



A G E N D A
REGULAR MEETING OF THE
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS
TUESDAY, NOVEMBER 9, 2021 at 6:00 P.M.

EARLY WORK SESSION
Training Room – 6:00 P.M.

Convene Meeting in Open Session

1. Discuss awarding of Grant Funds to Community Nonprofit Organizations for Fiscal Year 2021-2022
2. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for November 9, 2021

(Items discussed during Early Work Session may be continued or moved to Open Session and/or Late Work Session if time does not permit holding or completing discussion of the item during Early Work Session.)

CLOSED SESSION
Training Room

3. Hold a Closed Meeting in accordance with the following Sections of the Texas Government Code:
 - (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)

OPEN SESSION
City Council Chambers – 7:00 P.M.

4. Call Meeting to Order
5. Prayer led by Councilmember Tom Heslep
6. Pledge of Allegiance to the U.S. and Texas flags led by Councilmember Tom Heslep:
"Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."

7. **Visitor Comments** *(Anyone wishing to address the City Council must complete a Speakers' Request Form and return it to the City Secretary. In accordance with the Texas Open Meetings Act, the City Council is restricted in discussing or taking action on items not posted on the agenda. Action on your statement can only be taken at a future meeting. In order to expedite the flow of business and to provide all visitors the opportunity to speak, the Mayor may impose a three (3) minute limitation on any person addressing the City Council. A thirty (30) minute time allotment is set for this section, and the remaining speakers will be heard at the end of the Action Agenda.)*
8. **Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety**
 - **Swearing In Ceremony for Officer Frank Beckett**
 - **Check Presentation to Texas Police Chiefs Association (TPCA) for Proceeds from the Highland Village TXFallenPD Tribute Event**
 - **Presentation of a Proclamation designating November 17, 2021 as National Geographic Information Systems (GIS) Day**
9. **City Manager/Staff Reports**
 - **Village Report**

Anyone wishing to address the City Council on any item posted on the City Council agenda for possible action, including matters placed on the Consent Agenda or posted as a Public Hearing, must complete a Speakers' Request Form available at the entrance to the City Council Chambers and present it to the City Secretary prior to the Open Session being called to order. Speakers may be limited to three (3) minutes and given only one opportunity to speak on an item. Other procedures regarding speaking on matters posted for action on the City Council agenda are set forth on the Speakers' Request Form. Subject to applicable law, the City Council reserves the right to modify or waive at any time the procedures relating to members of the public speaking on matters placed the Council's agenda.

CONSENT AGENDA

All of the items on the Consent Agenda are considered for approval by a single motion and vote without discussion. Each Councilmember has the option of removing an item from this agenda so that it may be considered separately and/or adding any item from the Action Agenda to be considered as part of the Consent Agenda items.

10. **Consider approval of Minutes of the Regular City Council Meeting held on October 26, 2021**
11. **Consider Resolution 2021-2976 authorizing the City Manager to Enter into Interlocal Cooperation Agreements with Denton County for Ambulance and Fire Protection Services**
12. **Receive Investment Report for Quarter Ending September 30, 2021**

ACTION AGENDA

13. Take action, if any, on Matters discussed in Closed Session in accordance with the following Sections of the Texas Government Code:
(a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)
14. Discuss and Consider Ordinance 2021-1290 authorizing the Issuance of the City of Highland Village, Texas, General Obligation Refunding Bonds, Series 2021, specifying the Terms and Features of Said Bonds, Levying a Continuing Direct Annual Ad Valorem Tax for the Payment of Said Bonds and Resolving Other Matters Incident and Related Thereto and Providing an Effective Date
15. Consider Resolution 2021-2977 casting the City of Highland Village Votes for Denton Central Appraisal District Board of Directors
16. Consider Resolution 2021-2978 awarding Grant Funds to Community Nonprofit Organizations for Fiscal Year 2021-2022

LATE WORK SESSION

(Items may be discussed during Early Work Session, time permitting)

17. Status Reports on Current Projects and Discussion on Future Agenda Items (A Councilmember may inquire about a subject of which notice has not been given. A statement of specific information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)
18. Adjournment

I HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE PUBLIC BULLETIN BOARD AT THE MUNICIPAL COMPLEX, 1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS IN ACCORDANCE WITH THE *TEXAS GOVERNMENT CODE, CHAPTER 551*, ON THE 5TH DAY OF NOVEMBER 2021 NOT LATER THAN 5:00 P.M.



Angela Miller, City Secretary

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (972) 899-5132 or Fax (972) 317-0237 for additional information.

Removed from posting on the _____ day of _____, 2021 at _____

am / pm by _____.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 1	MEETING DATE: 11/09/2021
SUBJECT: Discuss awarding of Grant Funds to Community Nonprofit Organizations for Fiscal Year 2021-2022	
PREPARED BY: Angela Miller, City Secretary	

COMMENTS

Per Resolution 2018-2729, community organizations desiring funding from the City must submit funding request applications to the City Secretary's Office. Once all applications are received, City staff reviews and processes the applications and then provides the requests to City Council for consideration.

Requests must meet the following criteria:

- Services to be provided by an organized civic, cultural, educational, or service group that is a nonprofit organization with membership open to all citizens of Highland Village
- Services must be of economic benefit to the community or contribute to the quality of life in Highland Village by serving a municipal public purpose
- Services must be provided to the residents of Highland Village on an equal basis
- The organization must enter into a written contract with the City of Highland Village for the provision of services

Examples of municipal public purpose include, but are not limited to:

- Preservation, promotion or development of historically sensitive areas of the city
- Promotion of the performing arts
- Activities promoting and improving the health, safety and welfare of the youth, adults or senior citizens residing in the city
- Educational programs promoting student and citizen participation in the electoral process and local government
- Crime awareness and prevention

Seventeen (17) nonprofit organizations submitted funding request applications this year. A copy of all applications have been provided to Council for consideration and Council received presentations from the nonprofit organizations at their regular meeting held on October 26, 2021. Below is a listing of the nonprofit organizations, including the amount of funding requested:

Nonprofit Organization	Funding Request
Family Service Organizations	
Christian Community Action (CCA)	\$ 2,500
Denton County Friends of the Family	\$ 5,000
Denton County MHMR Center	\$ 5,000
Salvation Army – Lewisville	\$ 4,000
SPAN, Inc./Meals on Wheels of Denton County	\$ 1,000
Special Abilities of North Texas	\$ 5,000
Winning The Fight (WTF)	\$ 2,500
Children’s Service Organizations	
CASA of Denton County	\$ 3,000
Communities in Schools of North Texas	\$ 3,500
Journey to Dream	\$ 4,300
PediPlace	\$ 5,000
Lewisville ISD Education Foundation (LEF)	\$ 5,000
Community Service Organizations	
Chisholm Trail Retired Senior Volunteer Program (RSVP)	\$ 2,500
Highland Village Lions Foundation	\$ 3,000
Friends of the Flower Mound Public Library	\$ 1,500
Lewisville Lake Symphony Association	\$ 4,000
Studio B Performing Arts	\$ 5,000
TOTAL	\$61,800

In addition to the funding that is awarded annually to nonprofit organizations, the City purchases tables and individual tickets to special events that are held during the year by local Chambers as well as nonprofit, civic and community organizations. In order to provide a better understanding of the monetary support provided to local organizations by the City, a listing of these purchases for the previous three (3) fiscal years is shown on the following page.

City Council may consider written requests for financial assistance and determine allocation amounts, if any, for the community nonprofit organizations. Council has historically allocated 0.25% of the City’s Maintenance & Operations budget (excluding capital project or purchasing funds) for nonprofit organizations. There is \$49,250 included in the Fiscal Year 2021-2022 budget for funding community services and activities provided by nonprofit organizations.

For reference, a listing of funding allocations awarded to each nonprofit organization for the previous three (3) fiscal years is provided following this briefing.

This item provides for Council discussion to identify nonprofit organizations that will receive funding as allocated in the Fiscal Year 2021-2022 budget. City staff has included an item on tonight’s agenda if Council wishes to take formal action.

ADDITIONAL SPONSORSHIPS / PURCHASES			
EVENT	FY 2018 - 2019	FY 2019 - 2020	FY 2020 - 2021
FM Chamber - Fiesta	1 Table - \$1,500	1 Table - \$1,500	1 Table - \$1,500
FM Chamber – Awards Banquet	2 Tickets - \$100	2 Tickets - \$100	3 Tickets - \$180
Lewisville Chamber – Awards Banquet	1 Table - \$800	1 Table - \$800	1 Table - \$800
State of the Cities Luncheon	1 Table - \$350	Event Cancelled	1 Table - \$300
Unity Luncheon	1 Table - \$350	1 Table - \$350	1 Table - \$450
Mayor’s Prayer Breakfast	1 Table - \$250	Event Cancelled	Event Cancelled
Children’s Advocacy Center of Denton County	\$4,000 Funds included in PD Annual FY Budget	\$4,000 Funds included in PD Annual FY Budget	\$4,000 Funds included in PD Annual FY Budget
Children’s Advocacy Center of Denton County – Annual Gala	1 Ticket - \$250	Event Cancelled	Event Cancelled
Ally’s Wish – Gala	1 Table - \$1,500	Event Cancelled	1 Table - \$1,250
Special Olympics Steak & Stetsons	1 Table - \$1,200	1 Table - \$1,200 (Event postponed until 2021)	1 Table - \$0 (Table purchased previous year)
Youth & Family Counseling – Holiday Extravaganza	1 Ticket - \$45	Event Cancelled	Dissolved
Special Abilities of North Texas – Denim & Diamonds Gala	1 Ticket - \$100	Event Cancelled	Event Postponed until Spring 2022
Lewisville Education Foundation (LEF) – Evening for Education	1 Ticket - \$100	Event Cancelled	1 Table - \$500
United Way Breakfast	1 Ticket - \$35	1 Ticket - \$35	None
TOTAL	\$10,580	\$ 7,985	\$ 8,980

Funding History for Non-Profit Organizations

Nonprofit Organization	FY 2018-2019	FY 2019-2020	FY 2020-2021	Requested FY 2021-2022	Funding Allocations for 2021-2022
Family Service Organizations					
Christian Community Action (CCA)	\$2,000	n/a	n/a	\$2,500	
Denton County Friends of the Family	\$2,500	\$3,025	\$5,000	\$5,000	
Denton County MHMR Center	n/a	\$2,500	n/a	\$5,000	
Salvation Army - Lewisville	\$2,500	\$2,500	\$3,500	\$4,000	
Span, Inc/Meals on Wheels of Denton Cty	n/a	\$1,500	\$1,000	\$1,000	
Special Abilities of North Texas	\$2,500	\$4,000	\$5,000	\$5,000	
Winning The Fight (WTF)	\$2,500	\$2,550	\$2,500	\$2,500	
Children's Service Organizations					
CASA of Denton County	\$2,000	\$2,000	\$2,000	\$3,000	
Communities in Schools of North Texas	\$2,500	\$2,500	\$3,000	\$3,500	
Journey to Dream	\$2,500	\$2,500	\$3,100	\$4,300	
PediPlace	\$2,500	\$2,500	\$2,500	\$5,000	
Lewisville ISD Education Foundation (LEF)	\$4,500	\$5,000	\$6,000	\$5,000	
Community Service Organizations					
Chisholm Trail RSVP	\$2,000	\$2,000	\$2,500	\$2,500	
Highland Village Lions Foundation	\$3,500	\$2,500	\$3,000	\$3,000	
Friends of the Flower Mound Public Library	\$500	\$500	\$500	\$1,500	
Lewisville Lake Symphony Association	\$3,000	\$4,000	\$3,000	\$4,000	
Studio B Performing Arts	\$3,000	\$3,000	n/a	\$5,000	
Greater Lewisville Community Theatre	\$500	n/a	n/a	n/a	
Youth and Family Counseling	\$2,500	\$3,025	\$3,500	DISSOLVED	
TOTAL	\$41,000	\$45,600	\$46,100	\$61,800	

n/a = Organization did not submit an application

\$0 = Organization submitted an application, however no funds were awarded

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 8

MEETING DATE: 11/09/2021

SUBJECT: Mayor and Council Reports on Items of Community Interest

PREPARED BY: Karen McCoy, Executive Assistant

COMMENTS

Pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.

- Swearing In Ceremony for Officer Frank Beckett
- Check Presentation to Texas Police Chiefs Association (TPCA) for Proceeds from the Highland Village TXFallenPD Tribute Event
- Presentation of a Proclamation designating November 17, 2021 as GIS Day

Proclamation

The City of Highland Village

Whereas, the science of Geographic Information Systems (GIS) connects people, regions, and systems; and

Whereas, geography is a common language that strengthens decision-making for governments, communities, nonprofits and businesses all over the world; and

Whereas, GIS plays a crucial role in managing and preserving our natural resources; and

Whereas, GIS helps people collaborate and share knowledge so the systems we rely on work each day; and

Whereas, having a dedicated day of GIS activities for students, citizens, and government leaders demonstrates the benefits of GIS in a unique and concentrated way.

NOW THEREFORE, I Charlotte J. Wilcox, Mayor of the City of Highland Village, do hereby proclaim November 17, 2021 as

“National GIS Day”

in the City of Highland Village.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City to be affixed on this 9th day of November 2021.

Charlotte J. Wilcox, Mayor

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 10

MEETING DATE: 11/09/2021

SUBJECT: Consider Approval of Minutes of the Regular City Council Meeting held on October 26, 2021

PREPARED BY: Angela Miller, City Secretary

BACKGROUND:

Minutes are approved by a majority vote of Council at the Council meetings and listed on the Consent Agenda.

IDENTIFIED NEED/S:

Council is encouraged to call the City Secretary's Office prior to the meeting with suggested changes. Upon doing so, staff will make suggested changes and the minutes may be left on the Consent Agenda in order to contribute to a time efficient meeting. If the change is substantial in nature, a copy of the suggested change will be provided to Council for consideration prior to the vote.

OPTIONS & RESULTS:

The City Council should review and consider approval of the minutes. Council's vote and approval of the minutes reflect agreement with the accuracy of the minutes.

PROGRESS TO DATE: (if appropriate)

The City Manager has reviewed the minutes and given approval to include the minutes in this packet.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

To approve the minutes of the Regular City Council Meeting held on October 26, 2021.



**MEETING MINUTES OF THE REGULAR MEETING
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS
TUESDAY, OCTOBER 26, 2021**

EARLY WORK SESSION

Mayor Charlotte J. Wilcox called the meeting to order at 5:30 p.m.

Roll Call

Present:	Charlotte J. Wilcox	Mayor
	Jon Kixmiller	Councilmember
	Michael Lombardo	Mayor Pro Tem
	Barbara Fleming	Deputy Mayor Pro Tem
	Tom Heslep	Councilmember
	Robert A. Fiester	Councilmember
	Daniel Jaworski	Councilmember
Staff Members:	Paul Stevens	City Manager
	Ken Heerman	Assistant City Manager
	Kevin Laughlin	City Attorney
	Angela Miller	City Secretary
	Scott Kriston	Public Works Director
	Phil Lozano	Parks & Recreation Director
	Sunny Lindsey	Information Services Director
	Laurie Mullens	Marketing & Communications Director
	Andrew Boyd	Media Specialist
	Karen McCoy	Executive Assistant
	Ingrid Rex	Deputy City Secretary/Records Coordinator

1. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for October 26, 2021

No items were discussed.

2. Receive Presentations from Nonprofit Organizations requesting Funding for Providing Services, Programs and/or Benefits Serving a Public Purpose to City Residents

The City received seventeen (17) funding request applications this year from nonprofit organizations, totaling \$61,800. A representative from each of the following organizations provided a brief presentation to Council highlighting their services to the resident of Highland Village:

- CASA of Denton County
- Chisholm Train Retired Senior Volunteer Program (RSVP)
- Christian Community Action (CCA)
- Communities in Schools of North Texas
- Denton County Friends of the Family
- Denton County MHMR Center
- Friends of the Flower Mound Public Library
- Highland Village Lions Foundation
- Journey to Dream
- Lewisville ISD Education Foundation (LEF)
- Lewisville Lake Symphony Association
- PediPlace
- The Salvation Army – Lewisville
- SPAN, Inc./Meals on Wheels of Denton County
- Special Abilities of North Texas
- Studio B Performing Arts
- Winning the Fight (WTF)

City Council will consider funding allocations at their November 9, 2021 meeting.

With no further business, Mayor Wilcox adjourned the meeting at 6:53 p.m.

CLOSED SESSION

3. **Hold a Closed Meeting in accordance with the following Sections of the Texas Government Code:**
 (a) **Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)**

Council did not meet in Closed Session.

OPEN SESSION

4. **Call Meeting to Order**

Mayor Charlotte J. Wilcox called the meeting to order at 7:00 p.m.

Roll Call

Present:	Charlotte J. Wilcox	Mayor
	Jon Kixmiller	Councilmember
	Michael Lombardo	Mayor Pro Tem
	Barbara Fleming	Deputy Mayor Pro Tem
	Tom Heslep	Councilmember
	Robert A. Fiester	Councilmember
	Daniel Jaworski	Councilmember

Staff Members:	Paul Stevens	City Manager
	Ken Heerman	Assistant City Manager
	Kevin Laughlin	City Attorney

Angela Miller	City Secretary
David Harney	Corporal/SRO
Mike Thomson	Fire Chief
Scott Kriston	Public Works Director
Phil Lozano	Parks & Recreation Director
Sunny Lindsey	Information Services Director
Laurie Mullens	Marketing & Communications Director
Andrew Boyd	Media Specialist

5. Prayer led by Deputy Mayor Pro Tem Barbara Fleming

Deputy Mayor Pro Tem Fleming gave the invocation.

6. Pledge of Allegiance to the U.S. and Texas flags led by Deputy Mayor Pro Tem Barbara Fleming

Deputy Mayor Pro Tem Fleming led the Pledge of Allegiance to the U.S. and Texas flags.

7. Visitor Comments

No one wished to speak.

8. Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety

- **Presentation of a Proclamation designating October 23-31, 2021 as Red Ribbon Week in Highland Village**

Mayor Wilcox presented a proclamation to Corporal/School Resource Officer David Harney.

9. City Manager/Staff Reports

Assistant City Manager Ken Heerman announced staff received notification that the City of Highland Village will maintain its AAA bond rating from Standard & Poors.

- **HV Report**

The Village Report featured the October Foodie Friday episode highlighting Delhi6 in The Shops at Highland Village.

CONSENT AGENDA

10. Consider approval of Minutes of the Regular City Council Meeting held on October 12, 2021

11. Consider Ordinance 2021-1289 granting a Conditional Use Permit (CUP) for an Accessory Dwelling Unit and approving a Site Plan at Lot 14, Block 2, Highland Hills Addition, Fourth Section, more commonly known as 102 Sandy Hook (2nd and final read)

12. Consider Resolution 2021-2973 authoring an Agreement for GIS Software Licensing and Maintenance with Environmental Systems Research Institute (ESRI)
13. Consider Resolution 2021-2974 authorizing the Purchase of Equipment from Professional Turf Products, LP through the City's Cooperative Purchasing Agreement with Texas Local Government Purchasing Cooperative (BuyBoard)

Motion by Mayor Pro Tem Lombardo, seconded by Councilmember Heslep, to approve Consent Agenda Items #10 through #13. Motion carried 7-0.

ACTION AGENDA

14. Take action, if any, on Matters discussed in Closed Session in accordance with the following Sections of the Texas Government Code:
 - (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)

NO ACTION TAKEN

15. Consider Resolution 2021-2975 adopting the Texas Term Sheet and its Intrastate Allocation Schedule regarding the Global Opioid Settlement

APPROVED (7 – 0)

City Manager Paul Stevens reported Texas, along with a broad coalition of states and subdivisions, has reached final agreements with four (4) companies to resolve legal claims for their role in the opioid crisis. One agreement is with opioid manufacturer Johnson & Johnson. The other is with three major pharmaceutical distributors: AmerisourceBergen, Cardinal Health, and McKesson. The City of Highland Village has been allocated \$50,315, which will be made in payments over eighteen (18) years with significant amount front loaded. Funding must be used to support strategies to fight the opioid crisis, such as training opportunities. Funds could also be passed to a nonprofit who could fulfill the uses for opioid remediation.

Motion by Councilmember Jaworski, seconded by Councilmember Kixmiller, to approve Resolution 2021-2975. Motion carried 7-0.

LATE WORK SESSION

(Items may be discussed during Early Work Session, time permitting)

16. Status Reports on Current Projects and Discussion on Future Agenda Items (A Councilmember may inquire about a subject of which notice has not been given. A statement of specific information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)

There was no discussion on this item.

17. Adjournment

Mayor Wilcox adjourned the meeting at 7:27 p.m.

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

DRAFT

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 11

MEETING DATE: 11/09/2021

SUBJECT: Consider Resolution 2021-2976 authorizing the City Manager to Enter into Interlocal Cooperation Agreements with Denton County for Fire Protection Services and Ambulance Services

**PREPARED BY: Michael Thomson, Fire Chief
Angela Miller, City Secretary**

BACKGROUND:

The City of Highland Village received Interlocal Cooperation Agreements from Denton County to provide ambulance services and fire protection services to specified unincorporated areas of Denton County. The terms of the agreements are for the period of October 1, 2021 through September 30, 2022.

IDENTIFIED NEED/S:

The Interlocal Cooperation Agreements between Denton County and all municipalities are essential to inter-agency emergency services throughout the County.

OPTIONS & RESULTS:

The City of Highland Village participation in the Interlocal Cooperation Agreements promotes harmony and good will between all municipalities and Denton County and provides for Emergency Operations continuity between all participating jurisdictions.

PROGRESS TO DATE: (if appropriate)

The Interlocal Cooperation Agreements are the same as previous agreements and have been reviewed by the Fire Department staff and the City Attorney.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Per the Interlocal Cooperation Agreements, Denton County agrees to pay an estimated fee of \$7,233 for ambulance services. Similarly, Denton County will pay \$10,000 upon execution of the agreement for fire protection services and an additional \$650 per fire call, estimating nine (9) fire calls for a total of \$5,850. The total estimated payment for fire protection services is to be \$15,850.

RECOMMENDATION:

To approve Resolution 2021-2976 authorizing the City Manager to enter into Interlocal Cooperation Agreements with Denton County for Fire Protection and Ambulance Services.

THE COUNTY OF DENTON

§
§
§
§

CITY OF HIGHLAND VILLAGE
FIRE DEPARTMENT

STATE OF TEXAS

INTERLOCAL COOPERATION AGREEMENT
FIRE PROTECTION SERVICES

THIS AGREEMENT, which has an effective date of October 1, 2021, is made and entered into by and between Denton County, Texas (“the **COUNTY**”), and the City of Highland Village Fire Department (“the **AGENCY**”).

WHEREAS, the **COUNTY** is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of Denton County; and

WHEREAS, the **AGENCY** is a municipal corporation, duly organized and operating under the laws of the State of Texas and engaged in the provision of fire protection services and related services for the benefit of the citizens of the City of Highland Village; and

WHEREAS, the **AGENCY** is the owner and operator of certain fire protection vehicles and other equipment designed for the extinguishing of fire and prevention of damage to property and injury to persons from fire and has in its employ trained personnel whose duties are related to the use of such vehicles and equipment; and

WHEREAS, the **COUNTY** and the **AGENCY** mutually desire to be subject to and contract pursuant to provisions of the Texas Government Code, Chapter 791 and the Texas Local Government Code, Chapter 352, and

NOW, THEREFORE, the **COUNTY** and the **AGENCY**, for the mutual promises, covenants, Agreements and consideration stated herein, agree as follows:

I.
TERM

The term of this Agreement shall be for the period beginning of October 1, 2021, and ending September 30, 2022.

II.
SERVICES

The services to be rendered in accordance with this Agreement by the **AGENCY** are the fire protection services normally rendered by the **AGENCY** to citizens of the City of Highland Village in circumstances of emergency, but which services will now be extended to all citizens

of the **COUNTY** residing in the unincorporated areas of the **COUNTY** within the operating territory or jurisdiction of the **AGENCY**, as agreed to by the **AGENCY** and the **COUNTY** in this Agreement and as set forth in “Exhibit A,” attached hereto and incorporated herein by reference. These services are rendered in consideration of the basic funding and the separate per call fee set forth in this Agreement for the common good and benefit and to serve the public convenience and necessity of the citizens of the **COUNTY** who are not otherwise protected with respect to fire prevention, extinguishment, safety and rescue services. The services to be rendered are as follows:

- A. The **AGENCY** shall make available and provide emergency fire prevention, extinguishment, safety and rescue services within the agreed or specified territory or jurisdiction of the **AGENCY**.
- B. The **AGENCY** shall respond to requests for fire protection services made within the portion of the **COUNTY** designated as “*Highland Village*” as set out in Exhibit "A".
- C. The **COUNTY** agrees that, in the event a fire in the **AGENCY**'s unincorporated designated area which the **AGENCY** considers to be of an incendiary nature and upon request by the **AGENCY**, the County Fire Marshal will dispatch investigation personnel to the fire scene within a response time sufficient to legally maintain and protect all evidence of said fire and will conduct all appropriate investigation and assist in the prosecution of any case of arson. The **AGENCY** shall not be responsible for investigations of suspected incendiary fires in the unincorporated areas, but shall cooperate with the County Fire Marshal in immediately relating all pertinent information possible to the investigator(s).
- D. The **COUNTY** agrees that the County Fire Marshal may assist in the conduct of appropriate investigations of a fire which the **AGENCY** considers to be of incendiary nature in the **AGENCY**'s incorporated area upon request of the **AGENCY**.
- E. The **AGENCY** shall submit monthly statements on the Texas Fire Incident Reporting System's standardized forms to the Denton County Fire Marshal, 3900 Morse St., 2nd Floor, Denton, Texas 76208. This form will serve as the billing statement to the **COUNTY** for reimbursement of calls made in the unincorporated area. The Denton County Fire Marshal shall provide the forms upon request from the **AGENCY**.
- F. The **AGENCY**, in the performance of its duties and responsibilities under this Agreement, shall have the responsibility, within the sole discretion of the officers and employees of the **AGENCY**, except as otherwise determined by the Denton County Fire Marshal, to determine priorities in the dispatching and use of the **AGENCY**'s equipment and personnel, and the judgment of any such officer or employee as to such matters shall be the final determination.

The **COUNTY** shall designate the County Judge to act on behalf of the **COUNTY** and to serve as "Liaison Officer" between the **COUNTY** and the **AGENCY**. The County Judge, or his designated substitute, shall devote sufficient time and attention to insure the performance of all duties and obligations of the **COUNTY** under this Agreement and shall provide immediate and direct supervision of employees, agents, contractors, sub-contractors and/or laborers of the **COUNTY** engaged in the performance of this Agreement for the mutual benefit of the **COUNTY** and the **AGENCY**.

III. **PERFORMANCE OF SERVICE**

The **AGENCY** shall devote sufficient time and attention to insure the performance of all duties and obligations of the **AGENCY** under this Agreement and shall provide immediate and direct supervision of the **AGENCY's** employees, agents, contractors, sub-contractors and/or laborers engaged in the performance of this Agreement for the mutual benefit of the **AGENCY** and the **COUNTY**.

IV. **COMPENSATION**

The **COUNTY** agrees to pay to the **AGENCY** for the full performance of services as provided in this Agreement the sum of **\$10,000.00**, payable upon execution of this Agreement, and further agrees to pay the sum of **\$650.00** per fire call in the designated unincorporated areas of the **COUNTY** from October 1, 2021, to September 30, 2022. The **COUNTY** anticipates the **AGENCY** to run approximately **9** fire calls for a total funding of **\$5,850.00** for fire calls. The total payments by the **COUNTY** to the **AGENCY** pursuant to this Agreement are estimated to be **\$15,850.00**. The **COUNTY** will make no payment to the **AGENCY** for service provided outside the agreed service district whether by Mutual Aid Agreement or otherwise. The **AGENCY** understands and agrees that payment by the **COUNTY** to the **AGENCY** shall be made in accordance with the normal and customary processes and business procedures of the **COUNTY** and in conformance with applicable state law.

V. **FINANCIAL RECORDS**

The **AGENCY** agrees to make its financial records available for audit and/or review by the **COUNTY**, upon request by the **COUNTY**.

VI.
RESPONSIBILITY OF THE COUNTY

The **COUNTY**, to the extent permitted by law, shall be responsible for the acts, negligence and omissions of all officers, employees and agents of the **COUNTY** who are engaged in the performance of this Agreement.

VII.
RESPONSIBILITY OF THE AGENCY

The **AGENCY**, to the extent permitted by law, shall be responsible for the acts, negligence and omissions of all officers, employees and agents of the **AGENCY** who are engaged in the performance of this Agreement.

VIII.
APPLICABLE LAW

The **COUNTY** and the **AGENCY** understand and agree that liability under this contract is governed by the Texas Government Code, Chapter 791 and the Texas Local Government Code, Chapter 352. This Agreement is made in contemplation of the applicability of these laws to the Agreement. Insofar as legally possible the **COUNTY** and the **AGENCY** agree to be bound by the above mentioned statutes as they exist as of the date of this Agreement.

IX.
DEFAULT

In the event of default of any of the covenants herein contained, this Agreement may be terminated at the discretion of the non-defaulting party if such default continues for a period of ten (10) days after notice to the other party in writing of such default and the intent to terminate this Agreement due to the default. Unless the default is cured, this Agreement shall terminate.

X.
TERMINATION

This Agreement may be terminated any time, by either the **COUNTY** or the **AGENCY** by giving sixty (60) days advance written notice to the other party. In the event of termination by either party, the **AGENCY** shall be compensated pro rata for all services performed to the termination date together with reimbursable expenses then due as authorized by this Agreement. In the event of such termination, should the **AGENCY** be overcompensated on a pro rata basis for all services performed to the termination date and/or be overcompensated reimbursable expenses, the **COUNTY** shall be reimbursed pro rata for all such overcompensation.

Acceptance of such reimbursement shall not constitute a waiver of any claim that may otherwise arise out of this Agreement.

XI.
GOVERNMENTAL IMMUNITY

The fact that the **COUNTY** and the **AGENCY** accept certain responsibilities relating to the rendition of fire protection services under this Agreement as part of their responsibility for providing protection for the public health makes it imperative that the performance of these vital services be recognized as a governmental function and that the doctrine of governmental immunity shall be, and it is hereby, invoked to the extent permitted by law. Neither the **AGENCY**, nor the **COUNTY** waive, nor shall be deemed to have hereby waived, any immunity or defense that would otherwise be available to it against claims arising from the exercise of government powers and functions.

XII.
ENTIRE AGREEMENT

This Agreement represents the entire Agreement between the **COUNTY** and the **AGENCY** and supersedes all prior negotiations representations and Agreements, either written or oral. This Agreement may be amended only by written instrument signed by both parties.

XIII.
LAW OF CONTRACT

This Agreement and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. The venue for any dispute, or matter, arising under this Agreement shall lie in Denton County, Texas.

XIV.
SEVERABILITY

In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties hereto that the remaining portions shall remain valid and in full force and effect to the fullest extent possible.

XV.
AUTHORITY

The undersigned officer or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties.

XVI.
SERVICE AREA

Acceptance of this Agreement constitutes approval of the service area set out in attached Exhibit "A".

EXECUTED this _____ day of _____, 20____.

Denton County, Texas
1 Courthouse Drive, Suite 3100
Denton, Texas 76208

City of Highland Village
Highland Village Fire Department
1200 Highland Village Road
Highland Village, Texas 75077

By _____
Andy Eads
Denton County Judge

By _____
Name _____
Highland Village City Manager

ATTEST:

ATTEST:

By: _____
Denton County Clerk

By: _____
City Secretary

APPROVED AS TO CONTENT:

By: _____
Denton County Fire Marshal

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$_____ to accomplish and pay the obligation of Denton County under this Agreement.

Denton County Auditor



Amy Eads - County Judge
 Ryan Williams - Commissioner Precinct 1
 Ron Marchant - Commissioner Precinct 2
 Bobbie J. Mitchell - Commissioner Precinct 3
 Dianne Edmondson - Commissioner Precinct 4

- INTERSTATE
- U.S. HIGHWAY
- STATE HIGHWAY
- FARM TO MARKET
- MAJOR THOROUGHFARES
- MINOR ROADS
- CEMETERY
- RAILROADS
- AIRPORTS
- STREAMS
- LAKES & PONDS

City Population
 Denton > 100,000
 Lewisville 40,000 - 100,000
 Carrollton 10,000 - 39,999
 Source: 2006 Census

NAD 1983 StatePlane (Zone 5351)
 Texas North Central Lambert Conformal Conic



1 inch = 0.6 miles
 October 25, 2021

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Denton County does not guarantee the correctness or accuracy of any features on this product and assumes no responsibility in connection therewith. This product may be revised at any time without notification to any user.

CONTACT INFORMATION
 LANDMARK MAP: gis@dentoncounty.gov
 E-MAIL: gr@dentoncounty.gov

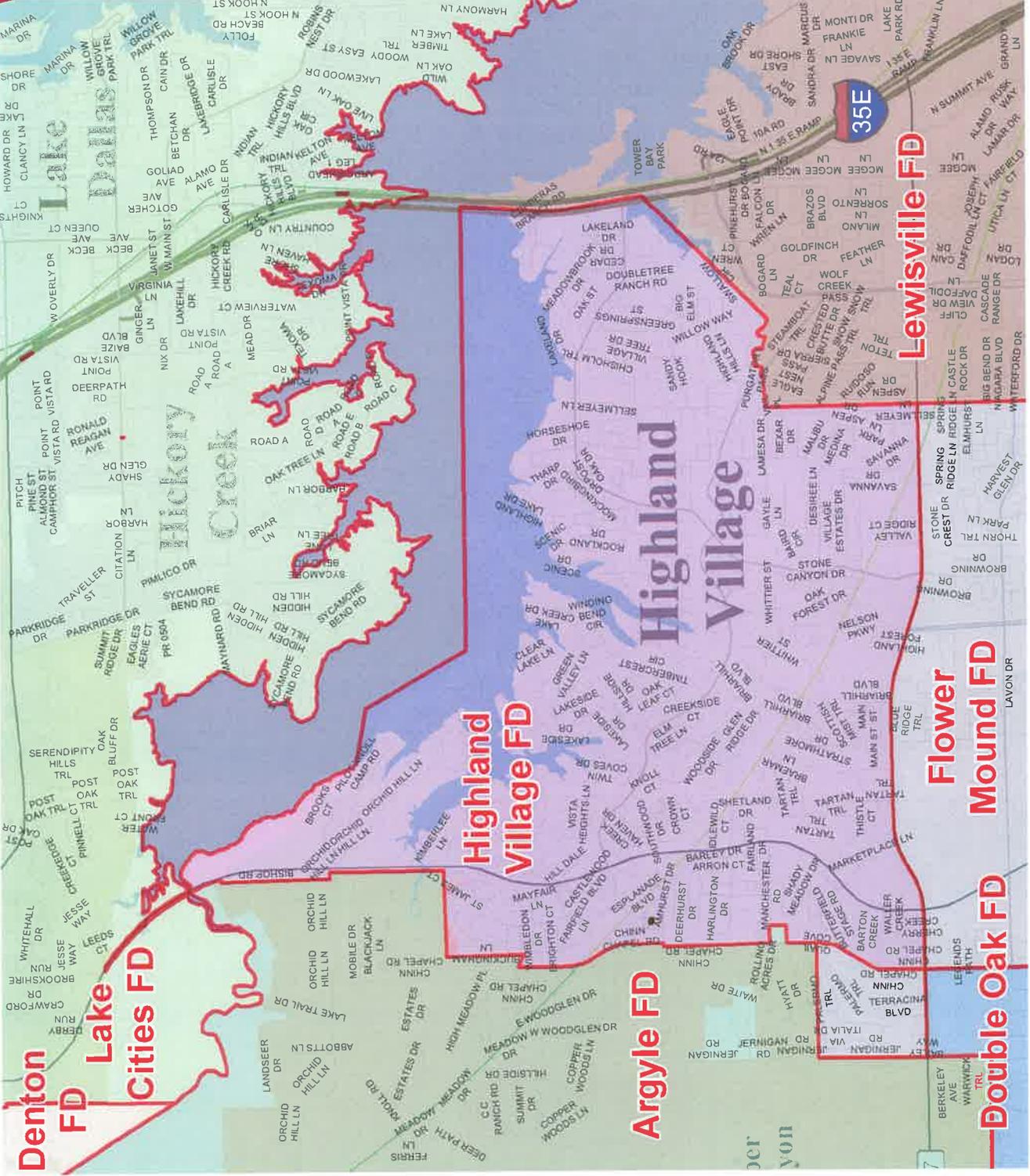


Exhibit A
 DENTON COUNTY FIRE DISTRICTS
 Highland Village

THE COUNTY OF DENTON

§
§
§
§

**CITY OF HIGHLAND VILLAGE
FIRE DEPARTMENT**

STATE OF TEXAS

INTERLOCAL COOPERATION AGREEMENT
AMBULANCE SERVICE

THIS AGREEMENT, which has an effective date of October 1, 2021, is made and entered into by and between Denton County, Texas (“the **COUNTY**”), and the City of Highland Village, Texas (“the **AGENCY**”).

WHEREAS, the **COUNTY** is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of Denton County; and

WHEREAS, the **AGENCY** is a municipal corporation, duly organized and operating under the laws of the State of Texas and engaged in the provision of ambulance services and related services for the benefit of the citizens of the City of Highland Village; and

WHEREAS, the **AGENCY** is an owner and operator of certain ambulance vehicles and other equipment designed for the transportation of persons who are sick, infirmed or injured and has in its employ trained personnel whose duties are related to the treatment of said individuals and the use of such vehicles and equipment; and

WHEREAS, the **COUNTY** desires to obtain emergency ambulance and related services for the benefit of residents of the **COUNTY** living in unincorporated areas of the **COUNTY** which the **AGENCY** is capable of providing; and

WHEREAS, the provision of emergency ambulance and related services is a governmental function that serves the public health and welfare and is of mutual concern to both the **COUNTY** and the **AGENCY**; and

WHEREAS, the **COUNTY** desires to expend County funds to defray the expense of establishing, operating and maintaining emergency ambulance services in the County; and

WHEREAS, the **COUNTY** and the **AGENCY** mutually desire to be subject to and contract pursuant to the provisions of Texas Government Code, Chapter 791 and Texas Health and Safety Code, Section 774.003, and

NOW THEREFORE, the **COUNTY** and the **AGENCY**, in consideration of the mutual promises, covenants, and Agreements stated herein, agree as follows:

I.
TERM

The term of this Agreement shall be for the period beginning of October 1, 2021, and ending on September 30, 2022.

II.
DEFINITIONS

As used herein, the words and phrases hereinafter set forth shall have the meanings as follows:

- A. "Emergency" shall mean any circumstance that calls for immediate action and in which the element of time in transporting the sick, wounded or injured for medical treatment is essential to the health or life of a person or persons. Whether an emergency, in fact, exists is solely up to the discretion of the **AGENCY**. For dispatch purposes only, "emergency" shall include, but not be limited to:
1. The representation by the individual requesting ambulance service that an immediate need exists for the transportation of a person from any location within the agreed operating area of the **AGENCY** to a place where emergency medical treatment may be obtained; or
 2. The representation by the individual requesting ambulance service that an immediate need exists for the transportation of a person from any location within the agreed operating area of the **AGENCY** to the closest medical facility.
- B. "Rural area" means any area within the boundaries of the **COUNTY**, but outside the corporate limits of all incorporated cities, towns and villages within the **COUNTY**.
- C. "Urban area" means any area within the corporate limits of an incorporated city, town or village within the **COUNTY**.
- D. "Emergency ambulance call" means a response to a request for ambulance service by the personnel of the **AGENCY** in a situation involving an emergency, as defined above, by an ambulance vehicle. A single response to a call may involve the transportation of more than one person at a time, but shall be considered as only one call.

III. **SERVICES**

The services to be rendered under this Agreement by the **AGENCY** are the ambulance services normally rendered by the **AGENCY** to citizens of City of Highland Village in circumstances of emergency, but which services will now be extended to all citizens of the **COUNTY** residing in the unincorporated areas of the **COUNTY** within the operating territory or jurisdiction of the **AGENCY**, as agreed to by the **AGENCY** and the **COUNTY** in this Agreement and as set forth in "Exhibit A," attached hereto and incorporated herein by reference.

It is recognized that the officers and employees of the **AGENCY** have the duty and responsibility of rendering ambulance services to citizens of the **AGENCY** and the **COUNTY**. In the performance of these duties and responsibilities, it shall be within the sole responsibility and discretion of the officers and employees of the **AGENCY** to determine priorities in the dispatching and use of such equipment and personnel and the judgment of the officer or employee shall be final.

The **COUNTY** shall designate the County Judge to act on behalf of the **COUNTY** and to serve as "Liaison Officer" between the **COUNTY** and the **AGENCY**. The County Judge, or her designated substitute, shall devote sufficient time and attention to insure the performance of all duties and obligations of the **COUNTY** under this Agreement and shall provide for the immediate and direct supervision of employees, agents, contractors, sub-contractors and/or laborers of the **COUNTY** engaged in the performance of this Agreement.

IV. **PERFORMANCE OF SERVICES**

The **AGENCY** shall devote sufficient time and attention to insure the performance of all duties and obligations of the **AGENCY** under this Agreement and shall provide immediate and direct supervision of the **AGENCY's** employees, agents, contractors, sub-contractors and/or laborers engaged in the performance of this Agreement for the mutual benefit of the **AGENCY** and the **COUNTY**.

V.
COMPENSATION

COUNTY agrees to pay to the **AGENCY** an estimated fee of \$7,233.00 (amount rounded to the nearest dollar) based on a funding formula as follows:

1. A fixed sum based on a population percentage .4222 per capita; said sum computes to \$6,713.14.
2. A fixed sum of \$244.5652 per ambulance transport for an estimated maximum amount of \$0.00. Said sum is based upon 0 transports made by the **AGENCY** in fiscal year 2021.
3. A fixed sum based on .75 rural miles in the agreed operating territory; said sum computes to \$520.22.

The first and third sums are based upon population and mileage figures obtained from the North Central Texas Council of Governments. The second sum is based upon the definition of an “ambulance call” for purposes of this Agreement. Payment shall not be allowed for any instance in which a patient is not transported. Consistent with the reporting procedures described below, the **AGENCY** shall receive payment for transporting the patient regardless of the service delivery area in which the call originated.

Each emergency transport made shall be submitted on the standardized ambulance transportation reporting form approved and provided by the **COUNTY**. It shall be the responsibility of the **AGENCY** to fully complete the forms and to provide complete and accurate patient information. A list of emergency transports shall be submitted monthly by the **AGENCY**. Emergency transport forms not timely submitted shall not be considered for payment. Completed emergency transport forms may be submitted by personal delivery, U.S. Mail, facsimile or email to the office of the Denton County Fire Marshal. The date of submission shall be the date the fully documented request is received in said office.

VI.
FINANCIAL RECORDS

The **AGENCY** agrees to make its financial records available for audit and/or review by the **COUNTY**, upon request by the **COUNTY**.

VII.
RESPONSIBILITY OF THE COUNTY

The **COUNTY**, to the extent permitted by law, shall be responsible for the acts, omissions and negligence of all officers, employees and agents of the **COUNTY** who are engaged in the performance of this Agreement.

VIII.
RESPONSIBILITY OF THE AGENCY

The **AGENCY**, to the extent permitted by law, shall be responsible for the acts, omissions and negligence of all officers, employees and agents of the **AGENCY** who are engaged in the performance of this Agreement.

IX.
APPLICABLE LAW

The **COUNTY** and the **AGENCY** understand and agree that liability under this contract is governed by Texas Government Code, Chapter 791 and Texas Health and Safety Code, Section 774.003. This Agreement is made in contemplation of the applicability of these laws to the Agreement. Insofar as legally possible the **COUNTY** and the **AGENCY** agree to be bound by the above mentioned statutes as they exist as of the date of this Agreement.

X.
DEFAULT

In the event of default of any of the covenants herein contained, this Agreement may be terminated at the discretion of the non-defaulting party if such default continues for a period of ten (10) days after notice to the other party in writing of such default and the intent to terminate this Agreement due to the default. Unless the default is cured, this Agreement shall terminate.

XI.
TERMINATION

This Agreement may be terminated at any time by either the **COUNTY** or the **AGENCY** by giving sixty (60) days advance written notice to the other party. In the event of termination by either party, the **AGENCY** shall be compensated pro rata for all services performed to termination date together with reimbursable expenses then due as authorized by this Agreement. In the event of such termination, should the **AGENCY** be overcompensated on a pro rata basis for all services performed to the termination date and/or be overcompensated for reimbursable expenses, the **COUNTY** shall be reimbursed pro rata for all such overcompensation.

Acceptance of such reimbursement shall not constitute a waiver of any claim that may otherwise arise out of this Agreement.

XII.
GOVERNMENTAL IMMUNITY

The fact that the **COUNTY** and the **AGENCY** accept certain responsibilities relating to the rendering of ambulance services under this Agreement as a part of their responsibility for providing protection for the public health makes it imperative that the performance of these vital services be recognized as a governmental function and that the doctrine of governmental immunity shall be, and is hereby, invoked to the extent permitted under the law. Neither the **AGENCY**, nor the **COUNTY** waive, nor shall be deemed to have hereby waived any immunity or defense that would otherwise be available to it against claims arising from the exercise of governmental powers and functions.

XIII.
ENTIRE AGREEMENT

This Agreement represents the entire Agreement between the **COUNTY** and the **AGENCY** and supersedes all prior negotiations, representations and Agreements, either written or oral. This Agreement may be amended only by written instrument signed by both parties.

XIV.
LAW OF CONTRACT

This Agreement and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. The venue for any dispute, or matter, arising under this Agreement shall lie in Denton County, Texas.

XV.
SEVERABILITY

In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties hereto that the remaining portions of this Agreement shall remain valid and in full force and effect to the fullest extent possible.

XVI.
AUTHORITY

The undersigned officer or agents of the parties are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the Parties.

XVII.
SERVICE AREA

Acceptance of this Agreement constitutes approval of the service area set out in attached Exhibit "A".

EXECUTED this _____ day of _____, 20____.

COUNTY:

Denton County, Texas
1 Courthouse Drive, Suite 3100
Denton, Texas 76208

By: _____
Andy Eads
Denton County Judge

ATTEST:

By: _____
Denton County Clerk

APPROVED AS TO CONTENT:

By: _____
Denton County Fire Marshal

AGENCY:

City of Highland Village
Highland Village Fire Department
1200 Highland Village Road
Highland Village, Texas 75077

By: _____
Name _____
Title _____

ATTEST:

By: _____
City Secretary

APPROVED AS TO FORM AND LEGALITY:

By: _____
City Attorney

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$_____ to accomplish and pay the obligation of Denton County under this Agreement.

Denton County Auditor



Andy Eads - County Judge
 Ryan Williams - Commissioner Precinct 1
 Ron Marchant - Commissioner Precinct 2
 Bobbie J. Mitchell - Commissioner Precinct 3
 Dianne Edmondson - Commissioner Precinct 4



City Population
 Denton > 100,000
 Lewisville 40,000 - 100,000
 Corinth 10,000 - 39,999
 Source: 2000-2009
 Publisher: 2008

NAD 1983 StatePlane (Zone 5351)
 Texas North Central Lambert Conformal Conic



1 inch = 0.6 miles
 November 03, 2021

This product is for informational purposes only and should not be used for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Denton County does not guarantee the correctness or accuracy of any features on this product and assumes no responsibility in connection therewith. This product may be revised at any time without notification to any user.

CONTACT INFORMATION
 LANDMARK MAP: gis.dentoncounty.gov
 E-MAIL: gis@dentoncounty.gov

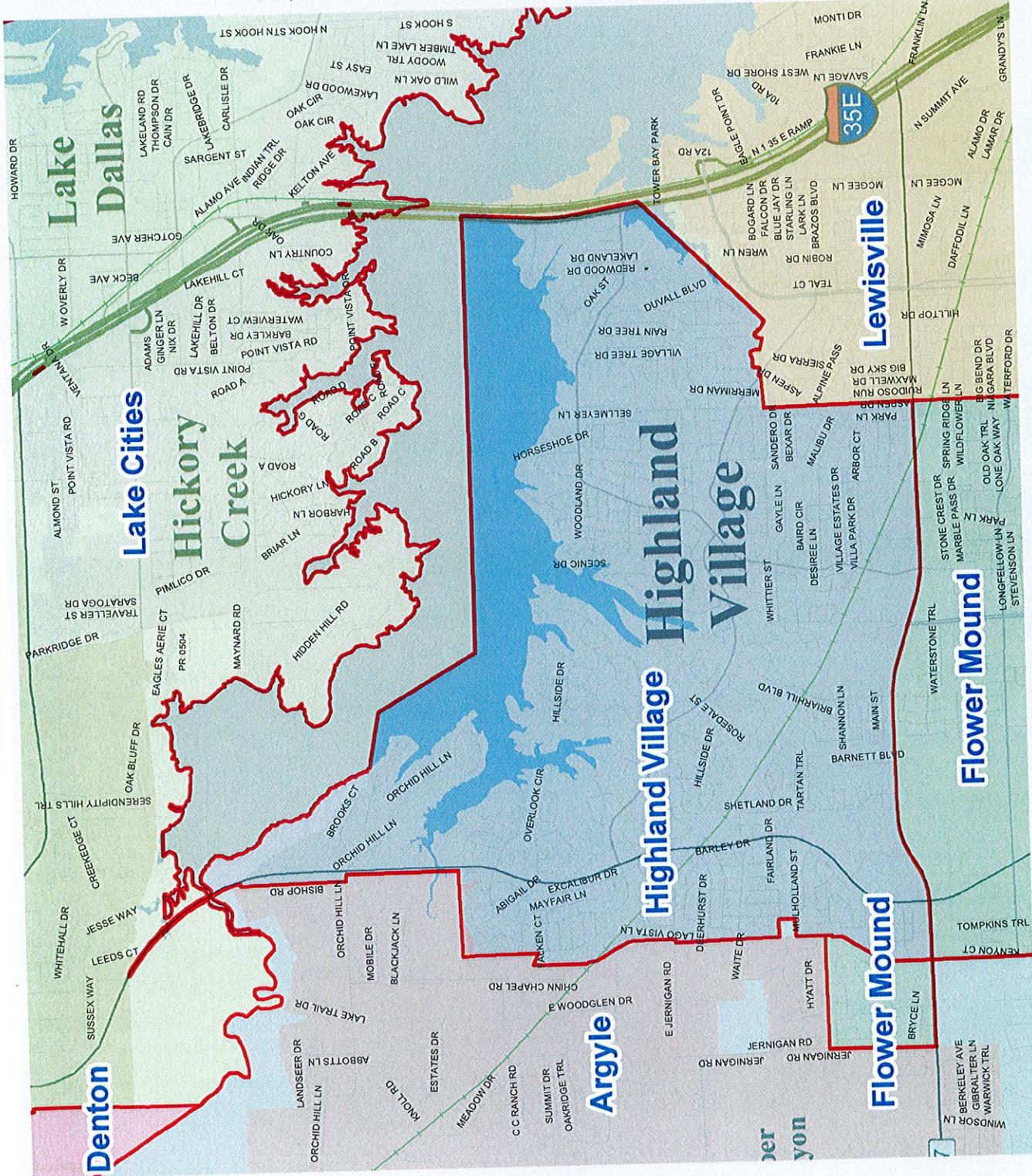


Exhibit A
 DENTON COUNTY EMS DISTRICTS
 Highland Village

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2021-2976

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS AUTHORIZING THE CITY MANAGER TO ENTER INTO INTERLOCAL COOPERATION AGREEMENTS WITH DENTON COUNTY FOR AMBULANCE AND FIRE PROTECTION SERVICES TO UNINCORPORATED AREAS OF DENTON COUNTY DURING FISCAL YEAR 2021-2022; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Denton County has requested the City of Highland Village enter into Interlocal Cooperation Agreements to provide Ambulance and Fire Protection Services to unincorporated areas of Denton County for the Fiscal Year 2021-2022; and

WHEREAS, the provision of such services provides a benefit to the citizens of Denton County; and

WHEREAS, the City Council of the City of Highland Village finds it in the public interest to enter into the above described agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:

SECTION 1. The City Manager is hereby authorized to sign on behalf of the City into the Interlocal Cooperation Agreements with Denton County for ambulance and fire protection services for Fiscal Year 2021-2022.

SECTION 2. This resolution shall take effect immediately upon passage.

PASSED AND APPROVED this the 9th day of November 2021.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:11/3/2021:125811)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 12	MEETING DATE: 11/09/2021
SUBJECT:	Investment Report for Quarter Ending September 30, 2021
PREPARED BY:	Heather Miller, Assistant Finance Director

BACKGROUND:

The Public Funds Investment Act, Chapter 2256.023 of the Government Code requires the investment officer of each local government to submit its governing body a quarterly report of investment transactions. The City staff has compiled the following information for your review and to comply with this reporting requirement.

IDENTIFIED NEED/S:

N/A

OPTIONS & RESULTS:

The detailed transactions for June 30, 2021 through September 30, 2021 follow this briefing.

- TexPool (Texas Local Government Investment Pool, a public funds investment pool that matures October 1, 2021)
- TexSTAR (Texas Short Term Asset Reserve Program, a public funds investment pool, custodial, and depository services are provided by JP Morgan Chase Bank and subsidiary J.P. Morgan Investor Services Co. that matures October 1, 2021)
- Independent DDA (Demand Deposit Account that matures October 1, 2021 collateralized by pledged securities held in custody by The Independent Bankers Bank)
- Independent NOW (Negotiable Order of Withdraw that matures October 1, 2021 collateralized by pledged securities held in custody by The Independent Bankers Bank)
- Wells Fargo DDA (Demand Deposit Account that matures October 1, 2021 collateralized by pledged securities held in custody by the Bank of New York Mellon)
- Southside MMA (Money Market Account that matures October 1, 2021, collateralized by pledged securities held in custody by the Federal Home Loan Bank)

- InterBank MMA (Money Market Account that matures October 1, 2021, fully insured by the Federal Deposit Insurance Corporation)
- InterBank ICS (Insured Cash Sweep that matures October 1, 2021, fully insured by the Federal Deposit Insurance Corporation)
- Origin Bank CD (Certificates of Deposit that matures July 7, 2021 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)
- Origin Bank CD (Certificates of Deposit that matures February 4, 2022 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)
- Origin Bank CD (Certificates of Deposit that matures April 7, 2022 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)

This information reports that the beginning market value for all cash and investments was \$19,952,908 and the ending market value on September 30, 2021 was \$19,487,667. The average yield for the quarter ending September, 2021 in pooled, demand deposit, negotiable order of withdrawal, and money market accounts (0.17%) is greater than the six-month term treasuries. The beginning pool, demand deposit, negotiable order of withdrawal, and money market accounts invested balance at June 30, 2021 was \$14,950,423 and the ending balance at September 30, 2021 was \$14,482,657 or 74% of the City's total portfolio. The weighted average maturity of the City's portfolio at September 30, 2021 is 46 days.

The average total portfolio yield for the quarter ending September 30, 2021 was 0.17%.

The book value and market value for the City's total portfolio for the beginning and end of the reporting period is as follows:

	<u>Book Value</u>	<u>Market Value</u>
June 30, 2021	\$19,952,908	\$19,952,908
September 30, 2021	\$19,487,667	\$19,487,667

I hereby certify that the attached report is in compliance with the Public Funds Investment Act and that all investments held and transactions made during the reporting period were duly authorized and properly recorded and valued.



Heather Miller
Investment Officer



Ken Heerman
Assistant City Manager

¹Note:

Par is the stated legal dollar value or principal value at maturity.

Book value is what we paid for the instrument adjusted by any accretion or amortization costs.

Market value is what we could reasonably sell the instrument for in the current market.

RECOMMENDATION:

Council to receive the Investment Report for the period ending September 30, 2021.



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

September 30, 2021

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the City of Highland Village is in compliance with the Public Funds Investment Act and the City of Highland Village Investment Policy and Strategies.

Ken Heerman, Assistant City Manager

Heather Miller, Assistant Finance Director

Staff Accountant

Disclaimer: These reports were compiled using information provided by the City of Highland Village. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment advisor fees.

Annual Comparison of Portfolio Performance

FYE Results by Investment Category:

Asset Type	September 30, 2020			September 30, 2021		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
MMA/NOW/Pools	0.22%	\$ 13,562,151	\$ 13,562,151	0.17%	\$ 14,482,657	\$ 14,482,657
Securities/CDs	1.71%	4,840,815	4,840,815	0.04%	5,005,010	5,005,010
Totals		\$ 18,402,965	\$ 18,402,965		\$ 19,487,667	\$ 19,487,667

Fourth Quarter-End Yield **0.64%** **0.17%**

Average Quarter-End Yields (1):

	2021 Fiscal Year	2021 Fiscal Year
Highland Village	1.13%	0.24%
Rolling Three Month Treasury	0.76%	0.06%
Rolling Six Month Treasury	0.99%	0.08%
TexPool	0.76%	0.04%
Fiscal YTD Interest Earnings	\$ 275,358 (Approximate)	\$ 66,080 (Approximate)

(1) Average Quarterly Yield calculated using quarter-end report average yield and adjusted book value.

Summary

Quarter End Results by Investment Category:

Asset Type	June 30, 2021			September 30, 2021		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
MMA/NOW/Pools	0.17%	\$ 14,950,423	\$ 14,950,423	0.17%	\$ 14,482,657	\$ 14,482,657
Securities/CDs	0.20%	5,002,485	5,002,485	0.04%	5,005,010	5,005,010
Totals	0.17%	\$ 19,952,908	\$ 19,952,908	0.17%	\$ 19,487,667	\$ 19,487,667

Current Quarter Average Yield (1)

Total Portfolio	0.17%
Rolling Three Month Treasury	0.05%
Rolling Six Month Treasury	0.05%
TexPool	0.03%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	0.24%
Rolling Three Month Treasury	0.06%
Rolling Six Month Treasury	0.08%
TexPool	0.04%

Interest Earnings (Approximate)

Quarterly Interest	\$ 8,002
Fiscal Year-to-Date Interest	\$ 66,080

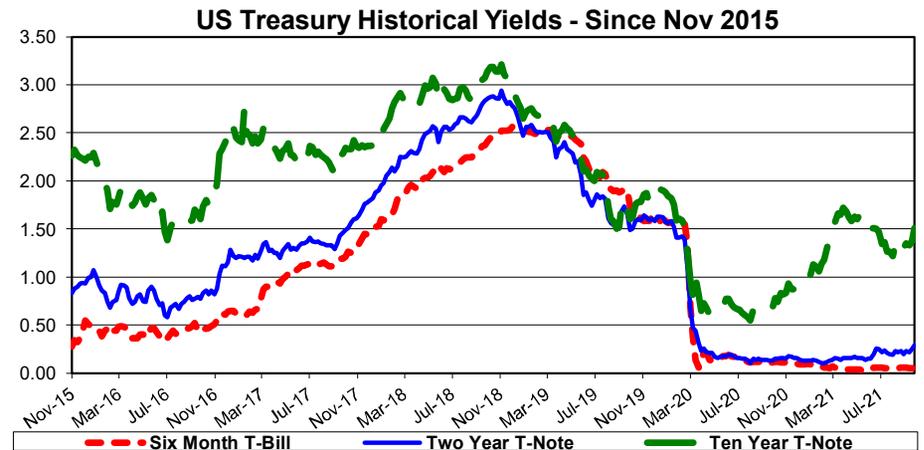
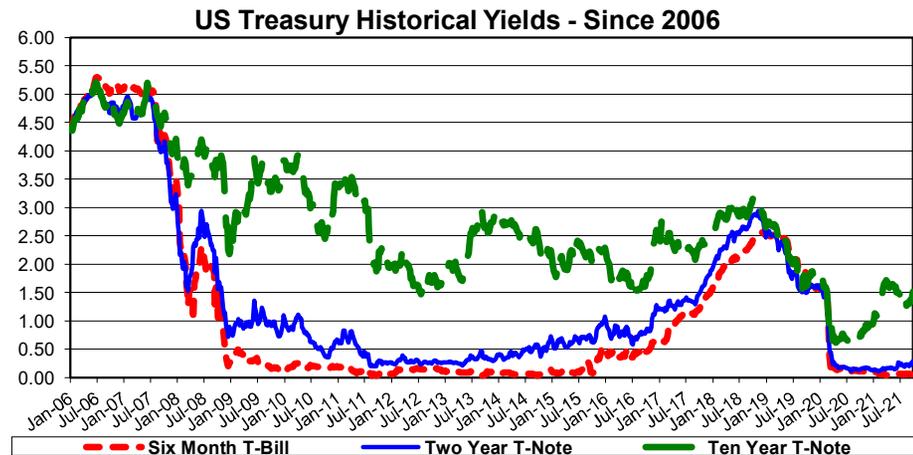
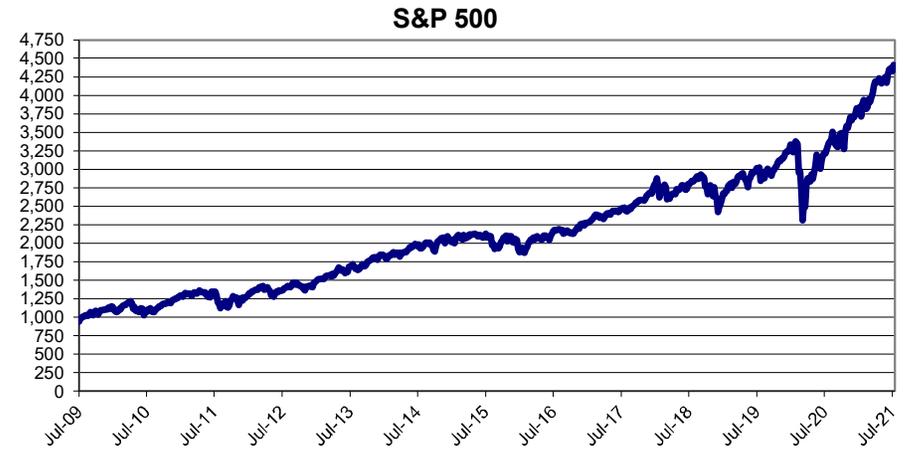
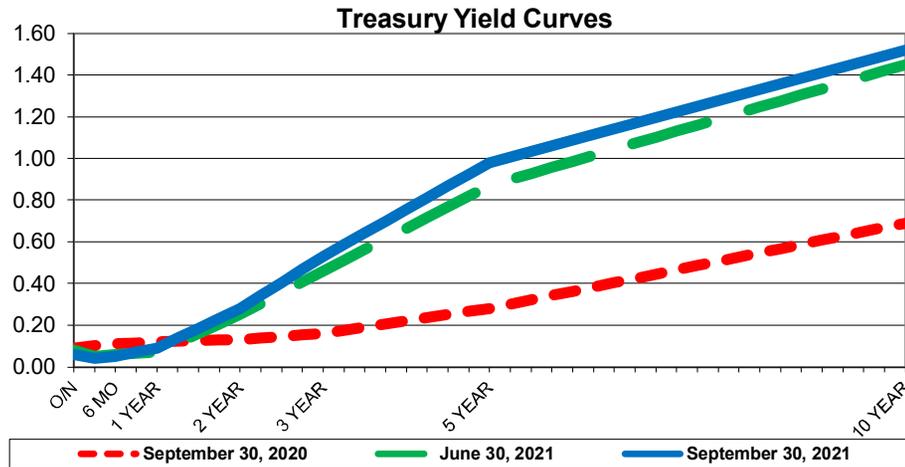
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(2) **Fiscal Year-to-Date Average Yield** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Overview

9/30/2021

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range at 0.00% to 0.25% (Effective Fed Funds are trading <0.10%), and projects that reduced rates could remain into 2023. Monthly government security purchases may begin tapering as early as Nov 2021. Second Quarter GDP posted +6.7% (Final). Employment recovery/growth has moderated, but job openings remain high. August Non-Farm Payroll only added 194k net new jobs. Crude oil bounced up to +/- \$77 per barrel, with fuel shortages in England and other countries. The Stock Markets reached new highs, but have retrenched slightly. Housing, Industrial Production, Durable Goods, Consumer Spending, and other indicators remain positive but constrained. The Biden administration and Congress continue to negotiate infrastructure, fiscal and debt limit packages. Inflation remained over the FOMC 2+% target and may not be as temporary as initially projected. The Yield Curve rose slightly from two years to ten years.



Investment Holdings
September 30, 2021

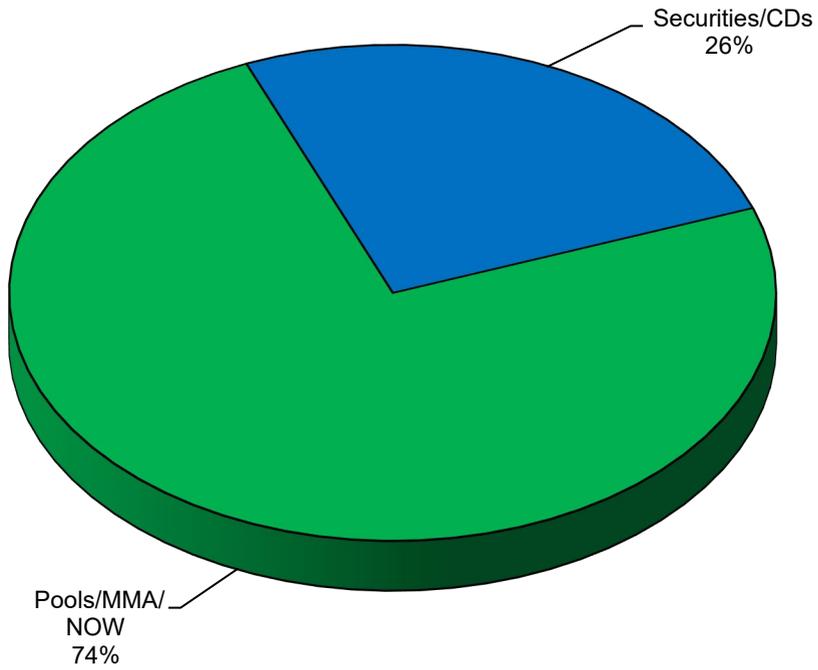
Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Independent DDA		0.05%	10/01/21	09/30/21	\$ 40,151	\$ 40,151	1.00	\$ 40,151	1	0.05%
Independent NOW		0.38%	10/01/21	09/30/21	6,691	6,691	1.00	6,691	1	0.38%
Wells Fargo DDA (3)		0.49%	10/01/21	09/30/21	600,122	600,122	1.00	600,122	1	0.49%
Southside MMA		0.13%	10/01/21	09/30/21	3,987,896	3,987,896	1.00	3,987,896	1	0.13%
InterBank MMA		0.35%	10/01/21	09/30/21	211,992	211,992	1.00	211,992	1	0.35%
InterBank ICS		0.35%	10/01/21	09/30/21	4,091,277	4,091,277	1.00	4,091,277	1	0.35%
TexPool	AAAm	0.03%	10/01/21	09/30/21	2,463,634	2,463,634	1.00	2,463,634	1	0.03%
TexSTAR	AAAm	0.01%	10/01/21	09/30/21	3,080,895	3,080,895	1.00	3,080,895	1	0.01%
Origin Bank CD		0.21%	02/04/22	02/04/21	1,001,042	1,001,042	100.00	1,001,042	127	0.21%
Origin Bank CD		0.17%	04/07/22	07/07/21	4,003,968	4,003,968	100.00	4,003,968	189	0.17%
					\$ 19,487,667	\$ 19,487,667		\$ 19,487,667	46	0.17%
									(1)	(2)

(1) **Weighted average life** - For purposes of calculating weighted average life, pool and bank account investments are assumed to have a one day maturity.

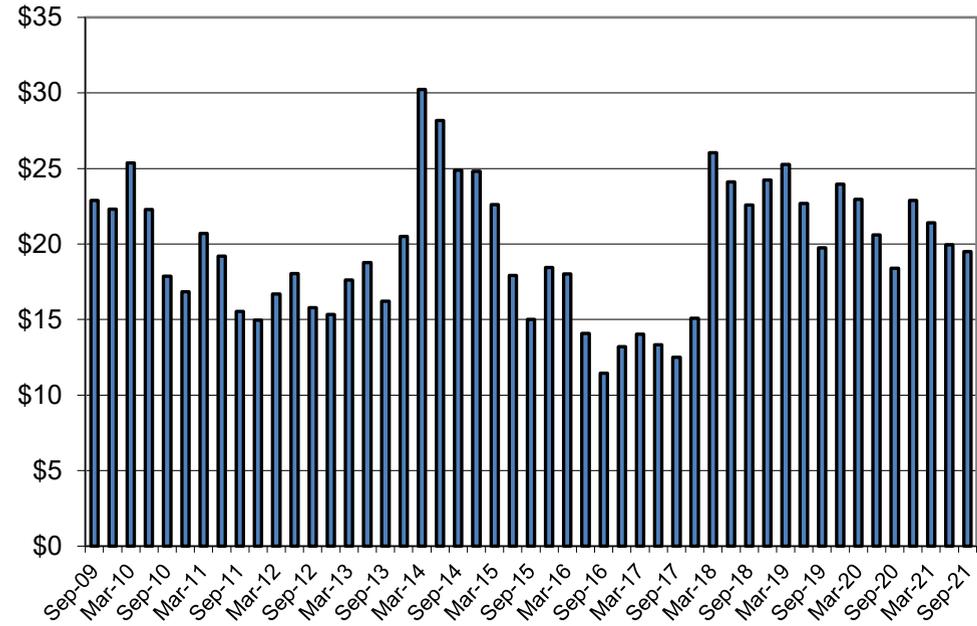
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered.

(3) **Wells Fargo Earnings Credit Rate** - 0.50% floor. Effective ECR reported.

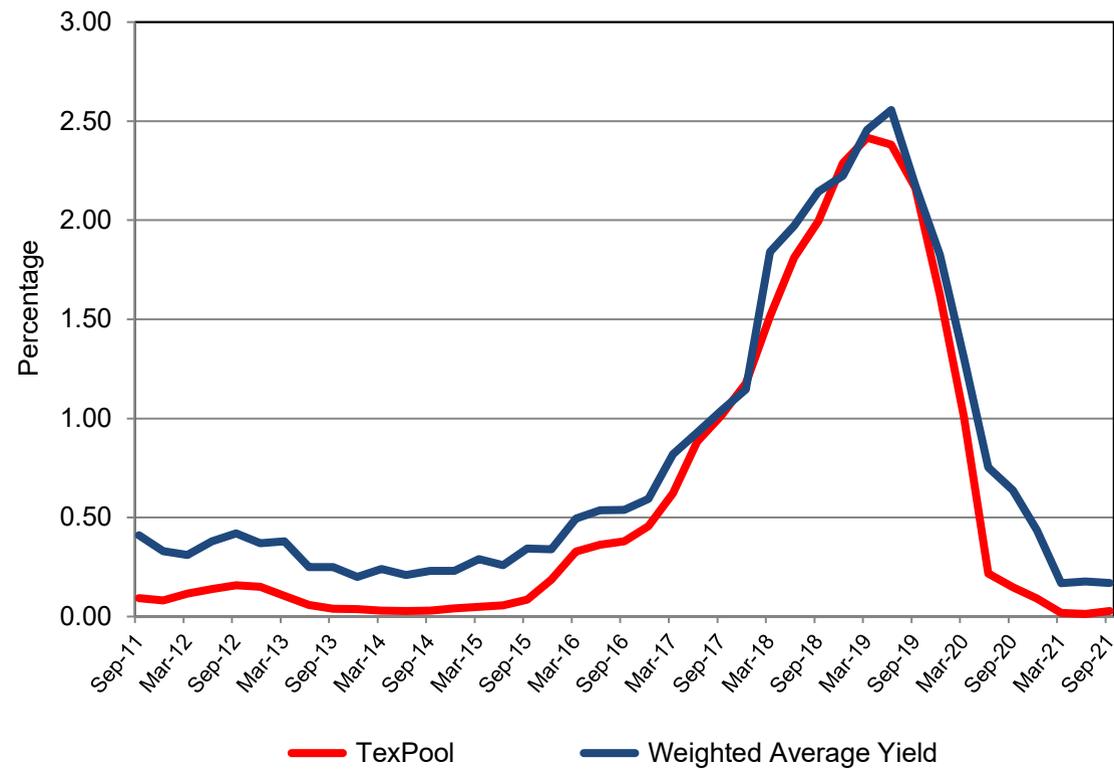
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 06/30/21	Increases	Decreases	Book Value 09/30/21	Market Value 06/30/21	Change in Market Value	Market Value 09/30/21
Independent DDA	0.05%	10/01/21	\$ 40,130	\$ 21	\$ -	\$ 40,151	\$ 40,130	\$ 21	\$ 40,151
Independent NOW	0.38%	10/01/21	6,687	4	-	6,691	6,687	4	6,691
Wells Fargo DDA	0.49%	10/01/21	874,115	-	(273,993)	600,122	874,115	(273,993)	600,122
Southside MMA	0.13%	10/01/21	5,486,473	-	(1,498,577)	3,987,896	5,486,473	(1,498,577)	3,987,896
InterBank MMA	0.35%	10/01/21	211,980	11	-	211,992	211,980	11	211,992
InterBank ICS	0.35%	10/01/21	4,087,494	3,783	-	4,091,277	4,087,494	3,783	4,091,277
TexPool	0.03%	10/01/21	2,702,745	-	(239,111)	2,463,634	2,702,745	(239,111)	2,463,634
TexSTAR	0.01%	10/01/21	1,540,799	1,540,096	-	3,080,895	1,540,799	1,540,096	3,080,895
Origin Bank CD	0.20%	07/07/21	4,001,973	-	(4,001,973)	-	4,001,973	(4,001,973)	-
Origin Bank CD	0.21%	02/04/22	1,000,512	530	-	1,001,042	1,000,512	530	1,001,042
Origin Bank CD	0.17%	04/07/22	-	4,003,968	-	4,003,968	-	4,003,968	4,003,968
TOTAL/AVERAGE	0.17%		\$ 19,952,908	\$ 5,548,413	\$ (6,013,654)	\$ 19,487,667	\$ 19,952,908	\$ (465,240)	\$ 19,487,667

**Allocation by Fund
September 30, 2021
Book and Market Value**

Utility Funds	TexPool	TexSTAR	Independent DDA	Independent NOW	Wells Fargo DDA	Southside MMA	InterBank MMA
Interest & Sinking	\$ 671,904	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replacement Reserve	473,864	-	-	-	-	-	-
Operations	6	-	-	-	-	280,337	-
Impact Fees	311,895	-	-	-	-	895,356	-
2018 CO Utility Capital Projects	-	154,103	-	-	-	-	100,029
American Rescue Plan Act	-	2,065,070	-	-	-	-	-
Sub Total	\$ 1,457,669	\$ 2,219,173	\$ -	\$ -	\$ -	\$ 1,175,693	\$ 100,029
General Funds							
Operations	\$ 276,228	\$ 163,379	\$ -	\$ 321	\$ -	\$ 2,812,203	\$ 12,935
Pooled Cash	-	-	40,151	-	600,122	-	-
Interest & Sinking	72,500	65,933	-	-	-	-	-
Drainage Utility	273,236	-	-	-	-	-	-
Sub Total	\$ 621,964	\$ 229,311	\$ 40,151	\$ 321	\$ 600,122	\$ 2,812,203	\$ 12,935
General Capital Project Funds							
Park Development	\$ 80,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018 GO Capital Projects	-	626,334	-	-	-	-	99,028
Sub Total	\$ 80,973	\$ 626,334	\$ -	\$ -	\$ -	\$ -	\$ 99,028
Corp Leased Park Funds							
Corp LeasedTXDot Mitigation	\$ -	\$ 3	\$ -	\$ 6,370	\$ -	\$ -	\$ -
Sub Total	\$ -	\$ 3	\$ -	\$ 6,370	\$ -	\$ -	\$ -
HV Community Development Funds							
Operations	\$ 303,028	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HVCDC TXDot Mitigation	-	6,073	-	-	-	-	-
Sub Total	\$ 303,028	\$ 6,073	\$ -	\$ -	\$ -	\$ -	\$ -
Totals	\$ 2,463,634	\$ 3,080,895	\$ 40,151	\$ 6,691	\$ 600,122	\$ 3,987,896	\$ 211,992

**Allocation by Fund
September 30, 2021
Book and Market Value**

(Continued)

Utility Funds	InterBank ICS	Certificate of Deposit		Total	Interest This Quarter
		02/04/2022	04/07/2022		
Interest & Sinking	\$ -	\$ -	\$ -	\$ 671,904	\$ 31
Replacement Reserve	-	-	-	473,864	27
Operations	-	-	-	280,343	91
Impact Fees	-	-	-	1,207,251	286
2018 CO Utility Capital Projects	2,264,372	-	-	2,518,504	2,090
American Rescue Plan Act	-	-	-	2,065,070	22
Sub Total	\$ 2,264,372	\$ -	\$ -	\$ 7,216,936	\$ 2,548
General Funds					
Operations	\$ -	\$ 1,001,042	\$ 4,003,968	\$ 8,270,074	\$ 3,676
Pooled Cash	-	-	-	640,273	21
Interest & Sinking	-	-	-	138,433	11
Drainage Utility	-	-	-	273,236	15
Sub Total	\$ -	\$ 1,001,042	\$ 4,003,968	\$ 9,322,016	\$ 3,724
General Capital Project Funds					
Park Development	\$ -	\$ -	\$ -	\$ 80,973	\$ 5
2018 GO Capital Projects	1,826,904	-	-	2,552,267	1,714
Sub Total	\$ 1,826,904	\$ -	\$ -	\$ 2,633,240	\$ 1,719
Corp Leased Park Funds					
Corp LeasedTXDot Mitigation	\$ -	\$ -	\$ -	\$ 6,373	\$ 4
Sub Total	\$ -	\$ -	\$ -	\$ 6,373	\$ 4
HV Community Development Funds					
Operations	\$ -	\$ -	\$ -	\$ 303,028	\$ 7
HVDCD TXDot Mitigation	-	-	-	6,073	-
Sub Total	\$ -	\$ -	\$ -	\$ 309,102	\$ 7
Totals	\$ 4,091,277	\$ 1,001,042	\$ 4,003,968	\$ 19,487,667	\$ 8,001.67

**Allocation by Fund
June 30, 2021
Book and Market Value**

Utility Funds	TexPool	TexSTAR	Independent DDA	Independent NOW	Wells Fargo DDA	Southside MMA	InterBank MMA
Interest & Sinking	\$ 412,387	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replacement Reserve	473,836	-	-	-	-	-	-
Operations	359,878	-	-	-	-	280,252	-
Impact Fees	130,598	-	-	-	-	895,083	-
2018 CO Utility Capital Projects	-	421,237	-	-	-	-	100,029
Sub Total	\$ 1,376,700	\$ 421,237	\$ -	\$ -	\$ -	\$ 1,175,335	\$ 100,029
General Funds							
Operations	\$ 707,544	\$ 381,329	\$ -	\$ 321	\$ -	\$ 4,311,138	\$ 12,923
Pooled Cash	-	-	40,130	-	874,115	-	-
Interest & Sinking	276,687	65,931	-	-	-	-	-
CARES Act	-	-	-	-	-	-	-
Drainage Utility	261,672	-	-	-	-	-	-
Sub Total	\$ 1,245,904	\$ 447,260	\$ 40,130	\$ 321	\$ 874,115	\$ 4,311,138	\$ 12,923
General Capital Project Funds							
Park Development	\$ 80,118	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018 GO Capital Projects	-	666,226	-	-	-	-	99,028
Sub Total	\$ 80,118	\$ 666,226	\$ -	\$ -	\$ -	\$ -	\$ 99,028
Corp Leased Park Funds							
Corp LeasedTXDot Mitigation	\$ -	\$ 3	\$ -	\$ 6,366	\$ -	\$ -	\$ -
Sub Total	\$ -	\$ 3	\$ -	\$ 6,366	\$ -	\$ -	\$ -
HV Community Development Funds							
Operations	\$ 24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HVDCD TXDot Mitigation	-	6,073	-	-	-	-	-
Sub Total	\$ 24	\$ 6,073	\$ -	\$ -	\$ -	\$ -	\$ -
Totals	\$ 2,702,745	\$ 1,540,799	\$ 40,130	\$ 6,687	\$ 874,115	\$ 5,486,473	\$ 211,980

Allocation by Fund
June 30, 2021
Book and Market Value

(Continued)

Utility Funds	InterBank ICS	Certificate of Deposit		Total	Interest This Quarter
		07/07/2021	02/04/2022		
Interest & Sinking	\$ -	\$ -	\$ -	\$ 412,387	\$ 10
Replacement Reserve	-	-	-	473,836	14
Operations	-	-	-	640,130	90
Impact Fees	-	-	-	1,025,681	255
2018 CO Utility Capital Projects	2,262,288	-	-	2,783,553	2,073
Sub Total	\$ 2,262,288	\$ -	\$ -	\$ 5,335,588	\$ 2,441
General Funds					
Operations	\$ -	\$ 4,001,973	\$ 1,000,512	\$ 10,415,740	\$ 3,744
Pooled Cash	-	-	-	914,245	30
Interest & Sinking	-	-	-	342,618	10
CARES Act	-	-	-	-	16
Drainage Utility	-	-	-	261,672	8
Sub Total	\$ -	\$ 4,001,973	\$ 1,000,512	\$ 11,934,276	\$ 3,807
General Capital Project Funds					
Park Development	\$ -	\$ -	\$ -	\$ 80,118	\$ 2
2018 GO Capital Projects	1,825,206	-	-	2,590,460	1,698
Sub Total	\$ 1,825,206	\$ -	\$ -	\$ 2,670,578	\$ 1,700
Corp Leased Park Funds					
Corp LeasedTXDot Mitigation	\$ -	\$ -	\$ -	\$ 6,369	\$ 6
Sub Total	\$ -	\$ -	\$ -	\$ 6,369	\$ 6
HV Community Development Funds					
Operations	\$ -	\$ -	\$ -	\$ 24	\$ -
HVDCD TXDot Mitigation	-	-	-	6,073	-
Sub Total	\$ -	\$ -	\$ -	\$ 6,097	\$ -
Totals	\$ 4,087,494	\$ 4,001,973	\$ 1,000,512	\$ 19,952,908	\$ 7,955

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 14

MEETING DATE: 11/09/2021

SUBJECT: Consider all matters incident and related to the issuance and sale of "City of Highland Village, Texas, General Obligation Refunding Bonds, Series 2021," including the adoption of an ordinance authorizing the issuance of such bonds and providing for the redemption of the obligations being refunded

PREPARED BY: Ken Heerman, Assistant City Manager

BACKGROUND:

A refunding opportunity exists with outstanding 2012, 2013, 2014, and 2015 Bonds. The portion eligible for refunding totals \$15,305,000, comprised of \$5,290,000 (4B) and \$3,425,000 (Utility), and \$6,590,000 (General Fund). The refunding has projected savings totaling \$1.2M. The 2015 Bonds are currently callable, with the remaining bonds having a 2/15/2022 call date.

IDENTIFIED NEED/S:

- All the identified bonds are callable as a current refunding.
- The bulk of the savings are to be structured to reduce annual debt service, primarily over the next three years.
- The refunding will be structured to generally conform to the existing maturities. The \$15.3 M GO Refunding is projected to have a true interest cost of 1.58% (to be determined just prior to the Council Meeting).

OPTIONS & RESULTS:

For this issue, the City only obtained a single bond rating – from Standard & Poor’s (S&P). S&P confirmed the current AAA bond rating for this issue. This strong rating enables the City to forgo bond Insurance, providing reduced issuance costs to the City.

Remaining steps following approval by City Council:

11/09/2021	Council Approves Ordinance Authorizing the Issuance of the General Obligation Refunding Bonds, Series 2021
12/07/2021	Closing of GO Refunding Bonds, Series 2021 and delivery of funds to the Escrow Agent
12/14/2021	Council Approves Ordinance Authorizing the Issuance of the Certificates of Obligation, Series 2021
12/30/2021	Closing of CO Bond, Series 2021 and delivery of funds to the City

RECOMMENDATION:

Council to approve Ordinance 2021-1290 (Only one read of the ordinance is required for bond issuance).

CITY OF HIGHLAND VILLAGE, TEXAS
ORDINANCE NO. 2021-1290

AN ORDINANCE authorizing the issuance of "CITY OF HIGHLAND VILLAGE, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021"; specifying the terms and features of said bonds; levying a continuing direct annual ad valorem tax for the payment of said bonds; providing for the redemption of certain outstanding obligations of the City; and resolving other matters incident and related to the issuance, sale, payment and delivery of said bonds, including the approval and execution of a Paying Agent/Registrar Agreement, an Escrow Agreement and the approval and distribution of a Preliminary Official Statement and an Official Statement; and providing an effective date.

WHEREAS, the City Council (the "Council") of the City of Highland Village, Texas (the "City") has heretofore issued, sold, and delivered, and there is currently outstanding obligations of the following issues or series, to wit (hereinafter referred to collectively as the "Refunded Obligations"):

- (i) "City of Highland Village, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2012," dated June 1, 2012, scheduled to mature on February 15 in each of the years 2024, 2026, 2028, 2030 and 2032, and aggregating in the principal amount of \$1,730,000 (the "Series 2012 Refunded Certificates");
- (ii) "City of Highland Village, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2013," dated December 1, 2013, scheduled to mature on February 15, in each of the years 2023 through 2024, and 2033 and aggregating in the principal amount of \$3,425,000 (the "Series 2013 Refunded Certificates");
- (iii) "City of Highland Village, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2014," dated January 15, 2014, scheduled to mature on February 15, in each of the years 2023 through 2028, and 2033, and aggregating in the principal amount of \$5,485,000 (the "Series 2013 Refunded Certificates"); and
- (iv) "City of Highland Village, Texas, General Obligation Refunding Bonds, Series 2015," dated December 15, 2015, scheduled to mature on February 15, in each of the years 2022 through 2028, and aggregating in the principal amount of \$4,665,000 (the "Series 2015 Refunded Certificates");

WHEREAS, pursuant to the provisions of Texas Government Code, Chapter 1207, as amended, the Council is authorized to issue refunding bonds and deposit the proceeds of sale directly with the place of payment for the Refunded Obligations, or other authorized depository, and such deposit, when made in accordance with said statute, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

WHEREAS, the Council hereby finds and determines that the Refunded Obligations should be refunded at this time, and such refunding will result in the City saving approximately \$ _____ in debt service payments on such indebtedness and further provide a net present value savings of approximately \$ _____; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS:

Section 1: Authorization - Designation - Principal Amount - Purpose. General obligation refunding bonds of the City shall be and are hereby authorized to be issued in the aggregate principal amount of \$_____ to be designated and bear the title "CITY OF HIGHLAND VILLAGE, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021" (hereinafter referred to as the "Bonds"), for the purpose of providing funds for the discharge and final payment of certain outstanding obligations of the City (identified in the preamble hereof and referred to as the "Refunded Obligations") and to pay costs of issuance, in accordance with the Constitution and laws of the State of Texas, including Texas Government Code, Chapter 1207, as amended.

Section 2: Fully Registered Obligations - Bond Date - Authorized Denominations-Stated Maturities - Interest Rates. The Bonds shall be issued as fully registered obligations only, shall be dated November 15, 2021 (the "Bond Date"), shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, and shall become due and payable on February 15 in each of the years and in the principal amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the following schedule:

<u>Year of Stated Maturity</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		

The Bonds shall bear interest on the unpaid principal amounts from the date of initial delivery of the Bonds at the rate(s) per annum shown above in this Section (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable on February 15 and August 15 in each year, commencing February 15, 2022, until maturity or prior redemption.

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

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

Principal of and premium, if any, on the Bonds, shall be payable at the Stated Maturities thereof only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices, initially in St. Paul, Minnesota, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest on the Bonds shall be paid to the Holders whose names appear in the Security Register at the close of business on the Record Date (the last business day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent by first class United States mail, postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

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

Section 4: Redemption.

(a) Optional Redemption. The Bonds having Stated Maturities on and after February 15, 2032, shall be subject to redemption prior to maturity, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on February 15, 2031 or on any date thereafter at the redemption price of par, together with accrued interest to the redemption date.

At least forty-five (45) days prior to an optional redemption date (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the

Paying Agent/Registrar of its decision to exercise the right to redeem Bonds, the principal amount of each Stated Maturity to be redeemed and the date set for the redemption thereof.

(b) Mandatory Redemption. The Bonds having a Stated Maturity of February 15, 2032 (the "Term Bonds") shall be subject to mandatory redemption in part prior to maturity at the redemption price of par and accrued interest to the date of redemption on the respective dates and in principal amounts as follows:

<u>Term Bonds due February 15, 20</u>		<u>Term Bonds due February 15, 20</u>	
<u>Redemption Date</u>	Principal <u>Amount (\$)</u>	<u>Redemption Date</u>	Principal <u>Amount (\$)</u>
(maturity)		(maturity)	

At least forty-five (45) days prior to each mandatory redemption date for the Term Bonds, the Paying Agent/Registrar shall select by lot the numbers of the Term Bonds within the applicable Stated Maturity to be redeemed on the next following February 15 from moneys set aside for that purpose in the Interest and Sinking Fund (as hereinafter defined). Any Term Bond not selected for prior redemption shall be paid on the date of its Stated Maturity.

The principal amount of the Term Bonds for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like Stated Maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions set forth in paragraph (a) of this Section and not theretofore credited against a mandatory redemption requirement.

(c) Selection of Bonds for Redemption. If less than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall treat such Bonds as representing the number of Bonds Outstanding which is obtained by dividing the principal amount by \$5,000 and shall select the Bonds, or principal amounts thereof, to be redeemed within such Stated Maturity by lot.

(d) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the City and at the City's expense, to each Holder of a Bond to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Bonds, or the portion of the principal amount to be redeemed, shall become due and payable on the redemption date specified, and the accruing of interest shall cease from and after the redemption date, and (v) specify that payment of the redemption price for the Bonds, or the principal amount to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar only upon presentation and surrender of the Bonds to be redeemed,

in whole or in part, by the Holder. If a Bond is subject by its terms to prior redemption and has been called for redemption and notice of redemption has been duly given or waived as herein provided, such Bond (or the principal amount to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor, provided moneys sufficient for the payment of such Bond (or of the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar.

(e) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption may, at the option of the City, be conditional upon receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

Section 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the City at the Designated Payment/Transfer Office of the Paying Agent/Registrar, as provided herein and in accordance with the provisions of an agreement with the Paying Agent/Registrar and such rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each Holder of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may, in accordance with its terms and the terms hereof, be transferred or exchanged for Bonds of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Bond (other than the Initial Bond(s) referenced in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds to the Holder requesting the exchange.

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

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

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

Bonds cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered, and delivered in lieu thereof pursuant to the provisions of Section 11 hereof and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Section 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 3, 4 and 5 hereof relating to the payment, and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York ("DTC"), in accordance with the operational arrangements referenced in the Blanket Issuer Letter of Representations, by and between the City and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 3, 4 and 5 hereof.

Section 7: Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor under its seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the Bond Date shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of the individuals shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent

exchanges and transfers, all as authorized and provided in Texas Government Code, Chapter 1201, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered, and delivered.

Section 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount stated in Section 1 hereof with principal installments to become due and payable as provided in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bond(s) submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

Section 9: Forms.

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

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

(b) Form of Definitive Bond.

REGISTERED
NO. ____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF HIGHLAND VILLAGE, TEXAS
GENERAL OBLIGATION REFUNDING BOND
SERIES 2021

Bond Date: November 15, 2021 Interest Rate: _____ % Stated Maturity: February 15, 20__ CUSIP No.: _____

Registered Owner:

Principal Amount:

The City of Highland Village (hereinafter referred to as the "City"), a body corporate and municipal corporation in Denton County, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the registered owner named above, or the registered assigns thereof (the "Registered Owner"), on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is prior to the initial interest payment date in which case it shall bear interest from the date of initial delivery of the Bonds) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing February 15, 2022, until maturity or prior redemption. Principal of this Bond shall be payable at its Stated Maturity to the Registered Owner hereof upon presentation and surrender at the designated offices of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by first class United States mail, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Bonds") for the purpose of providing funds for the discharge and final payment of the Refunded Obligations (identified and defined in the Ordinance hereinafter referenced), and to pay costs of issuance, under and in strict conformity with the Constitution and laws of the State of Texas and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

[The Bonds maturing on the date hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Sinking Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the mandatory redemption date on the respective dates and in principal amounts as follows:

<u>Term Bonds due February 15, 20</u>		<u>Term Bonds due February 15, 20</u>	
<u>Redemption Date</u>	<u>Principal Amount (\$)</u>	<u>Redemption Date</u>	<u>Principal Amount (\$)</u>
(maturity)		(maturity)	

The particular Term Bonds of a stated maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Bonds for a stated maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like stated maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.】

The Bonds maturing on and after February 15, 2032, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on February 15, 2031, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption and upon thirty (30) days prior written notice being sent by United States Mail, first class postage prepaid, to the Registered Owners of the Bonds to be redeemed, and subject to the terms and provisions relating thereto contained in the Ordinance. If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor, provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

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 Ordinance for the then unredeemed balance of the principal sum hereof. If this Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Registered Owner within forty-five (45) days of the redemption date therefor; 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.

With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption may, at the option of the City, be conditional upon receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the owner or holder of this Bond by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at its maturity, and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Ordinance.

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

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

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution

and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by the levy of a tax as aforesated. In case any provision in this Bond shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

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

CITY OF HIGHLAND VILLAGE, TEXAS

Mayor

COUNTERSIGNED:

City Secretary

(City Seal)

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

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

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

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

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

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

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

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

The designated offices of the Paying Agent/Registrar in St. Paul, Minnesota is the "Designated Payment/Transfer Office" for this Bond.

BOKF, NA, Dallas, Texas,
as Paying Agent/Registrar

Registration date:

By: _____
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

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

(Social Security or other identifying number _____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED:

Signature guaranteed:

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

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

Heading and first paragraph shall read as follows:

REGISTERED
NO. T-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF HIGHLAND VILLAGE, TEXAS
GENERAL OBLIGATION REFUNDING BOND
SERIES 2021

Bond Date: November 15, 2021

Registered Owner:

Principal Amount:

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

<u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>INSTALLMENTS (\$)</u>	<u>INTEREST</u> <u>RATE (%)</u>
-----------------------------------	--	------------------------------------

(Information to be inserted from schedule in Section 2 hereof)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the date of initial delivery of the Bonds at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing [February 15, 2022], until maturity or prior redemption. Principal installments of this Bond are payable on the Stated Maturity dates to the registered owner hereof by BOKF, NA, Dallas, Texas, (the "Paying Agent/Registrar"), upon its presentation and surrender at its designated offices, initially in St. Paul, Minnesota, or, with respect to a successor paying agent/registrar, at the designated office of such successor (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by first class United States mail, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof

and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Section 10: Levy of Taxes. To provide for the payment of the “Debt Service Requirements” of the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their payment at maturity or redemption or a sinking fund of 2% (whichever amount is the greater), there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations prescribed by law, and such tax hereby levied on each one hundred dollars’ valuation of taxable property in the City for the Debt Service Requirements of the Bonds shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Bonds while Outstanding; full allowance being made for delinquencies and costs of collection; separate books and records relating to the receipt and disbursement of taxes levied, assessed and collected for and on account of the Bonds shall be kept and maintained by the City at all times while the Bonds are Outstanding, and the taxes collected for the payment of the Debt Service Requirements on the Bonds shall be deposited to the credit of a “Special 2021 Bond Account” (the “Interest and Sinking Fund”) maintained on the records of the City and deposited in a special fund maintained at an official depository of the City’s funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Bonds.

The Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Finance Director and Assistant Finance Director, and City Secretary of the City, individually or jointly, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Bonds, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Bonds as the same accrues or matures; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Bonds.

Section 11: Mutilated - Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only upon the approval of the City and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

Section 12: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

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

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

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

Section 13: Ordinance a Contract - Amendments - Outstanding Bonds. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 28 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity,

inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Holders holding a majority in aggregate principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Bonds, 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 Bonds, reduce the principal amount thereof, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

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

(1) those Bonds cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds deemed to be duly paid by the City in accordance with the provisions of Section 12 hereof; and

(3) those mutilated, destroyed, lost, or stolen Bonds which have been replaced with Bonds registered and delivered in lieu thereof as provided in Section 11 hereof.

Section 14: Covenants to Maintain Tax-Exempt Status.

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

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

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

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

"*Gross Proceeds*" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

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

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

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

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

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

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

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

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Obligations), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

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

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income

tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

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

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

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

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of its general fund, other appropriate fund, or, if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate

payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance, and Assistant Director of Finance, either or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(k) Bonds Not Hedge Bonds. (1) At the time the original obligations being refunded by the Bonds were issued, the City reasonably expected to spend at least 85% of the spendable proceeds of such obligations within three years after such obligations were issued and (2) not more than 50% of the proceeds of the original obligations being refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) Current Refunding of the Refunded Obligations. The Bonds are a current refunding of the Refunded Obligations in that the Refunded Obligations are to be paid and redeemed in full within 90 days of the delivery date of the Bonds.

Section 15: Sale of Bonds –Official Statement Approval. Pursuant to a public sale for the Bonds, the bid submitted by _____ (herein referred to as the "Purchasers") is declared to be the best bid received producing the lowest true interest cost rate to the City, and the sale of the Bonds to the Purchasers at the price of par plus premium in the amount of \$ _____ is hereby determined to be in the best interests of the City and is approved and confirmed. Delivery of the Bonds to the Purchasers shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale. The Initial Bond shall be registered in the name as provided in the winning bid.

Furthermore, the use of the Preliminary Official Statement by the Purchasers in connection with the public offering and sale of the Bonds is hereby ratified, confirmed and approved in all respects. The final Official Statement, which reflects the terms of sale (together with such

changes approved by the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Finance Director, Assistant Finance Director or City Secretary, any one or more of said officials), shall be and is hereby in all respects approved and the Purchasers are hereby authorized to use and distribute said final Official Statement, dated November 9, 2021, in the reoffering, sale and delivery of the Bonds to the public. The Mayor or Mayor Pro Tem and City Secretary are further authorized and directed to cause to be delivered for and on behalf of the City copies of said Official Statement in final form as may be required by the Purchasers, and such final Official Statement shall be deemed to be approved by the Council and constitute the Official Statement authorized for distribution and use by the Purchasers.

Section 16: Control and Custody of Bonds. The Mayor of the City 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, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bond(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

Section 17: Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance) shall be deposited with the Escrow Agent (as defined in Section 18 hereof) for application and disbursement in accordance with the provisions of the Escrow Agreement (as defined in Section 18 hereof). The proceeds of sale of the Bonds not so deposited with the Escrow Agent for the refunding of the Refunded Obligations shall be disbursed for payment of costs of issuance. Any surplus proceeds of sale of the Bonds remaining after paying costs of issuance shall be deposited to the credit of the Interest and Sinking Fund.

Additionally, on or immediately prior to the date of the delivery of the Bonds to the Purchasers, the Assistant City Manager, the Finance Director, or the Assistant Finance Director shall cause to be transferred in immediately available funds to the Escrow Agent from moneys on deposit in the interest and sinking funds maintained for the payment of the Refunded Obligations the sum of \$ _____ to accomplish the refunding.

Section 18: Escrow Agreement Approval and Execution; Redemption of Refunded Obligations.

The Escrow Agreement (the "Escrow Agreement") by and between the City and BOKF, NA (the "Escrow Agent"), attached hereto as **Exhibit B** and incorporated herein by reference as a part of this Ordinance for all purposes, is hereby approved as to form and content, and such Escrow Agreement in substantially the form and substance attached hereto, together with such changes or revisions as may be necessary to accomplish the refunding or benefit the City, is hereby authorized to be executed by the Mayor and City Secretary for and on behalf of the City and as the act and deed of this City Council; and such Escrow Agreement as executed by said officials shall be deemed approved by the City Council and constitute the Escrow Agreement herein approved.

Furthermore, appropriate officials of the City in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements on the day of delivery of the Bonds to the Purchaser for the purchase of any federal securities referenced in the Escrow Agreement and the delivery thereof to the Escrow Agent and for deposit of certain proceeds of sale of the Bonds and any federal securities to the credit of the "SPECIAL 2021 CITY OF HIGHLAND VILLAGE, TEXAS, GENERAL OBLIGATION REFUNDING BOND ESCROW FUND" (the "Escrow Fund"), including the execution of subscription forms for the purchase and issuance

of any "United States Treasury Securities State and Local Government Series"; all as contemplated and provided in Texas Government Code, Chapter 1207, as amended, this Ordinance and the Escrow Agreement.

The Refunded Obligations shall be redeemed and the same are hereby called for redemption on the applicable dates referenced in Exhibits C, D, E, and F, at the price of par and accrued interest to the date of redemption. The City Secretary is hereby authorized and directed to file a copy of this Ordinance, together with suggested forms of notices of redemption to be sent to holders of the Refunded Obligations, with the current paying agent/registrars for the Refunded Obligations, in accordance with the redemption provisions applicable to such obligations; such suggested forms of notices of redemption being attached hereto as **Exhibit C, Exhibit D, Exhibit E, and Exhibit F** and incorporated herein by reference as a part of this Ordinance for all purposes.

The redemption of the Refunded Obligations described above being associated with the refunding of such Refunded Obligations, the approval, authorization and arrangements herein given and provided for the redemption of such Refunded Obligations on the redemption dates designated therefor and in the manner provided shall be irrevocable upon the issuance and delivery of the Bonds; and the City Secretary is hereby authorized and directed to make all arrangements necessary to notify the holders of such Refunded Obligations of the City's decision to redeem such Refunded Obligations on the date and in the manner herein provided and in accordance with the ordinances authorizing the issuance of such Refunded Obligations and this Ordinance.

Section 19: Notices to Holders - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by first class United States mail, postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

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

Section 20: Cancellation. All Bonds surrendered for payment, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the City.

Section 21: Legal Opinion. The obligation of the Purchasers to accept delivery of the Bonds is subject to being furnished a final legal opinion of Norton Rose Fulbright US LLP, approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for such Bonds. A true and correct reproduction of said opinion is hereby authorized to be printed on the definitive Bonds or an executed counterpart thereof shall

accompany the global Bonds deposited with DTC. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

Section 22: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

Section 23: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

Section 24: Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

Section 25: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 26: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 27: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

Section 28: Continuing Disclosure Undertaking.

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

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year, beginning in or after 2021, financial information and operating data with respect to the City of the general type included in Tables 1 through 6 and 8 through 15

in the Official Statement, and (2) within twelve months after the end of each fiscal year ending in or after 2021, audited financial statements of the City. Any financial statements so provided shall be prepared in accordance with the accounting principles described in Appendix B to the Official Statement, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available within 12 months after the end of any fiscal year, the City will provide unaudited financial statements by the required time, and audited financial statements when and if such audited financial statements become available.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data and financial statements to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding item 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City and (b) the City intends the words used in the immediately preceding items 15 and 16 in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

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

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Bond calls and defeasance that cause the City to be no longer such an “obligated person.”

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

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

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

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

Notwithstanding anything to the contrary in this Ordinance, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent an underwriter of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Section 29: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and this Council hereby declares that this Ordinance would have been enacted without such invalid provision.

Section 30: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Finance Director, Assistant Finance Director, and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance, sale and delivery of the Bonds. In addition, prior to the delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Finance Director, Assistant Finance Director, or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect, or omission in this Ordinance or such other document, or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 31: Incorporation of Findings and Determinations. The findings and determinations of this Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

Section 32: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

Section 33: Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

[Remainder of page left blank intentionally]

PASSED AND ADOPTED, November 9, 2021.

Mayor
City of Highland Village, Texas

ATTEST:

City Secretary
City of Highland Village, Texas

(City Seal)

APPROVED AS TO FORM AND LEGALITY:

City Attorney

APPROVED BY BOND COUNSEL:

Norton Rose Fulbright US LLP, Robert D. Dransfield

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT B
ESCROW AGREEMENT

EXHIBIT C

NOTICE OF REDEMPTION

CITY OF HIGHLAND VILLAGE, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2012
Dated JUNE 1, 2012

NOTICE IS HEREBY GIVEN that the certificates of obligation of the above series maturing on February 15 in each of the years 2024, 2026, 2028, 2030 and 2032 and aggregating in the principal amount of \$1,730,000, have been called for redemption on February 15, 2022 at the redemption price of par and accrued interest to the date of redemption, such certificates being identified as follows:

<u>Year of Maturity</u>	<u>Principal Amount (\$)</u>	<u>CUSIP Number</u>
2024	305,000	
2026	325,000	
2028	345,000	
2030	365,000	
2032	390,000	

ALL SUCH CERTIFICATES shall become due and payable on February 15, 2022, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said certificates shall be paid to the registered owners of the certificates only upon presentation and surrender thereof to The Bank of New York Mellon Trust Company, N.A., 2001 Bryan Street, 11th Floor, Dallas, Texas 75201.

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said certificates and pursuant to an ordinance by the City Council of the City of Highland Village, Texas.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
2001 Bryan Street, 11th Floor
Dallas, Texas 75201

EXHIBIT D

NOTICE OF REDEMPTION

CITY OF HIGHLAND VILLAGE, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2013
Dated DECEMBER 1, 2013

NOTICE IS HEREBY GIVEN that the certificates of obligation of the above series maturing on February 15, 2023 through 2024, and 2033 and 2034 and aggregating in the principal amount of \$3,425,000, have been called for redemption on February 15, 2022 at the redemption price of par and accrued interest to the date of redemption, such certificates being identified as follows:

<u>Year of Maturity</u>	<u>Principal Amount (\$)</u>	<u>CUSIP Number</u>
2023	240,000	
2024	245,000	
2033	2,600,000	
2034	340,000	

ALL SUCH CERTIFICATES shall become due and payable on February 15, 2022, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said certificates shall be paid to the registered owners of the certificates only upon presentation and surrender thereof to The Bank of New York Mellon Trust Company, N.A., 2001 Bryan Street, 11th Floor, Dallas, Texas 75201.

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said certificates and pursuant to an ordinance by the City Council of the City of Highland Village, Texas.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
2001 Bryan Street, 11th Floor
Dallas, Texas 75201

EXHIBIT E

NOTICE OF REDEMPTION

CITY OF HIGHLAND VILLAGE, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2014
Dated JANUARY 15, 2014

NOTICE IS HEREBY GIVEN that the certificates of obligation of the above series maturing on February 15, 2023 through 2028, 2033 and 2034 and aggregating in the principal amount of \$5,485,000, have been called for redemption on February 15, 2022 at the redemption price of par and accrued interest to the date of redemption, such certificates being identified as follows:

<u>Year of Maturity</u>	<u>Principal Amount (\$)</u>	<u>CUSIP Number</u>
2023	390,000	
2024	400,000	
2025	410,000	
2026	420,000	
2027	430,000	
2028	440,000	
2033	2,450,000	
2034	545,000	

ALL SUCH CERTIFICATES shall become due and payable on February 15, 2022, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said certificates shall be paid to the registered owners of the certificates only upon presentation and surrender thereof to The Bank of New York Mellon Trust Company, N.A., 2001 Bryan Street, 11th Floor, Dallas, Texas 75201.

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said certificates and pursuant to an ordinance by the City Council of the City of Highland Village, Texas.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
2001 Bryan Street, 11th Floor
Dallas, Texas 75201

EXHIBIT F

NOTICE OF REDEMPTION

CITY OF HIGHLAND VILLAGE, TEXAS
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2015
Dated DECEMBER 15, 2015

NOTICE IS HEREBY GIVEN that the certificates of obligation of the above series maturing on February 15, 2022 through February 15, 2028 and aggregating in the principal amount of \$4,665,000, have been called for redemption on December 7, 2021, at the redemption price of par and accrued interest to the date of redemption, such certificates being identified as follows:

<u>Year of Maturity</u>	<u>Principal Amount (\$)</u>	<u>CUSIP Number</u>
2022	675,000	
2023	835,000	
2024	860,000	
2025	630,000	
2026	645,000	
2027	660,000	
2028	360,000	

ALL SUCH BONDS shall become due and payable on December 7, 2021, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said bonds shall be paid to the registered owners of the bonds only upon presentation and surrender thereof to TIB-The Independent BankersBank, 11701 Luna Road, Farmers Branch, Texas 75234.

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said bonds and pursuant to an ordinance by the City Council of the City of Highland Village, Texas.

TIB-The Independent BankersBank,
11701 Luna Road
Farmers Branch, Texas 75234

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 15

MEETING DATE: 11/09/2021

SUBJECT: Consider Resolution 2021-2977 casting the City of Highland Village Votes for Denton Central Appraisal District (DCAD) Board of Directors

PREPARED BY: Angela Miller, City Secretary

BACKGROUND:

The Chief Appraiser of the Denton Central Appraisal District (DCAD) is responsible for initiating the process for taxing jurisdictions to select individuals to serve as the DCAD's Board of Directors. In odd-numbered years, the Chief Appraiser notifies jurisdictions within Denton County of the list of candidates. The Chief Appraiser also notifies the jurisdictions of the number of votes, based on tax levies, they are entitled to cast for Board members.

Each jurisdiction must cast its votes by written resolution to the Chief Appraiser before December 15, 2021. The jurisdiction may cast its votes for one candidate or may distribute the votes among any number of candidates. The Chief Appraiser reported the City of Highland Village has 29 votes to cast this year. There is no provision for write-in candidates. When a voting unit casts its votes, it must cast the votes for a person that was nominated and is named on the ballot. The 5 nominees receiving the most votes will become the Board of Directors, serving a 2-year term beginning January 1, 2022 and ending December 31, 2023.

The current DCAD Board of Directors are: Charles Stafford (Chairman), David Terre (Vice Chairman), Roy Atwood (Secretary), George Pryor, Bryan Webb and Michelle French (Ex Officio Member).

IDENTIFIED NEED/S:

Each voting jurisdiction must cast its vote by written resolution and submit it to the Chief Appraiser before December 15, 2021. The candidates are listed below in alphabetical order by last name:

Candidate	Nominating Jurisdiction
Roy Atwood	Denton ISD City of Carrollton
Devona Beaver	Town of Hickory Creek
Alex Buck	Lewisville ISD City of Highland Village City of Lewisville
Dirk Dahlke	Town of Hickory Creek
Sharon Gentry	Town of Flower Mound
Tom Heslep	City of Highland Village
David Johnson	Lewisville ISD Denton County

Nancy Koket	Town of Hickory Creek
John Lusk	City of Oak Point
Howard Martin	City of Denton
Ann Pomykal	Lewisville ISD City of Lewisville Denton County
Charles Stafford	Denton ISD
David Terre	City of Frisco Town of Little Elm City of The Colony
Tom Washington	Lewisville ISD Denton County
Bryan Webb **	City of Denton
Richard Weir	City of Corinth
Rick Woolfolk	Denton County

Please note, Bryan Webb was nominated by the City of Denton as a candidate, however he has indicated he does not want to be reappointed to the Board of Directors.

OPTIONS & RESULTS:

The City may cast its votes for one candidate or split votes among several candidates.

PROGRESS TO DATE: (if appropriate)

Some of the candidates submitted nominee forms to the Denton Central Appraisal District (DCAD), which have been provided to Council under separate cover.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

To approve Resolution 2021-2977 casting the City’s votes for the DCAD Board of Directors.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2021-2977

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS CASTING ITS VOTES FOR ONE OR MORE CANDIDATES FOR APPOINTMENT TO THE DENTON CENTRAL APPRAISAL DISTRICT BOARD OF DIRECTORS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, in accordance with applicable provisions of the Texas Tax Code and the by-laws of the Denton Central Appraisal District (DCAD), the City of Highland Village has a total of 29 votes to cast among one or more nominees to the DCAD Board of Directors; and

WHEREAS, the candidates nominated for terms commencing January 1, 2022 and ending December 31, 2023, are: Roy Atwood, Devona Beaver, Alex Buck, Dirk Dahlke, Sharon Gentry, Tom Heslep, David Johnson, Nancy Koket, John Lusk, Howard Martin, Ann Pomykal, Charles Stafford, David Terre, Tom Washington, Richard Weir and Rick Woolfolk; and

WHEREAS, the City Council of the City of Highland Village wishes to cast the City's votes.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:

SECTION 1. The Council desires to cast its 29 votes for appointment to the Board of Directors of the Denton Central Appraisal District as follows:

Candidate	Number of Votes
Roy Atwood	
Devona Beaver	
Alex Buck	
Dirk Dahlke	
Sharon Gentry	
Tom Heslep	
David Johnson	
Nancy Koket	
John Lusk	
Howard Martin	
Ann Pomykal	
Charles Stafford	
David Terre	
Tom Washington	
Richard Weir	
Rick Woolfolk	

SECTION 2. The City Secretary is directed to send a copy of this Resolution to the Chief Appraiser of the Denton Central Appraisal District.

SECTION 3. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED this the 9th day of November, 2021.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:11/3/2021:125813)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 16	MEETING DATE: 11/09/2021
SUBJECT: Consider Resolution 2021-2978 awarding Grant Funds to Community Nonprofit Organizations for Fiscal Year 2021-2022	
PREPARED BY: Angela Miller, City Secretary	

BACKGROUND:

Per Resolution 2018-2729, community organizations desiring funding from the City must submit applications to the City Secretary's Office. Once all applications are received, City staff reviews and processes the applications and then provides the requests to the City Council for consideration.

Requests must meet the following criteria:

- Services to be provided by an organized civic, cultural, educational, or service group that is a nonprofit organization with membership open to all citizens of Highland Village
- Services must be of economic benefit to the community or contribute to the quality of life in Highland Village by serving a municipal public purpose
- Services must be provided to the residents of Highland Village on an equal basis
- The organization must enter into a written contract with the City of Highland Village for the provision of services

Examples of municipal public purpose include, but are not limited to:

- Preservation, promotion or development of historically sensitive areas of the city
- Promotion of the performing arts
- Activities promoting and improving the health, safety and welfare of the youth, adults or senior citizens residing in the city
- Educational programs promoting student and citizen participation in the electoral process and local government
- Crime awareness and prevention

IDENTIFIED NEED/S:

City Council will consider written requests for financial assistance and determine allocation amounts, if any, for the community nonprofit organizations. Council has historically allocated 0.25% of the City's Maintenance & Operations budget (excluding capital project or purchasing funds) for nonprofit organizations. There is \$49,250 included in the Fiscal Year 2021-2022 budget for funding community services and activities provided by nonprofit organizations.

OPTIONS & RESULTS:

To identify nonprofit organizations that will receive funding as allocated in the Fiscal Year 2021-2022 budget.

PROGRESS TO DATE: (if appropriate)

Seventeen (17) nonprofit organizations submitted funding request applications. A copy of all applications have been provided to Council for consideration and Council received presentations from the nonprofit organizations at their regular meeting held October 26, 2021. Below is a listing of those nonprofit organizations, including the amount of funds requested:

Nonprofit Organization	Funding Request
Family Service Organizations	
Christian Community Action (CCA)	\$ 2,500
Denton County Friends of the Family	\$ 5,000
Denton County MHMR Center	\$ 5,000
Salvation Army – Lewisville	\$ 4,000
SPAN, Inc./Meals on Wheels of Denton County	\$ 1,000
Special Abilities of North Texas	\$ 5,000
Winning The Fight (WTF)	\$ 2,500
Children's Service Organizations	
CASA of Denton County	\$ 3,000
Communities in Schools of North Texas	\$ 3,500
Journey to Dream	\$ 4,300
PediPlace	\$ 5,000
Lewisville ISD Education Foundation (LEF)	\$ 5,000
Community Service Organizations	
Chisholm Trail Retired Senior Volunteer Program (RSVP)	\$ 2,500
Highland Village Lions Foundation	\$ 3,000
Friends of the Flower Mound Public Library	\$ 1,500
Lewisville Lake Symphony Association	\$ 4,000
Studio B Performing Arts	\$ 5,000
TOTAL	\$61,800

In addition to the funding that is awarded annually to nonprofit organizations, the City purchases tables and individual tickets to special events that are held during the year by local Chambers as well as nonprofit, civic and community organizations. In order to provide a better understanding of the monetary support provided local organizations by the City and City Council, a listing of these purchases for the previous three (3) fiscal years is shown below:

ADDITIONAL SPONSORSHIPS / PURCHASES			
EVENT	FY 2018 - 2019	FY 2019 - 2020	FY 2020 - 2021
FM Chamber - Fiesta	1 Table - \$1,500	1 Table - \$1,500	1 Table - \$1,500
FM Chamber – Awards Banquet	2 Tickets - \$100	2 Tickets - \$100	3 Tickets - \$180
Lewisville Chamber – Awards Banquet	1 Table - \$800	1 Table - \$800	1 Table - \$800
State of the Cities Luncheon	1 Table - \$350	Event Cancelled	1 Table - \$300
Unity Luncheon	1 Table - \$350	1 Table - \$350	1 Table - \$450
Mayor’s Prayer Breakfast	1 Table - \$250	Event Cancelled	Event Cancelled
Children’s Advocacy Center of Denton County	\$4,000 Funds included in PD Annual FY Budget	\$4,000 Funds included in PD Annual FY Budget	\$4,000 Funds included in PD Annual FY Budget
Children’s Advocacy Center of Denton County – Annual Gala	1 Ticket - \$250	Event Cancelled	Event Cancelled
Ally’s Wish – Gala	1 Table - \$1,500	Event Cancelled	1 Table - \$1,250
Special Olympics Steak & Stetsons	1 Table - \$1,200	1 Table - \$1,200 (Event postponed until 2021)	1 Table - \$0 (Table purchased previous year)
Youth & Family Counseling – Holiday Extravaganza	1 Ticket - \$45	Event Cancelled	Dissolved
Special Abilities of North Texas – Denim & Diamonds Gala	1 Ticket - \$100	Event Cancelled	Event Postponed until Spring 2022
Lewisville Education Foundation (LEF) – Evening for Education	1 Ticket - \$100	Event Cancelled	1 Table - \$500
United Way Breakfast	1 Ticket - \$35	1 Ticket - \$35	None
TOTAL	\$10,580	\$ 7,985	\$ 8,980

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Council has historically allocated 0.25% of the City's Maintenance & Operations budget (excluding capital project or purchasing funds) to fund services provided by eligible nonprofit organizations. There is \$49,250 included in the Fiscal Year 2021-2022 budget for funding community services and activities provided by nonprofit organizations.

RECOMMENDATION:

To approve Resolution 2021-2978 making nonprofit funding allocations for Fiscal Year 2021-2022.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2021-2978

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AWARDED GRANT FUNDS TO NON-PROFIT ORGANIZATIONS FOR FISCAL YEAR 2021-2022; AUTHORIZING CONTRACTS WITH SUCH ORGANIZATIONS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, City Resolution 2018-2729 establishes a uniform policy to grant financial assistance to non-profit organizations and community service providers; and

WHEREAS, grant funds are included in the Fiscal Year 2021-2022 Budget; and

WHEREAS, the Council finds it to be in the public interest to authorize the City Manager to execute agreements with non-profit organizations who are to receive funding from the City, in accordance with Resolution 2018-2729 based on the funding allocation set forth in this Resolution.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:

SECTION 1. The City Manager is authorized to negotiate and sign service agreements on behalf of the City of Highland Village with the following Family Service Organizations for Fiscal Year 2021-2022 in the following designated amounts:

<u>Organization</u>	<u>Funding Amount</u>
<u>Christian Community Action (CCA)</u>	_____
<u>Denton County Friends of the Family, Inc.</u>	_____
<u>Denton County MHMR Center</u>	_____
<u>Salvation Army</u>	_____
<u>SPAN, Inc./Meals on Wheels of Denton County</u>	_____
<u>Special Abilities of North Texas</u>	_____
<u>Winning the Fight (WTF)</u>	_____

SECTION 2. The City Manager is authorized to negotiate and sign service agreements on behalf of the City of Highland Village with the following Children’s Service Organizations for Fiscal Year 2021-2022 in the following designated amounts:

<u>Organization</u>	<u>Funding Amount</u>
<u>CASA of Denton County, Inc.</u>	_____
<u>Communities in Schools of North Texas</u>	_____

Journey to Dream _____

PediPlace _____

Lewisville ISD Education Foundation (LEF) _____

SECTION 3. The City Manager is authorized to negotiate and sign service agreements on behalf of the City of Highland Village with the following Community Service Organizations for Fiscal Year 2021-2022 in the following designated amounts:

<u>Organization</u>	<u>Funding Amount</u>
<u>Chisolm Trail Retired Senior Volunteer Program (RSVP)</u>	_____
<u>Highland Village Lions Foundation</u>	_____
<u>Friends of the Flower Mound Public Library</u>	_____
<u>Lewisville Lake Symphony Association, Inc.</u>	_____
<u>Studio B Performing Arts</u>	_____

SECTION 4. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED this the 9th day of November 2021

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney
(kbl:11/4/2021:125831)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 17

MEETING DATE: 11/09/2021

**SUBJECT: Status Reports on Current Projects and Discussion on Future
Agenda Items**

PREPARED BY: Karen McCoy, Executive Assistant

COMMENTS

This item is on the agenda to allow a Councilmember to inquire about a subject of which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.



UPCOMING MEETINGS

November 9, 2021	Regular City Council Meeting - 7:00 pm
November 15, 2021	Parks & Recreation Advisory Board Meeting – 6:00 pm
November 16, 2021	Planning & Zoning Commission Meeting – 7:00 pm
November 23, 2021	Regular City Council Meeting - 7:00 pm - CANCELLED
November 25 & 26, 2021	Closed for the Thanksgiving Holiday
December 2, 2021	Zoning Board of Adjustment Meeting - 6:00 pm
December 14, 2021	Regular City Council Meeting - 7:00 pm
December 20, 2021	Parks & Recreation Advisory Board Meeting – 6:00 pm
December 21, 2021	Planning & Zoning Commission Meeting – 7:00 pm
December 23 & 24, 2021	Closed for the Christmas Holiday
December 28, 2021	Regular City Council Meeting - 7:00 pm – CANCELLED
December 31, 2021	Closed for the New Year Holiday
January 6, 2022	Zoning Board of Adjustment Meeting - 6:00 pm
January 11, 2022	Regular City Council Meeting - 7:00 pm

Note – The Zoning Board of Adjustment, Parks & Recreation Advisory Board, and the Planning & Zoning Commission meetings are held monthly, IF NEEDED. Please visit www.highlandvillage.org or the City Hall bulletin board for the latest meeting additions and updates.

By: Karen McCoy, Executive Assistant – City of Highland Village