

Agenda Section	Regular Agenda
Section Number	VII.F
Subject	Update on Home Rule status.
To	Mayor and Council Members
From	Ben White, City Manager
Date	June 13, 2017
Attachment(s)	None
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	<ul style="list-style-type: none"> • Discussion led by Alan Lathrom • City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

Agenda Section	Regular Agenda
Section Number	VII.G
Subject	Consider, discuss, and act upon moving toward automated phone attendant instead of answering service.
To	Mayor and Council Members
From	Ben White, City Manager
Date	June 13, 2017
Attachment(s)	None
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	<ul style="list-style-type: none"> • The City is now in a position to move from the live answering service to an automated phone attendant that would place a call to the staff member on duty. • Printout showing the last three years charges • City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action



Vendor Set **11-AP VENDOR LIST** Name **ADVANCED ANSWERING SOLUTIONS**
Vendor **184** Status **Active**

General Other **Detail** Checks Information Comments Purchase Orders

Reference
Default Template **MAIN**
MCKINNEY SECRETARIAL SER.
Last Activity **5/23/2017**

History

Fiscal Year	Purchases	Discounts
2016-2017	1522.25	.00
2015-2016	1463.75	.00
2014-2015	1588.50	.00

Payment Options

Payment Method **Regular**
Stub Method **Default**
One Item per Check ☐
EFT Profile

Terms

% **0.00**
☒ Days
☐ Day of Month
Day **0**

Net

☒ Days
☐ Day of Month
Day **30**

Notes

☐ Edit This Record

View

daphne.ham

Agenda Section	Regular Agenda
Section Number	VII.H
Subject	Consider, discuss and act upon DBI contract for the Main Street Revitalization Grant.
To	Mayor and Council Members
From	Ben White, City Manager
Date	June 13, 2017
Attachment(s)	DBI Contract
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

ENGINEERING/ARCHITECTURAL/SURVEYOR SERVICES

THIS AGREEMENT, entered into this 24th day of February, 2017, by and between the City of Farmersville, hereinafter called the "City", acting herein by Benjamin L. White, P.E., City Manager hereunto duly authorized, and Daniel & Brown Inc., hereinafter called "Firm," acting herein by Eddy W. Daniel, P.E.

WITNESSETH THAT:

WHEREAS, the City of Farmersville desires to construct public infrastructure improvements under the general direction of the Texas Community Development Block Grant (hereinafter called "TxCDBG") Program of the Texas Department of Agriculture (TDA); and Whereas the City desires to engage Daniel & Brown Inc. to render certain engineering/surveyor/architectural services in connection with the TxCDBG Project, Contract Number 7216322.

NOW THEREFORE, the parties do mutually agree as follows:

1. Definitions:

Throughout this document:

- A. "Agreement" refers to this contract between the City and the Firm to assist with the engineering of all or any portion of a community development block grant from the Texas Department of Agriculture.
- B. "Firm" refers to the professional services provider engaged to assist the City with the engineering of all or a portion of a community development block grant from the Texas Department of Agriculture.
- C. "Parties" refer to the Firm and the City.

2. Scope of Services

The Firm will perform the services set out in Part II, Scope of Services.

- 3. Time of Performance - The services of the Firm shall commence on February 27, 2017. In any event, all of the services required and performed hereunder shall be completed no later than April 24, 2019.
- 4. Local Program Liaison - For purposes of this Agreement, the City Manager or equivalent authorized person will serve as the Local Program Liaison and primary point of contact for the Firm. All required progress reports and communication regarding the project shall be directed to this liaison and other local personnel as appropriate.
- 5. Access to Information – Access to Records - The U.S. Department of Housing and Urban Development (HUD), Inspectors General, the Comptroller General of the United States, the Texas Department of Agriculture (TDA), and the City/County, or any of their authorized representatives, shall have access to any documents, papers, or other records of the Firm which are pertinent to the TxCDBG award, in order to make audits, examinations, excerpts, and transcripts, and to closeout the City/County's TxCDBG contract with TDA.
- 6. Compensation and Method of Payment - The maximum amount of compensation and reimbursement to be paid hereunder shall not exceed \$45,000.00. Payment to the Firm shall be based on satisfactory completion of identified milestones in Part III - Payment Schedule of this Agreement.
- 7. Indemnification – The Firm shall comply with the requirements of all applicable laws, rules and regulations, and shall exonerate, indemnify, and hold harmless the City and its agency members from and against any and all claims, costs, suits, and damages, including attorney's fees, arising out

of the Firm's performance or nonperformance of the activities, services or subject matter called for in this Agreement, and shall assume full responsibility for payments of Federal, State and local taxes on contributions imposed or required under the Social Security, worker's compensation and income tax laws.

8. Miscellaneous Provisions

- a. This Agreement shall be construed under and accord with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Collin County, Texas.
- b. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns where permitted by this Agreement.
- c. In any case one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
- d. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.
- e. This Agreement may be amended by mutual agreement of the parties hereto and a writing to be attached to and incorporated into this Agreement.

9. Extent of Agreement

This Agreement, which includes Parts I-V, represents the entire and integrated agreement between the City and the Firm and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by authorized representatives of both City and the Firm.

10. Retention of Records - The Firm shall retain all required records for three years after the City/County makes its final payment and all pending matters are closed.

IN WITNESSETH WHEREOF, the parties have executed this Agreement by causing the same to be signed on the day and year first above written.

BY: _____

(Local City Official)

(Printed Name)

(Title)

BY: Eddy W. Daniel, P.E.

(Firm/Contractor's Authorized Representative)

Eddy W. Daniel, P.E.

(Printed Name)

President

(Title)

Part II
SCOPE OF SERVICES

The Firm shall render the following professional services necessary for the development of the project:
(Choose appropriate contracted services)

SCOPE OF SERVICES

1. Attend preliminary conferences with the City regarding the requirements of the project.
2. Determine necessity for acquisition of any additional real property/easements/right-of-ways (ROWs) for the TxCDBG project and, if applicable, furnish to the City:
 - a. Name and address of property owners;
 - b. Legal description of parcels to be acquired; and
 - c. Map showing entire tract with designation of part to be acquired.
3. Make any necessary surveys of existing rights-of-way, topography, utilities, or other field data required for proper design of the project. Provide consultation and advice as to the necessity of the City providing or obtaining other services such as auger borings, core borings, soil tests, or other subsurface explorations; laboratory testing and inspecting of samples or materials; other special consultations. The Firm will review any tests required and act as the City's representative in connection with any such services.
4. Prepare railroad/highway permits.
5. Prepare a preliminary engineering/architectural study and report on the project in sufficient detail to indicate clearly the problems involved and the alternate solutions available to the City, to include preliminary layouts, sketches and cost estimates for the project, and to set forth clearly the Firm's recommendations; to be completed within 60 days of execution of this Agreement.
6. Furnish the City copies of the preliminary report, if applicable (additional copies will be furnished to the City at direct cost of reproduction).
7. Furnish the City a written monthly status report at least seven (7) days prior to the regularly scheduled council/commissioner's court meeting until the project is closed by TDA. The format for this report is attached to this Agreement as Exhibit 1.
8. Submit detailed drawings and plans/specifications to appropriate regulatory agency(ies) and obtain clearance.
9. Prepare bid packet/contract documents/advertisement for bids. At the time the bid packet is completed, the Firm shall also furnish to the City an updated written Estimate of Probable Costs for the Project.
10. Make 10-day call to confirm prevailing wage decision.
11. Incorporate any and all wage rate modifications or supersedes via bid addendum (if applicable).
12. Conduct bid opening and prepare minutes.
13. Tabulate, analyze, and review bids for completeness and accuracy.
14. Accomplish construction contractor's eligibility verification through www.SAM.gov.
15. Conduct pre-construction conference and prepare copy of report/minutes.
16. Issue Notice to Proceed to construction contractor.
17. Provide in all proposed construction contracts deductive alternatives where feasible, so that should the lowest responsive base bid for construction exceed the funds available, deductive alternatives can be taken to reduce the bid price.
18. Design for access by persons with disabilities for those facilities to be used by the public in accordance with Public Law 504.

19. Use TDA-approved forms for instructions to bidders, general conditions, contract, bid bond, performance bond, and payment bond.
20. Make periodic visits, no less than every 30 days during the construction period, to the site to observe the progress and quality of the work, and to determine, in general, if the work is proceeding in accordance with the Agreement.
21. Consult with and advise the City during construction; issue to contractors all instructions requested by the City; and prepare routine change orders if required, at no charge for engineering services to the City when the change order is required to correct errors or omissions by the Firm; provide price analysis for change orders; process change orders approved by City and the Firm and submit to TDA for approval prior to execution with the construction contractor.
22. Review shop and working drawings furnished by contractors for compliance with design concept and with information given in contract documents (contractors will be responsible for dimensions to be confirmed and correlated at job site).
23. Resolve all payment requests within 14 days of receipt of signed pay request from the construction contractor.
24. Based on the Firm's on-site observations and review of the contractor's applications for payment, determine the amount owed to the contractor in such amounts; such approvals of payment to constitute a representation to the City, based on such observations and review, that the work has progressed to the point indicated and that the quality of work is in accordance with the plans, specifications and contract documents.
25. Recommend that a 10% retainage is withheld from all payments on construction contracts until final acceptance by the City and approval by TDA, unless State or local law provides otherwise.
26. Prepare Certificate of Construction Completion and Clean Lien Certificate. A Clean Lien Certificate may be prepared for each of the Prime Contractor(s) and each of the subcontractor(s).
27. Conduct interim/final inspections.
28. Revise contract drawings to show the work as actually constructed, and furnish the City with a set of "record drawings" plans.
29. The Firm will provide a copy of the final project record drawing(s) engineering schematic(s), as constructed using funds under this contract. These maps shall be provided in digital format containing the source map data (original vector data) and the graphic data in files on machine readable media, such as compact disc (CD), which are compatible with computer systems owned or readily available to the owner. The digital copy provided shall not include a digital representation of the engineer's seal but the accompanying documentation from the Firm shall include a signed statement of when the map was authorized, that the digital map is a true representation of the original sealed document, and that a printed version with the seal has been provided to the City. In addition, complete documentation as to the content and layout of the data files and the name of the software package(s) used to generate the data and maps shall be provided to the owner in written form.

SUBCONTRACTS

1. No work under this Agreement shall be subcontracted by the Firm without prior approval, in writing, from the City.
2. The Firm shall, prior to proceeding with the work, notify the City in writing of the name of any subcontractors proposed for the work, including the extent and character of the work to be done by each.

3. If any time during progress of the work, the City determines that any subcontractor is incompetent or undesirable, the City will notify the Firm who shall take reasonable and immediate steps to satisfactorily cure the problem, substitute performance, or cancel such subcontract. Subletting by subcontractors shall be subject to the same regulations. Nothing contained in this Agreement shall create any contractual relation between any subcontractor and the City.
4. The Firm will include in all contracts and subcontracts in excess of \$150,000 a provision which requires compliance with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C 7401-7671q) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251-1387). The provisions shall require reporting of violations to TDA and to the Regional Office of the Environmental Protection Agency (EPA).
5. The Firm will include in all contracts and subcontracts in excess of \$150,000 provisions or conditions which will allow for administrative, contractual or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
6. The Firm will include in all contracts and subcontracts in excess of \$10,000 provisions addressing termination for cause and for convenience by the City including the manner by which it will be effected and the basis for settlement..
7. The Firm will include in all contracts and subcontracts provisions requiring compliance with the following, if applicable:
 - a. Prime construction contracts in excess of \$2,000, compliance with the Davis-Bacon Act, as amended (40 U.S.C.3141-3144, 3146-3148) as supplemented by Department of Labor regulations (29 CFR part 5);
 - b. Prime construction contracts in excess of \$2,000, compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR part 3)
 - c. Contracts greater than \$10,000, the inclusion of the Equal Opportunity clause provided under 41 CFR 60-1.4(b) (Executive Order 11246);
 - d. Section 3 of the Housing and Urban Development Act of 1969;
 - e. Contracts exceeding \$100,000, compliance with the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352);
 - f. For contracts in excess of \$100,000 that involve the employment of mechanics or laborers, compliance with the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708), including work week requirements and safety conditions for workers, as supplemented by Department of Labor regulations (29 CFR Part 5); and
 - g. For procurement of recovered materials where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000, compliance with 2 CFR 200.322 and section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, which requires procuring only items designated in guidelines of the EPA at 40 CFR part 247 that contain the highest percentage of recovered materials practicable.
8. The Firm will include in all negotiated contracts and subcontracts a provision which indicates that funds will not be awarded under this contract to any party which is debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 and 2 CFR Part 2424. A certification shall be provided and received from each proposed subcontractor under this contract and its principals.
9. The Firm will include in all negotiated contracts and subcontracts a provision to the effect that the City, TDA, the Texas Comptroller of Public Accounts, the Comptroller General of the United

States, the U.S. Department of Housing and Urban Development (HUD), or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to that specific contract, for the purpose of making audit, examination, excerpts, and transcriptions.

10. The Firm will include in all contracts and subcontracts a requirement that the contractor maintain all relevant project records for three (3) years after the City has made final payment to the contractor and all other pending matters are closed.

STANDARD OF PERFORMANCE AND DEFICIENCIES

1. All services of the Firm and its independent professional associates, consultants and subcontractors will be performed in a professional, reasonable and prudent manner in accordance with generally accepted professional practice. The Firm represents that it has the required skills and capacity to perform work and services to be provided under this Agreement.
 2. The Firm represents that services provided under this Agreement shall be performed within the limits prescribed by the City in a manner consistent with that level of care and skill ordinarily exercised by other professional consultants under similar circumstances.
 3. Any deficiency in Firm's work and services performed under this contract shall be subject to the provisions of applicable state and federal law. Any deficiency discovered shall be corrected upon notice from City and at the Firm's expense if the deficiency is due to Firm's negligence. The City shall notify the Firm in writing of any such deficiency and provide an opportunity for mutual investigation and resolution of the problem prior to pursuit of any judicial remedy. In any case, this provision shall in no way limit the judicial remedies available to the City under applicable state or federal law.
 4. The Firm agrees to and shall hold harmless the City, its officers, employees, and agents from all claims and liability of whatsoever kind or character due to or arising solely out of the negligent acts or omissions of the Firm, its officers, agents, employees, subcontractors, and others acting for or under the direction of the Firm doing the work herein contracted for or by or in consequence of any negligence in the performance of this Agreement, or by or on account of any omission in the performance of this Agreement.
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PART III - PAYMENT SCHEDULE

City shall reimburse the Firm for professional services provided upon completion of the following project milestones per the following percentages of the maximum contract amount:

Milestone	% of Contract Fee
• Approval of Preliminary Engineering Plans and Specifications by City.	20%
• Approval of Plans and Specifications by Regulatory Agency(ies).	30%
• Completion of bid advertisement and contract award.	20%
• Completion of construction staking.	10%
• Completion of Final Closeout Assessment and submittal of "As Builts" to City.	10%
• Completion of final inspection and acceptance by the City.	10%
Total	100%

NOTE: Percentages of payment listed here are general guidelines based on engineering services typically provided. These are negotiable, and should serve only as a guide. Payment schedule should be tied directly to the actual Scope of Work identified in Part II - Scope of Services.

SPECIAL SERVICES

Special Services shall be reimbursed under the following hourly rate schedule: (List all applicable services to include overhead charge).

Registered Surveyor	\$ 105.00
Survey Crew (3 members)	\$ 150.00
Project Engineer	\$ 150.00
Engineering Technician	\$ 90.00
Project Representative	\$ 65.00
Draftsman	\$ 65.00

The fee for all other Special Services shall not exceed a total of Ten Thousand and No/100 Dollars (\$10,000.00). The payment for these Special Services shall be paid as a lump sum, per the following schedule:

1. The Firm shall be paid upon completion of surveying, necessary field data, and acquisition data, if applicable, the sum of NA and No/100 Dollars (\$NA).
2. The Firm shall be reimbursed the actual costs of necessary testing based on itemized billing statements from the independent testing laboratory, plus a Five percent (5 %) overhead charge. All fees for testing shall not exceed a total of Five Thousand and No/100 Dollars (\$5,000.00).
3. The payment requests shall be prepared by the Firm and be accompanied by such supporting data to substantiate the amounts requested.
4. Any work performed by the Firm prior to the execution of this Agreement is at the Firm's sole risk and expense.

PART IV

TERMS AND CONDITIONS

1. Termination of Agreement for Cause. If the Firm fails to fulfill in a timely and proper manner its obligations under this Agreement, or if the Firm violates any of the covenants, conditions, agreements, or stipulations of this Agreement, the City shall have the right to terminate this Agreement by giving written notice to the Firm of such termination and specifying the effective date thereof, which shall be at least five days before the effective date of such termination. In the event of termination for cause, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Firm pursuant to this Agreement shall, at the option of the City, be turned over to the City / County and become the property of the City / County. In the event of termination for cause, the Firm shall be entitled to receive reasonable compensation for any necessary services actually and satisfactorily performed prior to the date of termination.

Notwithstanding the above, the Firm shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Agreement by the Firm, and the City may set-off the damages it incurred as a result of the Firm's breach of the contract from any amounts it might otherwise owe the Firm.

2. City/County may at any time and for any reason terminate Contractor's services and work at City/County's convenience upon providing written notice to the Contractor specifying the extent of termination and the effective date. Upon receipt of such notice, Contractor shall, unless the notice directs otherwise, immediately discontinue the work and placing of orders for materials, facilities and supplies in connection with the performance of this Agreement.

Upon such termination, Contractor shall be entitled to payment only as follows: (1) the actual cost of the work completed in conformity with this Agreement; plus, (2) such other costs actually incurred by Contractor as are permitted by the prime contract and approved by City/County; (3) plus ten percent (10%) of the cost of the work referred to in subparagraph (1) above for overhead and profit. There shall be deducted from such sums as provided in this subparagraph the amount of any payments made to Contractor prior to the date of the termination of this Agreement. Contractor shall not be entitled to any claim or claim of lien against City/County for any additional compensation or damages in the event of such termination and payment.

3. Changes. The City may, from time to time, request changes in the services the Firm will perform under this Agreement. Such changes, including any increase or decrease in the amount of the Firm's compensation, must be agreed to by all parties and finalized through a signed, written amendment to this Agreement.
4. Resolution of Program Non-Compliance and Disallowed Costs. In the event of any dispute, claim, question, or disagreement arising from or relating to this Agreement, or the breach thereof, including determination of responsibility for any costs disallowed as a result of non-compliance with federal, state or TxCDBG program requirements, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, the parties shall consult and negotiate with each other in good faith within 30 days of receipt of a written notice of the dispute or invitation to negotiate, and attempt to reach a just and equitable solution satisfactory to both parties. If the matter is not resolved by negotiation within 30 days of receipt

of written notice or invitation to negotiate, the parties agree first to try in good faith to settle the matter by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to arbitration, litigation, or some other dispute resolution procedure. The parties may enter into a written amendment to this Amendment and choose a mediator that is not affiliated with the American Arbitration Association. The parties shall bear the costs of such mediation equally. If the matter is not resolved through such mediation within 60 days of the initiation of that procedure, either party may proceed to file suit.

5. Personnel.

- a. The Firm represents that he/she/it has, or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the City.
- b. All of the services required hereunder will be performed by the Firm or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.
- c. None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Agreement.

6. Assignability. The Firm shall not assign any interest on this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the City thereto; Provided, however, that claims for money by the Firm from the City under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the City.

7. Reports and Information. The Firm, at such times and in such forms as the City may require, shall furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Agreement.

8. Records and Audits. The Firm shall insure that the City maintains fiscal records and supporting documentation for all expenditures of funds made under this contract in a manner that conforms to 2 CFR 200.300-.309, 24 CFR 570.490, and this Agreement. Such records must include data on the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the funds provided under this Agreement. The Firm and the City shall retain such records, and any supporting documentation, for the greater of three years from closeout of the Agreement or the period required by other applicable laws and regulations.

9. Findings Confidential. All of the reports, information, data, etc., prepared or assembled by the Firm under this contract are confidential and the Firm agrees that they shall not be made available to any individual or organization without the prior written approval of the City.

10. Copyright. No report, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Firm.

11. Compliance with Local Laws. The Firm shall comply with all applicable laws, ordinances and codes of the State and local governments, and the Firm shall save the City harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Agreement.

12. Conflicts of interest.

a. Governing Body. No member of the governing body of the City and no other officer, employee, or agent of the City, who exercises any functions or responsibilities in connection with administration, construction, engineering, or implementation of TxCDBG award between TDA and the City / County, shall have any personal financial interest, direct or indirect, in the Firm or this Agreement; and the Firm shall take appropriate steps to assure compliance.

b. Other Local Public Officials. No other public official, who exercises any functions or responsibilities in connection with the planning and carrying out of administration, construction, engineering or implementation of the TxCDBG award between TDA and the City, shall have any personal financial interest, direct or indirect, in the Firm or this Agreement; and the Firm shall take appropriate steps to assure compliance.

D. The Firm and Employees. The Firm warrants and represents that it has no conflict of interest associated with the TxCDBG award between TDA and the City or this Agreement. The Firm further warrants and represents that it shall not acquire an interest, direct or indirect, in any geographic area that may benefit from the TxCDBG award between TDA and the City or in any business, entity, organization or person that may benefit from the award. The Firm further agrees that it will not employ an individual with a conflict of interest as described herein.

13. Debarment and Suspension (Executive Orders 12549 and 12689)

The Firm certifies, by entering into this Agreement, that neither it nor its principals are presently debarred, suspended, or otherwise excluded from or ineligible for participation in federally-assisted programs under Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235). The term "principal" for purposes of this Agreement is defined as an officer, director, owner, partner, key employee, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Firm. The Firm understands that it must not make any award or permit any award (or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension."

Federal Civil Rights Compliance.

During the performance of this Agreement, the Firm agrees as follows:

14. Equal Opportunity Clause (applicable to contracts and subcontracts over \$10,000).

During the performance of this contract, the Firm agrees as follows:

- a. The Firm will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Firm will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Firm agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- b. The Firm will, in all solicitations or advertisements for employees placed by or on behalf of the Firm, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- c. The Firm will not discourage or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- d. The Firm will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Firm's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- e. The Firm will comply with all provisions of Executive Order 11246 of September 24, 1965, "Equal Employment Opportunity," and of the rules, regulations, and relevant orders of the Secretary of Labor.
- f. The Firm will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- g. In the event of the Firm's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Firm may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- h. The Firm will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Firm will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event a Firm becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the Firm may request the United States to enter into such litigation to protect the interests of the United States.
15. Civil Rights Act of 1964. Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, religion, sex, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
16. Section 109 of the Housing and Community Development Act of 1974. The Firm shall comply with the provisions of Section 109 of the Housing and Community Development Act of 1974. No person in the United States shall on the ground of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.
17. Section 504 of the Rehabilitation Act of 1973, as amended. The Firm agrees that no otherwise qualified individual with disabilities shall, solely by reason of his/her disability, be denied the benefits of, or be subjected to discrimination, including discrimination in employment, under any program or activity receiving federal financial assistance.
18. Age Discrimination Act of 1975. The Firm shall comply with the Age Discrimination Act of 1975 which provides that no person in the United States shall on the basis of age be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.
19. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) (if contract greater than or equal to \$100,000) The Firm certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining this contract. The Firm shall disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

[If this Contract is greater than \$100,000, include the following Section 3 language:]

20. Economic Opportunities for Section 3 Residents and Section 3 Business Concerns.

a. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

b. The parties to this Agreement agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

c. The Firm agrees to send to each labor organization or representative of workers with which the Firm has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Firm's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

d. The Firm agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The Firm will not subcontract with any subcontractor where the Firm has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

e. The Firm will certify that any vacant employment positions, including training positions, that are filled (1) after the Firm is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Firm's obligations under 24 CFR part 135.

f. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

g. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to

comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

PART V
PROJECT TIME SCHEDULE
ENGINEERING/ARCHITECTURAL/SURVEYOR
PROFESSIONAL SERVICES

Activity To Be Completed by Date Specified:		Milestone Date
Plans and Specifications Completed	Month 6	8/24/2017
Plans and Specifications Submitted for Approval (as required)	Month 6	8/24/2017
Construction Contract Awarded & Executed	Month 9	11/24/2017
Construction – 50% TxCDBG project complete	Month 14	4/24/2018
Construction – 75% TxCDBG project complete	Month 17	7/24/2018
Construction – 90% TxCDBG project complete	Month 19	9/24/2018
Construction & Final Inspections Completed	Month 20	10/24/2018

Agenda Section	Regular Agenda
Section Number	VII.I
Subject	Consider, discuss and act upon contracts for professional services regarding the Wastewater Treatment Plant Project funded by the Clean Water State Revolving Fund (CWSRF) Loan.
To	Mayor and Council Members
From	Ben White, City Manager
Date	June 13, 2017
Attachment(s)	<ul style="list-style-type: none"> • Contract for White Hawk Engineering • Contract for Norton, Rose, Fulbright
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

NORTON ROSE FULBRIGHT

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201-7932
United States

May 19, 2017

Kristen Savant
Partner
Direct line +1 214 855 8072
kristen.savant@nortonrosefulbright.com

VIA FEDERAL EXPRESS

Ms. Sandra Green
City Secretary
City of Farmersville
205 South Main Street
Farmersville, Texas 75442

Tel +1 214 855 8000
Fax +1 214 855 8200
nortonrosefulbright.com

Re: City of Farmersville, Texas, Bond Counsel Services

Dear Ms. Green:

Enclosed herewith please find two (2) originals of our engagement letter with the City. If approved by the City Council, both originals should be executed. One signed original is to be retained for the City's records and one original is to be returned to us.

Should you have any questions, please do not hesitate to contact us. We look forward to working with the City in connection with this financing.

Very truly yours,


Kristen Savant

KS:dfc
Enclosures



NORTON ROSE FULBRIGHT

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201-7932
United States

Tel +1 214 855 8000
Fax +1 214 855 8200
nortonrosefulbright.com

June 13, 2017

Honorable Mayor and City Council
City of Farmersville
205 S. Main Street
Farmersville, TX 75442

Re: Bond Counsel Services

Mayor and Members of the City Council:

We sincerely appreciate the opportunity to continue to serve as bond counsel to the City. This letter confirms that Norton Rose Fulbright US LLP, will represent the City of Farmersville, Texas as bond counsel in connection with the proposed authorization, sale, and issuance of the bonds or other debt obligations (the "Obligations"). Your acceptance of that representation (the "Representation") becomes effective upon the execution and return of the enclosed copy of this letter.

Terms of Engagement

This letter sets out the terms of our engagement in the Representation. Certain of those terms are included in the body of this letter, and additional terms are contained in the attached document, entitled *Additional Terms of Engagement*. That document is expressly incorporated into this letter, and it should be read carefully. The execution and return of the enclosed copy of this letter constitutes an unqualified agreement to all the terms set forth in this letter and in the attached *Additional Terms of Engagement*.

It is understood and agreed that our engagement is limited to the Representation. We are not being retained as general counsel, and our acceptance of this engagement does not imply any undertaking to provide legal services other than those set forth in this letter.

As bond counsel, we expect to perform the following duties:

- (1) subject to completion of proceedings to our satisfaction, render our legal opinion (the "Bond Opinion") regarding the validity and binding effect of the Obligations, the source of payment and security for the Obligations, and the federal income tax treatment of interest on the Obligations;

Norton Rose Fulbright US LLP is a limited liability partnership registered under the laws of Texas

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Norton Rose Fulbright US LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright Canada LLP and Norton Rose Fulbright South Africa Inc are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss verein. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients. Details of each entity, with certain regulatory information, are available at nortonrosefulbright.com

- (2) prepare and review documents necessary or appropriate to the authorization, issuance, sale, and delivery of the Obligations, and coordinate the authorization and execution of such documents;
- (3) assist you in seeking from other governmental authorities such approvals, permissions, and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance, sale, and delivery of the Obligations;
- (4) review legal issues relating to the structure of the Obligations;
- (5) prepare election proceedings if appropriate;
- (6) assist you in reviewing those sections of the official statement, private placement memorandum, or other form of offering or disclosure document which describe the terms of the Obligations and the opinion described in paragraph (1) above to be disseminated in connection with the sale of the Obligations; and
- (7) assist in presenting information relating to the legality of the Obligations to bond rating organizations and providers of credit enhancement if applicable.

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

Our engagement is to advise you with respect to legal issues only; we understand that you have engaged First Southwest, A Division of Hilltop Securities Inc. as your financial advisor, and unless otherwise instructed by you we will consult with and take direction from your financial advisor in the issuance of the Obligations. Our duties as bond counsel specifically do not include:

- (1) except as described in paragraph (6) above, or except as specifically engaged for such purpose, assisting in the preparation or review of an official statement or any other disclosure document with respect to the Obligations, or performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document or rendering advice that the official statement or other disclosure document does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;
- (2) preparing requests for tax rulings from the Internal Revenue Service;
- (3) preparing blue sky or investment surveys with respect to the Obligations;
- (4) drafting of state constitutional amendments or preparation of authorizing legislation;
- (5) making an investigation or expressing any view of the creditworthiness of you or of the Obligations or any obligor therefor;
- (6) except if specifically engaged for such purpose, assisting in the preparation of, or opining on, a continuing disclosure undertaking pertaining to the Obligations and, after initial

delivery of the Obligations, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking;

(7) responding to Internal Revenue Service audits or Securities and Exchange Commission investigations; or

(8) any other matter not specifically set forth above that is not required to render the Bond Opinion.

Our Personnel Who Will Be Working on the Obligations

I will have primary responsibility for servicing the account of the City. However, we have a project team approach, which project team would include myself and Diane Callahan, a senior paralegal and tax support will be provided by Joy Ellis, a partner in our tax section. You may call, write, or e-mail me whenever you have any questions about the Representation. Other firm personnel, including firm lawyers and paralegals will participate in the Representation if, in our judgment, their participation is necessary or appropriate.

Our Legal Fees and Costs

For and in consideration of serving as Bond Counsel, our suggested fee schedule is attached hereto as Attachment 1. It should also be noted that payment of our fee and the reimbursement of expenses is contingent on the issuance and delivery of the Obligations.

Conflicts of Interest

Before accepting the Representation, we have undertaken reasonable and customary efforts to determine whether there are any potential conflicts of interest that would bar our firm from representing you in connection with the issuance of the Obligations. Based on information available to us, we are not aware of any potential disqualification. We reviewed that issue in accordance with the rules of professional responsibility adopted in Texas. We believe that those rules, rather than the rules of any other jurisdiction, are applicable to the Representation; and the execution and return of the enclosed copy of this letter by you represents an express agreement to the applicability of those rules.

Conclusion

This letter and the attached *Additional Terms of Engagement* constitute the entire terms of the engagement of Norton Rose Fulbright US LLP in the Representation. These written terms of engagement are not subject to any oral agreements or understandings, and they can be modified only by further written agreement signed both by you and Norton Rose Fulbright US LLP. Unless expressly stated in these terms of engagement, no obligation or undertaking shall be implied on the part of either the City of Farmersville, Texas or Norton Rose Fulbright US LLP.

Please carefully review this letter and the attached *Additional Terms of Engagement*. If both documents are acceptable, please sign and return the enclosed copy of this letter so that we may commence the Representation.

Sincerely,

NORTON ROSE FULBRIGHT US LLP

By Kristen Savant
Kristen Savant

CITY OF FARMERSVILLE, TEXAS, AGREES TO AND ACCEPTS THIS
LETTER AND THE ATTACHED TERMS OF ENGAGEMENT:

CITY OF FARMERSVILLE, TEXAS

By: _____

Title: _____

Date: _____

**ATTACHMENT 1
FEE SCHEDULE**

Base fee of \$5,750.00, plus \$1.00 per \$1,000 in principal amount of Obligations issued, plus an additional \$5,000 if the Obligations are refunding bonds. This amount includes all out-of-pocket expenses, except for the Attorney General's examination fee.

NORTON ROSE FULBRIGHT US LLP

ADDITIONAL TERMS OF ENGAGEMENT

This is a supplement to our engagement letter, dated June 13, 2017. The purpose of this document is to set out additional terms of our agreement to provide the representation described in our engagement letter (the "Representation") concerning representation of you in connection with the issuance of the Obligations described in the engagement letter. Because these additional terms of engagement are a part of our agreement to provide legal services, you should review them carefully and should promptly communicate to us any questions concerning this document. We suggest that you retain this statement of additional terms along with our engagement letter and any related documents.

The Scope of the Representation

As lawyers, we undertake to provide representation and advice on the legal matters for which we are engaged. It is important for our clients to have a clear understanding of the legal services that we have agreed to provide. Thus, if there are any questions about the scope of the Representation that we are to provide in connection with issuance of the Obligations, please raise those questions promptly, so that we may resolve them at the outset of the Representation.

Any expressions on our part concerning the outcome of the Representation, or any other legal matters, are based on our professional judgment and are not guarantees. Such expressions, even when described as opinions, are necessarily limited by our knowledge of the facts and are based on our views of the state of the law at the time they are expressed.

Upon accepting this engagement on your behalf, Norton Rose Fulbright US LLP agrees to do the following: (1) provide legal counsel in accordance with these terms of engagement and the related engagement letter, and in reliance upon information and guidance provided by you; and (2) keep you reasonably informed about the status and progress of the Representation.

To enable us to provide effective representation, you agree to do the following: (1) disclose to us, fully and accurately and on a timely basis, all facts and documents that are or might be material or that we may request, (2) keep us apprised on a timely basis of all developments relating to the Representation that are or might be material, (3) attend meetings, conferences, and other proceedings when it is reasonable to do so, and (4) otherwise cooperate fully with us.

Our firm has been engaged to provide legal services as Bond Counsel in connection with the Representation, as specifically defined in our engagement letter. After completion of the Representation, changes may occur in the applicable laws or regulations that could affect your future rights and liabilities in regard to the Obligations. Unless we are actually engaged after the completion of the Representation to provide additional advice on such issues, the firm has no continuing obligation to give advice with respect to any future legal developments that may pertain to the Obligations, as specifically defined in our engagement letter. After completion of the Representation, changes may occur in the applicable laws or regulations that could affect your future rights and liabilities in regard to the Obligations.

It is further agreed that the attorney-client relationship terminates upon initial issuance of the Obligations.

Who Will Provide the Legal Services

Customarily, each client of the firm has a relationship principally with one attorney, or perhaps a few attorneys. At the same time, however, the work required in the Representation, or parts of it, may be performed by other firm personnel, including lawyers and legal assistants. Such delegation may be for the purpose of involving other firm personnel with special expertise in a given area or for the purpose of providing services on an efficient and timely basis.

Our Relationships With Others

Our law firm represents many companies and individuals. In some instances, the applicable rules of professional conduct may limit our ability to represent clients with conflicting or potentially conflicting interests. Those rules of conduct often allow us to exercise our independent judgment in determining whether our relationship with one client prevents us from representing another. In other situations, we may be permitted to represent a client only if the other clients consent to that representation.

Rules concerning conflicts of interest vary with the jurisdiction. In order to avoid any uncertainty, it is our policy that the governing rules will be those applicable to the particular office of our firm that prepares the engagement letter for a particular matter. The acceptance by you of our engagement letter constitutes an express agreement with that policy, unless the engagement letter specifically states that some other rules of professional responsibility will govern our attorney-client relationship.

If a controversy unrelated to the Obligations develops between you and any other client of the firm, we will follow the applicable rules of professional responsibility to determine whether we may represent either you or the other client in the unrelated controversy.

You understand that we represent many investment banking firms, commercial banks, and other parties to public finance transactions from time to time in connection with other issues, including your financial advisor and potential underwriters for your securities, and you do not object to our continued representation (in connection with other issues) of any such firm with respect to which you choose to do business in connection with issuance of the Obligations, since doing so is how we are able to gain the experience we need to represent you effectively.

In addition to our representation of other companies and individuals, we also regularly represent lawyers and law firms. As a result, opposing counsel to any party in connection with the issuance of the Obligations may be a lawyer or law firm that we may represent now or in the future. Likewise, opposing counsel to any party in connection with the issuance of the Obligations may represent our firm now or in the future. Further, we have professional and personal relationships with many other attorneys, often because of our participation in bar associations and other professional organizations. It is our professional judgment that such relationships with other attorneys do not adversely affect our ability to represent any client. The acceptance of these terms of engagement represents an unqualified consent to any such relationships between our firm and other lawyers or law firms, even counsel who is representing a party that is adverse to you in connection with the issuance of the Obligations that is the subject of this engagement or in some other matter.

Disclaimer

Norton Rose Fulbright US LLP has made no promises or guarantees to you about the outcome of the Representation or the issuance of the Obligations, and nothing in these terms of engagement shall be construed as such a promise or guarantee. Our representation of you will not affect our responsibility to render an objective bond counsel Bond Opinion.

Termination

At any time, you may, with or without cause, terminate the Representation by notifying us of your intention to do so. Any such termination of services will not affect the obligation to pay legal services rendered and expenses incurred before termination, as well as additional services and charges incurred in connection with an orderly transition of the matters relating to issuance of the Obligations.

We are subject to the codes or rules of professional responsibility for the jurisdictions in which we practice. There are several types of conduct or circumstances that could result in our withdrawing from representing a client, including, for example, the following: non-payment of fees or costs; misrepresentation or failure to disclose material facts; fraudulent or criminal conduct; action contrary to our advice; and conflict of interest with another client. We try to identify in advance and discuss with our clients any situation that may lead to our withdrawal.

A failure by you to meet any obligations under these terms of engagement shall entitle Norton Rose Fulbright US LLP to terminate the Representation. In that event, you will take all steps necessary to release Norton Rose Fulbright US LLP of any further obligations in the Representation or the issuance of the Obligations, including without limitation the execution of any documents necessary to effectuate our withdrawal from the Representation or the issuance of the Obligations. The right of Norton Rose Fulbright US LLP to withdraw in such circumstances is in addition to any rights created by statute or recognized by the governing rules of professional conduct.

Billing Arrangements and Terms of Payment

Our engagement letter specifically explains our fees for services in connection with issuance of the Obligations. It is agreed that you will make full payment within 30 days of receiving our statement. We will give notice if an account becomes delinquent, and it is further agreed that any delinquent account must be paid upon the giving of such notice. If the delinquency continues and you do not arrange satisfactory payment terms, we may withdraw from the Representation and pursue collection of our account.

Document Retention

At the close of any matter, we send our files in that matter to a storage facility for storage at our expense. The attorney closing the file determines how long we will maintain the files in storage. After that time, we will destroy the documents in the stored files.

At the conclusion of the Representation, we return to the client any documents that are specifically requested to be returned. As to any documents so returned, we may elect to keep a copy of the documents in our stored files.

Standards of Professionalism and Attorney Complaint Information

Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we are to advise our clients of the contents of the Texas Lawyer's Creed, a copy of which is attached. In addition, we are to advise clients that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. A brochure entitled *Attorney Complaint Information* is available at all of our Texas offices and is likewise available upon request. A client that has any questions about State Bar's disciplinary process should call the Office of the General Counsel of the State Bar of Texas at 1-800-932-1900 toll free.

THE TEXAS LAWYER'S CREED — A Mandate for Professionalism

The Texas Supreme Court and the Texas Court of Criminal Appeals adopted this Creed, with the requirement that lawyers advise their clients of its contents when undertaking representation.

I am a lawyer; I am entrusted by the People of Texas to preserve and improve our legal system. I am licensed by the Supreme Court of Texas. I must therefore abide by the Texas Disciplinary Rules of Professional Conduct, but I know that Professionalism requires more than merely avoiding the violation of laws and rules. I am committed to this Creed for no other reason than it is right.

I. OUR LEGAL SYSTEM. A lawyer owes to the administration of justice personal dignity, integrity, and independence. A lawyer should always adhere to the highest principles of professionalism. I am passionately proud of my profession. Therefore, "My word is my bond." I am responsible to assure that all persons have access to competent representation regardless of wealth or position in life. I commit myself to an adequate and effective pro bono program. I am obligated to educate my clients, the public, and other lawyers regarding the spirit and letter of this Creed. I will always be conscious of my duty to the judicial system.

II. LAWYER TO CLIENT. A lawyer owes to a client allegiance, learning, skill, and industry. A lawyer shall employ all appropriate means to protect and advance the client's legitimate rights, claims, and objectives. A lawyer shall not be deterred by any real or imagined fear of judicial disfavor or public unpopularity, nor be influenced by mere self-interest. I will advise my client of the contents of this Creed when undertaking representation. I will endeavor to achieve my client's lawful objectives in legal transactions and in litigation as quickly and economically as possible. I will be loyal and committed to my client's lawful objectives, but I will not permit that loyalty and commitment to interfere with my duty to provide objective and independent advice. I will advise my client that civility and courtesy are expected and are not a sign of weakness. I will advise my client of proper and expected behavior. I will treat adverse parties and witnesses with fairness and due consideration. A client has no right to demand that I abuse anyone or indulge in any offensive conduct. I will advise my client that we will not pursue conduct which is intended primarily to harass or drain the financial resources of the opposing party. I will advise my client that we will not pursue tactics which are intended primarily for delay. I will advise my client that we will not pursue any course of action which is without merit. I will advise my client that I reserve the right to determine whether to grant accommodations to opposing counsel in all matters that do not adversely affect my client's lawful objectives. A client has no right to instruct me to refuse reasonable requests made by other counsel. I will advise my client regarding the availability of mediation, arbitration, and other alternative methods of resolving and settling disputes.

III. LAWYER TO LAWYER. A lawyer owes to opposing counsel, in the conduct of legal transactions and the pursuit of litigation, courtesy, candor, cooperation, and scrupulous observance of all agreements and mutual understandings. Ill feelings between clients shall not influence a lawyer's conduct, attitude, or demeanor toward opposing counsel. A lawyer shall not engage in unprofessional conduct in retaliation against other unprofessional conduct. I will be courteous, civil, and prompt in oral and written communications. I will not quarrel over matters of form or style, but I will concentrate on matters of substance. I will identify for other counsel or parties all changes I have made in documents submitted for review. I will attempt to prepare documents which correctly reflect the agreement of the parties. I will not include provisions which have not been agreed upon or omit provisions which are necessary to reflect the agreement of the parties. I will notify opposing counsel, and, if appropriate, the Court or other persons, as soon as practicable, when hearings, depositions, meetings, conferences or closings are canceled. I will agree to reasonable requests for extensions of time and for waiver of procedural formalities, provided legitimate objectives of my client will not be adversely affected. I will not serve

motions or pleadings in any manner that unfairly limits another party's opportunity to respond. I will attempt to resolve by agreement my objections to matters contained in pleadings and discovery requests and responses. I can disagree without being disagreeable. I recognize that effective representation does not require antagonistic or obnoxious behavior. I will neither encourage nor knowingly permit my client or anyone under my control to do anything which would be unethical or improper if done by me. I will not, without good cause, attribute bad motives or unethical conduct to opposing counsel nor bring the profession into disrepute by unfounded accusations of impropriety. I will avoid disparaging personal remarks or acrimony towards opposing counsel, parties and witnesses. I will not be influenced by any ill feeling between clients. I will abstain from any allusion to personal peculiarities or idiosyncrasies of opposing counsel. I will not take advantage, by causing any default or dismissal to be rendered, when I know the identity of an opposing counsel, without first inquiring about that counsel's intention to proceed. I will promptly submit orders to the Court. I will deliver copies to opposing counsel before or contemporaneously with submission to the court. I will promptly approve the form of orders which accurately reflect the substance of the rulings of the Court. I will not attempt to gain an unfair advantage by sending the Court or its staff correspondence or copies of correspondence. I will not arbitrarily schedule a deposition, Court appearance, or hearing until a good faith effort has been made to schedule it by agreement. I will readily stipulate to undisputed facts in order to avoid needless costs or inconvenience for any party. I will refrain from excessive and abusive discovery. I will comply with all reasonable discovery requests. I will not resist discovery requests which are not objectionable. I will not make objections nor give instructions to a witness for the purpose of delaying or obstructing the discovery process. I will encourage witnesses to respond to all deposition questions which are reasonably understandable. I will neither encourage nor permit my witness to quibble about words where their meaning is reasonably clear. I will not seek Court intervention to obtain discovery which is clearly improper and not discoverable. I will not seek sanctions or disqualification unless it is necessary for protection of my client's lawful objectives or is fully justified by the circumstances.

IV. LAWYER AND JUDGE. Lawyers and judges owe each other respect, diligence, candor, punctuality, and protection against unjust and improper criticism and attack. Lawyers and judges are equally responsible to protect the dignity and independence of the Court and the profession. I will always recognize that the position of judge is the symbol of both the judicial system and administration of justice. I will refrain from conduct that degrades this symbol. I will conduct myself in court in a professional manner and demonstrate my respect for the Court and the law. I will treat counsel, opposing parties, the Court, and members of the Court staff with courtesy and civility. I will be punctual. I will not engage in any conduct which offends the dignity and decorum of proceedings. I will not knowingly misrepresent, mischaracterize, misquote or miscite facts or authorities to gain an advantage. I will respect the rulings of the Court. I will give the issues in controversy deliberate, impartial and studied analysis and consideration. I will be considerate of the time constraints and pressures imposed upon the Court, Court staff and counsel in efforts to administer justice and resolve disputes.



ON DEMAND PROFESSIONAL SERVICE AGREEMENT

This PROFESSIONAL SERVICE AGREEMENT (the or this "Agreement") is made and entered into this _____ day of _____, 20____ by and between White Hawk Engineering & Design, LLC ("White Hawk") and _____ the City of Farmersville, Texas ("Client") and provides for the services ("Services") described under Paragraph 2 of this Agreement.

CLIENT: City of Farmersville, Texas
ADDRESS: 205 S. Main St., Farmersville, Texas 75442
CONTACT PERSON: Ben White
PHONE NO.: 972-782-6151 FAX NO.: 972-782-6604
SHORT TITLE: Surveying for Wastewater System Improvements Project
PROJECT NUMBER: Various On-Demand Engineering Services

IS CLIENT FEE OWNER OF PROJECT?

YES NO N/A

(If answer is NO, please provide name/address of owner.)

NAME/ADDRESS OF OWNER:

DOES CLIENT HAVE OWNER'S AUTHORITY FOR THE SERVICES?

YES NO N/A

1. SCOPE OF SERVICES TO BE PROVIDED BY WHITE HAWK: From time to time, the Client may request that White Hawk provide professional services for specific projects. Each engagement shall be documented by a "Task Order". The General Conditions, and its terms and conditions attached hereto, shall apply to and govern each Task Order regardless of changes in the Compensation, Duration, and site-based or scope-based changes to the Services (as defined hereinbelow). The Client expressly agrees that these General Conditions shall be deemed by both parties as the terms and conditions of any future contractual agreements except as such future agreements state to the contrary and that these General Conditions constitute a course of conduct by and between the parties. A sample Task Order is attached as Attachment A. Without implied limitation, the types of services (the "Services"). The Services contemplated for a given Task Order include: providing professional engineering services as requested by Client in a given county, assisting in various capacities to provide engineering service and recommendations, including but not limited to Surveying, Preliminary Design, PS&E, Feasibility Studies, Storm Drain Design, Construction Engineering, Hydrology and Hydraulics, Right of Way Mapping Services and Construction Support Services. Each Task Order will define its Services.

2. THE COMPENSATION (the "Compensation") TO BE PAID WHITE HAWK for providing the Services shall be as provided on Attachment B and/or per the terms of each Task Order:

3. IF WHITE HAWK'S SERVICES UNDER THIS AGREEMENT ARE DELAYED for reasons beyond White Hawk's control, the time of performance shall be adjusted appropriately. Except where the Services provided are under a continuous service contract for more than one year, if the Services under this Agreement are delayed for a period of more than one (1) year from the beginning date (as above provided), the Compensation shall be subject to renegotiation with the right of White Hawk to terminate this Agreement in its sole and absolute discretion in the event the parties cannot mutually agree upon renegotiated Compensation; any change in such Compensation shall apply only to the unfinished portion of Services as of the effective date of such change in Compensation.

IN WITNESS THEREOF, this Agreement is accepted on the date last written below, and by execution of this Agreement, the Client acknowledges receipt of and incorporation of the terms and conditions of the General Conditions for Professional Services Agreement into this Agreement.

CLIENT: City of Farmersville
SIGNED: _____
TYPED NAME: Diane C. Piwko
TITLE: Mayor
DATE: _____

Distribution: Copy 1- White Hawk; Copy 2- Client

WHITE HAWK ENGINEERING & DESIGN, LLC
SIGNED: _____
TYPED NAME: Holly Armstrong
TITLE: Vice-President
DATE: _____

GENERAL CONDITIONS FOR PROFESSIONAL SERVICES AGREEMENT

1. **COMPENSATION:** Where White Hawk is charging for direct personnel expense, such is defined as the cost of salaries and fringe benefit costs related to vacation, holiday, and sick leave pay; contributions for Social Security, Workers' Compensation Insurance, retirement benefits, and medical and insurance benefits; unemployment, and payroll taxes; and other allowed benefits of those employees directly engaged in the performance of the requested service or part of the Services. Professional associate costs include fees of any professional associates whose expertise is required to complete the project plus out-of-pocket expenses incurred by such profession, the cost of which shall be charged at actual costs plus an administrative charge of 18% and shall be itemized and included in the invoice. Typical out-of-pocket expenses shall include, but not be limited to, travel expenses (lodging, meals, etc.), job-related mileage at the prevailing company rate, long distance telephone calls, courier, printing and reproduction costs, and survey supplies and materials. In the event the requested service or part of the Services involves the use of electronic measuring equipment, computers, plotters, and other special equipment such as boats, swamp buggies, etc., an additional direct charge shall be made for the use of this equipment. Unless expressly stated elsewhere herein, the fee charged by White Hawk (whether (i) direct personnel expense, (ii) lump-sum charge, or (iii) Unit Cost/Time Charges (standard billing rates)) shall include typical out-of-pocket expenses and professional associate costs. It is understood and agreed that White Hawk's Services under this Agreement are limited to those described in the Task Order (and Attachment B, if applicable) and do not include participation in or control over the operation of any aspect of this project. Compensation under this Agreement does not include any amount for participating in or controlling any such operation. Where the time period for performance of the Services is performed during two or more calendar years, White Hawk reserves the right to modify its Fee Schedule to charge rates reasonably consistent with rates charged by other like service providers in the same industry.
2. **DOCUMENTS:** All materials and documents prepared or assembled by White Hawk under this Contract shall become the sole property of Client and shall be delivered to Client without restriction on future use. White Hawk may retain in its files copies of all drawings, specifications and all other pertinent information for the work. White Hawk shall have no liability for changes made to any materials or other documents by others subsequent to the completion of the Agreement. Any unapproved use or modification shall be at Client's or others' sole risk without liability or legal exposure to White Hawk unless approved in writing by White Hawk prior to such reuse.
3. **INVOICE PROCEDURES AND PAYMENT:** White Hawk shall submit invoices to the Client for that portion of the Services accomplished during each calendar month. For Services provided on a Lump Sum basis (fixed and agreed-upon fee), the amount of each monthly invoice shall be determined on the "percentage of completion method" whereby White Hawk will estimate the percentage of the total Services (provided on a Lump Sum basis) accomplished during the invoicing period. Monthly invoices shall (except where specifically excluded from the Compensation) include, separately listed, any charges for professional associates and out-of-pocket expenses costs. Such invoices shall be submitted by White Hawk as soon as possible after the end of the month in which the work was accomplished and shall be due and payable by the Client upon receipt. The Client agrees that the monthly invoice from White Hawk is correct, conclusive, and binding on the Client unless the Client within twenty (20) working days from the date of receipt of such invoice, notifies White Hawk in writing of alleged inaccuracies, discrepancies, errors in the invoice, or the need for additional backup. The Client, as owner or authorized agent for the owner, hereby agrees that payment as provided herein will be made by Client for said portion of the Services within 30 days from the date of the invoice, unless the Client is paid by a third-party, such as without limitation the project owner or another contractor ("Client's Payor"), in which case the payment will be made by the Client within 30 days from the date the Client is paid. Client will cooperate with White Hawk for collection of amounts due to Client from Client's Payor in the event that Client's Payor has not paid sums due to Client under Client contract with Client's Payor within ninety (90) days after the date on which payment from Client's Payor to Client is due. The foregoing shall not act as a waiver of any rights held by White Hawk including, without implied limitation, any statutory rights White Hawk might have (whether to surety bonds issued in connection with a government contract, statutory or common law mechanic's lien rights or construction trust fund statutes, and/or any other common law or statutory rights, including without implied limitation provisional remedies). Subject to the foregoing, White Hawk, will only file such documents as are legally required to preserve its legal remedies, but will refrain from any other enforcement pending Client's good faith effort to collect from Client's Payor. In the event that White Hawk is required to resort to suit for collection of sums due herein, unpaid invoices shall accrue interest at the rate of eighteen (18) percent per annum, compounded yearly, after the amounts due in said invoices have been outstanding for over 180 days.
4. **COST ESTIMATES:** Client hereby acknowledges that White Hawk cannot warrant that any cost estimates provided by White Hawk will not vary from actual costs incurred by the Client.
5. **CONSTRUCTION SERVICES:** If, under this Agreement, the Services are provided during the construction phase of the project, White Hawk shall not be responsible for or have control over means, methods, techniques, sequences, or procedures, or for safety precautions and programs in connection with the work which is the subject of the construction (the "Work"); nor shall White Hawk be responsible for the contractor's failure to carry out the Work in accordance with the contract documents between Client and its contractor(s) or for the Client's contractor(s)' failure to comply with applicable laws, ordinances, rules or regulations. White Hawk shall have control over the means, methods, techniques, sequences, or procedures, or for safety precautions and programs in connection with the Services.

6. INDEMNIFICATION: WHITE HAWK DOES HEREBY COVENANT AND CONTRACT TO WAIVE ANY AND ALL CLAIMS, RELEASE, INDEMNIFY, AND HOLD HARMLESS THE CLIENT, ITS CITY COUNCIL, OFFICERS, EMPLOYEES, AND AGENTS, IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM AND AGAINST ALL LIABILITY, CAUSES OF ACTION, CITATIONS, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, FINES, JUDGMENTS, LOSSES, PENALTIES OR SUITS, WHICH IN ANY WAY ARISE OUT OF, RELATE TO, OR RESULT FROM WHITE HAWK'S PERFORMANCE UNDER THIS CONTRACT AND WHICH ARE CAUSED BY THE INTENTIONAL WRONGFUL ACTS OR NEGLIGENT ACTS OR OMISSIONS OF WHITE HAWK OR WHITE HAWK'S SUBCONTRACTORS AND THE OFFICERS, AGENTS OR EMPLOYEES OF EITHER WHITE HAWK OR WHITE HAWK'S SUBCONTRACTORS (THE "INDEMNIFIED ITEMS") SUBJECT TO THE LIMITATIONS IN TEXAS LOCAL GOVERNMENT CODE § 271.904 AND TEXAS CIVIL PRACTICE AND REMEDIES CODE, § 130.002(B).

BY WAY OF EXAMPLE, THE INDEMNIFIED ITEMS MAY INCLUDE PERSONAL INJURY AND DEATH CLAIMS AND PROPERTY DAMAGE CLAIMS, INCLUDING THOSE FOR LOSS OF USE OF PROPERTY, AS WELL AS INTELLECTUAL PROPERTY INFRINGEMENT OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER.

INDEMNIFIED ITEMS SHALL INCLUDE REASONABLE ATTORNEYS' FEES IN PROPORTION TO THE WHITE HAWK'S LIABILITY AND COSTS, COURT COSTS, AND SETTLEMENT COSTS. INDEMNIFIED ITEMS SHALL ALSO INCLUDE ANY EXPENSES, INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES, INCURRED BY AN INDEMNIFIED INDIVIDUAL OR ENTITY IN ATTEMPTING TO ENFORCE THIS INDEMNITY.

7. **INSURANCE.** Before commencing work, White Hawk shall, at its own expense, procure, pay for and maintain during the term of this Agreement the following insurance written by companies approved by the state of Texas and acceptable to the City of Farmersville. White Hawk shall furnish to the City of Farmersville certificates of insurance executed by the insurer or its authorized agent stating coverages, limits, expiration dates and compliance with all applicable required provisions. White Hawk shall at all times carry Workers' Compensation insurance as required by statute; commercial general liability insurance including bodily injury and property damage; and automobile liability coverage. White Hawk shall carry professional liability coverage. Insurance certificates will be provided to Client upon request. White Hawk agrees to require that Client be named as an additional insured on insurance coverages obtained by White Hawk and provided by White Hawk's subcontractors on the Project at the time White Hawk performs the Services. White Hawk shall also provide Client with a Waiver of Subrogation under White Hawk's workers' compensation insurance policy. To the extent that a property loss is covered by insurance in force as required herein, and recovery is made for such loss, the parties hereto, and their agents, employees and assigns, hereby mutually release each other from liability and waive all rights of subrogation and all rights of recovery against each other for any loss insured against under their respective policies (including extended coverage), no matter how caused, and where a party is required to provide a certificate of insurance to the other party herein, such certificate shall contain a statement that the policy contains a waiver of subrogation. The aforementioned waiver of subrogation shall survive termination and cancellation of this Agreement and shall survive final payment by Client.

7. **ASSIGNMENT:** Neither the Client nor White Hawk will assign or transfer its interest in this Agreement without the written consent of the other.

8. **TERM, SUSPENSION, TERMINATION, CANCELLATION OR ABANDONMENT:** The term of this Agreement shall be effective on the first date set forth on page 1 of this Agreement, and shall continue for a period of three (3) years from such date, unless terminated earlier by the parties as provided hereinbelow. In the event the project described in this Agreement, or the Services of White Hawk called for under this Agreement, is/are suspended, canceled, terminated or abandoned by the Client, White Hawk shall be given seven (7) days prior written notice of such action and shall be compensated for the portion of the Services provided up to the date of suspension, termination, cancellation or abandonment in accordance with the provisions of this Agreement. White Hawk may terminate this Agreement for cause by giving Client seven (7) days written notice of the cause and seven (7) days in which to cure the cause or breach. White Hawk shall be compensated for all work performed up to the date of termination.

9. **ENTIRETY OF AGREEMENT:** This writing embodies the entire Agreement and understanding between the parties hereto, and there are no other agreements and understandings, oral or written, with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change or modification of the terms of this Agreement shall be valid unless made in writing signed by both parties hereto.

10. **PERMITTING:** In cases where the scope of the Services requires White Hawk to submit, on behalf of the Client, a permit application and/or approval by a third party to this Agreement, White Hawk does not make any warranties, guarantees or representations as to the success of our effort on behalf of the Client. Payment for any and all Services rendered by White Hawk is not contingent upon the successful acquisition of any required permits.

11. **WAIVER:** Any failure by White Hawk to require strict compliance with any provision of this Agreement shall not be construed as a waiver of such provision, and White Hawk may subsequently require strict compliance at any time, notwithstanding any prior failure to do so.

12. **SAFETY, HAZARDOUS WASTE, MATERIALS OR SUBSTANCES:** Unless otherwise specifically provided in this Agreement, White Hawk shall not be responsible for or have control over the discovery, presence, handling, removal, transport or disposal of hazardous waste, materials or substances in any

form on the project site. Without exception, White Hawk shall not be responsible for planning, monitoring nor implementation of any hazard and safety controls at the project site.

13. **DISPUTE RESOLUTION:** If a dispute arises out of or relates to this Agreement or the breach thereof, the parties will attempt to settle the matter between one another. In the event that the parties cannot resolve their respective claim(s), the parties agree to submit their claims first to non-binding mediation. Notwithstanding the foregoing requirement of non-binding mediation, either party, to preserve statutory rights, may file an action in a court of competent jurisdiction to preserve such right and then seek a stay of the proceedings pending non-binding mediation. Commercially reasonable costs and attorney's fees will be awarded to the Prevailing Party, as defined hereinbelow. Both parties expressly stipulate and agree that "Prevailing Party" shall mean the party receiving the greatest economic recovery in the arbitration or "Permitted Litigation" (defined below). Both parties expressly waive any statutory or common law right to attorney's fees where such party is not a Prevailing Party as defined herein. In the event that the agreement between the Client and the Client's Payor (the "Prime Agreement") calls for arbitration, then the parties agree to submit to the arbitration provisions of the Prime Agreement, and consent to being named as additional parties in any arbitration involving the Client and Client's Payor; however, in the event that the Prime Agreement does not require arbitration, and White Hawk reasonably believes that the claims with the Client will involve the Client's Payor, White Hawk and/or Client may demand that the parties resolve their disputes and/or claims through litigation (the "Permitted Litigation").

14. **DELAY OF PROJECT:** If the project and Services are delayed by an circumstances beyond the control of White Hawk for a period of thirty (30) days or longer during the progress of the Services, then for the purpose of covering the impact of archiving and restarting the Services, the fixed and agreed-upon-fee shall be increased by the lesser of (i) ten percent (10%) of the planned Compensation to White Hawk or (ii) Ten Thousand Dollars (\$10,000.00).

15. **PROFESSIONAL STANDARDS:** White Hawk shall undertake and perform the Services with the level of competency presently maintained by other practicing professionals in the same type of work in White Hawk's community, for the professional and technical soundness, accuracy, and adequacy of all designs, drawings, specifications, and other work and materials furnished under this Agreement. White Hawk makes no other warranty, expressed or implied.

16. **GOVERNING LAW:** This Agreement is being executed, delivered and is intended to be performed in the state where the Services are performed, and is to be construed according to the laws of the State of Texas and any actions under this Agreement shall be filed in the state courts or federal courts of Collin County, Texas where the Services are performed. By execution of this Agreement, the parties irrevocably and unconditionally submit to the jurisdiction (both subject matter and personal) of such court and irrevocably and unconditionally waive: (a) any objection any party might now or hereafter have to the venue in such court; and (b) any claim that any action or proceeding brought in such court has been brought in an inconvenient forum.

17. **EXCLUSION OF SPECIAL, INCIDENTAL, INDIRECT, AND CONSEQUENTIAL DAMAGES:** To the fullest extent permitted by laws and regulations, and notwithstanding any other provision in this Agreement White Hawk and White Hawk's officers, directors, members, partners, agents, Consultants, and employees shall not be liable to Client or anyone claiming by, through, or under Client for any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement or the Project, from any cause or causes, including but not limited to: loss of revenue, scheduling, regulatory fines, etc.

18. **MISCELLANEOUS:** Each term of this Agreement is contractual, and not merely a recital. The parties will execute such further and additional documents that shall be reasonable, convenient, necessary or desirable to carry out the provisions of this Agreement. Each party has cooperated in the drafting and preparation of this Agreement. This Agreement may be executed in counterparts, and when each party has signed and delivered to the other at least one such counterpart, each counterpart shall be deemed an original, and when taken together with other signed counterparts, shall constitute one agreement, which shall be binding upon and effective as to all parties. A copy delivered via facsimile or e-mail shall be deemed a counterpart. Captions and headings herein are for convenience and reference only and shall not in any way define, limit or describe the scope or content of any provision of this Agreement. Unless and to the extent otherwise expressly provided to the contrary herein, time shall be of the essence with respect to all of the obligations of the parties under this Agreement. Feminine, masculine and neuter pronouns may be substituted in place of one another where the context may require, and the singular number and plural number may be substituted in place of one another where the context may require. Each party hereto represents and warrants that it has full authority to enter into this Agreement and bind itself, or its principal or employer as the case may be, and bind its respective Beneficiaries.



TASK ORDER FOR PROFESSIONAL SERVICES AND NOTICE TO PROCEED

PROJECT NO.: _____ SHORT TITLE: _____

THIS TASK ORDER (the or this "Task Order") IS SUBJECT TO THAT CERTAIN ON DEMAND PROFESSIONAL SERVICES AGREEMENT (the or this "Agreement") made and entered into _____, 20____ by and between WHITE HAWK ENGINEERING & DESIGN, LLC ("White Hawk"), and _____ hereinafter called "Client," for the services ("Services") described in this Task Order.

CLIENT: _____

Address: _____

Contact Person: _____

Phone No.: _____ Fax No.: _____

1. SERVICES TO BE PERFORMED: _____

2. ESTIMATED DURATION OF SERVICES: _____

3. COMPENSATION: The Compensation to be paid the Subconsultant for providing the Services called for in this Task Order shall be:

_____ Direct personnel expense plus a surcharge of _____%, plus professional associate costs and out-of-pocket expenses.*

_____ A Lump-Sum charge of \$_____, plus professional associate costs and out-of-pocket expenses.*

_____ A Lump-Sum charge of \$_____, WITHOUT any professional associate costs but WITH out-of-pocket expenses.*

_____ A Lump-Sum charge of \$_____, WITHOUT any professional associate costs or out-of-pocket expenses.*

_____ Unit Cost/Time Charges (standard billing rates) identified in Attachment B to the Agreement, WITH professional associate costs and WITH out-of-pocket expenses.*

*See explanation under Paragraph 1 of the General Conditions to the Agreement.

4. MODIFICATIONS FROM AGREEMENT. The parties hereby acknowledge and agree that the following changes, if any) are made to the Agreement:

5. INCORPORATION OF AGREEMENT. Except for any changes made herein, the Client agrees that the terms and General Conditions of the Agreement are hereby ratified and incorporated herein.

IN WITNESS THEREOF, the parties have executed this Task Order on this ____ day of _____, 20____.

CLIENT: _____

SIGNED: _____

TYPED NAME: _____

TITLE: _____

DATE: _____

Distribution: Copy 1- White Hawk; Copy 2- Client

WHITE HAWK ENGINEERING & DESIGN, LLC

SIGNED: _____

TYPED NAME: Holly Armstrong

TITLE: Vice-President

DATE: _____

ATTACHMENT B

The Compensation for providing the Services shall be specified in each Task Order and may, subject to White Hawk's acceptance, and shall be an amount equivalent to one of the methods of compensation shown hereinbelow

(If additional pages are necessary, they are identified as Attachment B):

- _____ Direct personnel expense plus a surcharge of _____%, plus professional associate costs and out-of-pocket expenses.*
- _____ A Lump-Sum charge of \$_____, plus professional associate costs and out-of-pocket expenses.*
- _____ A Lump-Sum charge of \$_____, WITHOUT any professional associate costs but WITH out-of-pocket expenses.*
- _____ A Lump-Sum charge of \$_____, WITHOUT any professional associate costs or out-of-pocket expenses.*
- _____ Unit Cost/Time Charges (standard billing rates) identified hereinbelow, WITH professional associate costs and WITH out-of-pocket expenses.*

*See explanation under Paragraph 1 of the General Conditions attached hereto.

UNIT COST / TIME CHARGES

Engineering Hourly Rates

\$140 per hour Senior Engineer

\$95 per hour Senior Designer

Survey Hourly Rates

Survey Manager	\$ 160.00
Professional Land Surveyor	\$ 125.00
Project Manager	\$ 87.00
Survey Technician V	\$ 72.00
Survey Technician IV	\$ 66.00
Survey Technician III	\$ 60.00
Survey Technician II	\$ 54.00
Survey Technician I	\$ 48.00
CAD Technician	\$ 78.00

Direct Non-Labor Costs

Monuments (Varying Styles)	Direct Costs Plus 15%
Printing/Reproduction	Direct Costs Plus 15%
Subcontractors	Direct Costs Plus 15%
Signage/Traffic Control	Direct Costs Plus 15%
Map Duplication 11" x 17"	\$1.00/sheet
Map Duplication 18" x 24"	\$4.00/sheet
Map Duplication 24" x 36"	\$6.00/sheet

GPS Receiver	\$48.00/hr.
Total Station Instrument	\$48.00/hr.
Terrestrial LIDAR Instrument	\$275.00/hr.
Digital Level	\$15.00/hr.

Agenda Section	Regular Agenda
Section Number	VII.J
Subject	Consider, discuss and act upon offer from Jaime Alberto Castillo to purchase Block 2, Lot 4C in the Neathery Marble Addition.
To	Mayor and Council Members
From	Ben White, City Manager
Date	June 13, 2017
Attachment(s)	<ul style="list-style-type: none"> • Letter from Gay, McCall, Isaacks & Roberts, P.C. • Deed Without Warrant (Tax Foreclosed Property Resale) • Distribution of Proceeds
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

LAW OFFICES
GAY, McCALL, ISAACKS & ROBERTS, P.C.
A PROFESSIONAL CORPORATION

JOHN E. GAY
DAVID McCALL +
LEWIS L. ISAACKS ♦ +
WILLIAM J. ROBERTS +
JENNIFER T. PETTIT
ERIN MINETT
JOHN RAPIER
JAMES W. WILSON

777 E. 15TH STREET
PLANO, TEXAS 75074
(972) 424-8501 • Fax (972) 422-9322

♦ BOARD CERTIFIED -- CIVIL TRIAL LAW
TEXAS BOARD OF LEGAL SPECIALIZATION
+ATTORNEY - MEDIATOR

March 30, 2017

Ms. Daphne Hamlin
Finance Director
City of Farmersville
205 S. Main
Farmersville, Texas 75442

Re: Offer from Jaime Alberto Castillo to purchase
Blk 2, Lot 4c, Neathery Marble, Farmersville, Texas

Dear Ms. Hamlin:

Jaime Alberto Castillo has offered to purchase Blk 2, Lot 4c, Neathery Marble, Farmersville, Collin County, Texas (BEING LOT 4C, BLOCK 2, OF NEATHERY-MARBLE ADDITION TO THE CITY OF FARMERSVILLE, COLLIN COUNTY, TEXAS, AS RECORDED IN VOL. 668, PAGE 928, OF THE COLLIN COUNTY DEED RECORDS.) for \$500.00.

This property was sold at a Sheriff's Sale on June 3, 2003 pursuant to delinquent tax collection suit number 401-1710-01. There were no bidders and the property was struck off to the City for itself and on behalf of the other taxing jurisdictions. There was a previous offer submitted that was approved by the City, but was denied by the County after the County Commissioners expressed concerns that the subject property was, in effect, the backyard of an adjacent property. **The offer now before the City is that of the adjacent property owner.**

The property's most recent value according to the Appraisal District is \$15,750.00. The property was struck off for the minimum amount, \$2,401.05, which includes taxes, penalties and interest, costs of court, and costs of sale.

Pursuant to the Texas Property Tax Code the court costs and costs of sale must be paid first out of the proceeds of a resale. The remainder would be distributed to the taxing jurisdictions pro-rata. Those costs total \$449.00. A breakdown of amounts each taxing entity will receive is enclosed.

If all taxing jurisdictions agree to accept \$500.00 for the property, the property may be sold for that amount. Each jurisdiction must execute the deed. **The County has already approved this bid.**

If your entity decides to accept this offer, enclosed for execution is a Deed Without Warranty our office prepared for this resale. When the Deed is executed, please return it to me, so that I may finalize this transaction.

If you have any questions or need additional information, please do not hesitate to call me.

Sincerely,



Erin Minett

Enclosure

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

**DEED WITHOUT WARRANTY
(TAX FORECLOSED PROPERTY RESALE)**

Date: _____, 2017

Grantor: FARMERSVILLE INDEPENDENT SCHOOL DISTRICT, COLLIN COUNTY, COLLIN COUNTY COMMUNITY COLLEGE DISTRICT, and CITY OF FARMERSVILLE

Grantor's Mailing Address (including county):
205 S. Main
Farmersville, Texas 75442
Collin County

Grantee: Jaime Alberto Castillo

Grantee's Mailing Address (including county):
419 Haislip Street
Farmersville, TX 75442
Collin County

Consideration: TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration.

Property (including any improvements):

Property described in Exhibit "A" attached hereto and made a part hereof for all purposes.

Reservations from and Exceptions to Conveyance and Warranty:

1. Rights of the public to any portion of the above described property lying within the boundaries of dedicated or existing roadways or which may be used for road or street purposes.
2. Visible and apparent easements over or across subject property.
3. Rights of parties in possession.
4. Any and all easements, restrictions, covenants, conditions and reservations of record, if any, applicable to the herein conveyed property or any part hereof.
5. Any right of redemption as specified in Chapter 34, Subchapter B, Texas Property Tax Code.
6. All oil, gas, and other minerals reserved by prior grantors.

By acceptance of this Deed, Grantee acknowledges and agrees that the Property is being purchased and conveyed "AS IS" with all faults and defects whether patent or latent as of the closing. Grantors, on behalf of themselves and the other taxing entities on whose behalf it holds title to the Property, specifically negates and disclaims any representations, warranties or guaranties of any kind or character, whether express or implied, oral or written, past, present, future or otherwise, of, as to, concerning or with respect to the Property,

including without limitation (i) the nature and condition of the Property and the suitability thereof for any and all activities and uses which Grantee may elect to conduct thereon, (ii) the nature and extent of any right-of-way, lease, possession, lien, encumbrance, license, reservation, condition or any other matter relating in any way to the Property, (iii) the compliance of the Property or its operation with any laws, ordinances or regulations of any government or other authority or body, (iv) the existence of any toxic or hazardous substance or waste in, on, under the surface of or about the Property, (v) geological conditions, including, without limitation, subsidence, subsurface conditions, water table, underground water reservoirs, limitations regarding the withdrawal of water and faulting, (vi) whether or not and to the extent to which the Property or any portion thereof is affected by any stream (surface or underground), body of water, flood prone area, floodplain, floodway or special flood hazard, (vii) drainage, (viii) zoning or land use restrictions rules and regulations to which the Property or any portion thereof may be subject, (ix) the availability of any utilities to the Property or any portion thereof including, without limitation, water, sewage, gas and electric and including the utility availability capacities allocated to the Property by the relevant governmental or regulatory authority, (x) usages of adjoining property, (xi) access to the Property or any portion thereof, (xii) the value, compliance with the plans and specifications, size, location, age, use, design, quality, description, durability, structural integrity, operation, leasing, title to, or physical or financial condition of the Property or any portion thereof, or any income, expenses, charges, liens, encumbrances, rights or claims on or affecting or pertaining to the Property or any part thereof, (xiii) the potential for further development of the Property, or (xiv) the merchantability of the Property or fitness of the Property for any particular purpose (Grantee affirming that Grantee has not relied on Grantors' skill or judgment to select or furnish the Property for any particular purpose, and that Grantor makes no warranty that the Property is fit for any particular purpose).

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's successors, or assigns forever WITHOUT WARRANTY.

The intent of this Deed Without Warranty is to transfer and sell to Grantee the property struck off to Grantors as trustees on behalf of all taxing jurisdictions in Cause No. 401-1710-01 in the 401st Judicial District Court, Collin County, Texas, and no more.

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

FARMERSVILLE INDEPENDENT SCHOOL DISTRICT

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

 This instrument was acknowledged before me on the _____ day of
_____, 2017, by _____,
_____ of the Farmersville Independent School District as
the act and deed of said Farmersville Independent School District.

Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: _____

COLLIN COUNTY, TEXAS

By:

Title:

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS

25

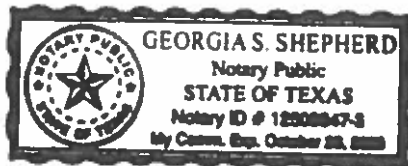
COUNTY OF COLLIN

5

This instrument was acknowledged before me on the 11/23 day of

2017, 2017, by 2017

_____ of Collin County, Texas as the act and deed of
said Collin County, Texas.



Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: 10/26/2020

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of
_____, 2017, by _____,

_____ of the Collin County Community College District as the act and
deed of said Collin County Community College District.

Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: _____

CITY OF FARMERSVILLE

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

 This instrument was acknowledged before me on the _____ day of
_____, 2017, by _____,
_____ of the City of Farmersville as the act and deed of
said City of Farmersville.

Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: _____

EXHIBIT A

BEING LOT 4C, BLOCK 2, OF NEATHERY-MARBLE ADDITION TO THE CITY OF FARMERSVILLE, COLLIN COUNTY, TEXAS, AS RECORDED IN VOL. 668, PAGE 928, OF THE COLLIN COUNTY DEED RECORDS.

Distribution of Proceeds

Blk 2, Lot 4c, Neathery Marble, Farmersville, Texas
R1062002004C1

Cause no.: 401-1710-01

Judgment date: July 1, 2002

Sheriff's sale: June 3, 2003

Taxes in Judgment:	FISD	\$1,156.38
	City	515.80
	County	203.29
	CCCCD	<u>76.58</u>
	Total	<u>\$1,952.05</u>

Other Judgment Amounts:	District Clerk Fees	\$449.00
-------------------------	---------------------	----------

Minimum Bid at Sale:	\$2,401.05
----------------------	------------

Resale price:	\$500.00
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Settlement Costs:	
District Clerk Fees	449.00

Total Costs:	<u>449.00</u>
--------------	---------------

Proceeds to be Distributed:	<u>\$51.00</u>
-----------------------------	----------------

Percentage of Judgment Taxes: 3%

Distributed to Collin County Tax Assessor on Behalf of:

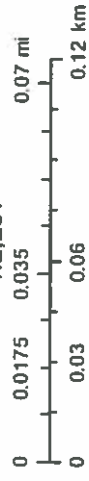
FISD	\$30.21
City	13.48
County	5.31
CCCCD	<u>2.00</u>
Total	<u>\$51.00</u>

Block 2, Lot 4C, Neathery Marble Addition



June 6, 2017

1:2,257



Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, Geobase, IGN, Kadaster NL, Ordnance Survey,

Agenda Section	Regular Agenda
Section Number	VII.K
Subject	Consider, discuss and act upon Memorandum of Understanding between the City of Farmersville and SHG Land Investments of Farmersville concerning Camden Park.
To	Mayor and Council Members
From	Ben White, City Manager
Date	June 13, 2017
Attachment(s)	Memorandum of Understanding
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

**MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN THE CITY OF FARMERSVILLE, TEXAS AND
SHG LAND INVESTMENTS OF FARMERSVILLE, LTD.**

This Memorandum of Understanding is entered into by and between the **CITY OF FARMERSVILLE, TEXAS** ("City") and **SHG LAND INVESTMENTS OF FARMERSVILLE, LTD.**, a Texas limited partnership ("Developer") (each a "Party" and collectively the "Parties"), acting by and through their authorized representatives.

RECITALS

WHEREAS, Developer is developing and constructing a multiple use Planned Development identified as Camden Park that includes commercial, residential (277 dwelling units) and multi-family components the zoning for which Planned Development has been previously approved by the City on the north side of Audie Murphy Parkway (U.S. 380) near the City's eastern corporate limits; and

WHEREAS, Developer and City have been discussing the location of a sanitary sewer lift station necessary to serve Camden Park in a location that will also assist the City to provide sanitary sewer service to other property in the same vicinity as the Camden Park development; and

WHEREAS, the Parties desire to enter into this Memorandum of Understanding ("MOU") to initiate the Parties' due diligence and evaluation of the location, design and construction of public infrastructure including a sanitary sewer lift station with gravity flow sanitary sewer lines and force main lines (the "Sewer Project"); and

WHEREAS, the Parties further desire to enter into this MOU to address the removal and remediation associated with the removal of that section of Old McKinney Road, which is a sweeping curve, that extends County Road 611 from a north-south roadway into an east-west roadway situated to the south and east of the intersection of County Roads 610 and 612 (the "Road Project") in Farmersville and within and about the Camden Park Development; and

WHEREAS, the Sewer Project and the Road Project will enhance and promote economic development in the City, promote the development of new and expanding business enterprises, stimulate commercial development activity, generate additional sales tax and enhance the property tax base and economic vitality of City; and

WHEREAS, the Parties may, subject to the referenced evaluation and following further negotiations, enter into a binding Development Agreement between the Parties for the Sewer Project and the Road Project;

NOW, THEREFORE, in consideration of the expressions of intent set forth herein, the Parties agree to explore and consider the following components of the Project:

- A. This Memorandum of Understanding sets forth the following key business points for purposes of negotiating further toward a Letter of Intent and a binding, Development Agreement approved in a public meeting.
- B. The following determinations need to be made, designs need to be prepared and approved by the City, and costs need to be established for the following work and/or improvements:
 - 1. The proper location for the placement of a sanitary sewer lift station ("Lift Station") required to pump sanitary sewer from the Camden Park Development;
 - 2. The minimum size Lift Station required to serve the Camden Park Development only;
 - 3. The appropriate minimum size diameter of gravity flow sanitary sewer pipe required to serve the Camden Park Development only;
 - 4. The cumulative length of pipe described in Number 3 that is required to connect the Camden Park Development to the Lift Station if constructed at the location identified in Number 1, above;
 - 5. The proper location for the placement of a Lift Station required to pump sanitary sewer from the Camden Park Development and other properties adjacent to and abutting the Camden Park Development and extending to the west of the Camden Park Development that are situated in the same drainage basin (the "Camden Park Area");
 - 6. The ultimate size of Lift Station required to serve the anticipated sanitary sewer flows from the Camden Park Development and the Camden Park Area;
 - 7. The appropriate minimum size diameter of gravity flow sanitary sewer pipe required to serve the Camden Park Development and the Camden Park Area;
 - 8. The cumulative length of pipe described in Number 7 that is required to connect the Camden Park Development to the Lift Station if constructed at the location identified in Number 5, above;

9. The appropriate minimum size diameter of force main sanitary sewer pipe required to serve the Camden Park Development and the Camden Park Area; and
 10. The cumulative length of pipe described in Number 9 required to connect from the Lift Station if constructed at the location identified in Number 5, above and extend to and connect with the City's gravity flow sanitary sewer system.
- C. It is the City's plan to enter into an agreement with Developer whereby City and Developer share in the costs of the Sewer Project as follows:
1. Developer will pay \$375,000 to design and construct the items identified in Paragraphs B.1. through B.4., above;
 2. Developer will also pay \$68,250 to design and construct the force main sanitary sewer pipe described in Paragraphs B.9. and B.10., above;
 3. The items identified in Paragraphs B.1. through B.4., above, and Paragraphs B.9. and B.10., above, that are a part of the Sewer Project are hereafter referred to as the "Developer's Proportionate Improvements";
 4. City will pay the balance of the remaining amount of the improvements beyond that stated in C.1 to design and construct the items identified in Paragraphs B.1. through B.4., and design and construct the items identified in B.5. through B.8, so as to offset the costs of oversizing and relocating the Lift Station to the location identified in Paragraph B.5.; and
 5. City will also pay the balance of the remaining amount of the improvements beyond that stated in C.2 to design and construct the force main sanitary sewer pipe described in Paragraphs B.9. and B.10.
- D. Developer shall pay the money identified under Paragraphs C.1. and C.2., herein above, into an escrow account held by the City for the construction of the Sewer Project on or before July 31, 2017.
- E. Subject to Developer's compliance with Paragraph D, the City will award the construction of the Sewer Project to the Bidder and enter into contracts for and cause the Sewer Project to be constructed in a good and workmanlike manner free of any and all defects, liens and encumbrances and specifically calling for the Lift Station, and all appurtenances thereto, to be constructed in the location identified by the City and in accordance with the Farmersville Code, and as follows:

1. City will require its general contractor and any and all subcontractors to provide insurance of the types and in at least the minimum limits determined by City;
 2. City will obtain performance bonds and payment bonds for the construction of the Sewer Project;
 3. City will also obtain maintenance bonds assuring the proper construction of the Sewer Project;
 4. City will issue a notice to proceed with the construction of the Sewer Project to the Bidder on or before September 30, 2017;
 5. Developer may be requested to provide, and if so requested will provide, administration services for the Sewer Project to the City and make recommendations to the City regarding payment applications submitted by the Bidder; and
 6. Developer shall hold City harmless and indemnify City from and against any and all claims that might arise out of the design and construction of the Sewer Project save and except the City's obligation to pay the City's proportionate share of the costs for which the City assumes responsibility.
- F. Developer shall be solely responsible for the payment of all costs and the performance of all work associated with removing the paving of that portion of Old McKinney Road which is a sweeping curve that extends County Road 611 from a north-south roadway into an east-west roadway and allows traffic to avoid the T-intersection of County Road 611 with County Roads 610 and 612 and thereafter regrading, leveling and compacting the soil disturbed by the removal of such paved roadway section all in accordance with the Farmersville Code and any applicable State or Federal statute, rule or regulation (the "Road Project"). In this regard, Developer shall:
1. Enter into contracts for and cause the Road Project to be designed and constructed in a good and workmanlike manner free of any and all defects, liens and encumbrances and in accordance with the Farmersville Code and any applicable State or Federal statute, rule or regulation;
 2. Require its general contractor and any and all subcontractors to provide insurance of the types and in the minimum limits determined by City, which insurance shall also identify the City as an "Additional Insured" on each policy providing liability insurance coverage and a waiver of subrogation on each worker's compensation and employer's liability insurance policy;

3. Obtain maintenance bonds assuring the proper construction of the Road Project for a period of one (1) year following final acceptance of the Road Project; and
 4. Developer will issue a notice to proceed with the construction of the Road Project to the Bidder on or before December 31, 2017.
- G. The City shall be responsible for re-establishing vegetation and landscaping the area disturbed by the removal of the paved roadway section through the Road Project after the area has been regraded, leveled and compacted by Developer.
- H. Subject to Developer's compliance with Paragraph D, City also plans to enter into an Impact Fee Credit Agreement with Developer whereby Developer will be provided utility impact fee credits against future development following the construction of the first thirty (30) single family dwelling units for an amount up to a proportionate amount not to exceed the \$68,250 paid by Developer for the cost to design and construct the force main sanitary sewer pipe described in Paragraphs B.9. and B.10., above.
- I. This Memorandum of Understanding is **non-binding**. Any legal obligations upon the Parties are expressly conditioned upon and subject to the Parties entering into mutually satisfactory Letter of Intent and definitive, binding written agreements as to all aspects of the Project and is not binding upon the Parties in any way. Unless and until such Letter of Intent and binding written agreements are entered into, none of the Parties shall be under any obligation to any other Party, regardless of this Memorandum of Understanding and regardless of any negotiations, agreements or understandings heretofore or hereinafter existing between the Parties, it being understood that no contractual relationship shall exist between the Parties unless and until the definitive, binding agreements shall have been executed in writing after approval in a public meeting.

EXECUTED on this the ____ day of June, 2017.

CITY OF FARMERSVILLE, TEXAS

By: _____
Diane C. Piwko, Mayor

ATTEST:

By: _____
Sandra Green, City Secretary

**SHG LAND INVESTMENTS OF
FARMERSVILLE, LTD.,** a Texas limited
partnership, by and through BEL AIR HOMES
INC., a Texas corporation

By: _____
M. T. Akhavizdeh
President

THE STATE OF TEXAS §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, in and for said County, Texas, on this day personally appeared Diane C. Piwko, Mayor of the CITY OF FARMERSVILLE, a Texas Municipal Corporation, known to me to be the person who's name is subscribed to the foregoing instrument, and acknowledged to me that he has executed the same on the City's behalf.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE ____ DAY OF _____, 2017.

Notary Public _____ County, Texas
My commission expires _____

THE STATE OF TEXAS §
COUNTY OF _____§

This instrument was acknowledged before me on the ____ day of _____, 2017, by M. T. Akhavizdeh in his capacity as President of BEL AIR HOMES INC., a Texas corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that Bel Air Homes Inc. is the General Partner of **SHG LAND INVESTMENTS OF FARMERSVILLE,**

LTD., a Texas limited partnership, and that he executed the same on behalf of and as the act of said limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE ____ DAY OF _____, 2017.

Notary Public _____ County, Texas
My commission expires _____

Agenda Section	Regular Agenda
Section Number	VII.L
Subject	Consider, discuss and act upon Interlocal Agreement (ILA) with Collin County for Ambulance Services.
To	Mayor and Council Members
From	Ben White, City Manager
Date	June 13, 2017
Attachment(s)	Interlocal Agreement Amendment
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action



Contract Amendment

Four (4)

Office of the Purchasing Agent
Collin County Administration Building
2300 Bloomdale Rd, Ste 3160
McKinney, TX 75071
972-548-4165

Vendor:	<u>City of Farmersville</u>	Contract	<u>Provide EMS City of Farmersville</u>
	<u>Attn: City Mayor</u>	Contract No.	<u>2014-286</u>
	<u>205 S. Main St.,</u>		
	<u>Farmersville TX. 75442</u>	Effective Date	<u>1-Nov-17</u>

Awarded by Court Order No.:	<u>2014-448-07-28</u>
Contract Amendment Court Order No 1.:	<u>2014-917-12-01</u>
Contract Amendment Court Order No 2.:	<u>2015-849-11-16</u>
Contract Amendment Court Order No 3.:	<u>2016-550-08-08</u>

YOU ARE DIRECTED TO MAKE THE FOLLOWING AMENDMENT TO THIS CONTRACT

1. Extend contract at the same terms and conditions of the contract of November 1, 2017 through October 31, 2018.
2. Payment for contract year November 1, 2017 through October 31, 2018 is \$38,059.78. Payment will be made quarterly in four (4) equal installments of \$9,514.95 due per the agreement.

Except as provided herein, all terms and conditions of the contract remain in full force and effect and may only be modified in writing signed by both parties.

ACCEPTED BY:

City of Farmersville

(print name)

205 S. Main St.,
Farmersville TX. 75442

ACCEPTED AND AUTHORIZED BY
AUTHORITY OF COLLIN COUNTY
COMMISSIONERS' COURT

Collin County Administration Building
2300 Bloomdale Rd, Ste 3160
McKinney, Texas 75071

SIGNATURE

TITLE:

DATE:

Michalyn Rains, CPPO, CPPB

Purchasing Agent

DATE:

EXHIBIT A
FY 2018 EMS CONTRACT

Fire District/City	Unincorporated	Incorporated	% of Pop	TOTAL	AREA (ML)	Coalition	EMS Provider	City Annual Costs	Quarterly Payment	County Costs
Anna	1,962	11,102	17%	13,064	43.58	Northern	AMR	\$ 142,269.27	\$ 35,567.32	\$ 25,142.52
Blue Ridge	2,391	881	1%	3,272	69.71	Eastern	AMR	\$ 11,289.79	\$ 2,822.45	\$ 30,640.05
Branch	2,990	0	0%	2,990	8.32	Eastern	AMR		-	\$ 38,316.08
Farmersville	3,978	2,970	5%	6,948	80.00	Eastern	AMR	\$ 38,059.78	\$ 9,514.95	\$ 50,977.04
Josephine	1,890	1362	2%	3,252	32.39	Eastern	AMR	\$ 17,453.68	\$ 4,363.42	\$ 24,219.86
Lowry Crossing	1,174	1,730	3%	2,904	12.09	Eastern	AMR	\$ 22,169.50	\$ 5,542.38	\$ 15,044.51
Melissa	1,921	8,171	13%	10,092	28.05	Northern	AMR	\$ 104,709.26	\$ 26,177.31	\$ 24,617.12
Nevada	3,454	1,010	2%	4,464	26.88	Eastern	AMR	\$ 12,942.89	\$ 3,235.72	\$ 44,262.12
Princeton	4,244	8,770	14%	13,014	53.30	Eastern	AMR	\$ 112,385.29	\$ 28,096.32	\$ 54,385.77
Royse City	875	0	0%	875	8.66	Eastern	AMR		-	\$ 11,212.90
Westminster*	1,836	0	0%	1,836	28.20	Northern	AMR		-	\$ 23,527.87
Weston	1,788	308	0%	2,096	50.26	Northern	AMR	\$ 3,946.94	\$ 986.74	\$ 22,912.76
TOTAL	28,503	36,304	56.02%	64,807	441.44			\$ 465,226.40		\$ 365,258.60
TOTAL COSTS FOR SERVICES FOR THE YEAR - \$830,485.00										

Contract Rate \$830,485.00 Rate per person \$12.8147

*Westminster Fire District contains Anna annexations

* Collin County is responsible for incorporated Westminster

Agenda Section	Regular Agenda
Section Number	VII.M
Subject	Consider, discuss and act upon bank contract for First National Bank of Trenton.
To	Mayor and Council Members
From	Ben White, City Manager
Date	June 13, 2017
Attachment(s)	Bank Contract
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

BANK DEPOSITORY AGREEMENT

This Bank Depository Agreement ("Agreement") is made and entered into this 13th day of June, 2017 by and between the City of Farmersville ("City") and First National Bank of Trenton ("Bank") a bank chartered by the State of Texas.

Section I: Designation as Depository

The City, through action of its Governing Body, hereby designates the Bank as its depository for banking services for a five-year period commencing June 1, 2017 through June 30, 2022.

Section II: Designation of Custodian

The City and Bank hereby designates the Texas Independent Bank (TIB) ("Custodian") to hold in trust, according to the terms and conditions of the City Request for Proposal, RFP dated, ("RFP") and pursuant to a separate Safekeeping Agreement, attached as Exhibit A, all securities pledged as depository collateral in accordance with the City's Investment Policy.

Any and all fees from the Custodian associated with the safekeeping of securities pledged to the benefit of the City shall be borne by the Bank.

Section III: Collateral

City time and demand deposits, inclusive of interest, in excess of the Federal Deposit Insurance Corporation insurance shall be secured at all times by collateral, acceptable to the City and in accordance with the Public Funds Collateral Act (Texas Government Code 2257), pledged by the Bank and held in trust by the Custodian in an amount equal to at least 102% of the total of those funds. Custodian will provide a monthly report of the collateral directly to the city.

Such pledged securities shall be subject only to the joint written instructions of both (a) authorized representatives of the City and (b) specifically authorized representatives of the Bank. The Bank shall have the right, with the prior written consent of the City, to substitute or replace any or all of the pledged securities with collateral acceptable to the City.

Section IV: Financial Position

The Bank will provide a statement of its financial position on at least a quarterly basis. The Bank will provide an annual statement audited by its independent auditors including a letter as to its "fair representation".

Section V: Authorized City Representative

For the term of this contract, the City and Bank designate the individuals as listed in Exhibit B as authorized to represent and act for the City in any and all matters including collateral assignment and substitution, execution of agreements and transfer of funds. Any change in these representatives will be made in writing.

Section VI: Scope of Services

The Bank's response to the City's RFP, dated April 28th, 2017 ("Response") is incorporated into this Agreement for all purposes, including service charges, time deposit, demand deposit and loan rates, and attached as Exhibit C. If any

provisions of the Response and this Agreement are in conflict, this Agreement will control.

The Bank shall faithfully perform all of its duties and obligations required by the laws of the State to Texas for public fund depositories and shall upon presentation pay all checks drawn on it against collected funds on demand deposits, and shall at the expiration of the Agreement, turn over to its successor all funds, City-owned securities, property and things of value held as depository.

The City shall have the power to determine and designate the character and amount of the fund to be deposited in the Bank. The City may arrange for time deposits and Bank may accept such deposits subject to the terms of the Bank's Response.

This Agreement, along with all Exhibits and other incorporated documents shall constitute the entire Agreement between the parties.

Section VII: Bank Compensation

Bank will be compensated for any and all services rendered to City under this Agreement. Bank agrees to offset monthly service fees against its customary earnings credit for balances in City's on-interest bearing accounts. Net insufficiencies in earnings credits will be charged on an annual basis.

FEE BASIS LANGUAGE

Bank will be compensated for any and all services rendered to City under this Agreement on a cost per item or monthly charge basis as set forth in the service charges of the Bank's Response.

Section VIII: Default

The Bank shall be in default if it fails to pay all or part of a demand deposit, a matured time deposit, or a matured certificate of deposit, including accrued but unpaid interest, at a specific maturity date. The Bank shall also be in default if ruled "bankrupt", "insolvent" or "failed" by a federal or state banking regulator, or if a receiver is appointed for the Bank.

In the event of a default, failure or insolvency of the Bank, the City shall be deemed to have vested full title to all securities pledged under this Agreement. The City is empowered to take possession of and transfer and or sell any and all securities. If the security is liquidated, any proceeds over the defaulted amount, plus expenses related to liquidation, shall be returned to the Bank. This power is in addition to other remedies which the City may have under this Agreement and without prejudice to its rights to maintain any suit in any court for redress of injuries sustained by the City under this Agreement.

Section IX: Non-Assignability

This Agreement is not assignable in whole or in part but is binding on the parties, their successors and assigns.

Section X: Termination

This Agreement may be terminated by either the City or the Bank by giving sixty (60) days prior written notice to the parties.

Section IX: Law Governing

All applicable provisions and requirements of the laws of the State of Texas governing depositories for the City shall be a part of this Agreement.

Section XII: Bank Authorization

The Bank represents and warrants that this Agreement is made pursuant to and is duly authorized by the Board of Directors of the Bank and recorded in the official records of the Bank.

CITY OF FARMERSVILLE

Diane Piwko, Mayor

ATTEST:

Sandra Green, City Secretary

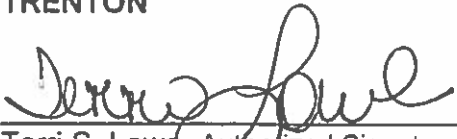
CUSTODIAN BANK

Authorized Signature

Title

ATTEST:

**FIRST NATIONAL BANK OF
TRENTON**



Terri S. Lowe, Authorized Signature



Title: VP/BM/RBC

ATTEST:

"EXHIBIT "B"

AUTHORIZED REPRESENTATIVES

The following individuals are authorized representatives of the City empowered to direct the Bank and the Custodian for the Bank, in regard to collateral pledges, releases and substitutions in the joint safekeeping account as well as authorized to represent and act for the City in any and all matters including execution of agreements and transfer of funds.

City Representatives Signature

Name and Title

Diane Piwko, Mayor

Michael Hesse, Council Treasurer

Sandra, City Secretary

Paula Jackson, Assistant to the City Manager

Bank representatives

Name and Title

"EXHIBIT "A"
CITY OF FARMERSVILLE
REQUEST FOR PROPOSAL FOR BANKING SERVICES

I. INTRODUCTION

The City of Farmersville is requesting proposals for a banking services contract to be awarded May 9th, 2017 with service to begin June 1, 2017 and extend through June 30, 2022. Through this contract the City intends to minimize banking costs, improve operational efficiency, and maximize investment capabilities. This Request for Proposal (RFP) represents the cash management goals, specifies all banks' required qualifications, the banking services required, the estimated activity volumes on all accounts, the method and terms of compensation, submission instructions and the contract award provisions.

II. PROPOSAL INSTRUCTIONS AND QUALIFICATIONS

A. MINIMUM QUALIFICATIONS

To assure a close working relationship, to facilitate available services, and to support local business, the entity may give priority to those banks with full service capabilities within the City limits. Any required statement regarding equal opportunity and affirmative action should be included if required/desired. The proposal submitted will become part of the final contract.

B. PROPOSAL SUBMISSION INSTRUCTIONS

1. Proposal Format

In order to fully and equitably evaluate each bank's ability to meet the banking services needs of the City, a standard reply format is required. Each proposal must include a response to each item in the RFP in the order given. Only proposals submitted in the prescribed format and using the exhibit forms provided will be evaluated for contract award.

2. Submission Requirements

The City of Farmersville is soliciting separate, sealed proposals for banking services. It is the City's intent to provide the best possible pricing and service for the citizens of Farmersville. The bidders shall provide, in a good workmanlike manner, the services called for and described herein. The RFP shall be received in a sealed envelope to include all material regarding the services as described herein. The RFP shall be submitted to:

Daphne Hamlin, Finance Director
City of Farmersville
205 S. Main Street
Farmersville, TX 75442

3. RFP Questions

Questions regarding this RFP or the service requested will be accepted in written form at the address below on or before 5:00 pm, April 28th, 2017. Responses to all material questions submitted will be communicated to each prospective bidder.

Daphne Hamlin, Finance Director
City of Farmersville
205 S. Main Street
Farmersville, TX 75442
Office: (972) 972-6151
Fax: (972) 972-6604
E-mail: d.hamlin@farmersville.tx.com

4. Request for Proposal Amendments

Modifications or additions may be made as a result of questions submitted. Written notification of any such change will be made in writing to all known bidders.

5. Selection Criteria

Evaluation of proposals will be made on the basis of the following objectives:

Time deposit interest rates
Cost of Service
Service availability
Safety and creditworthiness of bank

6. Award of Bid and Service Initiation

The contract is to be awarded by City Council at its meeting May 9, 2017.

III. REQUIRED FINANCIAL INSTITUTION INFORMATION

All banks must provide, as part of the proposal:

- audited financial statements for the most recent fiscal year,
- a copy of the current call report, and
- a statement regarding any recent or foreseen merger or acquisition.

IV. REQUIRED BANKING SERVICES

This section lists all the services to be provided by the bank under this agreement. Attachment A lists each of these services. The bank should use this Attachment to provide the specific price for each service.

A. Consolidated Account Structure

The bank is to provide a master consolidation account and zero balance accounts from which daily balance and detail reporting is available. The City's current account structure contains the following accounts:

Account Title
City of Farmersville Operating Account
City of Farmersville Money Market Account
City of Farmersville Interest and Sinking Account

B. Wire Transfer Services

The City currently generates approximately 100 incoming and 25 outgoing wires each month. A standard wire transfer agreement will be executed with the bank. This proposal should include a copy of your standard transfer procedures and wire transfer agreement. The City requires adequate security provisions and procedures. If the wire transfer requests are available on line, full information should be submitted detailing the use.

C. Automated Daily Balance Reporting

The City requires an automated PC-based reporting system for access to the closing ledger and available balances. Stipulate the time at which the access is available and describe the system to be used. Reporting should include balance and detail reporting. Samples of the reports are to be included in the proposal.

D. Investment of Idle Funds and Safekeeping of City Securities

All certificates of deposit bought by the City will be bought on a competitive basis. The City has no obligation to invest its funds with or through the bank. If the bank is proposing overnight repurchase agreements, an executed Master Repurchase Agreement is required. In order to fulfill GASB III requirements for reporting, if a

repurchase agreement is executed with the bank itself, the collateral must be held in the trust department of the bank in a separate account

All securities will be handled on a delivery versus payment (DVP) basis as they are cleared into and out of the account. There will be approximately ten securities in safekeeping at any time. All clearing and safekeeping will be in the bank or its correspondent. All correspondent and safekeeping arrangement will be stipulated in the proposal.

E. Standard Disbursing Services

Standard disbursing services for all accounts are required to include the payment of all checks upon presentation.

F. Standard Deposit Services

The bank must guarantee immediate credit on all incoming wire transfers and U.S. Treasury checks upon receipt and all other checks based on the bank's published availability schedule. The Bank should specify in their proposal their deposit requirements and commercial and retail deposit locations, including night deposit services and procedures.

G. Reporting and Account Analysis

Monthly account analysis reports must be provided by the bank on a timely basis for each account and on a total account basis. A sample account analysis format must be provided as part of the proposal. Samples of monthly statements should also be provided. The monthly statements are to be received within ten business days of the next month.

H. Account Executive

An account executive must be assigned to the account to coordinate the account services and expedite the solution of any problem. A trained and competent backup for the account executive, familiar with the account, should be assigned in the proposal. Stipulate the name and a brief biography of the account executive to be assigned to the City's account.

I. Direct Deposit

Describe the requirements and deadlines for computer tap for ACH transactions. The proposal should indicate when funds will be available in participating banks.

Daylight Overdraft Provisions: Every effort will be made to eliminate daylight overdraft situations on the account. However, in case this situation does arise, the proposal should include any and all bank policies regarding daylight overdrafts charges or handling procedures.

M. Stop Payments

The proposal must include a statement on the proposed stop payment process on an automated or manual basis.

N. Collateralization of Deposits

The bank must agree to obtain and maintain acceptable collateral sufficient to cover all anticipated time and demand deposits, above the FDIC insured limit of \$250,000 . Securities used to pledge against time and demand deposits must be held in an independent third-party safekeeping institution outside the bank's holding company. The bank will execute a tri-party safekeeping agreement with the City and the Safekeeping bank for safekeeping of these securities. Collateral will be maintained at a minimum of 102% and marked to market at least once a month. Control will be shared jointly between the bank and the entity. Substitution will be approved by the City and not unduly withheld. Substitutions of collateral will be requested in writing and new collateral will be received before the existing collateral is released. The proposal will name the safekeeping bank for collateral.

O. Additional Services

If new services become available and are provided during the period of this contract, they will be charged at the banks then published rate.

V. OTHER SERVICES

The City is interested in obtaining service and cost information on additional services for possible use during the contract period. These services are not required but will be evaluated in terms of availability, feasibility, service levels, service providers and cost The City will make its determination after receipt of proposals as to whether a service will be used. If the service is accepted later in the contract period the services and charges stipulated in the proposal will be applied.

A. Lockbox Services

The City may choose to utilize lockbox services for certain revenue collections. Describe the service including the lockbox location and a full description of the service.

VI. Bank Compensation

Any net settlement on compensating balances will be made annually. If fees are chosen as the payment methodology, fees will be paid monthly after receipt of the account analysis.

ATTACHMENT A - BANKING SERVICES CHARGES

*Any and all anticipated service charges must be shown on this form
to be applicable under the agreement. Add additional lines as required.*

Service Unit	Unit Charge	Cost of Service
Account Maintenance	Per month	
Daily Balance Reporting	Per month	
Zero Balanced Accounts		
Master Account	Per month	
Subsidiary Accounts	Per month	
Credits Posted	Per transaction	
Debits Posted	Per transaction	
Encoding charge	Per transaction	
ACH Processing	Per transaction	
Origination of file	Per tape	
ACH deletions	Per transaction	
ACH entries	Per transaction	
Returned checks	Per transaction	
Controlled Disbursement	Per account/per month	
Reconciliation	Per month	
Sort list tape	Per transaction	
Sort and list	Per transaction	
Items Deposited		
Deposits	Per transaction	
Commercial deposits	Per transaction	
Group I items	Per transaction	
Group II items	Per transaction	
Group I11 items	Per transaction	
Group IV items	Per transaction	
Stop payments	Per transaction	
Wire Transfers		
Incoming	Per transaction	
Outgoing	Per transaction	
Investment Safekeeping		
S/keeping interest/credit	Per transaction	
S/keeping receipt deposit	Per transaction	
S/keeping outgoing	Per transaction	
Securities DVP FRB	Per transaction	
Securities DVP NY	Per transaction	
Check Printing	Per transaction	
Extra Statements	Per transaction	
Disposable Bank Bags	Per Item	
Lockbox	Per month	
Cutbacks	Per transaction	
Special handling		

"EXHIBIT "C"

RESPONSE FOR CITY OF FARMERSVILLE REQUEST FOR BID



April 28, 2017

Daphne Hamlin
Finance Director
City of Farmersville
205 S. Main Street
Farmersville, TX 75442

Dear Ms. Hamlin:

Thank you very much for giving our Bank the opportunity to present a bid to provide the City of Farmersville with its banking services. The bank's 2016 audited financial statements are enclosed. In addition, the bank's most recent call report as of December 31, 2016 is also enclosed with the bid.

To my knowledge, the bank has no plans to engage in a merger or acquisition of another bank in the foreseen future. However, the bank's holding company, Trenton Bankshares, Inc. is being acquired by Captex Bancshares, Inc. A definitive agreement was signed between the two parties on July 27, 2016. Captex Bancshares, Inc. is a brand new holding company and is having to raise capital and go through regulatory approval before the transaction can close. Currently, they are awaiting final approval from the Federal Reserve. Once that approval is received, the transaction should close within 30 days. First National Bank of Trenton will continue to operate as a national bank but under a new holding company and ownership. This transaction should not affect the bank's Farmersville Branch or its ability to service the City, business as usual, and to the very best of its ability.

REQUIRED BANKING SERVICES:

- A. **Consolidated Account Structure:** Available free of charge.
- B. **Wire Transfer Services:** A standard Wire Transfer Agreement is on file with the City of Farmersville. Since the bank is the current depository for the City, the standard transfer procedures are already being followed by the City. Wire transfers are available in person, via telephone, and via facsimile free of charge.
- C. **Automated Daily Balance Reporting:** The Bank has both PC-based internet reporting, as well as telephone reporting. Both systems are available 24 hours a day, 7 days a week. Both are free of charge. Again, since the bank is the current depository of the City, the City is aware of the types of reporting available with both the PC-based internet reporting and the telephone reporting.
- D. **Investment of Idle Funds and Safekeeping of City Securities:** The Bank does not offer overnight repurchase agreements. The Bank does not have a trust department however, uses TIB for its safekeeping needs. TIB has been contacted, and it will not be a problem for the Bank to safe keep the City's securities there. The safekeeping receipts will be in the Bank's name in care of the City of Farmersville. The Bank will receive all the necessary correspondence for the City and will make the necessary entries as needed. This service is provided free of charge.

- E. **Standard Disbursing Services:** Standard disbursing services for all accounts will include the payment of all checks upon presentation. This service is provided free of charge.
- F. **Standard Deposit Services:** Enclosed is a copy of the Bank's Funds Availability Policy. The Bank has a full-service branch located in Farmersville at 201 South Highway 78. The bank's drive-thru hours are as follows: Monday-Thursday 8:00 a.m. to 5:30 p.m., Friday 8:00 a.m. to 6:00 p.m., and Saturday 8:30 a.m. to 12:00 p.m. The bank's lobby is open Monday-Thursday 9:00 a.m. to 5:00 p.m. and Friday 9:00 a.m. to 6:00 p.m. Terri Lowe is the branch manager and will be in charge of servicing the City's accounts. The phone number is 972-782-7054. The Bank does have night deposit services, which are accessible 24 hours a day, 7 days a week. All night deposit transactions are processed under dual control in the morning before the branch opens each business day. Locked bags are available. A Night Deposit Services Agreement must be signed to receive keys. Any item larger than a normal envelope size will require a key to deposit. These services are free of charge.
- G. **Reporting and Account Analysis:** The Bank has monthly account analysis statements available for each account and on a total account basis if service charges are assessed. However, the Bank is not charging the City for any services rendered. Therefore, there is no need for a monthly account analysis statement. However, the normal monthly statements will be sent on a timely basis and will include images of both front and back of all checks written.
- H. **Account Executive:** Terri Lowe will be the assigned account executive for the City's accounts. She will coordinate the account services and expedite solutions to any problems. She is a Vice President of the bank. She has been with the bank since 2006. The bank was originally awarded the City of Farmersville depository contract in November of 2007. Terri is very familiar with the City and their account services. Terri can be reached at the Farmersville location, phone number 972-782-7054. Kathy Lance, Executive VP and Chief Operations Officer of the bank, can also assist with any needs of the City, including expediting solutions to any problems that may arise. Kathy can be reached at the Melissa location, phone number 972-837-4915. For questions about wire transfers or ACH origination (payroll), Anna Morse, Bookkeeping Supervisor, can also assist. Anna can be reached at the Trenton location, phone number 903-989-2235. Last, Angela Sadler will be the contact for the request for proposal for banking services and if awarded, the depository contract. In addition, Angela will be the contact for any questions regarding safekeeping of the City's securities or pledging for the City's deposits. Angela is the Chief Financial Officer of First National Bank of Trenton and can also be reached at the Trenton location, phone number 903-989-2235.
- I. **Direct Deposit:** Direct deposit is available through the Bank and requires you to be set up to generate ACH transactions over the computer. This service is provided at no charge. ACH files must be received by noon to be processed on the same day.

Daylight Overdraft Provision: The Bank does not allow daylight overdrafts.
- J. **Stop Payments:** This service is provided on an automated and manual basis and is provided free of charge.
- K. **Collateralization of Deposits:** The Bank agrees to obtain and maintain acceptable collateral sufficient to cover all anticipated time and demand deposits, above the FDIC insured limit. Bank investment securities are used to pledge against time and demand deposits of the City. These securities are held in an independent, third party safekeeping institution outside the bank's holding company. The bank uses TIB for its

safekeeping needs. The bank executes a tri-party safekeeping agreement with the City and TIB for safekeeping these securities. All requirements of the City related to this collateral will be maintained. In addition, the bank would like approval from the City to use a letter of credit from the Federal Home Loan Bank of Dallas as sufficient collateral to cover the City's deposits. The bank plans to continue to use pledged securities as long as the securities are available to pledge. Receiving approval from the City for this alternative method just gives the bank more flexibility if securities are not available to pledge.

- L. **Additional Services:** New services will be addressed at the time they become needed or available and will be charged at the bank's then published rate.

OTHER SERVICES:

Other services not requested in this proposal will be addressed at the time they become needed or available and will be charged at the bank's then published rate if applicable.

- A. **Lockbox Services:** The Bank does have lockbox services, which are accessible 24 hours a day, 7 days a week. All lockbox transactions are processed under dual control in the morning before the branch opens each business day. Locked bags are available. A Lockbox Services Agreement must be signed to receive keys. Any item larger than a normal envelope size will require a key to deposit. These services are free of charge.

BANK COMPENSATION:

The bank will not require net settlement on compensating balances nor will fees need to be paid monthly after receipt of the account analysis. The bank will not charge the City for its depository services.

BANK DEPOSIT ACCOUNT STRUCTURE AND RATES:

The bank offers two interest bearing checking accounts for the Depository: the NOW account and the Money Market account. The Depository recommends that the District use the NOW account for its operating accounts, as the transactions are unlimited, and use the Money Market account for its investment funds, as these transactions are limited to six withdrawals each statement cycle. Sweep accounts are available so that the District can sweep its excess funds from the NOW accounts into the Money Market accounts daily if needed. The current, posted NOW account rate is 0.05%. The current, posted Money Market account rates are based on average daily balances and are as follows: \$0.01 thru \$24,999.99 is 0.10%, \$25,000.00 thru \$199,999.99 is 0.15%, and \$200,000.00 and over is 0.30%. The City's rates will be based on the current posted rates and changed during the contract as posted rates change. Attached is the complete rate sheet for the bank's current deposit rates, including CD rates and savings account rates.

If you have any questions or need additional information, please do not hesitate to contact me. I can be reached by phone at 903-989-2235 or by email at asadler@fmbtrenton.com. Thank you again for allowing First National Bank of Trenton – Farmersville Branch the opportunity to bid on the City's banking services.

Angela Sadler
CFO

Teri Lowe
VP/Branch Manager

First National Bank of Trenton

106 Hamilton
P O Box 4
Trenton, Texas 75490
903-989 2235

Regulation CC Funds Availability Disclosure

Funds Availability Disclosure

PURPOSE OF THIS DISCLOSURE

The information here describes our policy of holding deposited items in a transaction account before funds are made available to you for withdrawal. This is our Funds Availability Policy. In summary our policy is to make your funds available on the first Business Day after the day of deposit. Please refer to the section DETERMINING THE AVAILABILITY OF YOUR DEPOSIT for the complete policy.

For purposes of this disclosure, the terms "you"/"your" refer to the customer and the terms "our"/"we"/"us" refer to First National Bank of Trenton.

Generally, transaction accounts are accounts which would permit an unlimited number of payments by check to third persons and also an unlimited number of telephonic and preauthorized transfers to third persons or other accounts you may have with us.

DETERMINING THE AVAILABILITY OF YOUR DEPOSIT

The length of the delay varies depending on the type of deposit and is explained below. When we delay your ability to withdraw funds from a deposit, you may not withdraw the funds in cash, and we will not pay checks you have written on your account by using these funds. Even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

When we delay your ability to withdraw funds, the length of the delay is counted in Business Days from the day of your deposit. The term "Business Day" means any day other than Saturday, Sunday or federally declared legal holiday, and the term "Banking Day" means that part of any Business Day on which we are open to the public for carrying on substantially all of our banking functions.

If you make a deposit before 2:00 pm on a Business Day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 2:00 pm or on a day that we are not open, we will consider the deposit made on the next Business Day we are open.

AVAILABILITY SCHEDULE

Same Day Availability. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. In addition, funds from deposits of wire transfer will also be available on the day of deposit.

Next Day Availability. Funds from deposits of cash (if made in person to an employee of the Bank*), U. S. Treasury checks (if payable to you and deposited into your account), U. S. Postal Service Money Orders (if payable to you and deposited into your account, and the deposit is made in person to an employee of the Bank*), Federal Reserve Bank or Federal Home Loan Bank checks (if payable to you and deposited into your account, and the deposit is made in person to an employee of the Bank*), State or Local Government checks (if payable to you and deposited into your account, and the deposit is made in person to an employee of the Bank*), cashier's checks, certified, or teller's check (if payable to you and deposited into your account, and the deposit is made in person to an employee of the Bank*) and checks drawn on us unless, are available on the first Business Day after the day of your deposit.

Other Check Deposits. All other check deposits than those indicated above will be available on the 2nd Business Day after the day of deposit.

HOLDS ON OTHER FUNDS FOR CHECK CASHING

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it and we decided to delay availability on the deposit.

HOLDS ON OTHER FUNDS IN ANOTHER ACCOUNT

If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited and we decided to delay availability on the deposit.

LONGER DELAYS MAY APPLY

In some cases, we will not make all of the funds that you deposit by check available to you according to the previously stated availability schedule. Depending on the type of check that you deposit, funds may not be available until the 7th Business Day after the day of your deposit. The first \$200.00 of your deposits, however, may be available on the first Business Day.

If we are not going to make all of the funds from your deposit available to you according to the previously stated availability schedule, we will notify you at the time you make the deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

Funds you deposit by check may be delayed for a longer period under the following circumstances: (a) if we believe a check you deposit will not be paid, (b) if you deposit checks totaling more than \$5,000 on any one day, (c) if you redeposit a check that has been returned unpaid, (d) if you have overdrawn your account repeatedly in the last six months, or (e) if an emergency condition arises that would not enable us to make the funds available to you, such as the failure of computer or communications equipment.

First National Bank of Trenton Rate Sheet

1-Oct-14

Account Product Name	Minimum Opening Deposit	Interest Rate	Annual Percentage Yield
03 Month Certificate of Deposit	\$1,000.00	0.10%	0.10%
06 Month Certificate of Deposit	\$1,000.00	0.20%	0.20%
12 Month Certificate of Deposit	\$1,000.00	0.35%	0.35%
18 Month Certificate of Deposit	\$1,000.00	0.45%	0.45%
24 Month Certificate of Deposit	\$1,000.00	0.50%	0.50%
36 Month Certificate of Deposit	\$1,000.00	0.80%	0.80%
48 Month Certificate of Deposit	\$1,000.00	0.95%	0.95%
60 Month Certificate of Deposit	\$1,000.00	1.10%	1.11%
18 Month Variable Rate CD	\$500.00	0.30%	0.30%

Minimum opening deposit of \$1,000 required. Special Rate applicable to initial term only. At maturity CD will automatically renew for the Renewal Term stated above, at the interest rate and APY in effect for CDs not subject to a Special Rate, unless the Bank has notified you otherwise. The balance tiers for the accounts listed on this page are as follows: \$0 - \$9,999.99; \$10,000-\$24,999.99; \$25,000-\$199,999.99; \$200,000 and up. Annual Percentage Yields offered within two or more consecutive tiers may be the same. When this is the case, this screen will show those multiple tiers as a single tier. Each tier shown reflects the current minimum balance required to obtain the applicable Annual Percentage Yield. Rates subject to change at any time and are not guaranteed until CD is opened.

Penalty may be imposed for early withdrawal. Fees may reduce earning on the account. Interest cannot remain on deposit and must be paid out when the following conditions are met:

- 1) the account has a maturity greater than 1 year
- 2) interest is not compounded at least annually
- 3) interest must be withdrawn at least annually, and
- 4) the APY disclosed is equal to the interest rate

Savings Account	\$100.00	0.10%	0.10%
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The Annual Percentage Yields (APY) and Interest Rates shown are offered on accounts accepted by the Bank and effective for the date shown above, unless otherwise noted. Rates are subject to change without notice.

Interest Rate vs. APY: The APY (Annual Percentage Yield) is a percentage rate that reflects the total amount of interest paid on the account, based on the interest rate and the frequency of compounding for a 365-day period. If you receive a periodic statement, that statement will include the APY earned on your account for the period covered by the statement.

Penalty may be imposed for early withdrawal. Fees may reduce earning on the account.

Member FDIC

NOW Account	\$1,500.00	0.05%	0.05%
FNB Select	\$1,500.00	0.05%	0.05%
Money Market Account			
Average Daily Balances of:	\$2,500.00 - \$ 9,999.99	0.10%	0.10%
	\$10,000.00 - \$ 24,999.99	0.10%	0.10%
	\$25,000.00 - \$199,999.99	0.15%	0.15%
	\$200,000.00 and up	0.30%	0.30%

The Annual Percentage Yields (APY) and Interest Rates shown are offered on accounts accepted by the Bank and effective for the date shown above, unless otherwise noted. Rates are subject to change without notice.

Interest Rate vs. APY: The APY (Annual Percentage Yield) is a percentage rate that reflects the total amount of interest paid on the account, based on the interest rate and the frequency of compounding for a 365-day period. If you receive a periodic statement, that statement will include the APY earned on your account for the period covered by the statement.

The balance tiers for the accounts listed above are as follows: \$0-\$20,000.00; \$20,000.01 and up. Rates and Annual Percentage Yields offered within two or more consecutive tiers may be the same. When this is the case, this screen will show those multiple tiers as a single tier. Each tier shown reflects the current minimum balance required to obtain the applicable Annual Percentage Yield.

Penalty may be imposed for early withdrawal. Fees may reduce earning on the account.

Member FDIC

For current rate information call (903)939-2235.



VIII. Requests to be Placed on Future Agendas

IX. Adjournment