

EXECUTED this 15th day of July, 2011.

INDEPENDENT BANK, by:

JOHNNY BRATCHER,
EXECUTIVE VICE PRESIDENT

AGREED AND CONSENTED TO:

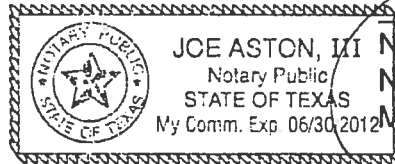
380 LAND DEVELOPMENT, LLC,
a Texas Limited Liability Company, by:

KEVIN MEGUIRE, MANAGER

KEVIN MEGUIRE, MANAGER

THE STATE OF TEXAS
COUNTY OF COLLIN

This instrument was acknowledged before me on June July 1, 2011, by JOHNNY BRATCHER, EXECUTIVE VICE PRESIDENT of INDEPENDENT BANK, on behalf of the Bank.



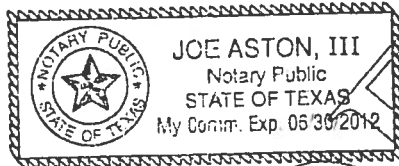
Notary Public, State of Texas

Notary's Printed Name: _____

My commission expires: _____

THE STATE OF TEXAS
COUNTY OF COLLIN

This instrument was acknowledged before me on June July 7, 2011, by KEVIN MEGUIRE, MANAGER of 380 LAND DEVELOPMENT, LLC, a Texas Limited Liability Company, on behalf of the Company.



Notary Public, State of Texas

Notary's Printed Name: _____

My commission expires: _____

Prepared in the Law Office of:
Joe Aston, III
Warden & Aston
110 E. Davis
McKinney, TX 75069
972-569-9115 Phone
972-569-9688 Fax

EXHIBIT A

Property address or description: Lot 14 of Murphy's Crossing Phase II & Phase III, Farmersville, Collin County, Texas.

1. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.

2. Interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in the following document:

Recording No.: CC# 96-43148, Real Property Records, Collin County, Texas.

3. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat:

Twenty-five foot (25') building line along the South property line;

Ten foot (10') building line along the West, East and North property lines;

Fifteen foot (15') utility easement along the North property line;

Fifteen foot (15') drainage and utility easement along the front property line;

Twenty foot (20') drainage and utility easement along the rear property line;

Five foot (5') sideyard drainage and utility easement along the East and West property lines.

Affects: Subject Property

Recording No.: Volume Q, Page 432, Plat Records, Collin County, Texas.

4. Purchaser/Grantee accepts the property "as is" and "where is" and "with all faults", without any representation or warranty, as more fully set forth on Exhibit A of one certain Unimproved Property Contract between the parties, dated May 9, 2011, as if fully typewritten and as if set forth herein, except for the limited warranty of title set forth in this Special Warranty Deed.

5. Restrictive Covenants recorded in Volume 5926, Page 27, Real Property Records, Collin County, Texas, refiled in Volume 6012, Page 1073, Real Property Records, Collin County, Texas, and Agreement Relating to Restrictive Covenants recorded in CC# 20080415000450510 of the Real Property Records of Collin County, Texas.

Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
07/12/2011 02:35:55 PM
\$28.00 BNOPP
20110712000722920

K:\CASES-KD\B - 380 LAND DEV-LOT 14\EX A deed excerpts.rev.7.6.11.kd





AFTER RECORDING RETURN TO:
MEGUIRE REAL ESTATE INVESTMENTS, LLC
15266 CR 614
Farmersville, TX 75442

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

SPECIAL WARRANTY DEED

THE STATE OF TEXAS

)
KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF COLLIN

THAT **INDEPENDENT BANK** (hereinafter called "grantor"), of the County of Collin, and State of Texas, for and in consideration of the sum of TEN & NO/100 DOLLARS (\$10.00) and other good and valuable consideration paid by the grantee herein, have GRANTED, SOLD, AND CONVEYED, and by these presents do GRANT, SELL, AND CONVEY unto **MEGUIRE REAL ESTATE INVESTMENTS, LLC**, a Texas Limited Liability Company (herein called "grantee"), of the County of Collin and State of Texas, all of the following described real property in Collin County, Texas, to-wit:

Lot 15 of Murphy's Crossing Phase II & Phase III, an Addition to the City of Farmersville, Collin County, Texas, according to the plat thereof recorded in Volume Q, Page 432 of the Map and Plat Records of Collin County, Texas.

THIS CONVEYANCE IS MADE SUBJECT TO THE FOLLOWING:

(SEE EXHIBIT A ATTACHED HERETO AND FOR ALL PURPOSES MADE A PART
HEREOF.)

TO HAVE AND TO HOLD the above described premises, together with all and
singular the rights and appurtenances thereto in anywise belonging, unto the said grantee,
grantee's heirs and assigns forever; and grantor hereby binds grantor, grantor's heirs,
executors and administrators to WARRANT AND FOREVER DEFEND all and singular the
said premises unto the said grantee, grantee's heirs and assigns, against every person
whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under
grantor, but not otherwise.

EXECUTED this 15th day of June, 2011.

INDEPENDENT BANK, by:

JOHNNY BRATCHER,
EXECUTIVE VICE PRESIDENT

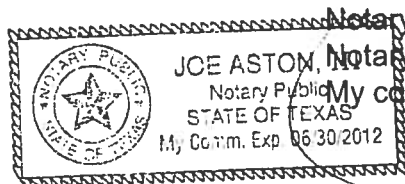
AGREED AND CONSENTED TO:

MEGUIRE REAL ESTATE INVESTMENTS, LLC,
a Texas Limited Liability Company, by:

KEVIN D. MEGUIRE, President/Member

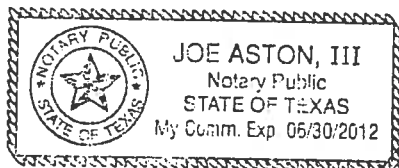
THE STATE OF TEXAS
COUNTY OF COLLIN

This instrument was acknowledged before me on JUNE 1, 2011, by JOHNNY BRATCHER, EXECUTIVE VICE PRESIDENT of INDEPENDENT BANK, on behalf of the Bank.



THE STATE OF TEXAS
COUNTY OF COLLIN

This instrument was acknowledged before me on JUNE 1, 2011, by KEVIN MEGUIRE, PRESIDENT/MEMBER of MEGUIRE REAL ESTATE INVESTMENTS, LLC, a Texas Limited Liability Company, on behalf of the Company.



Prepared in the Law Office of:

Joe Aston, III
Warden & Aston
110 E. Davis
McKinney, TX 75069
972-569-9115 Phone
972-569-9688 Fax

EXHIBIT A

Property address or description: Lot 15 of Murphy's Crossing Phase II & Phase III, Farmersville, Collin County, Texas.

1. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.

2. Interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in the following document:

Recording No.: CC# 96-43148, Real Property Records, Collin County, Texas.

3. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat:

Twenty-five foot (25') building set back lines - south, east;

Ten foot (10') building set back lines - north, west;

Fifteen foot (15') drainage and utility easement - south, east, north;

Five foot (5') drainage and utility easement - west;

Twenty foot (20') drainage easement - north.

Affects: Subject Property

Recording No.: Volume Q, Page 432, Plat Records, Collin County, Texas.

4. Purchaser/Grantee accepts the property "as is" and "where is" and "with all faults", without any representation or warranty, as more fully set forth on Exhibit A of one certain Unimproved Property Contract between the parties, dated May 9, 2011, as if fully typewritten and as if set forth herein, except for the limited warranty of title set forth in this Special Warranty Deed.

5. Restrictive Covenants recorded in Volume 5926, Page 27, Real Property Records, Collin County, Texas, ~~refiled in Volume 6012, Page 1073, Real Property Records, Collin County, Texas, and Agreement Relating to Restrictive Covenants recorded in CC# 20080416000450510 of the Real Property Records of Collin County, Texas.~~

Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
07/12/2011 02:35:56 PM
\$28.00 BNOPP
20110712000722930

K:\CASES-KD\B - MEGUIRE REAL EST INVEST\EX A deed excerpts.re



A handwritten signature in cursive script, appearing to read "Stacey Kemp".

2005- 0136659

6012 01073

MURPHY'S CROSSING PHASE II & III
RESTRICTIVE COVENANTS FOR LOTS 5 - 19

*"Recorded to correct lots that were affected by these
Covenants and Restrictions filed under #2005-00687205"*

April 2005

STATE OF TEXAS

STATE OF COLLIN

That, PENVESCO, the owner and developer of Murphy's Crossing Subdivision Phase II & III in Collin Country, Texas hereby established the following protective covenants, which are to run with the land and shall be binding upon the purchaser or purchasers of said lots, their heirs, assigns, or administrators.

1. All buildings that may hereafter be placed on any of said property shall be new construction. Exterior walls facing the street must be constructed of a minimum of seventy-five (75) percent masonry type construction such as brick, brick veneer, concrete block, poured-in-place concrete, tilt wall, stucco, and other type material approved by the Architectural Committee. Exterior wall facing side street must be constructed of thirty (30) percent masonry type construction as described above.
2. No building shall be permitted on any part of the above described property unless the front of said structure is at least a distance of 25 feet from the applicable front property line of the property involved. The "front building line" as used herein shall be that part of the involved property which the front of the building to be erected will face. Side yard requirements are a minimum of 10 feet from the property line excepting at lot line adjoining a side street wherein the set back minimum will be 25 feet from the street property line.
3. All users, building, and operations shall provide off-street parking on the lots to accommodate the vehicles of the employees, customers, visitors, and transport vehicles generated and required by the use of building, and it will be the responsibility of the property owners, their successors or assigns, to provide such parking facilities as follows:
 - A. One (1) off-street passenger car parking space shall be provided for each fifteen hundred (1500) square feet of gross floor area or one (1) for every five employees, whichever results in the greater number of parking spaces.
 - B. Parking areas must be paved with all-weather surfacing (asphalt or concrete).

6012 01074

**MURPHY'S CROSSING PHASE II & III
RESTRICTIVE COVENANTS FOR LOTS**

Page 2 of 4

4. No fence shall be erected between the front of any building line on any of said property and the front property line. No outside storage will be allowed past the front of the building line or the building line on side streets. Area utilized for fencing shall enclose outside storage, which shall contain screening to obstruct vision from the front and side streets adjacent to the property. Type, use and maintenance of screening shall be subject to the approval of the Architectural Committee. If a vacant lot is contiguous to a lot on which a building is located, storage will be allowed behind the front building line and to the side property lines provided approval by the Architectural Committee is granted and fencing and visual screening is provided and maintained. On other vacant lots, storage of materials will be allowed in the rear half of the lot only and fencing with visual screening must be provided and maintained.
5. No part of the subject property shall be used or maintained as a dumping ground for rubbish, trash, or garbage. All such waste material shall be placed and kept in a sanitary container stored on the rear of the premises. All incinerators or other equipment for storage or disposal of such material shall be kept in a neat and clean condition. The following uses may not be located in the Murphy's Crossing Phase II & III:
 - A. Animal slaughtering or chicken killing
 - B. Acid manufacture
 - C. Ammonia manufacture
 - D. Carbon black manufacture
 - E. Cement, lime, gypsum or plaster of parts manufacture or the Processing of any other cementitious product.
 - F. Chlorine manufacture
 - G. Cotton gin or compress
 - H. Explosives storage or manufacture
 - I. Glue and fertilizer manufacture
 - J. Petroleum and petroleum products refining and manufacture
 - K. Petroleum tank farm
 - L. Petrochemical plant
 - M. Rendering plant
 - N. Tanning, curing, treating or storage of skins or hides
 - O. Wrecking yard or salvage yard
 - P. Any use which due to the possible emission of excessive smoke, noise, gas, fumes, dust, odor, or vibration or danger of explosion of fire is presently or in the future determined a hazard and subject to special control.
6. No part of the subject property shall be used for the displayed and/or storage of used furniture and/or appliances. No inoperable motor vehicles without current valid license plates and current motor inspection certificate shall be stored on the premises.

6012 01075

**MURPHY'S CROSSING PHASE II & III
RESTRICTIVE COVENANTS FOR LOTS**

Page 3 of 4

7. No loading docks and/or loading doors shall be allowed on front of building unless said door is at least 50 feet from the front property line. Loading docks must be at least 50 feet from side property line.
8. Minimum landscape and screening requirements shall be as follows:
 - A. Ten (10) percent of the front yard area shall be required landscape area.
 - B. All required landscape area shall be properly maintained, kept healthy and visually pleasant.
 - C. No parking space shall be further than sixty feet (60) from any tree excepting that this rule shall not apply to parking spaces located behind the rear building line.
 - D. All required landscape areas shall consist of a combination of trees, grass, shrubs, ground cover and other live plant materials.
 - E. Adjacent right-of-way shall be properly maintained
 - F. All earth berms shall have a maximum slope of 3:1
 - G. Screening requirements and design specifications for primary refuse storage containers (dumpsters) shall be on three (3) sides by the consecution of masonry walls or other treatments which may be approved by the Architectural Committee. An opening shall be provided for all container locations. Refuse containers site shall not be located closed to the street than the building line on front and side streets.
9. An Architectural Committee comprised of the Managing Partner of PENVESCO and two others appointed in writing by PENVESCO is created to approve all plans prior to construction on any building covered by these restrictions and approval shall be by simple majority. In case of the resignation of any member, the remaining majority may appoint a replacement. The Committee may appoint one number to act in their behalf. At such time as three-quarters (3/4) of the lots are owned by parties other than PENVESCO, the majority of all of the subdivision lot owner at that time and from then on may appoint the membership of the Architectural Committee. Each lot, regardless of size, shall allow its owner, or their assigns, one vote.
10. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of 20 years from the date of these covenants are recorded, after which time said covenants should be automatically extended for successive periods of 5 years unless an instrument signed by a majority of the then owner of the lots has been recorded changing said covenants in whole or in part. Each lot, regardless of size, shall allow its owner, or their assigns, one vote.

6012 01076

**MURPHY'S CROSSING PHASE II & III
RESTRICTIVE COVENANTS FOR LOTS**

Page 4 of 4

11. Violation or failure to comply with the foregoing restrictions, covenants and conditions shall in no way effect or impair the validity of any mortgage, lien or bona fide lien which may in good faith then be existing upon the afore mentioned property, or any lot there or part thereof.
12. Invalidation of any of these covenants by judgement or court order shall in on way affect any of the other provisions, which shall remain in full force and effect.
13. In the event a dispute arises between parties to this Agreement expenses for Legal fees, court costs, arbitration costs, etc shall be borne by the party or Parties who do not prevail in judgement (s) rendered by the courts or the Decision (s) of the arbitrators.

The Developer, PENVESCO, reserves the right, so long as it owns more than one quarter of the lots in the subdivision, to amend or otherwise revise the plat of the subdivision by obtaining governmental approved and recording by instrument duly executed and acknowledge by the Developer in the Deed Records of Collin County, Texas.

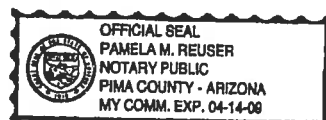
EXECUTED this 14th day of SEPT, 2005
Nicholas H. Danna

PENVESCO
NICHOLAS H. DANNA
MANAGING PARTNER

STATE OF TEXAS
COUNTY OF COLLIN

BEFORE ME, the undersign, a Notary Public in and for said County and State,
On this day appeared NICHOLAS H. DANNA, known to me to be the person whose
Name is subscribed to the foregoing instrument acknowledge to me that he
Executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HANDS AND SEAL OF OFFICE this is the 14th day
of Sept, 2005.



Pamela M. Reuser
Notary Public, ~~Collin County, TX~~
Pima County, AZ

Return TO

ARLENE JULIANO
1315 RED OAK CIRCLE
FARMERSVILLE, TX 75442

601201087

ANY PROVISION HEREIN WHICH PURSUANT TO THE CASE, INTENT OR USE OF THE
DESCRIBED REAL PROPERTY BY REUSE OF COLLIN OR PAGE IS INVALID AND
UNENFORCEABLE UNDER FEDERAL LAW (COUNTY OF COLLIN)
(THE STATE OF TEXAS)
I hereby certify that this instrument was filed in the Public Records of the County of Collin, Texas, on the date and the time stamped hereon by me, and was RECORDED in the Official Public
Records of Real Property of Collin County, Texas.

SEP 28 2005

Brenda Taylor



Filed for Record in:
Collin County, McKinney TX
Honorable Brenda Taylor
Collin County Clerk

On Sep 28 2005
At 10:34am

Doc/Num : 2005- 0136659

Recording/Type:RG 32.00
Receipt #: 39159



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Only Reading – Consider, discuss and act upon all matters incident and related to the issuance and sale of “City of Farmersville, Texas, Notes, Series 2013”, including the adoption of an ordinance authorizing the issuance of such notes

- Ordinance is attached for review
- The ordinance cannot be completed until the bids are received from the prospective purchasers on Friday, November 1. At that time, the law firm Fulbright and Jawarski will complete and finalize the ordinance in accordance with the terms of the successful bid.

ACTION: Council to approve or disapprove the Ordinance as presented.

CITY OF FARMERSVILLE
ORDINANCE NO. O-2013-1105-002

AN ORDINANCE authorizing the issuance of "CITY OF FARMERSVILLE, TEXAS, NOTES, SERIES 2013"; specifying the terms and features of said Notes; providing for the payment of said Notes by the levy of an ad valorem tax upon all taxable property within the City and a pledge of the net revenues from the operation of the City's combined Electric Light and Power, Waterworks and Sewer System; resolving other matters incident and relating to the issuance, payment, security, sale and delivery of said Notes, including the approval and execution of a Paying Agent/Registrar Agreement and a Note Purchase Agreement; and providing an effective date.

WHEREAS, pursuant to Texas Government Code, Chapter 1431, as amended, (hereinafter called the "Act"), the City Council is authorized and empowered to issue anticipation notes to pay contractual obligations to be incurred (i) for the construction of any public work and (ii) for the purchase of materials, supplies, equipment, machinery, buildings, lands and rights-of-way for the City's authorized needs and purposes; and

WHEREAS, in accordance with the provisions of the Act, the City Council hereby finds and determines that anticipation notes should be issued and sold at this time to finance the costs of paying contractual obligations to be incurred for (i) constructing, acquiring, purchasing, renovating, enlarging, equipping, and improving electric light and power system properties and facilities, and (ii) professional services rendered in relation to such projects and the financing thereof; now, therefore,

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

SECTION 1: Authorization - Designation - Principal Amount - Purpose. Notes of the City shall be and are hereby authorized to be issued in the aggregate principal amount of \$630,000, to be designated and bear the title "CITY OF FARMERSVILLE, TEXAS, NOTES, SERIES 2013" (hereinafter referred to as the "Notes"), for the purpose of paying contractual obligations to be incurred for (1) the construction of public works, to wit: constructing, acquiring, purchasing, renovating, enlarging, equipping, and improving electric light and power system properties and facilities, and (2) professional services rendered in connection with such projects and the financing thereof, pursuant to authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapter 1431, as amended.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Date. The Notes are issuable in fully registered form only; shall be dated November 1, 2013 (the "Note Date") and shall be in denominations of \$5,000 or any integral multiple thereof (within a Stated Maturity) and the Notes shall become due and payable on February 15 in each of the years and in principal amounts (the "Stated Maturities") and bear interest at the per annum rate(s) in accordance with the following schedule:

<u>Year of Stated Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2015	\$120,000	
2016	125,000	
2017	125,000	
2018	130,000	
2019	130,000	

The Notes shall bear interest on the unpaid principal amounts from the date of delivery to the initial purchasers, anticipated to be December 10, 2013 (the "Delivery Date") at the per annum rate shown above in this Section. Interest on the Notes shall be calculated on the basis of a 360-day year of twelve 30-day months, and such interest shall be payable on February 15 and August 15 of each year, commencing August 15, 2014, until maturity.

SECTION 3: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Notes, due and payable by reason of maturity or otherwise, shall be payable only to the registered owners or holders of the Notes (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

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

Principal of and premium, if any, on the Notes shall be payable at the Stated Maturities thereof only upon presentation and surrender of the Notes to the Paying Agent/Registrar at its designated offices initially in _____, or with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest on the Notes shall be paid to the Holders whose names appear in the Security Register at the close of business on the Record Date (the last business day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by

check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Notes shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when 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.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4: No Optional Redemption. The Notes shall not be subject to redemption prior to maturity at the option of the City.

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

Upon surrender of any Note (other than the Initial Note(s) authorized in Section 7 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Notes of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Note or Notes surrendered for transfer.

At the option of the Holder, Notes (other than the Initial Note(s) authorized in Section 7) may be exchanged for other Notes of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Notes surrendered for exchange, upon surrender of the Notes to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Notes are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Notes to the Holder requesting the exchange.

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

the same shall be the valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Notes surrendered in such transfer or exchange.

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

Notes cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Notes," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Note or Notes registered and delivered in the exchange or transfer. Additionally, the term "Predecessor Notes" shall include any mutilated, lost, destroyed, or stolen Note for which a replacement Note has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 19 hereof and such new replacement Note shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Note.

SECTION 6: Execution - Registration. The Notes shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under its seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officers on the Notes may be manual or facsimile. Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of the individuals executing the same shall cease to be such officer at the time of delivery of the Notes to the initial purchaser(s) and with respect to Notes delivered in subsequent exchanges and transfers, all as authorized and provided in Texas Government Code, Chapter 1201, as amended.

No Note shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Note either a certificate of registration substantially in the form provided in Section 8(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 8(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly certified, registered and delivered.

SECTION 7: Initial Note(s). The Notes herein authorized shall be initially issued either (i) as a single fully-registered note in the total principal amount stated in Section 1 above with principal installments to become due and payable as provided in Section 2 and numbered T-1, or (ii) as multiple fully registered Notes, being one note for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (the "Initial Note(s)") and, in either case, the Initial Note(s) shall be registered in the name of the initial purchasers or the designee thereof. The Initial Note(s) shall be submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial

purchasers, or the designee thereof. Any time after the delivery of the Initial Notes(s) and pursuant to written instructions from the initial purchasers, or the designee thereof, the Paying Agent/Registrar shall cancel the Initial Note(s) and exchange it for the definitive Notes of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified for such purpose; all pursuant to and in accordance with such written instructions from the initial purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 8: Forms.

(a) Forms Generally. The Notes, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Notes, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Ordinance and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Notes, or any maturities thereof, are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the officers executing such Notes as evidenced by their execution. Any portion of the text of any Notes may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Note.

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

(b) Form of Definitive Notes.

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF FARMERSVILLE, TEXAS,
NOTE, SERIES 2013

Note Date:
November 1, 2013

Interest Rate:
____%

Stated Maturity:
February 15, 20____

Delivery Date:
December 10, 2013

Registered Owner:

Principal Amount:

The City of Farmersville (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount

hereinabove stated (without right of prior redemption), and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Note appearing below (unless this Note bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Note is prior to the initial interest payment date in which case it shall bear interest from the Delivery Date) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing August 15, 2014, until maturity. Principal of this Note is payable at its Stated Maturity to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. Interest is payable to the registered owner of this Note (or one or more Predecessor Notes, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for a payment of the principal of or interest on the Notes shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of and interest on this Note shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Note is one of the series specified in its title issued in the aggregate principal amount of \$630,000 (herein referred to as the "Notes") for the purpose of paying contractual obligations to be incurred for (1) the construction of public works, to wit: constructing, acquiring, purchasing, renovating, enlarging, equipping, and improving electric light and power system properties and facilities, and (2) professional services rendered in connection with such projects and the financing thereof, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Texas Government Code, Chapter 1431, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

The Notes are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City and are additionally payable from and secured by a lien on and pledge of the Net Revenues (as defined in the Ordinance) of the City's combined Electric Light and Power, Waterworks and Sewer System (the "System"), such lien and pledge, however, being junior and subordinate to the lien on and pledge of the Net Revenues of the System securing the payment of "Prior Lien Obligations" (as defined in the Ordinance) hereafter issued by the City. In the Ordinance, the City reserves and retains the right to issue Prior Lien Obligations without limitation as to principal amount but subject to any applicable terms, conditions or restrictions under law or otherwise as well as the right to issue

additional obligations payable from the same sources as the Notes and equally and ratably secured by a parity lien on and pledge of the Net Revenues of the System.

Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all the provisions of which the owner or holder of this Note by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Notes; the nature and extent of the pledge of the Net Revenues securing the payment of the Notes; the terms and conditions relating to the transfer or exchange of this Note; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which the tax levy and the pledge of the Net Revenues and covenants made in the Ordinance may be discharged at or prior to the maturity of this Note, and this Note deemed to be no longer Outstanding thereunder; and for the other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Ordinance.

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

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Note as the owner entitled to payment of principal hereof at its Stated Maturity, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Notes is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Notes to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and

manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Notes do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Notes as aforesated. In case any provision in this Note shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Note and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

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

CITY OF FARMERSVILLE, TEXAS

Mayor

COUNTERSIGNED:

City Secretary

(SEAL)

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

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER)	
)	
OF PUBLIC ACCOUNTS)	REGISTER NO. _____
)	
THE STATE OF TEXAS)	

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

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

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

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

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

The designated offices of the Paying Agent/Registrar located in _____, is the "Designated Payment/Transfer Office" for this Note.

Registration Date:

_____,
as Paying Agent/Registrar

By _____
Authorized Signature

- (e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto (Print or typewrite name, address and zip code of transferee): _____

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

DATED: _____

Signature guaranteed:

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular.

(f) The Initial Note(s) shall be in the form set forth in paragraph (b) of this Section, except that the heading and first paragraph of the form of a single fully registered Initial Note shall be modified as follows:

REGISTERED
NO. T-1

REGISTERED
\$630,000

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF FARMERSVILLE, TEXAS,
NOTE, SERIES 2013

Note Date: November 1, 2013

Delivery Date: December 10, 2013

Registered Owner:

Principal Amount: SIX HUNDRED THIRTY THOUSAND DOLLARS

The City of Farmersville (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on February 15 in the years and in principal installments in accordance with the following schedule:

<u>Year of</u> <u>Stated Maturity</u>	<u>Principal</u> <u>Installments</u>	<u>Interest</u> <u>Rate(s)</u>
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(Information to be inserted from schedule in Section 2 hereof)

(without right of prior redemption) and to pay interest on the unpaid principal amounts hereof from the Delivery Date at the per annum rate(s) of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 of each year, commencing August 15, 2014, until maturity. Principal installments of this Note are payable at its Stated Maturity to the registered owner hereof by _____ (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in _____ (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Note whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date hereof and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Notes shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date

shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Note shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 9: Definitions. For purposes of this Ordinance and for clarity with respect to the issuance of the Notes herein authorized, and the levy of taxes and appropriation of Net Revenues therefor, the following words or terms, whenever the same appears herein without qualifying language, are defined to mean as follows:

(a) The term “Additional Obligations” shall mean tax and revenue obligations hereafter issued under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271, or other law and payable from ad valorem taxes and additionally payable from and secured by a lien on and pledge of the Net Revenues of the System on a parity with and of equal rank and dignity with the lien and pledge securing the payment of the Notes.

(b) The term “Note Fund” shall mean the special Fund created and established under the provisions of Section 10 of this Ordinance.

(c) The term “Notes” shall mean the \$630,000 “City of Farmersville, Texas, Notes, Series 2013” authorized by this Ordinance.

(d) The term “Collection Date” shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date annual ad valorem taxes levied each year by the City become delinquent.

(e) The term “Fiscal Year” shall mean the twelve month accounting period used by the City in connection with the operation of the System which may be any twelve consecutive month period established by the City.

(f) The term “Government Securities” shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations that may be used to defease obligations such as the Notes under the then applicable laws of the State of Texas.

(g) The term "Gross Revenues" shall mean all income, receipts and revenues of every nature derived or received from the operation and ownership (excluding refundable meter deposits, restricted gifts and grants in aid of construction) of the System, including earnings and income derived from the investment or deposit of moneys in any special funds or accounts

created and established for the payment and security of the Prior Lien Obligations and other obligations payable solely from and secured only by a lien on and pledge of the Net Revenues.

(h) The term "Net Revenues" shall mean Gross Revenues of the System, with respect to any period, after deducting the System's Operating and Maintenance Expenses during such period.

(i) The term "Operating and Maintenance Expenses" shall mean all current expenses of operating and maintaining the System, including all salaries, labor, materials, interest, repairs and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised, are necessary to maintain the operations and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair obligations payable from Net Revenues shall be deducted in determining "Net Revenues". Depreciation charges shall not be considered Operating and Maintenance Expenses. Operating and Maintenance Expenses shall include payments under contracts for the purchase of power and energy, water supply, treatment of sewage or other materials, goods or services for the System to the extent authorized by law and the provisions of such contract.

(j) The term "Outstanding" when used in this Ordinance with respect to Notes means, as of the date of determination, all Notes theretofore issued and delivered under this Ordinance, except (1) those Notes cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation; (2) those Notes deemed to be duly paid by the City in accordance with the provisions of Section 20 hereof; and (3) those mutilated, destroyed, lost, or stolen Notes which have been replaced with Notes registered and delivered in lieu thereof as provided in Section 19 hereof.

(k) The term "Prior Lien Obligations" shall mean all revenue bonds or other obligations, hereafter issued, payable solely from and secured only by a lien on and pledge of the Net Revenues of the System which is prior in right and claim to the lien on and pledge of the Net Revenues securing the payment of the Notes and the Additional Obligations.

(l) The term "System" shall mean all properties, facilities and plants currently owned, operated and maintained by the City for the generation, transmission, supply and distribution of electrical energy and power, the supply, treatment and transmission of potable water and the collection, treatment and disposal of water-carried wastes, together with all future extensions, improvements, replacements and additions thereto.

SECTION 10: Note Fund. For the purpose of paying the interest on and to provide a sinking fund for the payment and retirement of the Notes, there shall be and is hereby created a special account or fund on the books and records of the City known as the "SPECIAL SERIES 2013 NOTE FUND", and all moneys deposited to the credit of such Fund shall be kept and maintained in a special banking account at the City's depository bank. The Mayor, Mayor Pro Tem, City Secretary, City Manager, and Director of Finance of the City, individually or collectively, are hereby authorized and directed to make withdrawals from the Note Fund sufficient to pay the principal of and interest on the Notes as the same become due and payable, and, shall cause to be transferred to the Paying Agent/Registrar from moneys on deposit in the Note Fund an amount sufficient to pay the amount of principal and/or interest

falling due on the Notes, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Notes.

Pending the transfer of funds to the Paying Agent/Registrar, money in the Note Fund may, at the option of the City, be invested in obligations identified in, and in accordance with the provisions of the "Public Funds Investment Act" (Texas Government Code, Chapter 2256, as amended) relating to the investment of "bond proceeds"; provided that all such investments shall be made in such a manner that the money required to be expended from said Fund will be available at the proper time or times. All interest and income derived from deposits and investments in said Note Fund shall be credited to, and any losses debited to, the said Note Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Notes.

SECTION 11: Tax Levy. To provide for the payment of the "Debt Service Requirements" on the Notes being (i) the interest on said Notes and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied a sufficient tax on each one hundred dollars' valuation of taxable property in said City adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection, and such tax hereby levied for the payment of the Debt Service Requirement of the Notes shall be assessed and collected each year while said Notes shall remain Outstanding and applied to the payment of the Debt Service Requirements and not diverted for any other purpose. The taxes so levied and collected for the payment of the Debt Service Requirements of the Notes shall be paid into the Note Fund. The City Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the said Debt Service Requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

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

(a) Prior to the date the City Council establishes the annual tax rate and passes an ordinance levying ad valorem taxes each year, the Council shall determine:

(1) The amount on deposit in the Note Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Notes prior to the Collection Date for the ad valorem taxes to be levied and (b) adding thereto the amount of the Net Revenues of the System or other legally available funds appropriated and allocated to pay such Debt Service Requirements prior to the Collection Date for the ad valorem taxes to be levied.

(2) The amount of Net Revenues of the System or any other legally available funds, appropriated and to be set aside for the payment of the Debt Service Requirements on the Notes between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(3) The amount of Debt Service Requirements to become due and payable on the Notes between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(b) The amount of taxes to be levied annually each year to pay the Debt Service Requirements on the Notes shall be the amount established in paragraph (3) above less the sum total of the amounts established in paragraphs (1) and (2), after taking into consideration delinquencies and costs of collecting such annual taxes.

SECTION 12: Pledge of Revenues. The City hereby covenants and agrees that, subject to the prior lien on and pledge of the Net Revenues of the System to the payment and security of Prior Lien Obligations, all the Net Revenues of the System, with the exception of those in excess of the amounts required to be deposited to the Note Fund as hereafter provided, are hereby irrevocably pledged, equally and ratably, to the payment of the principal of and interest on the Notes and Additional Obligations, if issued, and the pledge of Net Revenues of the System herein made for the payment of the Notes shall constitute a lien on the Net Revenues of the System in accordance with the terms and provisions hereof and be valid and binding and fully perfected from and after the date of adoption of this Ordinance without physical delivery or transfer or transfer of control of the Net Revenues, the filing of this Ordinance or any other act; all as provided in Texas Government Code, Chapter 1208, as amended ("Chapter 1208").

Chapter 1208 applies to the issuance of the Notes and the pledge of the Net Revenues of the System granted by the City under this Section 12, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Notes are Outstanding such that the pledge of the Net Revenues of the System granted by the City under this Section 12 is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, as amended, then in order to preserve to the registered owners of the Notes the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 13: System Fund. The City covenants and agrees that all Gross Revenues (excluding earnings from the investment of money held in any special funds or accounts created for the payment and security of the Prior Lien Obligations) shall be deposited as collected into a fund maintained at an official depository of the City and known on the books of the City as the "System Fund" (hereinafter called the "System Fund"). All moneys deposited to the credit of the System Fund shall be allocated, dedicated and disbursed to the extent required for the following purposes and in the order of priority shown, to wit:

First: To the payment of reasonable and property Operating and Maintenance Expenses of the System as defined herein or required by statute to be a first charge on and claim against the Gross Revenues of the System,

Second: To the payment of all amounts required to be deposited in the special Funds created and established for the payment, security and benefit of Prior Lien Obligations in accordance with the terms and provisions of the ordinances authorizing the issuance of Prior Lien Obligations.

Third: Equally and ratably, to the payment of the amounts required to be deposited in the special funds and accounts created and established for the payment of the Notes (the Note Fund) and Additional Obligations.

Any Net Revenues remaining in the System Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, may be appropriated and used for any other City purpose now or hereafter permitted by law.

SECTION 14: Deposits to Note Fund. The City hereby covenants and agrees to cause to be deposited to the credit of the Note Fund prior to each principal and interest payment date for the Notes from the pledged Net Revenues of the System in the System Fund, after the deduction of all payments required to be made to the special Funds or accounts created for the payment and security of the Prior Lien Obligations, an amount equal to one hundred per centum (100%) of the amount required to fully pay the interest and principal payments then due and payable on the Notes. Such deposits to pay accrued interest and maturing principal on the Notes from the Net Revenues of the System shall be made in substantially equal monthly installments on or before the 10th day of each month; provided, however, should the annual tax levy pursuant to Section 11 hereof be sufficient to pay in full the principal and interest on the Notes, no such monthly deposits to the Note Fund from the Net Revenues of the System shall be required.

Furthermore, accrued interest received by the City from the purchasers of the Notes, if any, and any proceeds of sale of the Notes in excess of the amount required to pay the contractual obligations to be incurred (including change orders to a construction contract) shall be deposited in the Note Fund and such amounts deposited to the Note Fund shall reduce the sums otherwise required to be deposited in said Fund from ad valorem taxes and the Net Revenues of the System.

SECTION 15: Security of Funds. All moneys on deposit in the Funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of Texas for the security of public funds, and moneys on deposit in such Funds shall be used only for the purposes permitted by this Ordinance.

SECTION 16: Special Covenants. The City hereby further covenants as follows:

(a) It has the lawful power to pledge the Net Revenues of the System to the payment of the Notes in the manner herein contemplated and has lawfully exercised such power under the Constitution and laws of the State of Texas, including said power existing under Texas Government Code, Sections 1502.056 and 1502.058 and Texas Government Code, Chapter 1431, as amended.

(b) Other than for the payment of the Notes and the outstanding "City of Farmersville, Texas, Tax and Utility System (Limited Pledge) Revenue Certificates of Obligation, Series 2005" and "City of Farmersville, Texas, Tax and Utility System (Limited Pledge) Revenue Certificates of Obligation, Series 2006", the Net Revenues of the System have not in any manner been pledged to the payment of any debt or obligation of the City or of the System.

SECTION 17: Issuance of Prior Lien Obligations and Additional Obligations. The City hereby expressly reserves the right to hereafter issue Prior Lien Obligations, without limitation as to principal amount but subject to any terms, conditions or restrictions applicable thereto under law or otherwise, and, also reserves the right to issue Additional Obligations which, together with the Notes, shall be equally and ratably secured by a parity lien on and pledge of the Net Revenues of the System.

SECTION 18: Application of Prior Lien Obligations Covenants and Agreements. It is the intention of this governing body and accordingly hereby recognized and stipulated that the provisions, agreements and covenants contained herein bearing upon the management and operations of the System, and the administering and application of revenues derived from the operation thereof, shall to the extent possible be harmonized with like provisions, agreements and covenants contained in the ordinances authorizing the issuance of the Prior Lien Obligations, and to the extent of any irreconcilable conflict between the provisions contained herein and in the ordinances authorizing the issuance of the Prior Lien Obligations, the provisions, agreements and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Ordinance but in all respects subject to the priority of rights and benefits, if any, conferred thereby to the holders of the Prior Lien Obligations. Notwithstanding the above, any change or modification affecting the application of revenues derived from the operation of the System shall not impair the obligation of contract with respect to the pledge of revenues herein made for the payment and security of the Notes.

SECTION 19: Mutilated, Destroyed, Lost and Stolen Notes. In case any Note shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Note of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Note, or in lieu of and in substitution for such destroyed, lost or stolen Note, only upon the approval of the City and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Note, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Note shall be borne by the Holder of the Note mutilated, or destroyed, lost or stolen.

Every replacement Note issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Notes; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Notes. The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Notes.

SECTION 20: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Notes, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and the Net Revenues of the System and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate and be discharged and satisfied.

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

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Notes, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Notes and remaining unclaimed for a period of three (3) years after the Stated Maturity of the Notes such moneys were deposited and are held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 21: Ordinance a Contract - Amendments. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Note remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency or formal defect or omission herein. In addition, the City may, with the consent of Holders holding a majority in aggregate principal amount of the Notes then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Notes, no such amendment, addition or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Notes, reduce the principal amount thereof, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Notes, (2) give any preference to any Note over any other Note, or (3) reduce the aggregate principal amount of Notes required to be held by Holders for consent to any such amendment, addition or rescission.

SECTION 22: Covenants to Maintain Tax-Exempt Status.

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

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

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

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

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

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

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

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

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

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

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

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

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Notes, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed

or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

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

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Notes to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

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

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

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

(h) No Rebate Required. The City warrants and represents that it satisfies the requirements of paragraph (2) and (3) of section 148(f) of the Code with respect to the Certificates without making the payments for the United States described in such section. Specifically, the City warrants and represents that

(i) the City is a governmental unit with general taxing powers;

(ii) at least 95% of the net proceeds of the Certificates will be used for the local governmental activities of the City;

(iii) the aggregate face amount of all tax exempt obligations issued or expected to be issued by the City (and all subordinate entities thereof) in the calendar year in which the Certificates are issued is not reasonably expected to exceed \$5,000,000.

(i) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Director of Finance or City Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Notes, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(j) Qualified Tax Exempt Obligations. In accordance with the provisions of paragraph (3) of subsection (b) of Section 265 of the Code, the City hereby designates the Notes to be "qualified tax exempt obligations" in that the Notes are not "private activity bonds" as defined in the Code and the reasonably anticipated amount of "qualified tax exempt obligations" to be issued by the City (including all subordinate entities of the City) for the calendar year of 2013 will not exceed \$10,000,000.

SECTION 23: Sale of Notes. The offer of _____ (herein referred to as the "Purchasers") to purchase the Notes in accordance with a Note Purchase Agreement, dated as of November 5, 2013, attached hereto as Exhibit B and incorporated herein by reference as a part of this Ordinance for all purposes is hereby accepted, and the sale of the Notes to said Purchasers is hereby approved and authorized, and declared to be in the best interest of the City. The Mayor is hereby authorized and directed to execute the acceptance clause thereof for and on behalf of the City and as the act and deed of this City Council. Delivery of the Notes to the Purchasers shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale.

SECTION 24: Proceeds of Sale. The proceeds of sale of the Notes, excluding amounts to pay costs of issuance, shall be deposited in a construction fund maintained at the City's depository bank. Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, as amended, including guaranteed investment contracts permitted by Texas Government Code, Section 2256.015 et seq., and the City's investment policies and guidelines, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Note Fund as shall be determined by the City Council. Accrued interest as well as all surplus proceeds of sale of the Notes, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Note Fund.

SECTION 25: Control and Custody of Notes. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending the sale of the Notes, the investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Notes, and shall take and have charge and control of the Initial Note(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

SECTION 26: Notices to Holders - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to

the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Notes. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 27: Cancellation. All Notes surrendered for payment, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Notes previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Notes so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Notes held by the Paying Agent/Registrar shall be returned to the City.

SECTION 28: Bond Counsel's Opinion. The Purchasers' obligation to accept delivery of the Notes is subject to being furnished a final opinion of Fulbright & Jaworski LLP, Dallas, Texas, approving the Notes as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Notes. An executed counterpart of said opinion shall accompany the global Notes deposited with DTC or a reproduction thereof shall be printed on the definitive Notes in the event the book-entry-only system shall be discontinued.

SECTION 29: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Notes. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Notes shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Notes as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Notes.

SECTION 30: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, and this Ordinance and all its provisions is intended to be and shall be for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

SECTION 31: Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 32: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 33: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 34: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 35: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 36: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance, sale and delivery of the Notes. In addition, prior to the initial delivery of the Notes, the Mayor, Mayor Pro Tem, City Manager, Director of Finance, City Secretary or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect, or omission in the Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Notes by the Attorney General. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 37: Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble of this Ordinance are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were related in full in this Section.

SECTION 38: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 39: Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

[Remainder of page left blank intentionally.]

PASSED AND ADOPTED, this November 5, 2013.

CITY OF FARMERSVILLE, TEXAS

Joseph E. Helmberger, P.E., Mayor

ATTEST:

Edie Sims, City Secretary

(City Seal)

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT B
NOTE PURCHASE AGREEMENT



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Consider, discuss and act upon accepting three donations from the Farmersville Chamber of Commerce. One for use on the Chaparral Trail, one for the Fire Department and one for the Police Department

- Chamber is donating \$1,000 for use on the Chaparral Trail
- Chamber is donating \$100 to the Fire Department
- Chamber is donating \$100 to the Police Department

ACTION: Approve or disapprove donations.



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Consider, discuss and act upon dumpsters located in right-of-ways of City streets

- City Manager Ben White to discuss this item

ACTION: Council to make decisions as deemed necessary.



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Receive, discuss and act upon information presented from the Environmental Protection Agency regarding Brownfield properties

- Representatives from the Environmental Protection Agency will be present to offer a presentation and answer questions

ACTION: Council to make decisions as deemed necessary.



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Consider, discuss and act upon a site plan for a Travel Center located along Highway 380 east of Bob Tedford Drive

- A Site Plan will be delivered to Council for review
- P&Z met on this issue November 4th. Council will receive P&Z's recommendation at the Council meeting.

ACTION: Approve or disapprove site plan as presented.



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Consider, discuss and act upon a site plan for a skilled nursing facility to be located at or about the north side of West Audie Murphy Parkway and west of Bob Tedford Drive, Farmersville

- A Site Plan will be delivered to Council for review
- P&Z met on this issue November 4th. Council will receive P&Z's recommendation at the Council meeting.

ACTION: Approve or disapprove site plan as presented.



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Consider, discuss and act upon awarding the bid for the 12" water line bond project

- Bids were received November 4th for this project.
- City Engineer Eddy Daniel will have the bid tab sheet and a recommendation letter to the Council on Tuesday.

ACTION: Award bid project for the 12" water line bond project



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Consider, discuss and act upon awarding the bid for the street overlay bond projects

- Bids were received November 4th for this project.
- City Engineer Eddy Daniel will have the bid tab sheet and a recommendation letter to the Council on Tuesday.

ACTION: Award bid project for the street overlay projects.



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: November 5, 2013

SUBJECT: Consider, discuss and act upon an Interlocal Agreement between Collin County and the City of Farmersville regarding the Chaparral Trail Enhancement project

- Interlocal Agreement is attached for review

ACTION: Approve or disapprove agreement as presented.



COLLIN COUNTY

Special Projects
4690 Community Avenue, Suite 200
McKinney, Texas 75071
972-548-3744
www.collincountytx.gov

October 16, 2013

City of Farmersville
Edie Sims
205 S. Main Street
Farmersville, Texas 75442

RE: Collin County Project Funding Assistance Program

The Collin County Parks Foundation Advisory Board completed review of applications and provided funding recommendations, which were approved by Commissioners Court on October 7, 2013.

On behalf of Commissioners Court, the Advisory Board is pleased to inform you that the **Chaparral Trail Enhancement** project was awarded **\$150,000.00** in funding.

Enclosed are four (4) originals of the Interlocal Agreement for execution. **Please leave signature tags affixed and return all signed originals to Teresa Nelson at the above address.** Upon execution by the Collin County Commissioners Court an original will be returned for your file. The project must not commence until both parties have executed this Agreement.

The 2007 Parks and Open Space Bond, 4th Series, will provide funding assistance to twelve (12) applicants for a total of \$2,235,782.00.

If you have any questions you may contact Teresa Nelson (972) 548-3744.

Best regards,

Jerry Kezhaya
Chairperson
Parks Foundation Advisory Board

Enclosure

**INTERLOCAL AGREEMENT
BETWEEN
COLLIN COUNTY
AND THE
CITY OF FARMERSVILLE**

WHEREAS, the County of Collin, Texas (“County”) and the City of Farmersville (“City”) desire to enter into an Agreement concerning construction and land acquisition for Chaparral Trail in the City of Farmersville, Collin County, Texas; and

WHEREAS, the Interlocal Cooperation Act (Texas Government Code Chapter 791) authorizes any local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act; and

WHEREAS, the City and County have determined that the trail construction, improvements and land acquisition may be accomplished most economically by implementing this Agreement; and

WHEREAS, the City and the County find that this Agreement will benefit the residents of the County and provide additional park and recreational facilities and open space for all County residents; and

WHEREAS, this Agreement will support or advance the mission of the Collin County Parks and Open Space Strategic Plan and the Collin County Regional Trails Master Plan;

NOW, THEREFORE, this Agreement is made and entered into by the County and the City upon and for the mutual consideration stated herein.

WITNESSETH:

ARTICLE I.

The City shall arrange for trail construction, improvements and land acquisition for Chaparral Trail hereinafter called the “Project”. The Project shall consist of the items described in Exhibit “A”.

ARTICLE II.

The City shall develop plans in accordance with all state statutory requirements. The City shall provide the County with a copy of executed contract(s) for the Project. Changes to the project which alter the initial funding request referenced in Exhibit “A” must be reviewed by the Parks Foundation Advisory Board and approved by Commissioners Court.

ARTICLE III.

The City will not expend assistance funds to acquire easements or real property for use as right-of-way.

ARTICLE IV.

The City estimates the total actual cost of the project to be \$300,000.00. The County agrees to fund a portion of the total cost for items described in Exhibit "A" in an amount not to exceed **\$150,000.00**. The County shall reimburse the City for invoices paid by the City for cost related to the Project on a dollar for dollar matching basis. Alternative payment schedules would require Commissioners Court approval.

ARTICLE V.

Collin County's participation in this project shall not exceed \$150,000.00 as indicated in Article IV above. The City shall be responsible for any costs, which exceed the total estimated project cost.

ARTICLE VI.

The City shall install a **project sign** identifying the project as being partially funded by the Collin County 2007 Parks and Open Space Bond Program. The City shall also provide **before, during and after photos** and **quarterly progress reports** in electronic format to the contact identified on Exhibit "A". Following completion of the project, the City shall provide **an itemized final accounting of expenditures** including in-kind services or donations for the project. All projects for which the County has provided funds through its 2007 Parks and Open Space Bond Program must remain open and accessible to all County residents.

ARTICLE VII.

The City and County agree that the party paying for the performance of governmental functions or services shall make those payments only from current revenues legally available to the paying party.

ARTICLE VIII.

INDEMNIFICATION. To the extent allowed by law, each party agrees to release, defend, indemnify, and hold harmless the other (and its officers, agents, and employees) from and against all claims or causes of action for injuries (including death), property damages (including loss of use), and any other losses, demands, suits, judgements and costs, including reasonable attorneys' fees and expenses, in any way arising out of, related to, or resulting from its performance under this Agreement, or caused by its negligent acts or omissions (or those of its respective officers, agents, employees, or any other third parties for whom it is legally responsible) in connection with performing this Agreement.

ARTICLE IX.

VENUE. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement. The parties agree that this Agreement is performable in Collin County, Texas and that exclusive venue shall lie in Collin County, Texas.

ARTICLE X.

SEVERABILITY. The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation having the force and effect of the law, the remaining portions of the Agreement shall be enforced as if the invalid provision had never been included.

ARTICLE XI.

ENTIRE AGREEMENT. This Agreement embodies the entire Agreement between the parties and may only be modified in writing executed by both parties.

ARTICLE XII.

SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon the parties hereto, their successors, heirs, personal representatives and assigns. Neither party will assign or transfer an interest in this Agreement without the written consent of the other party.

ARTICLE XIII.

IMMUNITY. It is expressly understood and agreed that, in the execution of this Agreement, neither party waives, nor shall be deemed hereby to have waived any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein, and this Agreement shall not create any rights in parties not signatories hereto.

ARTICLE XIV.

TERM. This Agreement shall be effective upon execution by both parties and shall continue in effect annually until final acceptance of the Project.

ARTICLE XV.

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

APPROVED AS TO FORM:

By: _____
Name: _____
Title: _____
Date: _____

COUNTY OF COLLIN, TEXAS

By: _____
Name: Keith Self
Title: County Judge
Date: _____
Executed on this ____ day of _____,
201 __, by the County of Collin,
pursuant to Commissioners' Court
Order No. _____.

ATTEST:

By: _____
Name: _____
Title: _____
Date: _____

CITY OF FARMERSVILLE

By: _____
Name: _____
Title: _____
Date: _____
Executed on behalf of the City of
Farmersville pursuant to City
Council Resolution No. _____

APPROVED AS TO FORM:

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT "A"

The County will provide funding assistance for the following:

- Granite trail material, including placement of material
- Gravel parking area at Merit trail head
- Concrete parking area at Onion Shed
- Re-surface railroad bridge and add safety railing
- Pipe fencing
- Land acquisition (approximately 1 acre)

Total funding

\$150,000.00

Contact Information

Request for reimbursement submitted to:

Collin County Special Projects
Teresa Nelson
4690 Community Avenue, Suite 200
McKinney, Texas 75071
972-548-3744

Submission of quarterly reports:

Teresa Nelson
tnelson@collincountytexas.gov

Project Manager Contact: (must be able to answer specific questions regarding project)

Name: _____

Address: _____

Phone: _____

Fax: _____

Email: _____