



## **NOTICE OF MEETING OF THE GOVERNING BODY OF THE CITY OF BURNET**

Notice is hereby given that a **Regular Council Meeting** will be held by the governing body of the above named City on the **12<sup>th</sup> day of June, 2018** at **6:00** p.m. in the Council Chambers, Burnet Municipal Airport, 2402 S. Water, Burnet, at which time the following subjects will be discussed, to-wit:

This notice is posted pursuant to the Texas Government Code, Chapter §551-Open Meetings.

### **CALL TO ORDER:**

### **INVOCATION:**

**PLEDGE OF ALLEGIANCE:** To be led by Boy Scout Troop #282

### **PLEDGE TO TEXAS FLAG:**

### **1. CITIZEN COMMENT:**

- 1.1) Home and property Owners at the Ranch at Delaware Springs: Deborah Parker
- 1.2) Drainage ditch adjacent to Evergreen Street: Ruth Long

### **2. CONSENT AGENDA ITEMS:**

*(All of the following items on the Consent Agenda are considered to be self-explanatory by the Council and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member, staff member or citizen requests removal of the item from the consent agenda for the purpose of discussion. For removal of an item, a request must be made to the Council when the Consent Agenda is opened for Council Action.)*

- 2.1) Approval of the May 22, 2018 Regular Council Meeting minutes
- 2.2) Approval of the May 29, 2018 Special Meeting Budget Retreat minutes

### **3. PUBLIC HEARING: None.**

### **4. ACTION ITEMS:**

- 4.1) Discuss and consider action: Approval to purchase (2) Two in car and body



cameras for patrol units: P. Nelson

4.2) Discuss and consider action: Approval to execute a Notice of Decrease of City electrical load with LCRA: G. Courtney

4.3) Discuss and consider action: RESOLUTION BY THE CITY OF Burnet, TEXAS ("CITY") SUSPENDING THE EFFECTIVE DATE FOR NINETY DAYS IN CONNECTION WITH THE RATE INCREASE FILING MADE ON ABOUT ON JUNE 1, 2018 BY ATMOS ENERGY FOR ITS MIDTEX DIVISION; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE: G. Courtney

4.4) Discuss and consider action: Contractor selection for the Police Station Project: D. Vaughn

4.5) Discuss and consider action: Consideration and approval of a Financing Use and Sales Tax Remittance Agreement between the City of Burnet and the Burnet Economic Development Corporation. E. Milliorn

4.6) Discuss and consider action: A RESOLUTION OF THE CITY OF BURNET APPROVING A RESOLUTION OF THE BURNET ECONOMIC DEVELOPMENT CORPORATION WITH RESPECT TO THE ISSUANCE OF THE SALES TAX REVENUE BOND, TAXABLE SERIES 2018, AND APPROVING OTHER MATTERS RELATED THERETO: E. Milliorn

4.7) Discuss and consider action: Appointment of two Commissioners to the Housing Authority of the City of Burnet: K. Dix

4.8) Discuss and consider action: Direction from Council on the disposition of the Benevolent Fund: D. Vaughn

4.9) Discuss and consider action: Approval of TxDot Aviation 2010 Capital Improvement Program remaining grant funding and designation of authorized representative: L. Baugh

4.10) Discuss and consider action: Approval of TxDot Aviation 2018 – 2019 Routine Airport Maintenance Program (RAMP) grant and designation of authorized representative: L. Baugh

4.11) Discuss and consider action: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT A DEED FOR PUBLIC RIGHT-OF-WAY ACQUISITION FROM STEHLING DEVELOPMENTS L.L.C., SAID DEDICATION TO CONSIST OF A 0.90 ACRE TRACT OF LAND OUT OF THE JOHN HAMILTON SURVEY NO.1, ABSTRACT NO. 405; AND FINDING THAT THE MEETING AT WHICH THIS RESOLUTION



WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW. M. Lewis

4.12) Discuss and consider action: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT A DEED FOR PUBLIC RIGHT-OF-WAY ACQUISITION FROM STEHLING DEVELOPMENTS L.L.C., SAID DEDICATION TO CONSIST OF A 0.97 ACRE TRACT OF LAND OUT OF THE JOHN HAMILTON SURVEY NO.1, ABSTRACT NO. 405; AND FINDING THAT THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW. M. Lewis

**5. REPORTS:** None

5.1) Addendum to the City Council Agenda: Department and Committee Reports/Briefings: The City Council may or may not receive a briefing dependent upon activity or change in status regarding the matter. The listing is provided to give notice to the public that a briefing to the Council on any or all subjects may occur.

**6. REQUESTS FROM COUNCIL FOR FUTURE REPORTS:**

**7. ADJOURN:**

Dated this 8<sup>th</sup>, day, of June, 2018

**CITY OF BURNET**

**CRISTA GOBLE BROMLEY, MAYOR**

I, the undersigned authority, do hereby certify that the above NOTICE OF MEETING of the governing body of the above named City, BURNET, is a true and correct copy of said NOTICE and that I posted a true and correct copy of said NOTICE on the bulletin board, in the City Hall of said City, BURNET, TEXAS, a place convenient and readily accessible to the general public at all times, and said NOTICE was posted on June 8, 2018, at or before 5 o'clock p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of said Meeting.

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Kelly Dix, City Secretary

**NOTICE OF ASSISTANCE AT THE PUBLIC MEETINGS:**

*The City Council Chamber is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services, such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the City Secretary's office (512.756.6093) at least two working days prior to the meeting. Requests for information may be faxed to the City Secretary at 512.756.8560.*

**RIGHT TO ENTER INTO EXECUTIVE SESSION:**

*The City Council for the City of Burnet reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).*





**CITY OF BURNET  
REQUEST FOR CITIZEN INPUT ITEM  
PLEASE PRINT ALL INFORMATION**

Every effort is made to expedite all requests for an appearance before the City Council.

**INSTRUCTIONS:**

USE THIS FORM ONLY FOR REQUESTING TIME TO APPEAR BEFORE THE COUNCIL WITH A CITIZEN'S INPUT ITEM. COUNCIL WILL NOT BE ABLE TO RESPOND OR TAKE ACTION ON THIS ITEM. YOU WILL HAVE FIVE MINUTES TO SPEAK. Please return this form along with all associated documents to the City Secretary of the City of Burnet no less than five **business** days prior to the requested appearance. Twelve (12) packets should be prepared for distribution to the City Council, Staff and file. Due to restrictions in the Gov. Code Chapter 551, as amended, Open Meetings Act, deviations from the submitted request cannot be heard. In the event you must cancel the appearance, please notify the City Secretary by noon on the day of your scheduled appearance at (512) 756-6093 or by email at mail@cityofburnet.com.

NAME: Deborah Parker PHONE: (512) 581-8615  
(where you can be reached M-F, 8-5)

REPRESENTING: Home & Property Owners at the Ranch at Delaware Creek, Burnet, TX.

ADDRESS: 236 SUNDAY DR. CITY Burnet STATE Tx ZIP 78611

REQUESTED DATE OF APPEARANCE: JUNE 12, 2018

**NATURE OF ITEM TO BE PRESENTED: (be as specific as possible)**

Presenting a petition to the City Council concerning the  
C3 ZONE Businesses in front of our subdivision.  
Asking the city council to change to C1 from Sunday  
Drive to Ramsey's way Drive  
MRS. PARKER will give maps & 3 minute speech to the  
Council

6-4-18

Date of Request

Deborah Parker

Signature of Applicant

RECEIVED BY PUBLIC INFORMATION OFFICER ON 5-4-18

SCHEDULED FOR APPEARANCE ON: 6-12-18

CHANGES OR CANCELLATIONS:

SIGNATURE OF PIO: Kenny Dax

Date

6-12-18

Time Received: \_\_\_\_\_





CITY OF BURNET  
REQUEST FOR CITIZEN COMMUNICATION ON THE AGENDA

INSTRUCTIONS: The City of Burnet Council Meeting is held on the second and fourth Tuesday of the month in Council Chambers. To request appearance before the Council, please complete and return this form along with all associated documents to the City Secretary of the City of Burnet no later than noon on the Friday prior to the Tuesday Council Meeting. The Council Meeting agenda will be officially posted at City offices and on the City of Burnet website at [www.cityofburnet.com](http://www.cityofburnet.com) by noon on the Friday prior to the Tuesday Council Meeting. Your request for appearance will be listed on the agenda under Special Reports/Public Recognition. The Mayor will invite you to the podium and you will be given three minutes to complete your presentation. Due to restrictions in the Gov. Code Chapter 551, as amended, Open Meetings Act, deviations from the submitted agenda cannot be heard. In the event you must cancel the appearance, please notify the City Secretary by noon on the day of your scheduled appearance at (512) 715-3209 or by email at [kdix@cityofburnet.com](mailto:kdix@cityofburnet.com)

NAME: Ruth Long PHONE: ( 512 ) 588-0121

(Where you can be reached M-F, 8-5)

REPRESENTING: Lon Ellison-302 Evergreen, Gail Miller-300 Evergreen, Jim Dykes-1017 Vandever

ADDRESS: 304 Evergreen CITY Burnet STATE TX ZIP 78611

REQUESTED DATE OF APPEARANCE: Tuesday, June 12, 2018

PURPOSE OF REQUEST SUMMARY: (include any items or actions you are requesting) Concerns with drainage behind Evergreen Street

AGENDA: (be as specific as possible) Issues with maintaining the drainage ditch behind Evergreen is causing increased Mosquito problems. Wants clarification on whose responsibility maintenance of the ditch is. Is it School District or City Responsibility.

6-8-2018

Date of Request

Signature of Applicant

RECEIVED BY PUBLIC INFORMATION OFFICER ON 6-8-2018

SCHEDULED FOR APPEARANCE ON: 6-12-2018

CHANGES OR CANCELLATIONS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SIGNATURE OF PIO: \_\_\_\_\_ Date \_\_\_\_\_

Time Received: \_\_\_\_\_



STATE OF TEXAS            {}  
COUNTY OF BURNET       {}  
CITY OF BURNET           {}

On this the 22<sup>nd</sup> day of May, 2018, the City Council of the City of Burnet convened in Regular Session, at 6:00 p.m., at the regular meeting place thereof with the following members present, to-wit:

Council Members            Paul Farmer, Tres Clinton, Cindia Talamantez, Mary Jane Shanes,  
   Danny Lester

Absent                         Joyce Laudenschlager

City Manager                David Vaughn

City Secretary               Kelly Dix

Guests: James B. Wilson, Mark Lewis, Evan Milliron, Gene Courtney, Mark Ingram, Patricia Langford, Paul Nelson, Connie Maxwell, Alan Burdell, Leslie Baugh, Jonny Simons, Craig Lindholm, Bettye Foulds, Adrienne Field, Earl Foster, Andy Field, Adam Henry, Mark Lunsford, Savanna Gregg, Charles Goble, Shelley Reavis, Angela Moore, Geno Petrona

CALL TO ORDER: The meeting was called to order by Mayor Bromley, at 6:00 p.m. Upon calling the City Council Meeting to Order, School Board President Andy Field was invited to call to order the meeting of the Burnet Consolidated Independent School Board Trustees and establish a quorum.

INVOCATION: Council Member Mary Jane Shanes

PLEDGE OF ALLEGIANCE: Council Member Paul Farmer

PLEDGE TO TEXAS FLAG: Council Member Paul Farmer

PUBLIC RECOGNITION/SPECIAL REPORTS:

Proclamation: Motorcycle Awareness Month: Mayor Crista Goble Bromley: Mayor Bromley presented a proclamation declaring May 2018 Motorcycle Awareness Month in the City of Burnet to Geno Petrano and the COCI Motorcycle Group.

Chamber of Commerce Report: Chamber Board Member Mark Lunsford updated the Council on the current happenings at the Chamber of Commerce. The Breakfast of Champion events held at BCISD was well attended. Mr. Lunsford reminded Council that Coffee with the Mayor would be held at Delaware Springs on August 30<sup>th</sup> and encouraged all present to attend.

CONSENT AGENDA ITEMS:

*(All of the following items on the Consent Agenda are considered to be self-explanatory by the Council and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member, staff member or citizen requests removal of the item from the consent agenda for the purpose of discussion. For removal of an item, a request must be made to the Council when the Consent Agenda is opened for Council Action.)*

Approval of the May 8, 2018 Council Workshop Meeting minutes

Approval of the May 8, 2018 Regular City Council Meeting minutes

Approval of the May 15, 2018 Special Council Meeting minutes

Council Member Tres Clinton moved to approve the consent agenda as presented. Council Member Mary Jane Shanes seconded, the motion carried unanimously.

PUBLIC HEARING: None.

ACTION ITEMS:

Discuss and consider action: Appoint Mayor Pro Tem: K. Dix: Mayor Bromley made a motion to appoint Council Member Paul Farmer to the position of Mayor Pro Tem. Council Member Tres



Clinton seconded, the motion carried unanimously.

Discuss and consider action: SECOND AND FINAL READING OF AN ORDINANCE AMENDING ORDINANCE NO. 2012-06 BY ASSIGNING MEDIUM COMMERCIAL – DISTRICT C-2 ZONING TO LOT 1, SECTION 2 (1.409 ACRES) BURNET INDUSTRIAL PARK AND LOT 2, BLOCK 2, BURNET INDUSTRIAL PARK WHICH IS FURTHER DESCRIBED AS BEING IN THE 400 BLOCK OF INDUSTRIAL BOULEVARD; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE: M. Lewis: Council Member Mary Jane Shanes made a motion to approve and adopt Ordinance 2018-09 as presented. Council Member Danny Lester seconded, the motion carried unanimously.

Discuss and consider action: SEDCOND AND FINAL READING OF A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET APPROVING A TYPE B PROJECT BY THE BURNET ECONOMIC DEVELOPMENT CORPORATION ("BEDC") FOR THE RESTORATION OF THE HISTORIC BADGER BUILDING LOCATED AT 229 S. PIERCE STREET; AND OTHER RELATED MATTERS: D. Vaughn: Council Member Danny Lester made a motion to approve and adopt Resolution No. R2018-07 as presented. Council Member Cindia Talamantez seconded, the motion carried unanimously.

Discuss and consider action: SECOND AND FINAL READING OF A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET APPROVING A TYPE B PROJECT BY THE BURNET ECONOMIC DEVELOPMENT CORPORATION ("BEDC") FOR THE DEVELOPMENT OF A 21 ACRE BUSINESS, COMMERCIAL, AND/OR INDUSTRIAL PARK LOCATED AT 1500 POLK STREET; AND OTHER RELATED MATTERS: D. Vaughn: Council Member Danny Lester made a motion to approve and adopt Resolution No. R2018-08 as presented. Council Member Cindia Talamantez seconded, the motion carried unanimously.

4.5) Discuss and consider action: Interlocal Agreement between the City of Burnet and the Burnet Consolidated Independent School District for (4) four School Resource Officers: P. Nelson: Council Member Danny Lester made a motion to approve the Interlocal Agreement between the City of Burnet and the Burnet Consolidated Independent School District for (4) four School Resource Officers. Council Member Paul Farmer seconded, the motion carried unanimously.

Discuss and consider action: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET AUTHORIZING THE EXECUTION OF A LEASE BETWEEN THE BURNET ECONOMIC DEVELOPMENT CORPORATION AND SAN SABA WINE CELLARS, LLC FOR THE USE OF THE HISTORIC BADGER BUILDING LOCATED AT 229 S. PIERCE STREET; AND OTHER RELATED MATTERS: D. Vaughn: Council Member Paul Farmer made a motion to adopt Resolution No. R2018-11 as presented. Council Member Mary Jane Shanes seconded, the motion carried unanimously.

Discuss and consider action: AN ORDINANCE OF THE CITY OF BURNET, TEXAS, ORDERING AND DECLARING THE 2018 CHARTER AMENDMENTS ADOPTED: K. Dix: Council Member Tres Clinton made a motion to approve and adopt Ordinance 2018-10 as presented. Council Member Danny Lester seconded, the motion carried unanimously.

Discuss and consider action: A RESOLUTION BY THE CITY OF BURNET TO ENTER INTO A GRANT AGREEMENT WITH TEXAS DEPARTMENT OF TRANSPORTATION, AVIATION DIVISION (TXDOT) TO MAKE CERTAIN IMPROVEMENTS TO THE BURNET MUNICIPAL AIRPORT; AGREEING TO PROVIDE 10% OF THE TOTAL PROJECT COSTS; NAMING TXDOT AS THE AGENT FOR THE CITY; AND APPOINTING A DESIGNATED REPRESENTATIVE: L. Baugh: Council Member Danny Lester made a motion to approve and



adopt Resolution R2018-12 as presented and to authorize City Manager David Vaughn to execute all necessary paperwork. Council Member Paul Farmer seconded, the motion carried unanimously. Discuss and consider action: Award of Wastewater Rehabilitation Phase II (Project E): G. Courtney: Mayor Bromley announced that Mayor Pro Tem Paul Farmer filed an Affidavit of Conflict of Interest with the City Secretary recusing himself from discussion and action pertaining to this and left the room. Council Member Danny Lester made a motion to award the Wastewater Rehabilitation Phase II (Project E) bid to Hoover Construction, Inc. Cindia Talamantez seconded, the motion carried unanimously.

REPORTS:

Addendum to the City Council Agenda: Department and Committee Reports/Briefings: The City Council may or may not receive a briefing dependent upon activity or change in status regarding the matter. The listing is provided to give notice to the public that a briefing to the Council on any or all subjects may occur.

April 2018 Financial Report; P. Langford: Patricia Langford, Director of Finance reviewed the April 2018 Financials to include revenues, expenses and fund balance. Ms. Langford reported that all areas were on track with the budget. Ms. Langford clarified airport fuel sales for Council Member Clinton as requested.

REQUESTS FROM COUNCIL FOR FUTURE REPORTS: None.

ADJOURN: There being no further business a motion to adjourn was made by Council Member Mary Jane Shanes at 6:43 p.m., seconded by Council Member Cindia Talamantez. The motion carried unanimously.

ATTEST:

\_\_\_\_\_  
Crista Goble Bromley, Mayor

\_\_\_\_\_  
Kelly Dix, City Secretary



STATE OF TEXAS            {}  
COUNTY OF BURNET       {}  
CITY OF BURNET           {}

On this the 29th day of May, 2018, the City Council of the City of Burnet convened in a special called meeting-Budget Retreat Session, at 10:00 a.m. at the Bluebonnet Room, Canyon of the Eagles, 16942 RR 2341, Burnet, TX thereof with the following members present, to-wit:

Mayor	Crista Goble Bromley
Council Members	Danny Lester, Mary Jane Shanes, Tres Clinton, Paul Farmer, Cindia Talamantez
Absent	Joyce Laudenschlager
City Manager	David Vaughn
City Secretary	Kelly Dix

Guests: Mark Lewis, Evan Milliorn, Gene Courtney, Mark Ingram, Doug Fipps, Patricia Langford, Connie Maxwell, Alan Burdell, Leslie Baugh, Jonny Simons, Adrienne Field

Call to Order: Mayor Bromley called the meeting to order at 10:00 a.m.

CONSIDERATION ITEMS:

Discuss and consider: Fiscal Year 2017/2018, Capital Projects Report: A review of the Capital Projects was presented to Council by City Manager David Vaughn. The following was discussed:

- SSES Project F Line-at about 50% completion of overall project. The new lines are already providing a benefit at the Water/Wastewater Treatment Plant
- SSES Project E Line-The Bid has been awarded and the project is moving forward
- Electric Subdivision Costs-Cottages of Westfall is completed and Delaware Springs and Shady Grove are moving slower than expected
- YMCA Capital Maintenance-the parking lot was resurfaced and painted to improve the handicap parking and meet ADA requirements
- Streets-Kincheloe is ready for paving and then the Street Department will be moving on to Lewis Street, which will also be getting new curbing where needed
- Delaware Springs Improvements- Some trees have been replaced and currently working on irrigation issues
- Parks Improvements- Live Oak Park shade cover, playscape and basketball court have been completed. Flat work and the pavilion are in the works.
- Christ Yoder Animal Shelter- pending due to operations issues of the facility.
- Dump Trucks- Have been purchased and have provided a very noticeable difference in time management and efficiency for the department
- Drainage Infrastructure- Delaware Springs drainage that had been seeded last year was re-seeded this year as the rain had washed away the seed. A significant portion of the drainage issue has been resolved.
- PD Reserve/Architectural Fees-interviews for the Project Manager position will be held next week and the project is moving forward.
- CR 200 Drainage-the Hills of Shady Grove drainage has been very effective. Payment for Mr. Stehling is expected on the line of credit.
- City Hall Remodel- this project is complete and proving very effective with Municipal Court at the Utility counter.
- Animal Shelter/Holding Facility- The repairs are being completed and have made a huge difference in the appearance of the facility.
- Narcotics Security Upgrade-cameras have been installed at the Bertram sight and the Burnet PD and Fire Department are all getting upgraded security cameras
- Contingency- the contingency account is in good shape at this time.

Discuss and consider: Council's goals and priorities: Each Council Member shared their envisioned



goals for the 2018/2019 FY Budget with staff.

Discuss and consider: Fiscal Year 2018/2019 proposed Capital Projects: City Manager David Vaughn asked Public Works Director Gene Courtney, Police Chief Paul Nelson and Fire Chief Mark Ingram to discuss their staffing needs with the Council. Street Department is in need of at least two more employees. The Police Department is in the process of a review with the state to see what the staffing needs are to cover the needs of the City and will be reporting back with the findings. The Fire Department will be changing to nine people staffing from eight. Doug Fipps reported that Delaware Springs is in need of maintenance personnel. City Manager David Vaughn reviewed the proposed projects and presented several options for funding in the next fiscal year and the effects on the projected financial forecast. Council prioritized items to be considered for the preparation of the 2018/19 FY budget as follows:

New Police Department: Need to

Capital Equipment Reserve: Need to/Want to (not necessarily the full \$500,000)

YMCA Capital Maintenance: Need to

Subdivision Electrical Costs: Need to. Public Works Director Gene Courtney let Council know that there is an interest in acquiring 1.3 acres adjacent to the Public Works Facility to enlarge the size of the yard. The acquisition should be considered a “need to”, per Council.

SSES Manholes: Have to

Wofford Street Water Line Engineering: considered a “Need to” due to the ongoing growth of Shady Grove and the increased need

Streets: Have to

Park Improvements: Have to

LCRA Composting facility improvements: Want to

Community Center Stage: Have to

Delaware Springs Improvements: Need to

Public Safety Mobile CAD Software: Need to

Fire/Street Water Truck: Need to

Training/Burn Building: Need to

Fire Station Security: Have to

Airport Improvements: Need to

Not included in the Capital Projects is:

Comprehensive Plan: not necessary this year, but needs to be considered due to growth of the area for next year.

Public Works Yards Expansion: Move to funded

ADJOURN:

Adjourn: There being no further business the Budget Retreat session was adjourned at 3:31 p.m.

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Crista Goble Bromley, Mayor

ATTEST:

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Kelly Dix , City Secretary





## Police Department

### ITEM 4.1

Paul Nelson  
Police Chief  
(512)-756-6404  
pnelson@cityofburnet.com

## Agenda Item Brief

<b>Meeting Date:</b>	June 12, 2018
<b>Agenda Item:</b>	Discuss and consider action: Approval to purchase (2) Two in car and body cameras for patrol units: P. Nelson
<b>Background:</b>	The police department currently has two patrol units that the in car video cameras do not operate properly, which presents a safety concern for the officers. The two cameras are several years older, and we no longer use that style of camera system in our patrol units. The cameras will be Watch Guard in car cameras, along with Watch Guard Body Cameras. This will allow the officer to have their Body Camera and in car camera be on one system.
<b>Information:</b>	Due to safety concerns and an eight week lead time, the City Manager authorized purchase of the cameras, however staff is requesting authorization to fund the purchase through excess fund balance, rather than the operating budget.
<b>Fiscal Impact:</b>	The cost to purchase (2) Watch Guard Cameras patrol units and (2) Watch Guard Body Cameras will be \$15,510.00.
<b>Recommendation:</b>	Staff recommends a motion to approve the use of fund balance for the purchase of two cameras, not to exceed \$15,600.





## Public Works Department

## ITEM 4.2

Gene Courtney  
Director of Public Works  
(512)-756-2402  
gcourtney@cityofburnet.com

### Agenda Item Brief

<b>Meeting Date:</b>	June 12, 2018
<b>Agenda Item:</b>	Discuss and consider action: Approval to execute a Notice of Decrease of City electrical load with LCRA: G. Courtney
<b>Background:</b>	<p>On February 13, 2018 Council gave staff permission to enter into an agreement with LCRA for an Alternative Rate Option for 10% of the City's electrical load. Through ARO LCRA is able to provide the city a lower rate for 10% for the city electrical load while still charging their base rate for the other 90%. Within the Wholesale Power agreement with LCRA it states that the city can receive wholesale power from other providers as long as it does not exceed 35% of the city's electrical load. The first year the city can execute up to 10%, which we did, and 5% every year after that until the city reaches the maximum of 35%. July of this year will mark the start of ARO for the first 10%.</p>
<b>Information:</b>	<p>LCRA is requiring the customers to submit a Notice of Decrease by July 1, 2018. This notice will be for an additional 5% which would give the city a total of 15% of ARO and/or CSO to take effect July 1, 2019 for the LCRA FY 2020 budget.</p>
<b>Fiscal Impact:</b>	No impact on the City distribution portion of the rate.
<b>Recommendation:</b>	Approve the City Manager to execute a Notice of Decrease with LCRA for an additional 5% ARO or CSO for the LCRA FY 2020.





## Alternate Rate Option (ARO) Selection Form

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LCRA offers its customers a variety of pricing, billing, and payments options to help them manage their wholesale power costs. Refer to LCRA's Rate Schedule for additional information. Customers will remain on their previous elections until further notice is provided to LCRA, annual forms are not necessary. ARO selections must be made by November 12<sup>th</sup>.

**Rate option:**

o **Alternative Rate Option (ARO)**

ARO is available for a percentage of a customer's total electric energy requirements. Note the Notice of Decrease with the applicable percentage and starting date(s) below:

<u>Percentage</u>	<u>Starting Month</u>
_____	<u>July 2019</u>
_____	_____
_____	_____

Wholesale Power Customer: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

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

Send to: Jeannette Critendon, Energy Services Support Supervisor  
jeannette.critendon@lcra.org  
Phone: 1-800-776-5272, ext. 3203  
LCRA, P.O. Box 220, Austin, TX 78767

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## FY 2020 Annual Alternate Rate Option (ARO) Guidelines

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### Overview

LCRA offers its customers a variety of options that allow them to diversify their energy supply and energy prices, while maintaining at least 65% of their Electric Energy Requirements billed at the LCRA base rate. These guidelines are intended to clarify timing, notification and billing requirements associated LCRA's Alternate Rate Option (ARO) rate that may be offered to all wholesale electric customers on an annual basis.

The ARO rate provides a rate that is substantially similar to a third-party price available from the market. The ARO rate is an alternative option to Customer's Supply Obligation (CSO) under the Amended and Restated Wholesale Power Agreement ("the ARWPA"). Volumes eligible for the ARO rate are limited to the volumes allowed for CSO under the ARWPA. The maximum amount of a customer's participation in ARO, CSO and IPPG may not exceed 35% of a customer's requirements over time.

These guidelines may be revised as necessary. All capitalized terms are defined in the ARWPA.

### Timeline:

- By July 1<sup>st</sup> – Customers submit a Notice of Decrease if they want to decrease their purchases from LCRA by an additional 5% in FY 2020
- October – LCRA requests indicative customer percentage of requirements that may elect the next Fiscal Year (FY) ARO rate and provides an indicative ARO rate range
- November 5<sup>th</sup> – LCRA solicits energy providers for indicative pricing and provides its customers a price range for the FY 2020 ARO rate
- November 12<sup>th</sup> – Customers submit their election for the percentage to participate in the FY 2020 ARO rate
- November 15<sup>th</sup> – LCRA sets the pricing associated with the customers' nominated ARO volumes
- May 15<sup>th</sup> – LCRA Board approves the Rate Schedule for FY 2020, including the ARO rate
- July 1<sup>st</sup> – The FY 2020 ARO rate and base rate go into effect

### A wholesale customer may choose the ARO rate:

- With an election made on an LCRA ARO Price Selection form. Customer must submit form to LCRA by November 12, 2018 for July 1, 2019 implementation.
- Decreases in Requirements - A customer may decrease its Electric Energy Requirements billed at the LCRA base rate, and increase its Electric Energy Requirements subject to the ARO Rate, in the same percentage increments utilized for CSO under the ARWPA, subject to the timeline above.
  - If LCRA currently serves less than 100% of customer's Electric Energy Requirements, then customer may elect the ARO rate for an additional 5% of customer's Electric Energy Requirements and subsequent 5% increment increases for ARO rate volumes each year. A customer may not elect additional ARO and additional CSO percentages in the same year, since the total increase in supply from ARO and CSO may not exceed 5% each year.
  - The total percentage of customer's Electric Energy Requirements (i) served by another supplier as CSO or IPPG and (ii) billed at the ARO rate may not exceed 35%.





## FY 2020 Annual Alternate Rate Option (ARO) Guidelines

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- Increase in Requirements – A customer may increase its Electric Energy Requirements billed from LCRA annually
  - Customers' electric energy requirements served under the ARO rate or as CSO may return to the LCRA base rate in the same percentage increments and notice requirements stated in the ARWPA.
    - Notice of Increase requires 2 years notice for each 5% increment
  - Customers' electric energy requirements currently served by an alternate supplier as CSO or IPPG may be moved to the ARO rate by making an election on the ARO Price Selection Form by November 12<sup>th</sup>. LCRA will, subject to LCRA Board approval, waive the requirements for a contractual Notice of Increase under the ARWPA for such purposes.

### LCRA Will:

- Allow customers that have participated in ARO to choose CSO participation for that percentage in subsequent years
- Provide energy and associated services for load participating in the ARO rate
- Manage the costs associated with the ARO load supply in accordance with its commodity risk management policies
- Ensure the ARO rate is fixed for the year and not charge customers if the ARO costs exceed the ARO revenue
- Apply the ARO rate to customer's elected percentage on the monthly wholesale power bill. The customer's adjusted metered load times its elected percentage will be billed at the ARO rate.
- Ensure wholesale customer's Minimum Load Obligation is met; ARO is subject to the Minimum Load Obligation calculation. ARO plus CSO plus IPPG plus equity participation cannot exceed 35% of customer's electric energy requirements.





## Public Works

## ITEM 4.3

Gene Courtney  
Public Works Director  
(512)-756-2402  
gcourtney@cityofburnet.com

### Agenda Item Brief

**Meeting Date:** June 12, 2018

**Agenda Item:** Discuss and consider action: RESOLUTION BY THE CITY OF BURNET, TEXAS ("CITY") SUSPENDING THE EFFECTIVE DATE FOR NINETY DAYS IN CONNECTION WITH THE RATE INCREASE FILING MADE ON ABOUT ON JUNE 1, 2018 BY ATMOS ENERGY FOR ITS MIDTEX DIVISON; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE: G.COURTNEY

**Background:** On or about June 1, 2018, Atmos Energy Corporation ("Atmos" or "Company") filed a Statement of Intent with members of the coalition of cities known as the Atmos Texas Municipalities ("ATM) comprised of about 50 cities, of which the City is a member, to increase rates by approximately \$4.5 million, which equates to an increase of about 8% in annual non-gas-cost revenue in the ATM cities. On a system-wide basis, Atmos's proposed increase would be the equivalent of about \$46.0 million; this equates to an increase in annual revenue of about 7.3%.

Atmos proposes an effective date of July 6, 2018 for its change in rates. As is explained below, the proposed resolution related to Atmos's application to increase rates, if adopted, suspends Atmos's proposed effective date for the statutory time period of 90 days, to October 4, 2018.



**Information:**

The City must take action on Atmos's Statement of Intent before July 6, 2018. Absent such action, Atmos's rates are deemed approved by operation of law.

Atmos's rate-filing package is voluminous containing thousands of pages of data. In order to have time to review the rate-filing package, the Council is requested to suspend Atmos's proposed effective date for ninety (90) days as provided by GURA. It is a virtual impossibility for the City to set just and reasonable rates without suspending the rate request for ninety days; suspension of Atmos's proposed effective date will permit its special regulatory counsel and experts an opportunity to perform a better review of Atmos's application. Further, should Atmos's notice prove to be deficient, then the statutory period would be extended; also by agreement between the City and Atmos, the statutory suspension period may be extended.

**Fiscal Impact:**

<b>Class of Customer</b>	<b>Change in Revenue (excluding cost of gas)</b>
Residential – Rate R	11.18% <b>increase</b>
Commercial – Rate C	5.17% decrease
Industrial – Rate I	9.20% decrease
Transportation – Rate T	9.20% decrease

**Recommendation:**

Approve and adopt Resolution R2018- as presented.



## **RESOLUTION NO. R2018-13**

**RESOLUTION BY THE CITY OF BURNET, TEXAS (“CITY”) SUSPENDING THE EFFECTIVE DATE FOR NINETY DAYS IN CONNECTION WITH THE RATE INCREASE FILING MADE ON ABOUT JUNE 1, 2018 BY ATMOS ENERGY FOR ITS MIDTEX DIVISION; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE**

**WHEREAS**, Atmos Energy (“Atmos” or “Company”) filed a Statement of Intent with the City on or about June 1, 2018, to increase its annual revenue by approximately \$4.5 million in the cities known as Atmos Texas Municipalities (“ATM”), which equates to an increase in annual revenue of approximately 8.0 percent, and is the equivalent of an increase of about \$46.0 million on a system-wide basis; and

**WHEREAS**, the City is a regulatory authority under the Gas Utility Regulatory Act (“GURA”) and under Chapter 104, §103.001 et seq. of GURA has exclusive original jurisdiction over Atmos’s rates, operations, and services within the municipality; and

**WHEREAS**, in order to maximize the efficient use of resources and expertise in reviewing, analyzing and investigating Atmos’s rate request and its changes in tariffs it is prudent to coordinate the City’s efforts with a coalition of similarly situated municipalities; and

**WHEREAS**, the City, in matters regarding applications by Atmos to change rates, has in the past joined with other local regulatory authorities to form an alliance of cities known as Atmos Texas Municipalities (“ATM”), and hereby continues its participation in ATM; and

**WHEREAS**, Atmos’s rate request consists of a voluminous amount of information including Atmos’s rate-filing package, exhibits, schedules, and workpapers; and



**WHEREAS**, Atmos's rate application is the Company's first general rate case since about 2012, and follows annual increases approved under the now-expired tariff known as the "Rate Review Mechanism" ("RRM"); and

**WHEREAS**, Atmos proposed July 6, 2018, as the effective date for its requested increase in rates; and

**WHEREAS**, it is not reasonably possible for the City to complete its review of Atmos's filing by July 6, 2018; and

**WHEREAS**, the City will need an adequate amount of time to review and evaluate Atmos's rate application to enable the City to adopt a final decision as a local regulatory authority with regard to Atmos's requested rate increase.

**WHEREAS**, the City will require the assistance of specialized legal counsel and rate experts to review the merits of Atmos's application to increase rates; and

**WHEREAS**, if Atmos submits a corresponding application with the Railroad Commission of Texas or appeals the City's action to the Railroad Commission of Texas, the decision of the Railroad Commission of Texas will have a direct impact on the City and its citizens who are customers of Atmos, and in order for the City's participation to be meaningful it is important that the City intervene in any such proceedings at the Railroad Commission of Texas related to Atmos's application to increase rates.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS THAT:**

**Section 1.** The findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

**Section 2.** Atmos's proposed effective date for its proposed increase in rates is hereby **SUSPENDED** for ninety days beyond July 6, 2018.



**Section 3.** The statutory suspension period may be further extended if Atmos does not provide timely and meaningful, and proper public notice of its request to increase rates, if its rate-filing package is materially deficient, or by agreement.

**Section 4.** The City shall participate in a coalition of cities known as the Atmos Texas Municipalities (“ATM”), and authorizes intervention in proceedings related to Atmos’s Statement of Intent before the Railroad Commission of Texas and related proceedings in courts of law; and

**Section 5.** The City hereby orders Atmos to reimburse the City’s rate case expenses consistent with the Gas Utility Regulatory Act and that Atmos shall do so on a monthly basis and within 30 days after submission of the City’s invoices for the City’s reasonable costs associated with the City’s activities related to this rate review or related to proceedings involving Atmos before the City, the Railroad Commission of Texas, or any court of law.

**Section 6.** Subject to the right to terminate employment at any time, the City retains and authorizes the law firm of Herrera Law & Associates, PLLC to act as Special Counsel with regard to rate proceedings involving Atmos before the City, the Railroad Commission of Texas, or any court of law, and to retain such experts as may be reasonably necessary for review of Atmos’s rate application subject to approval by the steering committee of the ATM.

**Section 7.** The City, in coordination with the Steering Committee, shall review the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to Atmos for reimbursement.

**Section 8.** A copy of this resolution shall be sent to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, 816 Congress Ave., Suite 950, Austin, Texas 78701, and a courtesy copy to Atmos’s local representative.



**Section 9.** The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

**Section 10.** This resolution shall become effective from and after its passage.

**PASSED AND APPROVED** this 12th day of June, 2018.

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Crista Goble Bromley  
Mayor

**ATTEST:**

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Kelly Dix  
City Secretary





## City Manager

## ITEM 4.4

David Vaughn  
City Manager  
(512)-715-3208  
dvaughn@cityofburnet.com

### Agenda Item Brief

<b>Meeting Date:</b>	June 12, 2018
<b>Agenda Item:</b>	Discuss and consider action: Contractor selection for the Police Station Project: D. Vaughn
<b>Background:</b>	
<b>Information:</b>	The PD Committee recently interviewed the four finalists for the PD Project.
<b>Fiscal Impact:</b>	Pending
<b>Recommendation:</b>	The PD Committee will present its' recommendation at the time of the meeting.





## Administration

## ITEM 4.5

Evan Milliorn  
Administrative Services  
(512) 715 - 3200  
emilliorn@cityofburnet.com

### Agenda Item Brief

<b>Meeting Date:</b>	June 12, 2018
<b>Agenda Item:</b>	Discuss and consider action: Consideration and approval of a Financing Use and Sales Tax Remittance Agreement Between the City of Burnet and the Burnet Economic Development Corporation. E. Milliorn
<b>Background:</b>	Sales tax gets collected by the State Comptroller's Office and then disbursed to the City. It is the City's obligation to remit the portion of the sales and use tax to the BEDC.
<b>Information:</b>	This agreement establishes the mechanics outlining how sales and use tax flow from the State Comptroller through the City to the BEDC. This is a great tool for the bond holders as it signifies how the debt will be serviced.
<b>Fiscal Impact:</b>	None.
<b>Recommendation:</b>	Approve the Financing Use and Sales Tax Remittance Agreement as presented.



## **FINANCING USE AND SALES TAX REMITTANCE AGREEMENT**

**THIS FINANCING USE AND SALES TAX REMITTANCE AGREEMENT**, dated as of November June 12, 2018, (the "Agreement") executed by and between the City of Burnet, Texas (the "City") and the Burnet Economic Development Corporation (the "Corporation").

### **W I T N E S S E T H:**

**WHEREAS**, the Corporation was created by the City pursuant to authority granted by Article 5190.6, Texas Revised Civil Statutes, as amended (the "Act"), specifically with the Corporation to possess the powers granted by Section 4B of the Act [now Chapter 505, Texas Local Government Code]; and

**WHEREAS**, on May 10, 2008, the citizens of the City voting at an election on said date approved the levy of a one-half of one percent sales and use tax upon the receipts at retail of taxable items, pursuant to Section 4B of the Act (the "Economic Development Sales Tax"); and

**WHEREAS**, under the Act and the provisions of the Texas Tax Code, disbursements of sales and use taxes are made to cities, such as the City, by the Comptroller of Public Accounts of Texas (the "Comptroller"); and

**WHEREAS**, under authority of the Act, it is the intent of the Corporation to issue bonds for the purpose of financing eligible projects under the Act, particularly Section 4B thereof, and to secure said bonds with the Economic Development Sales Tax collected by the City under authority of Section 4B of the Act; and

**WHEREAS**, the parties hereto find it necessary and advisable to enter into this Agreement to evidence the duties and responsibilities of the respective parties with respect to the collection, remittance and transfer of such sales and use tax revenues.

**NOW THEREFORE**, in consideration of the covenants and agreements herein made, and subject to the conditions herein set forth, the City and the Corporation contract and agree as follows:

### **ARTICLE I TRANSFER OF SALES TAXES**

**Section 1.1. Deposit of Funds with Depository.** The City has established and maintains at an official depository bank of the City (the "Depository") an account into which taxes and other revenues of the City, including revenues derived from the Economic Development Sales Tax, are deposited. Pursuant to generally accepted accounting principles, the City maintains financial accounting records of all monies so deposited,



including a record of all revenues derived from Economic Development Sales Taxes on behalf of the Corporation.

**Section 1.2. Security for Funds.** The City hereby agrees that monies on deposit in the aforementioned account with the Depository shall at all times be collateralized in the manner and with the collateral required by the City for its own funds.

**Section 1.3. Change in Depository.** The City reserves the right from time to time to change its official depository bank, and hereby agrees to give the Corporation advance written notice of any such change in its official depository bank.

## **ARTICLE II TRANSFER OF FUNDS**

**Section 2.1. Collection of Economic Development Sales Tax.** The President of the Board of Directors of the Corporation and the City Manager of the City shall take such actions as are required to cause the Economic Development Sales Tax to be delivered and transferred by the Comptroller to the City for use by the Corporation by the fastest and most economically feasible means available.

**Section 2.2. Pledged Revenue Fund.** By resolution adopted by the Corporation on June 12, 2018 (the "Bond Resolution"), the Corporation authorized the establishment of a fund designated in the Bond Resolution as the "Pledged Revenue Fund."

**Section 2.3. Transfers to Revenue Fund.** The revenues received by the City from the Comptroller from the charge and levy of the Economic Development Sales Tax and deposited with the Depository shall be immediately credited by the City to the Pledged Revenue Fund, and such revenues shall be made available to the Corporation from time to time as hereinafter provided in this Agreement or as required by the Bond Resolution.

**Section 2.4. Use of Monies by Corporation.** The Corporation agrees to use the monies on deposit in the Pledged Revenue Fund in a manner consistent with the terms and conditions of the Bond Resolution.

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



***IN WITNESS WHEREOF***, the parties hereto have caused this Agreement to be signed in multiple counterparts, each of which shall be considered an original for all purposes, as of the day and year first set out above.

**CITY OF BURNET, TEXAS**

By: \_\_\_\_\_  
Crista Goble Bromley  
Mayor

ATTEST:

\_\_\_\_\_  
Kelly Dix  
City Secretary

[CITY SEAL]

**BURNET ECONOMIC  
DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
President, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors

[CORPORATION SEAL]





## Administration

### ITEM 4.6

Evan Milliorn  
Administrative Services  
(512) 715-3200  
emilliorn@cityofburnet.com

## Agenda Item Brief

**Meeting Date:** June 12, 2018

**Agenda Item:** Discuss and consider action: A RESOLUTION OF THE CITY OF BURNET APPROVING A RESOLUTION OF THE BURNET ECONOMIC DEVELOPMENT CORPORATION WITH RESPECT TO THE ISSUANCE OF THE SALES TAX REVENUE BOND, TAXABLE SERIES 2018, AND APPROVING OTHER MATTERS RELATED THERETO: E. Milliorn

**Background:** The City Council shall approve any debt issued by the BEDC. The BEDC has scheduled a meeting on June 12, 2018 at 5pm at which time they will consider approval of resolution authorizing issuance of the bonds.

**Information:** This resolution authorizes the BEDC to proceed with debt issuance of \$2,000,000 for the purpose of improving and preserving the historic Badger Building.

The resolution, among other things, identifies the purchaser of the debt as well as the proposed terms to service the debt. We received two bids from purchaser. The low bid is American National Bank of Texas with a rate of 4.5% with a term of 15-years. The debt can be paid off early without penalty.

**Fiscal Impact:** Aggregate principal amount not to exceed \$2,000,000.

**Recommendation:** Approve and adopt Resolution R2018-14 as presented.



## RESOLUTION NO. R2018-14

### RESOLUTION APPROVING A RESOLUTION OF THE BURNET ECONOMIC DEVELOPMENT CORPORATION WITH RESPECT TO THE ISSUANCE OF THE SALES TAX REVENUE BOND, TAXABLE SERIES 2018, AND APPROVING OTHER MATTERS RELATED THERETO

**WHEREAS**, the City Council of the City of Burnet, Texas (the "City"), a city with a population of less than 20,000 according to the most recent federal decennial census, called an election for the purpose of receiving authority to levy a sales and use tax for the benefit of an industrial development corporation under the authority of Article 5190.6, Texas Revised Civil Statutes, as amended and currently codified as Chapters 501, 504, and 505 of the Texas Local Government Code (the "Act"), specifically under Section 4B (now Chapter 505, Texas Local Government Code); and

**WHEREAS**, at an election held on May 10, 2008 a majority of the citizens of the City voting at said election abolished the Section 4A sales and use tax rate of one-half of one percent and adopted a Section 4B sales and use tax and thereby authorized the City to levy a sales and use tax on the receipts at retail of taxable items within the City at a rate of one-half of one percent (1/2%); and

**WHEREAS**, pursuant to the provisions of the Act, the City created the Burnet Economic Development Corporation (the "Corporation"), a nonstock, non-profit industrial development corporation created under the Act on behalf of the City to satisfy the public purposes set forth in the Act, as authorized under Section 4B; and

**WHEREAS**, for the purposes of promoting and encouraging employment and the public welfare, the Board of Directors of the Corporation desire to have the Corporation undertake certain public improvements according to the Act; and

**WHEREAS**, in satisfaction of the requirements set forth in Section 505.160, Texas Local Government Code, a notice describing the project proposed to be financed was published in *The Highlander-Burnet Bulletin* on May 2, 2018; and

**WHEREAS**, in satisfaction of the requirements set forth in Section 505.159 of the Texas Local Government Code, a public hearing on the proposed project was held on May 7, 2018; and

**WHEREAS**, Board of Directors of the Corporation, on June 12, 2018, adopted the resolution attached hereto as Exhibit "A", which authorizes the issuance of Sales Tax Revenue Bond, Taxable Series 2018 (the "Bond"), in an aggregate principal amount of \$2,045,000, to finance and pay the costs of (1) the improvement and preservation of the historic Badger Building located at 229 S. Pierce Street (the "Badger



Building”), to be used as a commercial winery facility and retail space for sales and events, and usual activities associated with the winery business, including food service and restaurant use; and (2) issuance related to the issuance of the Bond; and

**WHEREAS**, the Board of Directors of the Corporation found and determined that the Badger Building will be used as a winery facility and retail space for use by San Saba Wine Cellars, LLC, as tenant of the Badger Building; and

**WHEREAS**, it is anticipated that the Bond shall be delivered on a date that is not more than 60 days after June 12, 2018; and

**WHEREAS**, in accordance with the provisions of Chapter 505, Texas Local Government Code, the City has previously agreed to timely transfer to the Corporation the proceeds of the Sales Tax, in accordance with the terms and conditions of that certain Financing Use and Sales Tax Remittance Agreement, dated as of June 12, 2018, between the City and the Corporation, and such funds shall continue to be maintained by the Depository of the City and accounted for separately by the City on behalf of the Corporation; and

**WHEREAS**, it is deemed necessary and advisable that this Resolution be adopted by the City Council of the City (hereinafter referred to as the “City Council”).

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS THAT:**

**Section 1. Approval of the Bond and the Bond Resolution.** The resolution of the Corporation entitled, “Resolution Authorizing the Issuance of \$2,045,000 “Burnet Economic Development Corporation, Sales Tax Revenue Bond, Taxable Series 2018;” Pledging Certain “Pledged Revenues” of the Corporation, Including “Gross Sales Tax Revenues,” to the Payment of the Principal and Interest on Such Bond; Authorizing the Execution of a Private Placement Memorandum Establishing the Terms of Sale of the Bond; and Enacting Other Procedures and Provisions Relating to the Purposes of this Resolution” (the “Bond Resolution”) in substantially the form and substance as attached to this Resolution as Exhibit “A” and made a part hereof for all purposes, is hereby approved, and the Bond in an aggregate principal amount of \$2,045,000 may be issued by the Corporation pursuant thereto for providing of funds for the (1) improvement and preservation of the historic Badger Building located at 229 S. Pierce Street (the “Badger Building”) for the purpose of promoting new or expanded business development in the City, and (2) the payment of costs of issuance related to the issuance of the Bond ((1) and (2) in compliance with the Development Corporation Act of 1979, as amended (now Subtitle C1 of Title 12, Chapters 501, et seq., Texas Local Government Code); and said Projects are hereby approved.

**Section 2. Financing Use and Sales Tax Remittance Agreement.** In accordance with the Provisions of Section 505.302, Texas Local Government Code, the City shall timely transfer to the Corporation the proceeds of the sales and use tax, in



accordance with the terms and conditions of the Financing Use and Sales Tax Remittance Agreement dated as of June 12, 2018.

**Section 3. Execution of Documents; No Liability of the City.** The City Council of the City hereby authorizes the Mayor, the City Manager, Finance Director and the City Secretary to execute on behalf of the City all documents deemed necessary in connection with the issuance of the Bond and the agreements approved by this Resolution. The City shall have no liability for the payment of the Bond nor shall any of its assets be pledged to the payment of the Bond.

**Section 4. Incorporation of Recitals.** The findings and preambles set forth in this Resolution are hereby incorporated into this Resolution and made a part hereof for all purposes.

**Section 5. Effective Date.** This Resolution shall become effective immediately upon passage.

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



PASSED AND APPROVED ON this the 12th day of June 2018.

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Crista Goble Bromley  
Mayor

ATTEST:

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Kelly Dix  
City Secretary

[CITY SEAL]



## **EXHIBIT A**

### **Corporation Resolution Authorizing Bond BURNET ECONOMIC DEVELOPMENT CORPORATION**

#### **RESOLUTION NO. EDC-R2018-05**

**RESOLUTION AUTHORIZING THE ISSUANCE OF \$2,045,000 “BURNET ECONOMIC DEVELOPMENT CORPORATION, SALES TAX REVENUE BOND, TAXABLE SERIES 2018;” PLEDGING CERTAIN “PLEDGED REVENUES” OF THE CORPORATION, INCLUDING “GROSS SALES TAX REVENUES,” TO THE PAYMENT OF THE PRINCIPAL AND INTEREST ON SUCH BOND; AUTHORIZING THE EXECUTION OF A PRIVATE PLACEMENT LETTER ESTABLISHING THE TERMS OF SALE OF THE BOND; AND ENACTING OTHER PROCEDURES AND PROVISIONS RELATING TO THE PURPOSES OF THIS RESOLUTION**

**WHEREAS**, the City Council of the City of Burnet, Texas (the “City”), a city with a population of less than 20,000 according to the most recent federal decennial census, called an election for the purpose of receiving authority to levy a sales and use tax for the benefit of an industrial development corporation under the authority of Article 5190.6, Texas Revised Civil Statutes, as amended and currently codified as Chapters 501, 504, and 505 of the Texas Local Government Code (the “Act”), specifically under Section 4B (now Chapter 505, Texas Local Government Code); and

**WHEREAS**, at an election held on May 10, 2008 a majority of the citizens of the City voting at said election abolished the Section 4A sales and use tax rate of one-half of one percent and adopted a Section 4B sales and use tax and thereby authorized the City to levy a sales and use tax on the receipts at retail of taxable items within the City at a rate of one-half of one percent (1/2%); and

**WHEREAS**, pursuant to the provisions of the Act, the City created the Burnet Economic Development Corporation (the “Corporation”), a nonstock, non-profit industrial development corporation created under the Act on behalf of the City to satisfy the public purposes set forth in the Act, as authorized under Section 4B; and

**WHEREAS**, for the purposes of promoting and encouraging employment and the public welfare, the Board of Directors of the Corporation desire to have the Corporation undertake certain public improvements according to the Act;

**WHEREAS**, in satisfaction of the requirements set forth in Section 505.160 of the Texas Local Government Code, a notice describing the project proposed to be financed was published in *The Highlander-Burnet Bulletin* on May 2, 2018 (the “Notice”); and



**WHEREAS**, in satisfaction of the requirements set forth in Section 505.159 of the Texas Local Government Code, a public hearing on the proposed project was held on May 7, 2018; and

**WHEREAS**, the Board of Directors of the Corporation hereby finds and determines that the Sales Tax Revenue Bond, Taxable Series 2018 (the “Bond”) in an aggregate principal amount of \$2,045,000 should be issued at this time to finance and pay the costs of (1) the improvement and preservation of the historic Badger Building located at 229 S. Pierce Street , Burnet, Texas (the “Badger Building”), to be used as a commercial winery facility and retail space for sales and events, and usual activities associated with the winery business, including food service and restaurant use; and (2) issuance related to the issuance of the Bond; and

**WHEREAS**, the Board of Directors of the Corporation hereby finds and determines that the Badger Building will be used as a winery facility and retail space for use by San Saba Wine Cellars, LLC, as tenant of the Badger Building; and

**WHEREAS**, the Board of Directors of the Corporation has further determined and hereby finds that the project to be financed by the issuance of the Bond will promote new or expanded business development; and

**WHEREAS**, the City Council of the City, on June 12, 2018, will adopt a resolution specifically approving this resolution of the Corporation providing for the issuance of the Bond, which shall have an anticipated delivery date of July 17, 2018; and

**WHEREAS**, in accordance with the provisions of Chapter 505, Texas Local Government Code, the City has previously agreed to timely transfer to the Corporation the proceeds of the Sales Tax, in accordance with the terms and conditions of that certain Financing Use and Sales Tax Remittance Agreement dated as of June 12, 2018, between the City and the Corporation; and

**WHEREAS**, in satisfaction of the requirements of Section 505.160 of the Texas Local Government Code, the Corporation may not undertake the project described in the Notice and authorized by this resolution if the City receives on or before July 2, 2018, which is the 60<sup>th</sup> day after the Notice was first published, a petition from more than ten percent (10%) of the registered voters of the City requesting that an election be held before such projects may be undertaken (a “Petition”), and accordingly the Corporation shall not undertake the project described in the Notice and authorized under this resolution until July 3, at the earliest, and the City shall undertake such project only if the City has not received a Petition on or before July 2; and

**WHEREAS**, the Bond hereinafter authorized and designated is to be issued and delivered pursuant to the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BURNET ECONOMIC DEVELOPMENT CORPORATION:

SECTION 1. Recitals; Consideration. It is hereby found and determined that the matters and facts set out in the preamble to this Resolution are true and correct.



SECTION 2. Definitions. For all purposes of this Resolution and in particular for clarity with respect to the issuance of the Bond herein authorized and the pledge and appropriation of revenues to the payment of the Bond, the following definitions are provided:

"Act" - Development Corporation Act, Subtitle C1 of Title 12, Texas Local Government Code (formerly Article 5190.6, TEX. REV. CIV. STAT. ANN.), as amended at any time.

"Additional Parity Obligations" – Bonds, notes or other evidences of indebtedness which the Corporation reserves the right to issue or enter into, as the case may be, in the future in accordance with the terms and conditions provided in Section 37 hereof and which are equally and ratably secured by a parity pledge of and claim on the Pledged Revenues under the terms of this Resolution and a Supplemental Resolution.

"Commercial Lease Agreement" – The lease agreement from the Corporation as lessor to the Tenant as lessee by which the Tenant will lease the Badger Building for the purposes of operating a winery business on Corporation owned property.

"Average Annual Debt Service" - That amount which, at the time of computation, is derived by dividing the total amount of Debt Service to be paid over a period of years as the same is scheduled to become due and payable by the number of years taken into account in determining the total Debt Service. Capitalized interest payments provided from proceeds or borrowings of the Corporation shall be excluded in making the aforementioned computation.

"Badger Building"-All of the land and improvements thereto at 229 S. Pierce Street, and which is more accurately described in the Commercial Lease Agreement.

"Board" - The Board of Directors of the Corporation.

"Bond" or "Bonds" - "Burnet Economic Development Corporation Sales Tax Revenue Bond, Taxable Series 2018", dated July 15, 2018, authorized by this Resolution.

"Business Day" – Any day which is not a Saturday, Sunday, or a day on which the Paying Agent/Registrar is authorized by law or executive order to close, or a legal holiday.

"City" - The City of Burnet, Texas.

"Closing Date" – The date of initial delivery of and payment for the Bond.

"Corporation" - Burnet Economic Development Corporation, a non-profit industrial development corporation organized and existing under and pursuant to



the laws of the State of Texas, including Chapter 505, Texas Local Government Code and on behalf of the City of Burnet, Texas.

"Debt Service" - As of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the Corporation as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear, or would have borne, interest at the maximum legal per annum rate applicable to such obligations, and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to maturity, the principal amounts thereof will be redeemed prior to maturity in accordance with the mandatory redemption provisions applicable thereto.

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

"Depository" - A commercial bank or other qualified financial institution eligible and qualified to serve as the custodian of the Corporation's monetary accounts and funds.

"Designated Payment/Transfer Office" – The office of the Paying Agent/Registrar which is designated for the presentment of the Bond.

"Event of Default" – Any event of default as defined in Section 52 of this Resolution.

"Fiscal Year" - The twelve month financial accounting period used by the Corporation ending September 30 in each year, or such other twelve consecutive month period established by the Corporation.

"Gross Sales Tax Revenues" - All of the revenues or receipts due or owing to, or collected or received by or on behalf of the Corporation by the City or otherwise from the Sales Tax, less any amounts due and owed to the Comptroller of Public



Accounts of the State of Texas as charges for the collection of the Sales Tax or retention by said Comptroller for refunds and to redeem dishonored checks and drafts, to the extent such charges and retention are authorized or required by law.

“Interest Payment Date” – The date or dates upon which interest on each Bond is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being August 1 and February 1 of each year, commencing February 1, 2019.

"Outstanding" - When used in this Resolution with respect to the Bond or Parity Obligations, as the case may be, means, as of the date of determination, all Bonds and Parity Obligations theretofore sold, issued and delivered by the Corporation, except:

(1) those Bonds or Parity Obligations canceled or delivered to the transfer agent or registrar for cancellation in connection with the exchange or transfer of such obligations;

(2) those Bonds or Parity Obligations paid or deemed to be paid in accordance with the provisions of Section 43 hereof or similar provisions of any Supplemental Resolution authorizing the issuance of Additional Parity Obligations; and

(3) those Bonds or Parity Obligations that have been mutilated, destroyed, lost, or stolen and replacement obligations have been registered and delivered in lieu thereof.

"Owner" or “Registered Owner” – The person who is the registered owner of a Bond or Bonds, as shown in the Register.

"Parity Obligations" - Collectively, the Bond and Additional Parity Obligations.

“Paying Agent” or "Paying Agent/Registrar" – Initially Wilmington Trust, National Association, Dallas, Texas, or any successor thereto as provided in this Resolution.

"Pledged Revenues" - Collectively (i) Gross Sales Tax Revenues from time to time deposited or owing to the Pledged Revenue Fund and (ii) such other money, income, revenue, receipts or other property as may be specifically dedicated, pledged or otherwise encumbered in a Supplemental Resolution for the payment and security of Parity Obligations.

“Project” – The providing of funds for the improvement and preservation of the Badger Building for the purpose of promoting new or expanded business development in the City.



“Purchaser” - The American National Bank of Texas.

“Record Date” – The close of business on the fifteenth calendar day of the month preceding the month in which an Interest Payment Date occurs.

“Register” – The register specified in Section 8 of this Resolution.

“Registrar” – Registrar shall mean the Paying Agent/Registrar.

"Sales Tax" - The local sales and use tax authorized under Chapter 505, Texas Local Government Code , approved at an election held on May 10, 2008 at a rate of one-half of one percent (1/2%), and levied by the City on behalf of the Corporation.

"Supplemental Resolution" - Any resolution of the Board supplementing this Resolution for the purpose of authorizing and providing the terms and provisions of the Bonds, or Additional Parity Obligations, or supplementing or amending this Resolution for any other authorized purpose permitted in Section 37 or 44 hereof, including resolutions authorizing the issuance of Additional Parity Obligations or pledging and encumbering income, revenues, receipts or property other than the Gross Sales Tax Revenues to the payment and security of the Parity Obligations.

“Tenant” – San Saba Wine Cellars, LLC.

**SECTION 3. Authorization, Maturities, Interest Rates, Interest Payment Dates and Purpose.**

(a) The Bond of the Corporation shall be dated July 15, 2018 (the “Dated Date”) and shall be issued pursuant to the Act as a fully registered obligation, without coupons. The Bond shall be issued in the aggregate principal amount of \$2,045,000 for the purpose of (1) providing funds for the improvement and preservation of the Badger Building, and (2) the payment of costs of issuance related to the issuance of the Bond, in conformity with the Constitution and laws of the State of Texas, including the Development Corporation Act, Subtitle C1 of Title 12, Texas Local Government Code.

(b) The Bond (other than the Initial Bond which shall be numbered T-1) shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered "R" and numbered consecutively from One (1) upward, and principal shall become due and payable on August 1, 2033 (the "Stated Maturity").

(c) The Bond shall bear interest on the unpaid principal amount from the Closing Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the per annum rate of 4.50% (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bond shall be payable on February 1 and August 1 in each year, commencing February 1, 2019.



SECTION 4. Designation and Date. The Bond shall be designated as the "BURNET ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE BOND, TAXABLE SERIES 2018" and shall be dated July 15, 2018.

SECTION 5. Execution of Bonds; Seal. The Bonds shall be executed on behalf of the Corporation by its President of the Board of Directors under its seal reproduced or impressed thereon and attested by the Secretary to the Board of Directors of the Corporation. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the Corporation had been manually impressed upon each of the Bonds. If any officer of the Corporation whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of such Bonds or before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

SECTION 6. Approval by Attorney General; Registration by Comptroller. The Initial Bond shall be delivered to the Attorney General of Texas for approval and shall be registered by the Comptroller. The manually executed registration certificate of the Comptroller substantially in the form provided in Section 20 of this Resolution shall be attached or affixed to the Initial Bond.

SECTION 7. Authentication. Except for the Initial Bond, which need not be authenticated by the Registrar, only such Bonds which bear thereon a certificate of authentication, substantially in the form provided in Section 20 of this Resolution, manually executed by an authorized representative of the Registrar, shall be entitled to the benefits of this Resolution or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Bonds so authenticated were delivered by the Registrar hereunder.

SECTION 8. Payment of Principal and Interest. The Registrar is hereby appointed as the Paying Agent and Registrar for the Bond. The principal of the Bond shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable, whether at maturity or by prior redemption, at the Designated Payment/Transfer Office of the Registrar. The interest on each Bond shall be payable on each Interest Payment Date, by check mailed by the Registrar on or before the Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the books and records relating to the registration, payment, exchange and transfer of the Bond (the "Register"), or by such other method acceptable to the Registrar, requested by, and at the risk and expense of, the Owner.

If the date for payment of the principal of or interest on any Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date payment was originally due.



SECTION 9. Successor Registrars. The Corporation covenants that at all times while the Bonds is outstanding it will provide a commercial bank or trust company organized under the laws of the State of Texas or other entity duly qualified and legally authorized to serve as and perform the duties and services of the Registrar and Paying Agent for the Bond. The Corporation reserves the right to change the Registrar on not less than 60 days written notice to the Registrar, so long as any such notice is effective not less than 60 days prior to the next succeeding principal or Interest Payment Date on the Bond. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Registrar. Each Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

SECTION 10. Special Record Date. If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the Corporation. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Owner of record as of the close of business on the date prior to the mailing of such notice.

SECTION 11. Ownership; Unclaimed Principal and Interest. The Corporation, the Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal of or interest on such Bond, and for all other purposes, whether or not such Bond is overdue, and neither the Corporation nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Bond in accordance with this Section 11 shall be valid and effectual and shall discharge the liability of the City and the Registrar upon such Bond to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Bond remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

SECTION 12. Registration, Transfer, and Exchange. So long as the Bond remains outstanding, the Registrar shall keep the Register at its Designated Payment/Transfer Office and, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of the Bond in accordance with the terms of this Resolution.

Each Bond shall be transferable only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in



form satisfactory to the Registrar. Upon due presentation of any Bond for transfer, the Registrar shall, to the extent possible and under reasonable circumstances, authenticate and deliver in exchange therefor, within 72 hours after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented.

All Bonds shall be exchangeable upon presentation and surrender thereof at the Designated Payment/Transfer Office of the Registrar for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination, in an aggregate amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section 12. Each Bond delivered in accordance with this Section 12 shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

The Corporation or the Registrar may require the Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the Corporation.

**SECTION 13. Mutilated, Lost, or Stolen Bonds.** Upon the presentation and surrender to the Registrar of a mutilated Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate, and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, apparently destroyed, or wrongfully taken, the Corporation, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authorize and the Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The Corporation or the Registrar may require the Owner of a mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar. The Corporation or the Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

- (1) furnish to the Corporation and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (2) furnish such security or indemnity as may be required by the Registrar and the Corporation to save them harmless;
- (3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and



- (4) meet any other reasonable requirements of the Corporation and the Registrar.

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

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Corporation in its discretion may, instead of issuing a replacement Bond, authorize the Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section 13 shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

SECTION 14. *[RESERVED]*

SECTION 15. *[RESERVED]*

SECTION 16. *[RESERVED]*

SECTION 17. Pledge. The Corporation hereby covenants and agrees that the Pledged Revenues are hereby irrevocably pledged to the payment and security of the Bond, and Additional Parity Obligations, if issued, including the establishment and maintenance of the special funds created and established in this Resolution and any Supplemental Resolution, all as hereinafter provided. The Corporation hereby resolves the Parity Obligations shall constitute a lien on the Pledged Revenues in accordance with the terms of this Resolution and any Supplemental Resolution, which lien shall be valid and binding without any further action by the Corporation and without any filing or recording with respect thereto except in the records of the Corporation.

SECTION 18. Effect of Pledge. Chapter 1208, Texas Government Code, applies to the issuance of the Bond and the pledge of the Pledged Revenues thereof granted by the Corporation under Section 17 of this Resolution, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bond is outstanding and unpaid such that the pledge of the Pledged Revenues granted by the Corporation under Section 17 of this Resolution is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the Registered Owners of the Bond the perfection of the security interest in said pledge, the Corporation agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.



## SECTION 19. Redemption.

(a) *Optional Redemption.* The Bond shall be subject to optional redemption, in whole or from time to time in part, in integral multiples of \$5,000, on any date, at a price of par plus accrued interest to the redemption date.

The Bond may be redeemed only in integral multiples of \$5,000. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. Upon surrender of any Bond for redemption in part, the Registrar, in accordance with Section 12 hereof, shall authenticate and deliver in exchange therefore a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

(b) *Mandatory Redemption.* The Bond shall be subject to mandatory redemption prior to maturity at the price of par and accrued interest to the date of redemption on the respective dates and in the principal amounts set forth below:

<u>Payment Date</u>	<u>Principal Installment</u>
August 1, 2019	\$95,000
August 1, 2020	\$105,000
August 1, 2021	\$110,000
August 1, 2022	\$110,000
August 1, 2023	\$115,000
August 1, 2024	\$125,000
August 1, 2025	\$130,000
August 1, 2026	\$135,000
August 1, 2027	\$140,000
August 1, 2028	\$145,000
August 1, 2029	\$155,000
August 1, 2030	\$160,000
August 1, 2031	\$165,000
August 1, 2032	\$175,000
August 1, 2033	\$180,000 (Maturity)

The principal amount of the Bond required to be redeemed pursuant to the operation of such mandatory redemption provisions may be reduced, at the option of the Corporation, by the principal amount of the Bond which at least fifty (50) days prior to a mandatory redemption date (i) shall have been defeased or acquired by the Corporation at a price not exceeding the principal amount of such Bond plus accrued interest to the date of purchase and delivered to the Paying Agent/Registrar for cancellation or (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the Corporation with money in the Bond Fund.

(c) *Notice of Redemption to Owners.* Notice of any redemption identifying the principal amount to be redeemed shall be given by the Registrar at least thirty (30) days prior to the date fixed for redemption by sending written notice by United States mail, first class, postage



prepaid, to the Owner of the Bond to be redeemed in whole or in part at the address of the Registered Owner appearing on the Register at the close of business on the Business Day next preceding the date of mailing such notice. Such notices shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment and, if less than all of the Bond is to be redeemed, the number of the Bond or portion thereof to be redeemed. Any notice given as provided in this Section 19 shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Registrar for payment of the redemption price of the Bond or portions thereof to be redeemed. When Bond has been called for redemption in whole or in part and due provision has been made to redeem same as herein provided, the Bond or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

The Corporation reserves the right to give notice of its election or direction to optionally redeem the Bond conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the Corporation retains the right to rescind such notice at any time prior to the scheduled redemption date if the Corporation delivers a certificate of the Corporation to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice of redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected owners. Any Bond subject to conditional redemption where redemption has been rescinded shall remain outstanding.

## SECTION 20. Forms.

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

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



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

(d) *Initial Bond.* The initial bond (the "Initial Bond") submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

(e) *Form of the Bond.* The form of the Bond, including the form of the Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller, which shall be attached or affixed to the Bond initially issued, shall be, respectively, substantially as follows, with such additions, deletions and variations as may be necessary or desirable and not prohibited by this Resolution:

REGISTERED  
NO. [T-1] [R-1]

REGISTERED PRINCIPAL  
AMOUNT \$2,045,000

UNITED STATES OF AMERICA  
STATE OF TEXAS  
BURNET ECONOMIC DEVELOPMENT CORPORATION  
SALES TAX REVENUE BOND  
TAXABLE SERIES 2018

Dated Date:	Interest Rate:	Stated Maturity:
July 15, 2018	4.50%	August 1, 2033

Closing Date: July 17, 2018

Registered Owner: THE AMERICAN NATIONAL BANK OF TEXAS

Principal Amount: TWO MILLION FORTY FIVE THOUSAND DOLLARS

THE BURNET ECONOMIC DEVELOPMENT CORPORATION (hereinafter referred to as the "Corporation"), a non-profit industrial development corporation organized and existing under the laws of the State of Texas, including Chapter 505, Texas Local Government Code, as amended, (the "Act"), with its principal office located in Burnet County, Texas, for value received, hereby promises to pay to the order of the Registered Owner named above, or the registered assigns thereof, solely from the revenues and sources pledged under the Resolution identified below, the Principal Amount stated above (or so much thereof as shall not have been paid upon prior redemption) on the Stated Maturity date specified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the unpaid Principal Amount hereof from the Closing Date (specified above) at the per annum rate of interest specified above; such interest being payable on February 1 and August 1 of each year, commencing February 1, 2019. Principal of this Bond is payable at its Stated Maturity or



redemption to the Registered Owner hereof by Wilmington Trust, National Association (the "Paying Agent/Registrar"), upon presentation and surrender, at the Designated Payment/Transfer Office in Dallas, Texas, or its successor. Interest is payable to the Registered Owner of this Bond whose name appears on the "Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the fifteenth calendar day of the month next preceding each Interest Payment Date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first class postage prepaid, to the address of the Registered Owner recorded in the Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. All payments of principal of and interest on this Bond shall be without exchange or collection charges to the Registered Owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

THIS BOND is one of the series specified in its title issued in the aggregate amount of \$2,045,000 (the "Bond"), issued for the purpose of (1) providing funds for the improvement and preservation of the Badger Building, and (2) the payment of costs of issuance related to the issuance of the Bond, in conformity with the Constitution and laws of the State of Texas, including the Act, and pursuant to a resolution adopted by the governing body of the Corporation on June 12, 2018 (herein referred to as the "Resolution").

THE BOND may be redeemed prior to its Stated Maturity, at the option of the Corporation, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on any date, at the redemption price of par, together with accrued interest to the date of redemption and upon 30 days prior written notice being sent by United States mail, first class postage prepaid, to the Registered Owners of the Bond to be redeemed, and subject to the terms and provisions relating thereto contained in the Resolution.

THE BOND is also subject to mandatory redemption prior to maturity at the price of par and accrued interest and shall be redeemed, in part, on the dates and in the principal amounts set forth below:

<u>Payment Date</u>	<u>Principal Installment</u>
August 1, 2019	\$95,000
August 1, 2020	\$105,000
August 1, 2021	\$110,000
August 1, 2022	\$110,000
August 1, 2023	\$115,000
August 1, 2024	\$125,000
August 1, 2025	\$130,000
August 1, 2026	\$135,000
August 1, 2027	\$140,000
August 1, 2028	\$145,000
August 1, 2029	\$155,000
August 1, 2030	\$160,000
August 1, 2031	\$165,000



August 1, 2032	\$175,000
August 1, 2033	\$180,000 (Maturity)

THE PRINCIPAL AMOUNT of the Bond required to be redeemed pursuant to the operation of such mandatory redemption provisions may be reduced, at the option of the Corporation, by the principal amount of the Bond which at least fifty (50) days prior to a mandatory redemption date (i) shall have been defeased or acquired by the Corporation at a price not exceeding the principal amount of such Bond plus accrued interest to the date of purchase and delivered to the Paying Agent/Registrar for cancellation or (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the Corporation with money in the Bond Fund.

IN THE EVENT OF A PARTIAL REDEMPTION of the principal amount of this Bond, payment of the redemption price of such principal amount shall be made to the Registered Owner only upon presentation and surrender of this Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office, and there shall be issued to the Registered Owner hereof, without charge, a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Resolution for the then unredeemed balance of the principal sum hereof. If this Bond is selected for redemption, in whole or in part, the Corporation and the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Registered Owner within 45 days of the redemption date therefore; provided, however, such limitation on transferability shall not be applicable to an exchange by the Registered Owner of the unredeemed balance hereof in the event of its redemption in part.

THE BOND, is payable solely from and equally and ratably secured by a pledge of the "Pledged Revenues" (as defined in the Resolution) received by the Corporation, including the receipts from a Sales Tax levied for the benefit of the Corporation pursuant to the Act and an election held in the City. The Bond does not constitute a legal or equitable, pledge, charge, lien or encumbrance upon any property of the Corporation or the City except with respect to the "Pledged Revenues." This Bond may not be paid in whole or in part from any property taxes raised or to be raised by the City and is not a debt of and does not give rise to a claim for payment against the City, except as to the sales and use tax revenues held by the City and required under the Act to be paid over to the Corporation. Neither the State of Texas, the City nor any political corporation, subdivision or agency of the State of Texas shall be obligated to pay this Bond or the interest hereon and neither the faith and credit nor the taxing power of the State, the City or any other political corporation, subdivision or agency thereof is pledged to the payment of the principal of and interest on this Bond except as noted above.

SUBJECT TO SATISFYING THE TERMS AND CONDITIONS prescribed therefor, the Corporation has reserved the right to issue additional revenue obligations payable, in whole or in part, from the "Pledged Revenues" and equally and ratably secured in like manner and effect as the Bond.

THIS BOND, subject to certain limitations contained in the Resolution, may be transferred on the Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly



endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the Registered Owner hereof, or his duly authorized agent. When a transfer on the Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations of \$5,000 or any integral multiple thereof, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

THE CORPORATION AND THE PAYING AGENT/REGISTRAR, and any agent of either, shall treat the Registered Owner whose name appears on the Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal at the Stated Maturity, or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the Corporation nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a Bond on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Corporation. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Registered Owner of a Bond appearing on the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

IT IS HEREBY CERTIFIED, recited, represented and covenanted that the Corporation is a non-profit industrial development corporation duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas, including the Act; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Bond to render the same lawful and valid special obligations of the Corporation have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and that due provision has been made for the payment of the principal of and interest on the Bond from the sources and in the manner provided in the Resolution. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Resolution shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Board of Directors of the Corporation has caused this Bond to be signed with the manual or facsimile signature of the President of the Board of Directors of the Corporation and countersigned with the manual or facsimile signature of the Secretary of the Board of Directors of the Corporation, and has caused the official seal of the Corporation to be duly impressed or placed in facsimile on this Bond.



BURNET ECONOMIC  
DEVELOPMENT CORPORATION

\_\_\_\_\_  
President, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors

[CORPORATION SEAL]

Form of Registration Certificate  
of Comptroller of Public Accounts

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

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. \_\_\_\_\_

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

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

(SEAL)

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

Form of Registrar's Authentication Certificate

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



AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been delivered pursuant to the Resolution described in the text of this Bond.

WILMINGTON TRUST, NATIONAL ASSOCIATION  
Dallas, Texas  
as Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Signature

Date of Authentication \_\_\_\_\_

Form of Assignment

ASSIGNMENT

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

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

\_\_\_\_\_  
(Please insert Social Security or Taxpayer Identification Number)

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

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

Signature Guaranteed:

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240-17Ad-15).

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

(f) *Form of Statement of Insurance.* A statement relating to a municipal bond insurance policy, if any, to be issued for the Bond may be printed on each Bond.



SECTION 21. Further Proceedings. After the Bond to be initially issued shall have been executed, it shall be the duty of the President of the Board and other appropriate officials and agents of the Corporation to deliver the Bonds to be initially issued and all pertinent records and proceedings to the Attorney General of the State of Texas, for examination and approval. After the Bond to be initially issued shall have been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Upon registration of the Bond to be initially issued, the Comptroller (or the Comptroller's bond clerk or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

SECTION 22. Legal Opinion. The obligation of the Purchaser to accept delivery of the Bond is subject to being furnished a final opinion of Bickerstaff Heath Delgado Acosta LLP, Bond Counsel, Austin, Texas, approving such Bond as to its validity, said opinion to be dated and delivered as of the Closing Date and payment for such Bond. A true and correct reproduction of said opinion is hereby authorized to be printed on or attached to the definitive Bond.

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

SECTION 24. Sale of the Bond.

The Bond is hereby sold and shall be delivered to the Purchaser at a price of \$2,045,000, in accordance with the terms of a Private Placement Letter of even date herewith substantially in the form of the attached Exhibit "A", presented to and hereby approved by the Board of Directors of the Corporation, which price and terms are hereby found and determined to be the most advantageous and reasonably obtainable by the Corporation. The President of the Board of Directors is authorized to execute the Private Placement Letter. In addition, other appropriate officials of the Corporation are hereby authorized and directed to execute such Private Placement Letter on behalf of the Corporation. The President of the Board of Directors and all other officers, agents and representatives of the Corporation are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bond. The Initial Bond shall be registered in the name of the Purchaser.

SECTION 25. Proceeds of Sale. Proceeds of the sale of the Bond less costs of issuance shall be deposited in the Project Fund and expended only for the purpose of providing funds for the improvement and preservation of the Badger Building. Pending expenditure for the Project, such proceeds of sale may be invested in authorized investments and any investment earnings realized shall be expended for the Project or deposited in the Bond Fund. All surplus proceeds of



sale of the Bond, including investment earnings, remaining after completion of the Project shall be deposited to the credit of the Bond Fund.

SECTION 26. Control and Custody of Bond. The President of the Board shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, and shall take and have charge and control of the Initial Bond pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchaser.

Furthermore, the President and Vice President of the Board of Directors, and the Secretary and Treasurer to the Corporation, individually, jointly or collectively, are hereby authorized and directed to furnish and execute such documents and certifications relating to the Corporation and the issuance of the Bond, as may be necessary for the approval of the Attorney General, registration by the Comptroller of Public Accounts and delivery of the Bond to the Purchaser and, together with the Corporation's financial advisor, general counsel, bond counsel and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bond to the Purchaser and the initial exchange thereof for the definitive Bond.

SECTION 27. Paying Agent/Registrar. The form of agreement setting forth the duties of the Paying Agent/Registrar is hereby approved, and the appropriate officials of the Corporation are hereby authorized to execute such agreement for and on behalf of the Corporation.

SECTION 28. *[RESERVED]*

Section 29. Special Funds.

A. Funds Confirmed. The following special funds have been or are hereby created and are confirmed, established, maintained, and accounted for as hereinafter provided so long as any of the Parity Obligations remain Outstanding:

- (i) Pledged Revenue Fund ( the “ Pledged Revenue Fund”); and
- (ii) Bond Fund (the “Bond Fund”).

The Funds shall constitute special funds which shall be held for the benefit of the Owners, and the income from the investment of which shall be and is hereby pledged to the payment of the Parity Obligations. All of the Funds shall be used solely as herein provided so long as any Parity Obligations remain Outstanding.

SECTION 30. Pledged Revenue Fund. The Corporation hereby agrees and covenants to establish and maintain a fund or account at a Depository for the deposit of the Pledged Revenues as received by the Corporation, which fund or account shall be known on the books and records of the Corporation as the "Pledged Revenue Fund". All Pledged Revenues deposited to the credit of such Fund shall be accounted for separate and apart from all other revenues, receipts and income of the Corporation and, with respect to the Gross Sales Tax Revenues, the Corporation shall further account for such funds separate and apart from the other Pledged



Revenues deposited to the credit of the Pledged Revenue Fund. All Pledged Revenues deposited to the credit of the Pledged Revenue Fund shall be appropriated and expended to the extent required by this Resolution and any Supplemental Resolution for the following uses and in the order of priority shown:

First: To the payment of the amounts required to be deposited in the Bond Fund for the payment of Debt Service on the Parity Obligations as the same becomes due and payable;

Second: To the payment of amounts required to be deposited in any other fund or account required by any Supplemental Resolution authorizing the issuance of Parity Obligations; and

Third: To any fund or account held at any place or places, or to any payee, required by any other resolution of the Board which authorized the issuance of obligations or the creation of debt of the Corporation having a lien on the Pledged Revenues subordinate to the lien created herein on behalf of the Parity Obligations.

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

SECTION 31. Bond Fund. For the purpose of providing funds to pay the principal of and interest on Parity Obligations, the Corporation agrees and covenants to maintain a separate and special account or fund on the books and records of the Corporation known as "Burnet Economic Development Corporation Debt Service Account" (the "Bond Fund"), and all monies deposited to the credit of such Fund shall be held in a special banking fund or account maintained at a Depository of the Corporation. The Corporation covenants that there shall be deposited into the Bond Fund prior to each principal and interest payment date from the Pledged Revenues an amount equal to one hundred percent (100%) of the interest on and the principal of the Bond then falling due and payable, and such deposits to pay principal and accrued interest on the Bond shall be made in substantially equal monthly installments on or before the 20th day of each month, beginning on or before the 20th day of the month next following the delivery of the Bond to the Purchaser.

The required deposits to the Bond Fund for the payment of principal of and interest on the Bond shall continue to be made as hereinabove provided until (i) the total amount on deposit in the Bond Fund is equal to the amount required to fully pay and discharge all Parity Obligations (principal and interest) then Outstanding or (ii) the Bond is no longer Outstanding.

SECTION 32. *[RESERVED]*

SECTION 33. Deficiencies. If on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Bond Fund, such deficiency shall be cured as



soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

SECTION 34. Payment of Bond. While the Bond is Outstanding, the Treasurer of the Corporation (or other designated financial officer of the Corporation) shall cause to be transferred to the Paying Agent/Registrar, from funds on deposit in the Bond Fund, amounts sufficient to fully pay and discharge promptly as each installment of interest and principal of the Bond accrues or matures; such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bond at the close of the Business Day next preceding the date of payment for the Bond.

SECTION 35. Project Fund. The amount of \$1,997,351.44 from the proceeds of the sale of the Bond shall be deposited in a separate account entitled the "Project Fund" at the time of the delivery of the Bond. The funds deposited in the Project Fund shall be used for the improvement and preservation of the Badger Building, for the purpose of promoting new or expanded business development in the City.

SECTION 36. Investments - Security of Funds.

(a) Money in any Fund required to be maintained pursuant to this Resolution may, at the option of the Corporation, be invested in obligations and in the manner prescribed by the Public Funds Investment Act, Chapter 2256, Texas Government Code, including investments held in book-entry form; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued in terms of current market value within 45 days of the close of each Fiscal Year. All interest and income derived from deposits and investments in the Bond Fund immediately shall be credited to, and any losses debited to, the appropriate account of the Bond Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Parity Obligations.

(b) That money deposited to the credit of the Pledged Revenue Fund and Bond Fund, to the extent not invested and not otherwise insured by the Federal Deposit Insurance Corporation or similar agency, shall be secured by a pledge of direct obligations of the United States of America, or obligations unconditionally guaranteed by the United States of America.

SECTION 37. Issuance of Additional Parity Obligations. Subject to the provisions hereinafter appearing as to conditions precedent which must be satisfied, the Corporation reserves the right to issue, from time to time as needed, Additional Parity Obligations for any lawful purpose. Such Additional Parity Obligations may be issued in such form and manner as the Corporation shall determine, provided, however, prior to issuing or incurring such Additional Parity Obligations, the following conditions precedent for the authorization and issuance of the same are satisfied, to wit:

(1) The Treasurer of the Corporation (or other officer of the Corporation then having the primary responsibility for the financial affairs of the Corporation) shall have executed a certificate stating that, to the best of his or her knowledge and belief, the



Corporation is not then in default as to any covenant, obligation or agreement contained in the Resolution or a Supplemental Resolution.

(2) The Corporation has secured from a certified public accountant a certificate or opinion to the effect that, according to the books and records of the Corporation, the Gross Sales Tax Revenues received by the Corporation for either (i) the last completed Fiscal Year next preceding the adoption of the Supplemental Resolution authorizing the issuance of the proposed Additional Parity Obligations or (ii) any twelve (12) consecutive months out of the previous eighteen (18) months next preceding the adoption of the Supplemental Resolution authorizing the Additional Parity Obligations were equal to not less than 1.50 times the maximum annual Debt Service for all Parity Obligations then Outstanding after giving effect to the issuance of the Additional Parity Obligations then being issued.

SECTION 38. Refunding Bonds. The Corporation reserves the right to issue refunding bonds to refund all or any part of the Parity Obligations (pursuant to any law then available) upon such terms and conditions as the Board may deem to be in the best interest of the Corporation, and if less than all such Parity Obligations then Outstanding are refunded, the conditions precedent prescribed (for the issuance of Additional Parity Obligations) set forth in Section 37 hereof shall be satisfied, and shall give effect to the refunding.

SECTION 39. Right to Create Subordinate Debt. Except as may be limited by a Supplemental Resolution, the Corporation shall have the right to issue or create any debt payable from or secured by a lien on all or any part of the Pledged Revenues for any lawful purpose without complying with the provisions of Section 37 or 38 hereof, provided the pledge and the lien securing such debt is subordinate to the pledge and lien established, made and created in Section 17 of this Resolution with respect to the Pledged Revenues to the payment and security of the Parity Obligations.

SECTION 40. Confirmation and Levy of Sales Tax.

(a) The Board hereby represents the City has duly complied with the provisions of the Act for the levy of the Sales Tax at the rate voted at the election held by and within the City on May 10, 2008, and such Sales Tax is being imposed within the corporate limits of the City and the receipts of such Sales Tax are being remitted to the City by the Comptroller of Public Accounts on a monthly basis.

(b) While any Bond is Outstanding, the Corporation covenants, agrees and warrants to take and pursue all action permissible to cause the Sales Tax, at said rate or at a higher rate if legally permitted, to be levied and collected continuously, in the manner and to the maximum extent permitted by law, and to cause no reduction, abatement or exemption in the Sales Tax or rate of tax below the rate stated, confirmed and ordered in subsection (a) of this Section to be ordered or permitted while any Bond shall remain Outstanding.

(c) If hereafter authorized by law to apply, impose and levy the Sales Tax on any taxable items or transactions that are not subject to the Sales Tax on the date of the adoption



hereof, to the extent it legally may do so, the Corporation agrees to use its best efforts to cause the City to take such action as may be required to subject such taxable items or transactions to the Sales Tax.

(d) The Corporation agrees to take and pursue all action legally permissible to cause the Sales Tax to be collected and remitted and deposited as herein required and as required by Chapter 505, Texas Local Government Code, at the earliest and most frequent times permitted by law.

(e) The Corporation agrees to use its best efforts to cause the City to comply with Chapter 505, Texas Local Government Code, and shall cause the Gross Sales Tax Revenues to be deposited to the credit of the Pledged Revenue Fund in their entirety immediately upon receipt by the City. In the alternative and if legally authorized, the Corporation shall, by appropriate notice, direction, request or other legal method, use its good-faith efforts to cause the Comptroller of Public Accounts of the State of Texas (the "Comptroller") to pay all Gross Sales Tax Revenues directly to the Corporation for deposit to the Pledged Revenue Fund.

SECTION 41. Records and Accounts. The Corporation hereby covenants and agrees that while the Bond is Outstanding, it will keep and maintain complete records and accounts in accordance with generally accepted accounting principles, and following the close of each Fiscal Year, it will cause an audit of such books and accounts to be made by an independent firm of certified public accountants. Each such audit, in addition to whatever other matters may be thought proper by the accountant shall particularly include the following:

- (1) A statement in reasonable detail regarding the receipt and disbursement of the Pledged Revenues for such Fiscal Year, and
- (2) A balance sheet for the Corporation as of the end of such Fiscal Year.

Such annual audit of the records and accounts of the Corporation shall be in the form of a report and be accompanied by an opinion of the accountant to the effect that such examination was made in accordance with generally accepted auditing standards and contain a statement to the effect that in the course of making the examination necessary for the report and opinion, the accountant obtained no knowledge of any default of the Corporation on the Bond or in the fulfillment of any of the terms, covenants or provisions of this Resolution, or under any other evidence of indebtedness, or of any event which, with notice or lapse of time, or both, would constitute a failure of the Corporation to comply with the provisions of this Resolution or if, in the opinion of the accountants, any such failure to comply with a covenant or agreement hereof, a statement as to the nature and status thereof shall be included.

Copies of each annual audit report shall be furnished upon written request, to any Holders of the Bond. The audits herein required shall be made within 120 days following the close of each Fiscal Year insofar as is possible.



The Holders of the Bond or any duly authorized agent or agents of such Holders shall have the right to inspect such records, accounts and data of the Corporation during regular business hours.

SECTION 42. Representations as to Security for the Bond.

(a) The Corporation represents and warrants that, except for the Parity Obligations, the Pledged Revenues are and will be and remain free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by this Resolution except as expressly provided herein.

(b) The Bond and the provisions of this Resolution are and will be the valid and legally enforceable obligations of the Corporation in accordance with their terms and the terms of this Resolution, subject only to any applicable bankruptcy or insolvency laws or to any laws affecting creditors' rights generally.

(c) The Corporation shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Pledged Revenues and all the rights of the Holders against all claims and demands of all persons whomsoever, and shall take such action necessary to protect the priority of the pledge of the Pledged Revenues.

(d) The Corporation will take, and use its best efforts to cause the City to take, all steps reasonably necessary and appropriate to collect all delinquencies in the collection of the Sales Tax to the fullest extent permitted by the Act.

(e) The provisions, covenants, pledge and lien on and against the Pledged Revenues, as herein set forth, are established and shall be for the equal benefit, protection and security of the Owners and Holders of Parity Obligations without distinction as to priority and rights under this Resolution.

(f) The Parity Obligations shall constitute special obligations of the Corporation, payable solely from, and equally and ratably secured by a parity pledge of and lien on, the Pledged Revenues, and not from any other revenues, properties or income of the Corporation. The Bond may not be paid in whole or in part from any property taxes raised or to be raised by the City and shall not constitute debts or obligations of the State or of the City, and the Holders, shall never have the right to demand payment out of any funds raised or to be raised by any system of ad valorem taxation.

SECTION 43. Satisfaction of Obligation of Corporation. If the Corporation shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bond, at the times and in the manner stipulated in this Resolution, then the pledge of the Pledged Revenues under this Resolution and all other obligations of the Corporation to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds or any principal amount(s) shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such



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

Any moneys so deposited with the Paying Agent/Registrar or an authorized escrow agent and all income Defeasance Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section in excess of the amount required for the payment of the Bond shall be remitted to the Corporation or deposited as directed by the Corporation. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bond and remaining unclaimed for a period of four (4) years after the Stated Maturity, or applicable redemption date, of the Bond such moneys were deposited and are held in trust to pay shall, upon the request of the Corporation, be remitted to the Corporation against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the Corporation shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 44. Resolution a Contract - Amendments. This Resolution shall constitute a contract with the Holders from time to time, be binding on the Corporation, and shall not be amended or repealed by the Corporation while the Bond remains Outstanding except as permitted in this Section. The Corporation, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Resolution in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Corporation may, with the written consent from the owners holding a majority in aggregate principal amount of the Parity Obligations then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Resolution; provided that, without the written consent of all Holders of Outstanding Bonds effected, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bond, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bond, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of the Bond or Parity Obligations, as the case may be, required to be held for consent to any such amendment, addition, or rescission.



SECTION 45: Covenants Regarding Tax Exemption. The Corporation does NOT intend to issue the Bond as a tax-exempt obligation described in section 103 of the Internal Revenue Code of 1986, as amended.

SECTION 46. Notices to Holders - Waiver. Wherever this Resolution provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder as it appears in the Register.

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

SECTION 47. Cancellation. All Bonds surrendered for payment, redemption, transfer or exchange, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the Corporation, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The Corporation may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the Corporation may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be destroyed as directed by the Corporation.

SECTION 48. *[RESERVED]*

SECTION 49. Benefits of Resolution. Nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon any person other than the Corporation, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Resolution or any provision hereof, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the Corporation, the Paying Agent/Registrar and the Holders; provided, however, any insurer of the Bond shall be a third-party beneficiary under the Resolution.

SECTION 50. No Continuing Disclosure Undertaking; Annual Financial Statements. The Purchaser is an Accredited Investor for the purposes of Securities and Exchange Commission Reg D, 17 CFR §§230.500, et seq., there is no purchaser of the Bond that is not an Accredited Investor, and the Corporation reasonably believes that there are no more than 35 purchasers of the Bond. Therefore, in accordance with Rule 4(a)(2) of the Securities Act of 1933 and 17 CFR §230.506, Rule 15c2-12 of the Securities Act of 1933 is not applicable to the offering of the Bond. Accordingly, no contract to provide continuing disclosure information after the issuance of the Note has been made by the County with investors.



While the Bond remains outstanding, unless waived by the Purchaser, the Corporation shall provide the following to the Purchaser:

- (1) Audited financial statements, to be provided within 270 days after the close of each Corporation fiscal year ending on and after September 30, 2018, and
- (2) Such other financial information regarding the Corporation as the Purchaser shall reasonably request.

Section 51. Defeasance of Bond.

(a) *Defeased Bonds.* Any Bond and the interest thereon shall be deemed to be paid, retired and no longer Outstanding (a "Defeased Bond"), except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other similar instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Corporation with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the Pledged Revenues, and such principal and interest shall be payable solely from such money or Defeasance Securities.

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

(c) *Paying Agent/Registrar Services.* Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar



for such Defeased Bonds the same as if they had not been defeased, and the Corporation shall make proper arrangements to provide and pay for such services as required by this Resolution.

(d) *Selection of Bonds for Defeasance.* In the event that the Corporation elects to defease less than all of the principal amount of the Bond, the Paying Agent/Registrar shall select, or cause to be selected, such amount of the Bond by such random method as it deems fair and appropriate.

## SECTION 52. Default and Remedies.

(a) *Events of Default.* Each of the following occurrences or events for the purpose of this Resolution is hereby declared to be an "Event of Default," to-wit: (i) the failure to make payment of the principal of or interest on the Bond when the same becomes due and payable; or (ii) default in the performance or observance of any other covenant, agreement or obligation of the Corporation, the failure to perform which materially, adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Resolution, and the continuation thereof for a period of 30 days after notice of such default is given by any Owner to the Corporation.

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

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

## SECTION 53. [RESERVED]

SECTION 54. Inconsistent Provisions. All orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict and the provisions of this Resolution shall be and remain controlling as to the matters contained herein.



SECTION 55. Governing Law. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 56. Severability. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 57. Construction of Terms. If appropriate in the context of this Resolution, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 58. Findings. The declarations, determinations and findings declared, made and found in the preamble to this Resolution are hereby adopted, restated and made a part of the operative provisions hereof.

SECTION 59. Public Meeting. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

SECTION 60. Effective Date. This Resolution shall be in force and effect from and after its passage on the date shown below.

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



PASSED AND ADOPTED, this 12th day of June, 2018.

BURNET ECONOMIC  
DEVELOPMENT CORPORATION

---

President, Board of Directors

ATTEST:

---

Secretary

[CORPORATION SEAL]



## **EXHIBIT A**

### **Private Placement Letter**





## City Secretary

## ITEM 4.7

Kelly Dix  
City Secretary  
(512)-756-6093 ext. 3209  
kdix@cityofburnet.com

### Agenda Item Brief

<b>Meeting Date:</b>	June 12, 2018
<b>Agenda Item:</b>	Discuss and consider action: Appointment of two Commissioners to the Housing Authority of the City of Burnet: K. Dix
<b>Background:</b>	Paula Bundrant and Fran Taylor currently serve as Commissioners on the Housing Authority for the City of Burnet and are both seeking re-appointment. Their two year terms expires the end of June 2018.
<b>Information:</b>	Billie Shelburn, Executive Director of the Burnet Housing Authority of the City of Burnet submitted a request to re-appoint Paula Bundrant and Fran Taylor as Commissioners on the Housing Authority Board for the City of Burnet for a term of two years, expiring in June of 2020.
<b>Fiscal Impact:</b>	None.
<b>Recommendation:</b>	Re-appoint Paula Bundrant and Fran Taylor to the Housing Authority Board of Commissioners for the City of Burnet to serve a two year term, expiring in June 2020.



**Certificate of Appointment of  
Commissioners of the Housing Authority  
Of the City of Burnet, Texas**

Pursuant to the provisions of section 5 of the "Housing Authorities Law" of the State of Texas and by virtue of my office as Mayor:

I hereby appoint, the following named person to serve as Commissioner of the Housing Authority of the City of Burnet, Texas and to serve for the following two-year term:

**Paula Bundrant  
2018-2020**

I hereby certify that the above designated Commissioner is not an Officer or Employee of the City of Burnet, Texas, but said Commissioner is a resident thereof.

In witness whereof, I have hereunto signed my name as Mayor of the City of Burnet, Texas, and caused the official Corporate Seal of the City of Burnet, Texas to be attached hereto this 12<sup>th</sup> day of June, 2018.

---

Crista Goble Bromley, Mayor  
City of Burnet, Texas

ATTEST:

---

Kelly Dix, City Secretary  
City of Burnet, Texas



## CERTIFIED DOCUMENT

STATE OF TEXAS        {}  
COUNTY OF BURNET    {}  
CITY OF BURNET        {}

I hereby certify that on the 12<sup>th</sup> day of June 2018 a certificate of appointment of Commissioner **Paul Bundrant** of the Housing Authority of the city of Burnet, Texas, was duly filed with the City Secretary of the City of Burnet, Texas, and the certificate being dated the 13<sup>th</sup> day of June 2017, and signed by the Mayor of the said City, and attached hereto is a true, correct and compared copy of the original certificate of appointment and designation which is now on file in the office of the City Secretary of the City of Burnet Texas.

In witness hereof, I have hereunto set my hand and the seal of the City of Burnet, Texas this 12<sup>th</sup>, day of June, 2018.

---

Kelly Dix, City Secretary



**Certificate of Appointment of  
Commissioners of the Housing Authority  
Of the City of Burnet, Texas**

Pursuant to the provisions of section 5 of the "Housing Authorities Law" of the State of Texas and by virtue of my office as Mayor:

I hereby appoint, the following named person to serve as Commissioner of the Housing Authority of the City of Burnet, Texas and to serve for the following two-year term:

**Fran Taylor  
2018-2020**

I hereby certify that the above designated Commissioner is not an Officer or Employee of the City of Burnet, Texas, but said Commissioner is a resident thereof.

In witness whereof, I have hereunto signed my name as Mayor of the City of Burnet, Texas, and caused the official Corporate Seal of the City of Burnet, Texas to be attached hereto this 12<sup>th</sup> day of June, 2018.

---

Crista Goble Bromley, Mayor  
City of Burnet, Texas

ATTEST:

---

Kelly Dix, City Secretary  
City of Burnet, Texas



## CERTIFIED DOCUMENT

STATE OF TEXAS        {}  
COUNTY OF BURNET    {}  
CITY OF BURNET        {}

I hereby certify that on the 12<sup>th</sup> day of June 2018 a certificate of appointment of Commissioner **Fran Taylor** of the Housing Authority of the city of Burnet, Texas, was duly filed with the City Secretary of the City of Burnet, Texas, and the certificate being dated the 12<sup>th</sup> day of June 2018, and signed by the Mayor of the said City , and attached hereto is a true, correct and compared copy of the original certificate of appointment and designation which is now on file in the office of the City Secretary of the City of Burnet Texas.

In witness hereof, I have hereunto set my hand and the seal of the City of Burnet, Texas this 12<sup>th</sup> day of June, 2018.

---

Kelly Dix, City Secretary





## City Manager

## ITEM 4.8

David Vaughn  
City Manager  
(512)-715-3208  
dvaughn@cityofburnet.com

### Agenda Item Brief

<b>Meeting Date:</b>	June 12, 2018
<b>Agenda Item:</b>	Discuss and consider action: Direction from Council on the disposition of the Benevolent Fund: D. Vaughn
<b>Background:</b>	The Benevolent Fund was created by past Councils as a means for Council Members to opt to have their monthly pay used for items such as sending flowers to an employee or his family for births, funerals and other types of events and for helping employees during times of extreme needs or illnesses.
<b>Information:</b>	<p>The Council recently voted to eliminate Council compensation, which means no additional review will be deposited into the Benevolent Fund. As such, Council may want to go ahead and close out the fund, however there is no requirement to do so. There is currently just under \$2,400 in the fund. If Council elects to close out the fund, they could either:</p> <ol style="list-style-type: none"><li>1. Split the money equally between the Fire and PD Explorer Programs; or</li><li>2. Split the money seven ways and each Councilmember could choose their own charity; or</li><li>3. Any other legal method Council desires.</li></ol>
<b>Fiscal Impact:</b>	N/A
<b>Recommendation:</b>	To be determined by Council









## Administration

## ITEM 4.9

Leslie Baugh  
Airport Manager  
(512)-756-6093 ext. 3217  
lbaugh@cityofburnet.com

### Agenda Item Brief

**Meeting Date:**

June 19, 2018

**Agenda Item:**

Discuss and consider action: Approval of TxDot Aviation 2010 Capital Improvement Program remaining grant funding and designation of authorized representative: L. Baugh

**Background:**

This grant is a 90/10 reimbursement grant from TxDot Aviation. The 2010 Capital Improvement Program (CIP) grant has a remaining balance of \$458,140. TxDOT has approved the remaining funding to be used for airport land acquisition; tracts are subject to TxDOT Aviation approval.

**Information:**

At the October 24, 2017 regular City Council meeting, Staff discussed with Council acquisition of land owned by GSM LTD (Morris tract), adjacent to the western boundary of the airport to ensure future growth and expansion of the airport; further depicted in yellow on Exhibit "A."

An additional tract adjacent to the eastern boundary of the airport may be available for acquisition owned by CWSKY Interest LLC (Ward tract). The Ward tract is a 0.97 acre tract, similar to the tract highlighted in orange on Exhibit "B."

The Morris and Ward tracts are both TxDOT Aviation approved tracts for land acquisition qualify for the remaining funding of the 2010 CIP grant.

To fund the possible purchase of the Morris and/ or Ward tracts, the Airport would like to partner with TxDOT Aviation for the remaining funding of the 2010 CIP grant in the amount of \$503,954. The 2010 CIP grant is a 90/10 match. The Airport's 10% match of \$45,814 is included in the total amount of \$503,954.



**Fiscal Impact:** \$45,814 and any project costs exceeding \$503,954. The Airport would be responsible for 100% of costs exceeding \$503,954.

This is not a budgeted item and will require City Council to approve a budget amendment.

**Recommendation:** Staff recommends approval to for the remaining funding of the 2010 CIP grant with TxDOT Aviation and designation of City Manager David Vaughn as the designated representative.



Exhibit "A"





Exhibit "B"







## Administration

## ITEM 4.10

Leslie Baugh  
Airport Manager  
(512)-756-6093 ext. 3217  
lbaugh@cityofburnet.com

### Agenda Item Brief

<b>Meeting Date:</b>	June 19, 2018
<b>Agenda Item:</b>	Discuss and consider action: Approval of TxDot Aviation 2018 – 2019 Routine Airport Maintenance Program (RAMP) grant and designation of authorized representative: L. Baugh
<b>Background:</b>	This grant is a 50/50 reimbursement grant from TxDot Aviation. State funding of \$50,000 match per airport each fiscal year. The State fiscal year begins September 1. The local government match is 50% of actual costs plus any excess of \$100,000 total costs. Each time we accept a grant with TxDot we commit to 20 years of keeping the airport open. The City has participated in RAMP funding with TxDOT Aviation for many years.
<b>Information:</b>	The agreement is for general maintenance and improvements to the airport.
<b>Fiscal Impact:</b>	\$100,000 of which \$50,000 would be reimbursed at the end of the State fiscal year ending August 31, 2019.
<b>Recommendation:</b>	Staff recommends approval of the RAMP grant with TxDOT Aviation and designation of Airport Manager Leslie Baugh as the designated representative.





## Community Development

## ITEM 4.11

Mark Lewis  
Director of Community  
Development

(512)-756-6093 ext. 3215  
mlewis@cityofburnet.com

### Agenda Item Brief

**Meeting Date:** June 12, 2018

**Agenda Item:** Discuss and consider action: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT A DEED FOR PUBLIC RIGHT-OF-WAY ACQUISITION FROM STEHLING DEVELOPMENTS L.L.C., SAID DEDICATION TO CONSIST OF A 0.90 ACRE TRACT OF LAND OUT OF THE JOHN HAMILTON SURVEY NO.1, ABSTRACT NO. 405; AND FINDING THAT THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW. M. Lewis

**Background:** The attached resolution authorizes the City Manager to accept a deed for dedication of land as a public right-of-way. The right-of-way that will be created will connect the Woodlands and Hills of Shady Grove subdivisions. Accepting the right-of-way dedication does not obligate the City to build a road within the right-of-way.

**Information:** Woodlands and Hills of Shady Grove are existing subdivisions each of which contains over thirty dwelling units. Each subdivision has its own single-point of access.

Under the terms of the International Fire Code and the City's Subdivision regulations, each of the subdivisions should have a minimum of two points of access.

The land being offered for public right-of-way will connect the two subdivisions and thereby create the necessary second means of access for each.

Accepting the dedication does not obligate the City to build a road within the right-of-way. It merely ensures the right-of-way needed for access will exist.



The connecting road will be constructed as property between the two subdivisions develops. Construction of the road will be a developer responsibility.

**Fiscal Impact:**

None.

**Recommendation:**

Authorize the City Manager to accept the deed dedicating the described property as public rights-of-way by approving Resolution R2018-15 as presented.



## RESOLUTION NO. R2018-15

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT A DEED FOR PUBLIC RIGHT-OF-WAY ACQUISITION FROM STEHLING DEVELOPMENTS L.L.C., SAID DEDICATION TO CONSIST OF A 0.90 ACRE TRACT OF LAND OUT OF THE JOHN HAMILTON SURVEY NO.1, ABSTRACT NO. 405; AND FINDING THAT THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW**

**WHEREAS**, the City of Burnet Code of Ordinances, Chapter 98 – Subdivision and the International Fire Code as adopted by the City both require subdivisions containing thirty or more dwelling units to be provided with at least two points of access; and

**WHEREAS**, the requirement to provide a minimum of two points of access for such subdivisions has been established to protect the public health, safety and general welfare; and

**WHEREAS**, the Woodlands and Hills of Shady Grove are existing subdivisions, each of which contains in excess of thirty dwellings while only providing a single point of access; and

**WHEREAS**, acceptance of the right-of-way dedication described herein will provide the code and ordinance required second means of access for Woodlands and Hills of Shady Grove subdivisions.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, THAT:**

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

**Section 2. Acceptance of Deed.** The City Council hereby directs the City Manager to accept a deed conveying to the City of Burnet, for dedication as public right-of-way, a 0.90 acre tract which is further described by a Right-of-Way Special Warranty Deed, attached hereto as Exhibit “A” and incorporated for all purposes herein. The City Council further directs the City Manager to cause said deed to be recorded in the Burnet County Deed Records.

**Section 3. Open Meetings.** It is hereby officially found and determined that the meeting at which this resolution is passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, *Chapter 551, Tex. Gov’t Code*.



**PASSED, ADOPTED AND APPROVED** by the City Council of the City of Burnet this the 12<sup>th</sup> day of June, 2018.

**CITY OF BURNET**

---

Crista Goble Bromley, Mayor

**ATTEST:**

---

Kelly Dix, City Secretary



EXHIBIT "A"

**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.**

**STATE OF TEXAS**

**COUNTY OF BURNET**

**RIGHT OF WAY SPECIAL WARRANTY DEED**

**Date:** June 12, 2018

**Grantor:** Stehling Developments L.L.C.

**Grantor's Mailing Address:** 19 Beaver Island Drive  
Granite Shoals, Texas 78654

**Grantee:** The City of Burnet, Texas

**Grantee's Mailing Address:** 1001 Buchanan Drive, Suite 4  
Burnet, Burnet County, Texas 78611

**Property:** A 0.90 acre tract of land out of the John Hamilton Survey No. 1, Abstract No. 405 in Burnet County, Texas and being all of that certain 0.10 acre tract of land and a portion of the certain 2.97 acre tract of land conveyed to Stehling Development in Document No. 201707544 of the Official Public Records of Burnet County, Texas and all of that certain 0.09 acre tract of land conveyed to Stehling Development in Document No. 201707545 of the Official Public Records of Burnet County, Texas, said 0.90 acre tract being more particularly described by a survey plat and metes and bounds description attached hereto as Exhibit "A" and incorporated for all purposes herein.

**Consideration:** Ten dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Grantor.

**Reservations from Conveyance:**

Grantor reserves all of the oil, gas, sulfur and other minerals in and under and that may be produced from the Property but waives all rights of ingress and egress to the surface thereof for the purpose of exploring, developing, mining or drilling for same.

**Exceptions to Conveyance and Warranty:** This conveyance is made by Grantor and accepted by Grantee subject to the following:

1. Visible and apparent easements not appearing of record.
2. Any discrepancies, conflicts, or shortages in area or boundary lines or any encroachments or any overlapping of improvements which a current survey would show.



3. Easements, restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances, and encumbrances for taxes and assessments (other than liens and conveyances) presently of record in the Official Public Records of Burnet County, Texas, that affect the property, but only to the extent that said items are still valid and in force and effect at this time.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the 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 way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor, but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

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

*(Signatures on following page)*



**GRANTOR:**

By: \_\_\_\_\_  
Herbert Stehling, President

THE STATE OF TEXAS     §

COUNTY OF BURNET     §

\_\_\_\_\_ This instrument was acknowledged before me, the undersigned authority, on this the  
\_\_\_\_\_ day of \_\_\_\_\_, 2018, by Herbert Stehling.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

**ACCEPTED BY GRANTEE:**

**CITY OF BURNET, TEXAS**

By: \_\_\_\_\_  
CRISTA GOBLE BROMLEY, Mayor

**ATTEST:**

\_\_\_\_\_  
KELLY DIX, City Secretary

THE STATE OF TEXAS     §

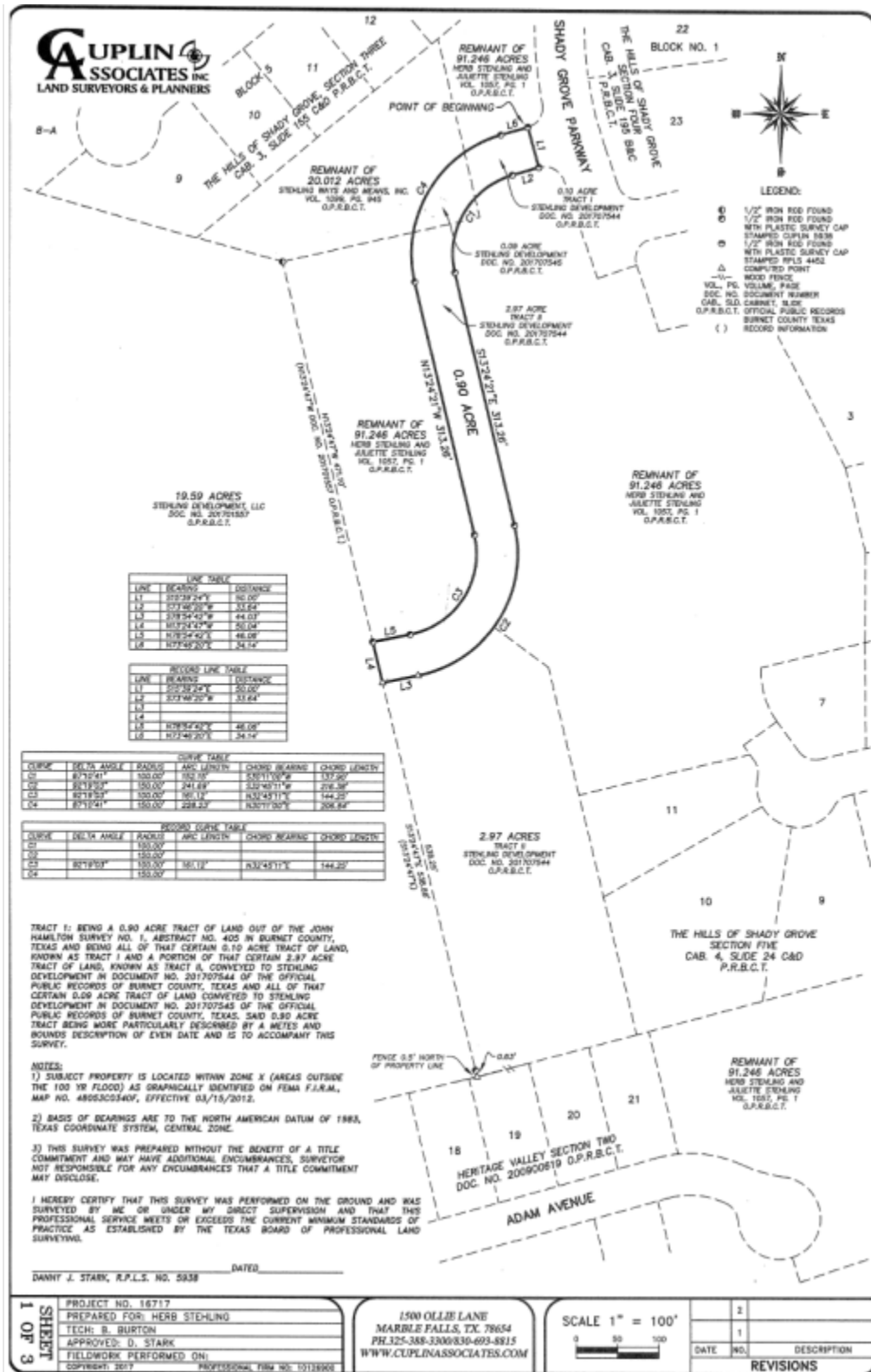
COUNTY OF BURNET     §

\_\_\_\_\_ This instrument was acknowledged before me, the undersigned authority, on this the  
\_\_\_\_\_ day of \_\_\_\_\_, 2018, by Crista Goble Bromley, in her capacity as Mayor of the  
City of Burnet, Texas.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS



# EXHIBIT "A" SURVEY





# EXHIBIT "A"

## METES AND BOUNDS



Prepared For: Herb Stehling  
Project No.: 16717  
Date: 5/10/2018

**FIELD NOTES TO ACCOMPANY A SURVEY PLAT OF A 0.90 ACRE TRACT OF LAND OUT OF THE JOHN HAMILTON SURVEY NO. 1, ABSTRACT NO. 405 IN BURNET COUNTY, TEXAS AND BEING ALL OF THAT CERTAIN 0.10 ACRE TRACT OF LAND AND A PORTION OF THAT CERTAIN 2.97 ACRE TRACT OF LAND CONVEYED TO STEHLING DEVELOPMENT IN DOCUMENT NO. 201707544 OF THE OFFICIAL PUBLIC RECORDS OF BURNET COUNTY, TEXAS AND ALL OF THAT CERTAIN 0.09 ACRE TRACT OF LAND CONVEYED TO STEHLING DEVELOPMENT IN DOCUMENT NO. 201707545 OF THE OFFICIAL PUBLIC RECORDS OF BURNET COUNTY, TEXAS. THE DESCRIPTION OF WHICH IS AS FOLLOWS:**

**BEGINNING** at a 1/2" iron rod found with plastic survey cap stamped RPLS 4452, being a P. T. of a curve in the west right-of-way line of Shady Grove Parkway, for the northeast corner of said 0.10 acre tract and the northeast corner hereof, from which a 1/2" iron rod found, for the most southerly southwest corner of that certain 20.012 acre tract of land conveyed to Stehling Ways & Means, Inc. in Volume 1099, Page 945 of the Official Public Records of Burnet County, Texas, the northeast corner of that certain 19.59 acre tract conveyed to Stehling Development, LLC in Document No. 201701557 of the Official Public Records of Burnet County, Texas and an angle point of said 91.246 acre tract bears S60°55'12"W, a distance of 339.47 feet;

**THENCE S15°39'24"E** with the west right-of-way line of said Shady Grove Parkway, the east line of said 0.10 acre tract and the east line hereof, a distance of **50.00 feet** to a 1/2" iron rod found with plastic survey cap stamped RPLS 4452, for the P.C. of a curve to the right, for the southeast corner of said 0.10 acre tract and a southeasterly corner hereof;

**THENCE** leaving the west right-of-way line of said Shady Grove Parkway with a southeasterly line of said 0.10 acre tract, a southeasterly line of said 0.09 acre tract, a southeasterly line of said 2.97 acre tract and a southeasterly line hereof, with (5) courses and distances as follows:

- (1) **S73°46'20"W**, a distance of **33.64 feet** to a 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, for the P. C. of a curve to the left, from which the radius point of said curve to the left bears S16°13'40"E, a distance of 100.00 feet;
- (2) with said curve to the left, the radius of which is **100.00 feet**, through a central angle of **87°10'41"**, an arc length of **152.15 feet**, with a chord bearing of **S30°11'00"W** and a chord length of **137.90 feet** to a 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, for the P.T. of same;
- (3) **S13°24'21"E**, a distance of **313.26 feet** to a 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, for the P. C. of a curve to the right, from which the radius point of said curve to the right bears S76°35'39"W, a distance of 150.00 feet;
- (4) with said curve to the right, the radius of which is **150.00 feet**, through a central angle of **92°19'03"**, an arc length of **241.69 feet**, with a chord bearing of **S32°45'11"W** and a chord length of **216.38 feet** to a computed point, for the P. T. of same;
- (5) **S78°54'42"W**, a distance of **44.03 feet** to a computed point in the east line of said 19.59 acre tract and the west line of said 2.97 acre tract, for the southwest corner hereof, from which a 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, in the east line of said 19.59 acre tract and the west line of said 2.97 acre tract bears S13°24'47"E, a distance of 538.88 feet;

**THENCE N13°24'47"W** with the east line of said 19.59 acre tract, the west line of said 2.97 acre tract and the west line hereof, a distance of **50.04 feet** to a 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, for the northwest corner of said 2.97 acre tract and a northwesterly corner hereof, from which a 1/2" iron rod found, for the most southerly southwest corner of said 20.012 acre tract, the northeast corner of said 19.59 acre tract and an angle point of said 91.246 acre tract bears N13°24'47"W, a distance of 471.10 feet;



## EXHIBIT "A"

### METES AND BOUNDS

**THENCE** leaving the east line of said 19.59 acre tract, with a northwesterly line of said 2.97 acre tract, a northwesterly line of said 0.09 acre tract, a northwesterly line of said 0.10 acre tract and a northwesterly line hereof, with (5) courses and distances as follows:

- (1) **N78°54'42"E**, a distance of **46.06 feet** to a 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, for the P. C. of a curve to the left, from which the radius point of said curve to the left bears **N11°05'18"W**, a distance of 100.00 feet;
- (2) with said curve to the left, the radius of which is **100.00 feet**, through a central angle of **92°19'03"**, an arc length of **161.12 feet**, with a chord bearing of **N32°45'11"E** and a chord length of **144.25 feet** to a 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, for the P. T. of same;
- (3) **N13°24'21"W**, a distance of **313.26 feet** to a 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, for the P. C. of a curve to the right, from which the radius point of said curve to the right bears **N76°35'39"E**, a distance of 150.00 feet;
- (4) with said curve to the right, the radius of which is **150.00 feet**, through a central angle of **87°10'41"**, an arc length of **228.23 feet**, with a chord bearing of **N30°11'00"E** and a chord length of **206.84 feet** to a 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, for the P. T. of same;
- (5) **N73°46'20"E** a distance of **34.14 feet** to the **POINT OF BEGINNING**. Containing 0.90 acres

I hereby certify that this survey was performed on the ground and was surveyed by me or under my direct supervision and that this professional service meets or exceeds the current minimum standards of practice as established by the Texas Board of Professional Land Surveying. Basis of Bearings are to Texas Coordinate System, Central Zone. A Plat of Survey of even date was prepared as is intended to accompany the above described ~~part~~ of land.

  
\_\_\_\_\_  
Danny J. Stark  
Registered Professional Land Surveyor No. 5602

Dated: 5/10/2018







## Community Development

## ITEM 4.12

Mark Lewis  
Director of Community  
Development

(512)-756-6093 ext. 3215  
mlewis@cityofburnet.com

### Agenda Item Brief

**Meeting Date:** June 12, 2018

**Agenda Item:** Discuss and consider action: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT A DEED FOR PUBLIC RIGHT-OF-WAY ACQUISITION FROM STEHLING DEVELOPMENTS L.L.C., SAID DEDICATION TO CONSIST OF A 0.97 ACRE TRACT OF LAND OUT OF THE JOHN HAMILTON SURVEY NO.1, ABSTRACT NO. 405; AND FINDING THAT THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW. M. Lewis

**Background:** The attached resolution authorizes the City Manager to accept a deed for dedication of land as a public right-of-way. The right-of-way that will be created will connect the Woodlands and Hills of Shady Grove subdivisions. Accepting the right-of-way dedication does not obligate the City to build a road within the right-of-way.

**Information:** Woodlands and Hills of Shady Grove are existing subdivisions each of which contains over thirty dwelling units. Each subdivision has its own single-point of access.

Under the terms of the International Fire Code and the City's Subdivision regulations, each of the subdivisions should have a minimum of two points of access.

The land being offered for public right-of-way will connect the two subdivisions and thereby create the necessary second means of access for each.

Accepting the dedication does not obligate the City to build a road within the right-of-way. It merely ensures the right-of-way needed for access will exist.



The connecting road will be constructed as property between the two subdivisions develops. Construction of the road will be a developer responsibility.

**Fiscal Impact:**

None.

**Recommendation:**

Authorize the City Manager to accept the deed dedicating the described property as public rights-of-way by approving Resolution No. R2018-16 as presented.



## RESOLUTION NO. R2018-16

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT A DEED FOR PUBLIC RIGHT-OF-WAY ACQUISITION FROM STEHLING DEVELOPMENTS L.L.C., SAID DEDICATION TO CONSIST OF 0.97 ACRE TRACT OF LAND OUT OF THE JOHN HAMILTON SURVEY NO. 1, ABSTRACT NO. 405; AND FINDING THAT THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW**

**WHEREAS**, the City of Burnet Code of Ordinances, Chapter 98 – Subdivision and the International Fire Code as adopted by the City both require subdivisions containing thirty or more dwelling units to be provided with at least two points of access; and

**WHEREAS**, the requirement to provide a minimum of two points of access for such subdivisions has been established to protect the public health, safety and general welfare; and

**WHEREAS**, the Woodlands and Hills of Shady Grove are existing subdivisions, each of which contains in excess of thirty dwellings while only providing a single point of access; and

**WHEREAS**, acceptance of the right-of-way dedication described herein will provide the code and ordinance required second means of access for Woodlands and Hills of Shady Grove subdivisions.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, THAT:**

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

**Section 2. Acceptance of Deed.** The City Council hereby directs the City Manager to accept a deed conveying to the City of Burnet, for dedication as public right-of-way, a 0.97 acre tract which is further described by a Right-of-Way Special Warranty Deed, attached hereto as Exhibit “A” and incorporated for all purposes herein. The City Council further directs the City Manager to cause the deed to be recorded in the Burnet County Deed Records.

**Section 3. Open Meetings.** It is hereby officially found and determined that the meeting at which this resolution is passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, *Chapter 551, Tex. Gov’t Code*.



**PASSED, ADOPTED AND APPROVED** by the City Council of the City of Burnet this the 12<sup>th</sup> day of June, 2018.

**CITY OF BURNET**

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Crista Goble Bromley, Mayor

**ATTEST:**

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Kelly Dix, City Secretary



EXHIBIT "A"

**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.**

**STATE OF TEXAS**

**COUNTY OF BURNET**

**RIGHT OF WAY SPECIAL WARRANTY DEED**

**Date:** June 12, 2018

**Grantor:** Stehling Developments L.L.C.

**Grantor's Mailing Address:** 19 Beaver Island Drive  
Granite Shoals, Texas 78654

**Grantee:** The City of Burnet, Texas

**Grantee's Mailing Address:** 1001 Buchanan Drive, Suite 4  
Burnet, Burnet County, Texas 78611

**Property:** A 0.97 acre tract of land out of the John Hamilton Survey No. 1, Abstract No. 405 in Burnet County, Texas and being a portion of that certain 19.59 acre tract of land conveyed to Stehling Development in Document No. 201701557 of the Official Public Records of Burnet County, said 0.97 acre tract being more particularly described by a survey plat and metes and field notes description attached hereto as Exhibit "A" and incorporated for all purposes herein.

**Consideration:** Ten dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Grantor.

**Reservations from Conveyance:**

Grantor reserves all of the oil, gas, sulfur and other minerals in and under and that may be produced from the Property but waives all rights of ingress and egress to the surface thereof for the purpose of exploring, developing, mining or drilling for same.

**Exceptions to Conveyance and Warranty:** This conveyance is made by Grantor and accepted by Grantee subject to the following:

1. Visible and apparent easements not appearing of record.
2. Any discrepancies, conflicts, or shortages in area or boundary lines or any encroachments or any overlapping of improvements which a current survey would show.
3. Easements, restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances, and encumbrances for taxes and assessments (other than liens



and conveyances) presently of record in the Official Public Records of Burnet County, Texas, that affect the property, but only to the extent that said items are still valid and in force and effect at this time.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the 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 way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor, but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

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

*(Signatures on following page)*



**GRANTOR:**

By: \_\_\_\_\_  
Herbert Stehling, President

THE STATE OF TEXAS     §

COUNTY OF BURNET     §

\_\_\_\_\_ This instrument was acknowledged before me, the undersigned authority, on this the  
\_\_\_\_\_ day of \_\_\_\_\_, 2018, by Herbert Stehling.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

**ACCEPTED BY GRANTEE:**

**CITY OF BURNET, TEXAS**

By: \_\_\_\_\_  
CRISTA GOBLE BROMLEY, Mayor

**ATTEST:**

\_\_\_\_\_  
KELLY DIX, City Secretary

THE STATE OF TEXAS     §

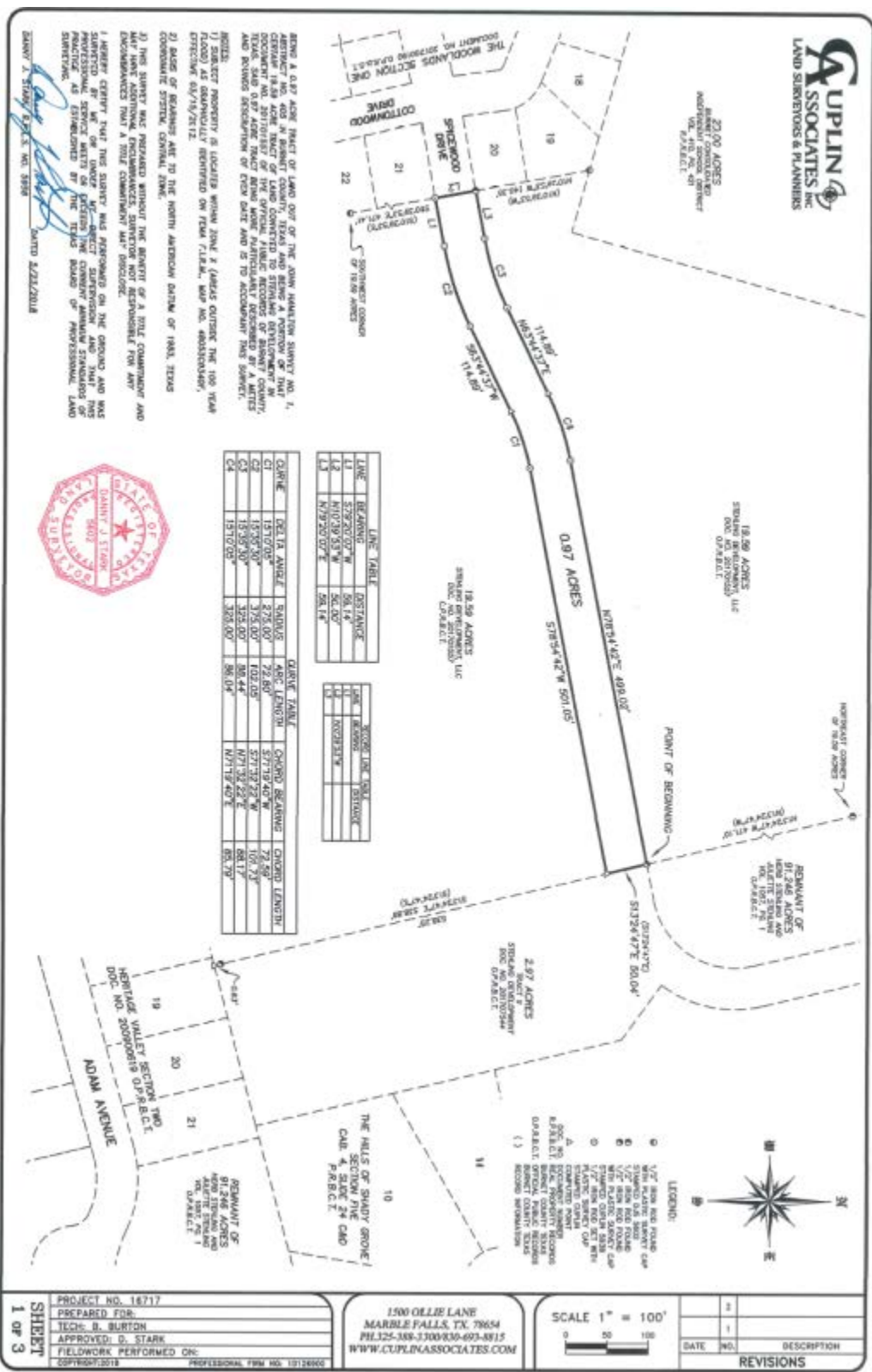
COUNTY OF BURNET     §

\_\_\_\_\_ This instrument was acknowledged before me, the undersigned authority, on this the  
\_\_\_\_\_ day of \_\_\_\_\_, 2018, by Crista Goble Bromley, in her capacity as Mayor of the  
City of Burnet, Texas.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS



**UPLIN ASSOCIATES, INC.**  
LAND SURVEYORS & PLANNERS





# EXHIBIT "A"

## METES AND BOUNDS

**CUPLIN & ASSOCIATES, Inc.**  
land surveyors & planners

Prepared For: Herb Stehling  
Project No.: 16717  
Date: 5/23/2018

**FIELD NOTES TO ACCOMPANY A SURVEY PLAT OF A 0.97 ACRE TRACT OF LAND OUT OF THE JOHN HAMILTON SURVEY NO. 1, ABSTRACT NO. 405 IN BURNET COUNTY, TEXAS AND BEING A PORTION OF THAT CERTAIN 19.59 ACRE TRACT OF LAND CONVEYED TO STEHLING DEVELOPMENT IN DOCUMENT NO. 201701557 OF THE OFFICIAL PUBLIC RECORDS OF BURNET COUNTY. THE DESCRIPTION OF WHICH IS AS FOLLOWS:**

**BEGINNING** 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, for the most westerly northwest corner of that certain 2.97 acre tract of land, conveyed to Stehling Development in Document No. 201707544 of the Official Public Records of Burnet County, Texas and the northeast corner hereof, from which a 1/2" iron rod found, for the most southerly southwest corner of that certain 20.012 acre tract of land conveyed to Stehling Ways & Means, Inc. in Volume 1099, Page 945 of the Official Public Records of Burnet County, Texas, the northeast corner of that said 19.59 acre and an angle point of that certain 91.246 acre tract, conveyed to Herb Stehling and Juliette Stehling in Volume 1057, Page 1 of the Official Public Records of Burnet County, Texas bears N13°24'47"W, a distance of 471.10 feet;

**THENCE** S13°24'47"E with the west line of said 2.97 acre tract, the east line of said 19.59 acre tract and the east line hereof, a distance of **50.04 feet** to a computed point for the southeast corner hereof, from which a 1/2" iron rod found with plastic survey cap stamped CUPLIN 5938, in the east line of said 19.59 acre tract and the west line of said 2.97 acre tract bears S13°24'47"E, a distance of 538.25 feet;

**THENCE** leaving the west line of said 2.97 acre tract and the east line of said 19.59 acre tract, with the south line hereof, with (5) courses and distances as follows:

- (1) **S78°54'42"W**, a distance of **501.05 feet** to a 1/2" iron rod set with plastic survey cap stamped CUPLIN, for the P. C. of a curve to the left;
- (2) [C1] with said curve to the left, the radius of which is **275.00 feet**, through a central angle of **15°10'05"**, an arc length of **72.80 feet**, with a chord bearing of **S71°19'40"W** and a chord length of **72.59 feet** to a computed point, for the P. T. of same;
- (3) **S63°44'37"W**, a distance of **114.89 feet** to a 1/2" iron rod set with plastic survey cap stamped CUPLIN, for the P. C. of a curve to the right;
- (4) [C2] with said curve to the right, the radius of which is **375.00 feet**, through a central angle of **15°35'30"**, an arc length of **102.05 feet**, with a chord bearing of **S71°32'22"W** and a chord length of **101.73 feet** to a 1/2" iron rod set with plastic survey cap stamped CUPLIN, for the P. T. of same;
- (5) [L1] **S79°20'07"W**, a distance of **59.14 feet** to a 1/2" iron rod set with plastic survey cap stamped CUPLIN, for the northeast corner of that certain Lot No. 21, as shown on the plat of The Woodlands, Section One, recorded in Document No. 201700190 of the Official Public Records of Burnet County, Texas, from which a 1/2" iron rod found with plastic cap stamped DJS 5602, for the southwest corner of said 19.59 acre tract bears S10°39'53"E, a distance of 471.41 feet;

**THENCE** [L2] **N10°39'53"W** with the east right-of-way line of Spicewood Drive, the west line of said 19.59 acre tract and the west line hereof, a distance of **50.00 feet** to a 1/2" iron rod found, for the southeast corner of that certain Lot No. 20 of said The Woodlands, Section One, and the northwest corner hereof, from which a 1/2" iron rod found with plastic cap stamped DJS 5602, in the south line of that certain 20.00 acre tract of land conveyed to the Burnet Consolidated Independent School District in Volume 410, Page 421 of the Real Property Records of Burnet County, Texas, at the northeast corner of Lot No. 19 of the The Woodlands, Section One, and an angle point in the west line of said 19.59 acre tract bears N10°39'53"W, a distance of 140.35 feet;

**THENCE** leaving the east line of The Woodlands, Section One and the west line of said 19.59 acre tract, with the north line hereof, with (5) courses and distances as follows:

1500 Ollie Lane, Marble Falls, Texas 78654  
Ph: 325.388.3300 Fax: 325.388.3320 Prof. Firm No. 10126900  
www.cuplinassociates.com



EXHIBIT "A"  
METES AND BOUNDS

- (1) [L3] N79°20'07"E, a distance of 59.14 feet to a 1/2" iron rod set with plastic survey cap stamped CUPLIN, for the P. C. of a curve to the left;
- (2) [C3] with said curve to the left, the radius of which is 325.00 feet, through a central angle of 15°35'30", an arc length of 88.44 feet, with a chord bearing of N71°32'22"E and a chord length of 88.17 feet to a 1/2" iron rod set with plastic survey cap stamped CUPLIN, for the P. T. of same;
- (3) N63°44'37"E, a distance of 114.89 feet to a computed point, for the P. C. of a curve to the right;
- (4) [C4] with said curve to the right, the radius of which is 325.00 feet, through a central angle of 15°10'05", an arc length of 86.04 feet, with a chord bearing of N71°19'40"E and a chord length of 85.79 feet to a computed point, for the P. T. of same;
- (5) N78°54'42"E a distance of 499.02 feet to a the **POINT OF BEGINNING**. Containing 0.97 acres

I hereby certify that this survey was performed on the ground and was surveyed by me or under my direct supervision and that this professional service meets or exceeds the current minimum standards of practice as established by the Texas Board of Professional Land Surveying. Basis of Bearings are to Texas Coordinate System, Central Zone. A Plat of Survey of even date was prepared as is intended to accompany the above described tract of land.



Dated: 5/23/2018

Danny J. Stark  
Registered Professional Land Surveyor No. 5602

