



**NOTICE OF MEETING  
OF THE  
GOVERNING BODY OF  
COPPERAS COVE, TEXAS**

*An agenda information packet is available for public inspection  
in the Copperas Cove Public Library, City Hall and  
on the City's Web Page, [www.ci.copperas-cove.tx.us](http://www.ci.copperas-cove.tx.us)*

Notice is hereby given that a **Regular Council Meeting** of the City of Copperas Cove, Texas, will be held on the **4th day of May 2010 at 7:00 p.m.** in the City Hall Council Chambers at 507 South Main Street, Copperas Cove, Texas 76522, at which time the following subjects will be discussed:

**A. CALL TO ORDER**

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

**C. ROLL CALL**

**D. ANNOUNCEMENTS**

**E. PUBLIC RECOGNITION**

1. Proclamation: Police Week. ***John Hull, Mayor***
2. Employee Service Awards. ***Andrea M. Gardner, City Manager***
  - Steven Hollenbeck, Light Equipment Operator, Street Department – 5 years
  - Elmer Gothard, Street and Drainage Superintendent – 15 years

**F. CITIZENS FORUM** – At this time, citizens will be allowed to speak for a length of time not to exceed five minutes per person. Thirty minutes total has been allotted for this section. Pursuant to §551.042 of the Texas Open Meetings Act, any deliberation or decision about the subject of inquiry shall be limited to a proposal to place the subject on the agenda for a subsequent meeting.

**G. CONSENT AGENDA** – All matters listed under this item are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and considered separately.

1. Consideration and action on approving the minutes from the workshop council meeting on April 19, 2010. **Jane Lees, City Secretary**
2. Consideration and action on approving the minutes from the workshop council meeting on April 20, 2010. **Jane Lees, City Secretary**
3. Consideration and action on approving the minutes from the regular council meeting on April 20, 2010. **Jane Lees, City Secretary**
4. Consideration and action on a resolution, authorizing and supporting the City Manager in the submission of a grant application to Texas STEP for the FY 2011 Comptroller's Tobacco Compliance Grant. **Daniel Austin, Police Lieutenant**
5. Consideration and action on a resolution accepting the quarterly investment report as presented for the quarter ending March 31, 2010 per the Investment Policy. **Wanda Bunting, Director of Financial Services**
6. Consideration and action on authorizing the City Manager to enter into an Agreement with Luck Design Team LLC to conduct a "Parks Needs Assessment" for the City of Copperas Cove Parks system. **Danny Zincke, Assistant Director of Community Services**
7. Consideration and action on authorizing the Mayor to execute a letter to the Brazos River Authority in support of Commissioner Jack V. Wall who desires to become a voting member on the Brazos G Water Planning Group. **Robert M. McKinnon, Public Works Director**

#### **H. PUBLIC HEARINGS/ACTION**

1. Public hearing and action on an ordinance amending Chapter Four of the 2007 Comprehensive Plan of the City of Copperas Cove, Texas; providing for changes in the Future Land Use Plan; providing for changes on Plate 4-1, the Future Land Use Map. **Wesley Wright, P.E., City Engineer**
2. Public hearing and action on an ordinance rezoning Lot 2, Block 3 of the Crestview Heights Addition, locally known as 1003 Phil Avenue, from R-2 (two-family residential) to B-4 (business). **Wesley Wright, P.E., City Engineer**

#### **I. ACTION ITEMS**

1. Consideration and action on the Mayor's recommendation to appoint an alternate member to the Central Texas Council of Governments Executive Committee. **John Hull, Mayor**
2. Consideration and action on authorizing the City Manager to execute an agreement between the City of Copperas Cove and SCS Engineers for

professional services to arrange for continuous coring and the installation of three piezometers to provide additional site characterization for the landfill groundwater monitoring plan as suggested by the Texas Commission on Environmental Quality (TCEQ). **Michael Mundell, Superintendent of Solid Waste**

3. Consider and take action with respect to an Ordinance of the City of Copperas Cove, Texas, authorizing the issuance and sale of City of Copperas Cove, Texas, Limited Tax Notes, Series 2010, in the aggregate principal amount of \$4,050,000; awarding the sale of said notes; levying a tax in payment thereof; prescribing the form of said notes; and enacting other provisions relating to the subject. **Wanda Bunting, Director of Financial Services**
4. Consider and take action with respect to an Ordinance of the City of Copperas Cove, Texas, authorizing the issuance and sale of City of Copperas Cove, Texas, General Obligation Bonds, Series 2010, in the aggregate principal amount of \$4,685,000; levying a tax in payment thereof; authorizing the execution and delivery of a paying agent / registrar agreement; approving the official statement; and enacting other provisions relating thereto. **Wanda Bunting, Director of Financial Services**
5. Consideration and action on appointments to the Parks and Recreation Committee. **Danny Zincke, Assistant Director of Community Services**
6. Consideration and action to authorize the CCEDC to seek bids for the completion of Constitution Drive Extension project. **Dan Yancey, Chair, CCEDC Board of Directors**
7. Consideration and action to authorize the Chairman of the Copperas Cove Economic Development Corporation Board of Directors to execute a letter of commitment to Constitution Court Ltd. regarding the associated infrastructure to serve the project. **Dan Yancey, Chair, CCEDC Board of Directors**

#### **J. REPORTS FROM OUTSIDE ENTITIES, ADVISORY COMMITTEES AND BOARDS**

1. Update on the CCEDC digital sign. **Dan Yancey, Chair, CCEDC Board of Directors**
2. Update on CCEDC projects. **Polo Enriquez, CCEDC Executive Director/Monica Hull, Marketing Director**

#### **K. ITEMS FOR FUTURE AGENDAS**

#### **L. EXECUTIVE SESSION**

**M. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEMS POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION**

**N. ADJOURNMENT**

The City Council reserves the right to adjourn into Executive Session at any time regarding any issue on this agenda for which it is legally permissible.

City Hall is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary at (254) 547-4221, (254) 547-6063 TTY, or FAX (254) 547-5116 for information or assistance.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Governing Body of the City of Copperas Cove was posted at \_\_\_\_\_, April 30, 2010, on the glass front door of City Hall, a place convenient and readily accessible to the general public at all times.

---

Jane Lees, TRMC, CMC  
City Secretary



## PROCLAMATION

- WHEREAS,** The Congress and President of the United States have designated May 15 as Peace Officers' Memorial Day, and the week in which May 15 falls as National Police Week; and
- WHEREAS,** the members of the Copperas Cove Police Department play an essential role in safeguarding the right and freedoms of Copperas Cove; and
- WHEREAS,** it is important that all citizens know and understand the duties, responsibilities, hazards, and sacrifices of their law enforcement agency, and that members of our law enforcement agency recognize their duty to serve the people by safeguarding life and property, by protecting them against violence and disorder, and by protecting the innocent against deception and the weak against oppression; and
- WHEREAS,** the men and women of the Copperas Cove Police Department unceasingly provide a vital public service;

**NOW, THEREFORE,** I, John Hull, Mayor of the City of Copperas Cove, Texas call upon all citizens of Copperas Cove and upon all patriotic, civic and educational organizations to observe the week of May 9-15, 2010, as

### *“Police Week”*

With appropriate ceremonies and observances in which all of our people may join in commemorating law enforcement officers, past and present, who, by their faithful and loyal devotion to their responsibilities, have rendered a dedicated service to their communities and, in so doing, have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens.

I further call upon all citizens of Copperas Cove to observe Saturday, May 15, 2010, as

### *“Peace Officers’ Memorial Day”*

In honor of those law enforcement officers who, through their courageous deeds, have made the ultimate sacrifice in service to their community or have become disabled in the performance of duty, and let us recognize and pay respect to the survivors of our fallen heroes.

**IN WITNESS WHEREOF,** I have hereunto set my hand and caused the seal of the City of Copperas Cove to be affixed this 4th day of May, 2010.

---

**John Hull, Mayor**

**ATTEST:**

---

**Jane Lees, City Secretary**



**The City of Copperas  
Cove Presents the  
Employee Service  
Award Recipients for  
May 2010**

# Steven Hollenbeck-Street Dept. Light Equipment Operator



5 Years of Service  
DOH 5/02/05

# Steven Hollenbeck-Street Dept. Light Equipment Operator



**5 Years of Service**  
**DOH 5/02/05**

# Elmer Gothard-Street/Drainage Dept. Street/Drainage Superintendent



5 Years of Service  
DOH 5/15/95

# Elmer Gothard-Street/Drainage Dept. Street/Drainage Superintendent



15 Years of Service  
DOH 5/15/95



**The City of Copperas Cove  
Congratulates you all on  
these celebratory milestones  
and wishes you many more  
years of career success.**

**CITY OF COPPERAS COVE  
CITY COUNCIL WORKSHOP MEETING MINUTES  
April 19, 2010 – 9:00 A.M.**

**A. CALL TO ORDER**

Mayor John Hull called the workshop meeting of the City Council of the City of Copperas Cove Texas to order at 9:00 a.m. This workshop meeting was held at the Copperas Cove Police Department, 302 East Avenue E, Copperas Cove, Texas.

**B. ROLL CALL AND OVERVIEW**

**ROLL CALL**

John Hull  
Cheryl L. Meredith  
Charlie D. Youngs  
Chuck Downard  
Danny Palmer  
Bill L. Stephens  
Willie C. Goode  
Frank Seffrood

**ALSO PRESENT**

Andrea M. Gardner, City Manager  
Charles E. Zech, City Attorney  
Jane Lees, City Secretary  
Lisa Wilson, Executive Secretary  
Tim Molnes, Assistant City Manager/Police Chief  
Mike Baker, Fire Chief  
Bob McKinnon, Public Works Director  
Mike Mundell, Superintendent of Solid Waste  
Kelli Sames, Human Resources Director  
Ken Wilson, Director of Community Services  
Wesley Wright, City Engineer  
Joseph Pace, Municipal Court Supervisor

Andrea M. Gardner, City Manager, gave an overview of the items to be presented.

**C. WORKSHOP ITEMS**

1. Discussion and update on Public Works projects. **Bob McKinnon, Director of Public Works**

Council direction given to staff: N/A

2. Presentation and discussion on evaluating the privatization of Compost operations. **Bob McKinnon, Director of Public Works**

Council direction given to staff: Compost operations to continue being provided by the City.

3. Presentation and discussion on evaluating the privatization of Street Maintenance operations. **Bob McKinnon, Director of Public Works**

Council direction given to staff: Street Maintenance operations to continue being provided by the City.

4. Discussion on ordinance update prioritization and costs. **Andrea M. Gardner, City Manager**

Council direction given to staff: Top two priorities are the zoning ordinance and the subdivision ordinance. Budget monies in the various departments for updating in the FY 2011 budget.

5. Discussion on records storage. **Jane Lees, City Secretary**

Council direction given to staff: Put a package together showing all costs associated with a records storage management plan and discuss during the budget process.

6. Discussion on evaluating privatization of Solid Waste services. **Mike Mundell, Solid Waste Superintendent**

Council direction given to staff: Leave Solid Waste services to continue being provided by the City.

7. Discussion on 2010 Capital Improvements Plan (CIP) projects. **Andrea M. Gardner, City Manager**

Council direction given to staff: City Council agreed to all staff proposed changes presented and in addition directed staff to apply for the 2010 CDBG grant to include South 9<sup>th</sup> Street, Allen Street, Cove Avenue and Louise Street. Requested staff attempt funding the upgrade of playground equipment and ball field lighting in the Parks & Recreation area.

8. Discussion on 2011 Capital Improvements Plan (CIP) projects. **Andrea M. Gardner, City Manager**

Council direction given to staff: City Council agreed to all staff proposed changes presented and in addition directed staff to move West Avenue F project from 2011 to 2012 and charge funding in construction for the Southeast Bypass in 2011.

9. Discussion on proposed changes to the FY 2010-2014 Capital Improvements Plan (CIP). **Andrea M. Gardner, City Manager**

Council direction given to staff: City Council agreed to all staff proposals.

10. Presentation and discussion on Kiosk System. **Joseph Pace, Municipal Court Supervisor**

Council direction given to staff: Include funding in the FY 2011 Budget.

11. Discussion on City Hall needs assessment. **Tim Molnes, Police Chief**

Council comments:

- Why is the Chamber of Commerce included in new City Hall? (Council Member Charlie Youngs)
- Parks needs assessment should be done before tackling a new City Hall (Council Member Chuck Downard)

- Question of building a new City Hall should be put to the citizens at the 2011 General Election (Council Member Chuck Downard)
- Move forward with the design portion of the project (Council Member Chuck Downard)

12. Presentation and discussion on employee health care options. **Andrea M. Gardner, City Manager**

Council direction given to staff: No increases in payments to employees. Reduce health care plan options from three to two.

13. Discussion and update on the City of Copperas Cove's Strategic Management Plan. **Andrea M. Gardner, City Manager**

Council direction given to staff: City Council to work on goals. A team building session for the Council will be scheduled for mid-2011. At the end of 2011 a team building session will be planned for the governing body and staff together.

14. Direction from the City Council on FY 2011 Budget. **Andrea M. Gardner, City Manager**

Council input given to staff:

- Maintain the current .76 tax rate (Council Member Charlie Youngs)
- Maintain health plan costs (Council Member Charlie Youngs)
- Attempt COLA/merit increases for employees, if not possible, plan for none in the budget (Council Member Charlie Youngs)
- No increases in staffing, except as provided/required by grants (Council Member Charlie Youngs)
- Reduce major projects in the CIP (Council Member Charlie Youngs)
- Parks & Recreation needs assessment and equipment (Council Member Danny Palmer)
- Look at the Top 10 goals (Council Member Danny Palmer)
- Build 20 handicap ramps (Council Member Bill Stephens)
- Full time custodian for the Police Department (Council Member Cheryl Meredith)
- Seal coating of street around the Police Department (Council Member Chuck Downard)

**D. CLOSING COMMENTS**

**E. ADJOURNMENT**

There being no further business, Mayor Hull adjourned the meeting at 3:35 p.m.

\_\_\_\_\_  
John Hull, Mayor

**ATTEST:**

\_\_\_\_\_  
Jane Lees, City Secretary

**CITY OF COPPERAS COVE  
CITY COUNCIL WORKSHOP MEETING MINUTES  
April 20, 2010 – 6:00 P.M.**

**A. CALL TO ORDER**

Mayor John Hull called the workshop meeting of the City Council of the City of Copperas Cove Texas to order at 6:00 p.m.

**B. ROLL CALL**

John Hull  
Cheryl L. Meredith  
Charlie D. Youngs  
Chuck Downard  
Danny Palmer  
Bill L. Stephens  
Willie C. Goode  
Frank Seffrood

**ALSO PRESENT**

Andrea M. Gardner, City Manager  
Charles E. Zech, City Attorney - Absent  
Jane Lees, City Secretary

**C. WORKSHOP ITEMS**

1. Presentation and discussion on Pass Through Financing. **Andrea M. Gardner**

Ms. Gardner gave a PowerPoint presentation on pass through finance. A copy of the presentation is attached to and made a part of these minutes. Also present for the discussion was Mr. Garry Kimball of Specialized Public Finance, Inc., the City's Financial Advisor. The presentation covered a definition of pass through finance, the process, calculation of fees, the candidate (southeast bypass), the numbers, and financial impact to City. Mr. Kimball discussed the Preliminary Proforma and the results of a survey conducted by TML showing outstanding debt and tax rates for various cities in Texas. Mr. Kimball also discussed debt to tax base ratio.

2. Provide direction to the City Manager on item C-1 above. **Andrea M. Gardner, City Manager**

None given.

**D. ADJOURNMENT**

There being no further business, Mayor Hull adjourned the meeting at 6:43 p.m.

\_\_\_\_\_  
John Hull, Mayor

ATTEST:

\_\_\_\_\_  
Jane Lees, City Secretary

**CITY OF COPPERAS COVE  
CITY COUNCIL REGULAR MEETING MINUTES  
April 20, 2010 – 7:00 P.M.**

**A. CALL TO ORDER**

Mayor John Hull called the regular meeting of the City Council of the City of Copperas Cove Texas to order at 7:00 p.m.

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

Gary Kent, United Faith Church, gave the Invocation and Mayor Hull led the Pledge of Allegiance.

**C. ROLL CALL**

John Hull  
Cheryl L. Meredith  
Charlie D. Youngs  
Chuck Downard  
Danny Palmer  
Bill L. Stephens  
Willie C. Goode  
Frank Seffrood

**ALSO PRESENT**

Andrea M. Gardner, City Manager  
Charles E. Zech, City Attorney  
Jane Lees, City Secretary

**D. ANNOUNCEMENTS**

Council Member Downard announced that early voting begins on Monday, April 26, 2010 and urged everyone to vote.

City Manager, Andrea M. Gardner, made the following announcements:

- (1) The public meeting scheduled for April 22, 2010, was rescheduled to Monday, April 26, 2010 at 6 p.m. in the Public Library. The subject will be to introduce the draft sign ordinance.
- (2) Two upcoming Household Hazardous Waste events as follows: May 8, 2010 in Copperas Cove at the Transfer Station, 2605 South FM 116, from 9:00 a.m. to 2:00 p.m., and June 12, 2010 in Temple at the Nathaniel Mitchell Service Center, 3210 East Avenue H, from 9:00 a.m. to 2:00 p.m.
- (3) Fort Hood will be holding an Earth Fest event on April 23, 2010 from 3:00 – 10:00 p.m. For more information go to [www.forthoodearthfest.com](http://www.forthoodearthfest.com).
- (4) The law firm of Denton, Navarro, Rocha & Bernal, P.C. is sponsoring a governmental seminar on June 25 called "Hog Wild" at the Civic Center in New Braunfels. This event is for elected and appointed officials and administration and will provide updates on the latest changes in the law and how to stay out of trouble and out of the courtroom. The event is free.

**E. PUBLIC RECOGNITION**

1. Proclamations. *John Hull, Mayor*

- a. Mayor John Hull read the “Relay for Life Month” proclamation and presented it to Allison Shopbell and Pamela Guidash.
- b. Mayor John Hull read the “Child Abuse Prevention Month” proclamation. He presented a proclamation to representatives from the Rainbow Room, Coryell County Child Welfare Board, Exchange Club, Noon Exchange Club and Child Protective Services/Foster Care Program.

#### **F. CITIZENS’ FORUM**

Kathy Kwieran, 2910 Popular, Kempner. Ms. Kwieran announced a 4<sup>th</sup> annual fund raiser dinner for a low cost spay neuter clinic in Killeen for cats. The dinner will be at the American Legion on Industrial in Killeen this coming Saturday, April 24, 2010 at 6:00 p.m.

George Fox, 1906 Hooten, Killeen. Mr. Fox said that he is the President of Assisi Animal Refuge in Killeen and announced a low cost shot clinic (\$10) for dogs and cats from 1:00 – 4:00 p.m. this coming Saturday, April 24, 2010, in the basement of Killeen City Hall.

#### **G. CONSENT ITEMS**

1. Consideration and action on approving the minutes from the workshop council meeting on April 6, 2010. **Jane Lees, City Secretary**

2. Consideration and action on approving the minutes from the regular council meeting on April 6, 2010. **Jane Lees, City Secretary**

3. Report and action on approving the by-laws for the City of Copperas Cove Hotel / Motel Tax Committee. **Wanda Bunting, Director of Financial Services**

Council Member Downard made a motion to approve G-1, G-2, and G-3 as presented. Council Member Seffrood seconded the motion, and with a unanimous vote, motion carried.

#### **H. PUBLIC HEARINGS/ACTION – None.**

#### **I. ACTION ITEMS**

1. Consideration and action on hosting and maintaining a site on wheels. **Mike Baker, Fire Chief**

Mike Baker, Fire Chief, gave an overview of agenda item I-1.

Council Member Palmer made a motion to approve agenda item I-1 as presented. Council Member Stephens seconded the motion, and with a unanimous vote, motion carried.

2. Consideration and action on authorizing the City Manager to execute a contract with TTG Utilities LP for the construction associated with the South 25th Street Drainage Project. **James A. Trevino, Assistant Public Works Director**

James A. Trevino, Assistant Public Works Director, gave an overview of agenda item I-2.

Council Member Downard made a motion to authorize the City Manager to execute a contract with TTG Utilities LP for the construction associated with the South 25th Street Drainage Project. Council Member Palmer seconded the motion, and with a unanimous vote, motion carried.

3. Municipal Update discussion on fiscal year 2009-10 status. **Wanda Bunting, Director of Financial Services**

Wanda Bunting, Director of Financial Services, gave an overview of agenda item I-3. The Municipal Update presentation summarized the following information:

- Where does the money come from?
- Where does the money go?
- What do you get for your City tax dollar?
- What one cent on tax rate nets
- Average home market value \$93,000
- Economic Indicators
- Unemployment rate
- Construction value of permits
- Utility customers
- Property tax revenue
- Sales tax revenue
- City Manager evaluation of budget

No action required.

4. Consideration and action on an ordinance amending the City of Copperas Cove's Code of Ordinances, Chapter 18.5, Use Taxes, Article II, Hotel Occupancy Tax. **Wanda Bunting, Director of Financial Services**

Wanda Bunting, Director of Financial Services, gave an overview of agenda item I-4.

Council Member Downard made a motion to approve Ordinance No. 2010-15 as presented. Council Member Stephens seconded the motion, and with a unanimous vote, motion carried.

The ordinance caption is as follows:

#### **ORDINANCE NO. 2010-15**

**AN ORDINANCE OF THE CITY OF COPPERAS COVE, TEXAS, AMENDING THE CODE OF ORDINANCES, CHAPTER 18.5, USE TAXES, ARTICLE II, HOTEL OCCUPANCY TAX; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; AND DECLARING AN EFFECTIVE DATE.**

5. Consideration and action on appointing a member to the Hotel/Motel Tax Committee. **Wanda Bunting, Director of Financial Services**

Wanda Bunting, Director of Financial Services, gave an overview of agenda item I-5.

Council Member Meredith made a motion to appoint Patricia Thomas as a member to the Hotel/Motel Tax Committee. Council Member Downard seconded the motion, and with a unanimous vote, motion carried.

6. Consideration and action on appointing members to an ad hoc committee for the purposes of reviewing Chapter 3 of the City of Copperas Cove Code of Ordinances and to provide written recommendations for consideration by the Copperas Cove City Council. **Andrea M. Gardner, City Manager**

Andrea M. Gardner, City Manager, gave an overview of agenda item I-6.

Council Member Downard made a motion to appoint the following individuals to the ad hoc committee for the purposes of reviewing Chapter 3 of the City of Copperas Cove Code of Ordinances:

Klaudia E. Brand  
Augustus H. Richardson III  
Carolyn "Sue" Carroll  
Robyn Bandinel  
Heidi Sjule  
Lois McMaster

Council Member Meredith seconded the motion, and with a unanimous vote, motion carried.

7. Consideration and action on a resolution authorizing and supporting the City Manager to apply for pass-through finance program funds for the construction of the Southeast Bypass Project (U.S. Highway 190 Reliever Route), being administered by the Texas Department of Transportation. **Andrea M. Gardner, City Manager**

Andrea M. Gardner, City Manager, gave an overview of agenda item I-7.

Council Member Seffrood made a motion to approve Resolution No. 2010-15 as presented. Council Member Goode seconded the motion, and with a unanimous vote, motion carried.

The resolution caption is as follows:

#### **RESOLUTION NO. 2010-15**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, AUTHORIZING THE CITY MANAGER TO APPLY FOR PASS-THROUGH FINANCE PROGRAM FUNDS OF THE TEXAS DEPARTMENT OF TRANSPORTATION AND AUTHORIZING THE CITY MANAGER TO ACT ON THE CITY'S BEHALF TO ADMINISTER THE PROGRAM FUNDS, AND PLEDGING THAT THE CITY OF COPPERAS COVE WILL COMPLY WITH THE PROGRAM REQUIREMENTS OF THE TEXAS DEPARTMENT OF TRANSPORTATION.**

#### **J. REPORTS FROM OUTSIDE ENTITIES, ADVISORY COMMITTEES AND BOARDS**

1. Chamber of Commerce First Quarter Report for 2010. **Marty Smith, President, Copperas Cove Chamber of Commerce**

Marty Smith, President of the Copperas Cove Chamber of Commerce, gave the First Quarter Report for 2010.

2. Copperas Cove Country Opry Second Quarter Report for FY 2009-10. **William K. Hall, Copperas Cove Country Opry**

Barbara Litz, Copperas Cove Country Opry, gave the Second Quarter Report for FY 2009-10.

**K. ITEMS FOR FUTURE AGENDAS – None.**

Council Member Youngs requested a second quarter report by the CCEDC, a report on ongoing projects and the status of the digital sign. Council concurred.

Council Member Palmer requested a briefing on the cost of EMS with the current health plan going into effect, and how it will affect the Fire Department's budget. Ms. Gardner said that the subject would be best discussed during the budget process.

**L. EXECUTIVE SESSION – None.**

**M. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEMS POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION**

**N. ADJOURNMENT**

There being no further business, Mayor Hull adjourned the meeting at 8:00 p.m.

**ATTEST:**

\_\_\_\_\_  
John Hull, Mayor

\_\_\_\_\_  
Jane Lees, City Secretary

# City of Copperas Cove

## City Council Agenda Item Report

May 4, 2010

### Agenda Item No. G-4

Contact – Daniel Austin, Police Lieutenant, 547-8222  
daustin@ci.copperas-cove.tx.us

---

**SUBJECT: Consideration and action on a resolution, authorizing and supporting the City Manager in the submission of a grant application to Texas STEP for the FY 2011 Comptroller's Tobacco Compliance Grant.**

---

#### 1. BACKGROUND/HISTORY

The Texas Comptroller of Public Accounts has block grant funds available to counties and municipalities to be used by local law enforcement agencies to enforce Subchapters H, K and N, Chapter 161, of the Texas Health and Safety Code. Funds are used to educate judicial staff, vendors and youth about tobacco laws, and can reasonably be expected to reduce the extent to which cigarettes and tobacco products are sold or distributed to persons younger than 18 years of age. The City received grant funds from the Texas STEP grant program for the previous seven years.

#### 2. FINDINGS/CURRENT ACTIVITY

The Copperas Cove Police Department seeks to continue activities that result in a reduction of tobacco use by minors. Block grants are available in amounts ranging from \$1,000 to \$150,000 and must be used for compliance-related activities such as:

- “sting” operations
- random, unannounced inspections
- retailer and judicial education
- compliance reporting requirements

No provisions exist in the application to request a certain amount.

The City, working through the Copperas Cove Police Department, will continue to work with judicial staff, local retailers, civic groups and other organizations to educate judicial staff, tobacco retailers and the public about the illegal distribution of tobacco products to minors. The education process is best accomplished by a system of community-wide education and cooperation to prevent youth access to tobacco products.

**3. FINANCIAL IMPACT**

None. The grant provides 100% funding with no City matching funds required.

**4. ACTION OPTIONS/RECOMMENDATION**

City staff recommends the City Council approve a resolution authorizing and supporting the City Manager in the submission of a grant application to Texas STEP for the FY 2011 Comptroller's Tobacco Compliance Grant enabling the City of Copperas Cove Police Department to reduce the use and distribution of tobacco products pertaining to minors, and authorize designated Police Department staff to act as the agent for the City of Copperas Cove in all matters related to the grant application and any subsequent grant contract and project that may result.

**RESOLUTION NO. 2010-16**

**A RESOLUTION OF THE CITY OF COPPERAS COVE, TEXAS, AUTHORIZING AND SUPPORTING THE CITY MANAGER IN THE SUBMISSION OF A GRANT APPLICATION TO TEXAS STEP FOR A GRANT ENABLING THE CITY OF COPPERAS COVE POLICE DEPARTMENT TO REDUCE THE USE AND DISTRIBUTION OF TOBACCO PRODUCTS PERTAINING TO MINORS, AND AUTHORIZE DESIGNATED POLICE DEPARTMENT STAFF TO ACT AS THE AGENT FOR THE CITY OF COPPERAS COVE IN ALL MATTERS RELATED TO THE GRANT APPLICATION AND ANY SUBSEQUENT GRANT CONTRACT AND PROJECT THAT MAY RESULT.**

**WHEREAS,** the Texas Comptroller of Public Accounts has made block grant funds available to counties and municipalities to be used by local law enforcement agencies to enforce Subchapters H, K and N, Chapter 161 of the Texas Health and Safety Code in a manner that can reasonably be expected to reduce the extent to which cigarettes and tobacco products are sold or distributed; and

**WHEREAS,** the City of Copperas Cove, in the State of Texas, is qualified to apply for grant funds under the Request for Applications.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:**

**SECTION 1.**

That the City Council of the City of Copperas Cove, Texas, authorizes and supports the City Manager in the submission of a grant application to Texas STEP for a grant enabling enforcement to reduce the use and distribution of tobacco products pertaining to minors.

**SECTION 2.**

That the City of Copperas Cove is authorized to request grant funding from the Texas Comptroller of Public Accounts for the purpose of enforcing tobacco compliance.

**SECTION 3.**

That the City Manager has authorized designated Police Department Personnel to act on behalf of the City of Copperas Cove and the Copperas Cove Police Department in all matters related to the grant application and any subsequent grant contract and grant project that may result.

**SECTION 4.**

That the City of Copperas Cove will comply with the grant requirements of the Texas Comptroller of Public Accounts and the Texas STEP grant.

**SECTION 5.**

That Grant funds will be used only for the purpose for which they are intended under the grant.

**PASSED, APPROVED, AND ADOPTED** on this 4th day of May 2010 at a regular meeting of the City Council of the City of Copperas Cove, Texas which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't Code*, §551.001, et.seq. at which meeting a quorum was present and voting.

---

John Hull, Mayor

**ATTEST:**

---

Jane Lees, City Secretary

**APPROVED AS TO FORM:**

---

Denton, Navarro, Rocha  
& Bernal, P.C., City Attorney

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

WWW.WINDOW.STATE.TX.US



April 7, 2010

Chief of Police  
City of Copperas Cove  
P.O. Drawer 1449  
Copperas Cove, Texas 76522-5449

Dear Chief:

Since the enactment of Senate Bill 55 (75th Legislative Session), our agency has partnered with local law enforcement agencies to encourage compliance with and enforcement of the regulations governing the sale, distribution and use of cigarettes and tobacco products in Texas. To help ensure compliance with these regulations, the Comptroller's office awards block grants to counties and municipalities to help defray some of the costs associated with compliance education and tobacco enforcement.

**We are currently accepting applications for grant awards for fiscal 2011 (Sept. 1, 2010 through Aug. 31, 2011).** The grant application form provides detailed information about grant qualifications and funding criteria. This form is available online at [www.window.state.tx.us/lga/tcg/leo/](http://www.window.state.tx.us/lga/tcg/leo/).

Available grants range from \$1,000 to \$150,000, depending on the number of tobacco retailers within your jurisdiction. These funds must be used for compliance-related activities such as "sting" operations; random, unannounced inspections; retailer and judicial education; and meeting compliance reporting requirements. Money available for these grants is limited, so apply for your share of the funds as soon as possible.

**The deadline for submitting your grant application is 4 p.m., Friday, May 14, 2010.**

I hope this information is helpful. If you have any questions or need a grant application mailed to you, please call our contractor, Texas STEP at (888) 783-7123.

Sincerely,

  
Susan Combs

received  
04/12/10 G

# City of Copperas Cove

## City Council Agenda Item Report

May 4, 2010

### Agenda Item G-5

Contact – Wanda Bunting, Director of Financial Services, 547-4221  
wbunting@ci.copperas-cove.tx.us

---

**SUBJECT:** Consideration and action on a resolution accepting the quarterly investment report as presented for the quarter ending March 31, 2010 per the Investment Policy.

---

**1. BACKGROUND/HISTORY**

The Public Funds Investment Act of Chapter 2256, Texas Government Code, requires investment management reports to be accepted by the governing body. The City's Investment Policy requires that the Investment Officer shall report to City Council no less than on a quarterly basis, a detailed listing of all purchases, sales and payments, and a description of each security held as well as management summary information. The attached exhibits are those reporting requirements for the quarter ending March 31, 2010.

**2. FINDINGS/CURRENT ACTIVITY**

See attached quarterly investment report.

**3. FINANCIAL IMPACT**

None.

**4. ACTION OPTIONS/RECOMMENDATION**

City staff recommends that the City Council approve a resolution accepting the quarterly investment report as presented for the quarter ending March 31, 2010 per the Investment Policy.

**RESOLUTION NO. 2010-17**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS APPROVING THE INVESTMENT REPORT FOR QUARTER ENDED MARCH 31, 2010.**

**WHEREAS**, Chapter 2256 of the Texas Government Code, commonly known as the "Public Funds Investment Act," requires the Investment Officer of the City to present not less than quarterly a written report of investment transactions for all funds covered for the preceding reporting period to the governing body; and

**WHEREAS**, this quarterly investment report must be approved quarterly; and

**WHEREAS**, this reporting is authorized by the Public Funds Investment Act; and

**WHEREAS**, the Public Funds Investment Act requires the quarterly investment report be presented to the governing body; and

**WHEREAS**, the attached quarterly investment report complies with the Public Funds Investment Act.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:**

**Section 1.**

That the City of Copperas Cove has complied with the requirements of the Public Funds Investment Act, and the Quarterly Investment Report for quarter ended March 31, 2010 attached hereto as "Exhibit A," is hereby approved as the quarterly investment report for quarter ended March 31, 2010 of the City effective May 4, 2010.

**PASSED, APPROVED, AND ADOPTED** on this 4th day of May 2010 at a regular meeting of the City Council of the City of Copperas Cove, Texas which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't Code*, §551.001, et.seq. at which meeting a quorum was present and voting.

---

John Hull, Mayor

**ATTEST:**

---

Jane Lees, City Secretary

**APPROVED AS TO FORM:**

---

Denton, Navarro, Rocha  
& Bernal, P.C., City Attorney



# **Quarterly Investment Report Ending as of March 31, 2010**

# *City of Copperas Cove, Texas*

## *Quarterly Investment Report*

*January 1, 2010 – March 31, 2010*

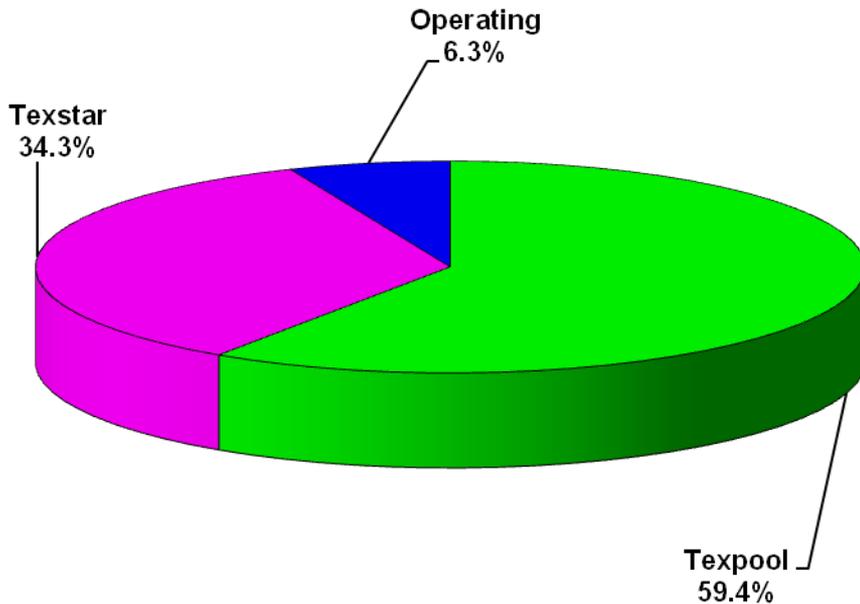
*The following reports are submitted in accordance with the Public Funds Investment Act (Chapter 2256). The report also offers supplement not required by the Act to fully inform the City Council of the position and activity within the City of Copperas Cove's portfolio of investments. The reports include a management summary overview, detailed holdings report for the end of the period, and a transaction report as well as graphic representations of the portfolio to provide full disclosure to the City Council.*

*The City of Copperas Cove's portfolio is managed in full compliance with the Public Funds Investment Act, the City's Investment Policy and Strategy and under the strictest safety parameters as set by the City Council.*

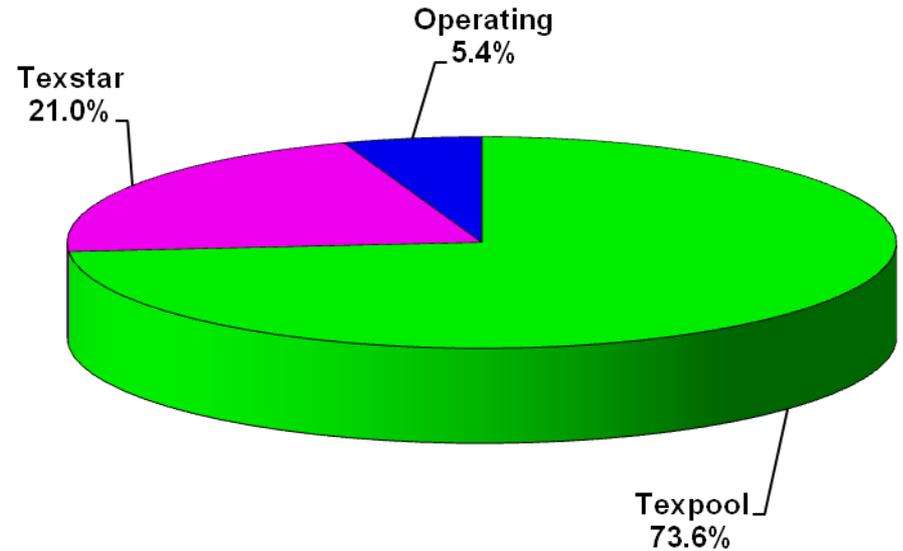
# City of Copperas Cove, Texas

## Portfolio Allocation Analysis

Fiscal Year 2009-10  
1st Quarter (October - December)



Fiscal Year 2009-10  
2nd Quarter (January - March)



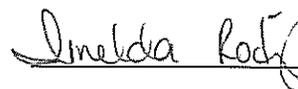
*City of Copperas Cove, Texas*  
**Operating Fund Quarterly Investment Report**  
**January 1, 2010 – March 31, 2010**  
**Portfolio Summary Management Report**

This quarterly report is in compliance with the investment policy and strategy as established by the City and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

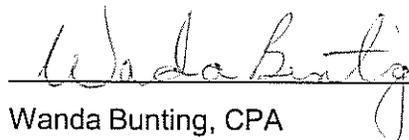
<u>Portfolio as of December 31, 2009</u>		<u>Portfolio as of March 31, 2010</u>	
Ending Book Value	\$22,259,666	Ending Book Value	\$20,584,718
Ending Market Value	\$22,259,666	Ending Market Value	\$20,584,718
Unrealized Gain/Loss	\$0	Unrealized Gain/Loss	\$0
<b>Change in Unrealized Gain/Loss</b>	<b>\$0</b>	<b>Change in Unrealized Gain/Loss</b>	<b>\$0</b>



Andrea Gardner  
City Manager



Imelda Rodriguez  
Assistant Director of Financial Services



Wanda Bunting, CPA  
Director of Financial Services

\_\_\_\_\_  
Vacant  
Project Accountant

CITY OF COPPERAS COVE  
 QUARTERLY COUNCIL REPORT  
 SCHEDULE OF CASH ACCOUNTS AND INVESTMENTS (By Account)  
 As of March 31, 2010 (FY 2009-10)

<b>FUNDS IN INVESTMENT POOLS</b>	
TEXSTAR	\$ 3,940,622.10
TEXPOOL	15,770,866.33
<b>Subtotal on Funds in Investment Pools</b>	<b>\$ 19,711,488.43</b>
<b>CHECKING ACCOUNTS</b>	
Master Account	\$512,238.57
Payroll	310,240.01
Rental Rehab	15,286.49
Law Enforcement Block Grant	8,096.30
Pending Forfeitures	24,614.91
Non-Interest Bearing Account - Grants and Court Bonds	211.00
<b>Subtotal Checking Accounts</b>	<b>\$670,687.28</b>
<b>SAVINGS ACCOUNTS (Per Quarterly Stmt)</b>	
Subdivision Escrow	2,542.21
<b>Subtotal Savings Accounts</b>	<b>\$2,542.21</b>
<b>TOTAL INVESTMENTS &amp; CASH ACCOUNTS</b>	<b>\$20,584,717.92</b>

SCHEDULE OF CASH ACCOUNTS AND INVESTMENTS (By Fund)  
 As of March 31, 2010 (FY 2009-10)

FUND	TOTAL CASH & INVESTMENTS
General Fund	\$7,880,143.23
Water & Sewer Fund	\$3,488,028.63
Solid Waste Fund	\$905,093.11
Youth Activity Fund	\$110,692.78
Drainage Utility Fund	\$836,835.88
Cemetery Fund	\$14,058.46
General Obligation Interest & Sinking Fund	\$1,625,830.36
Municipal Golf Course Fund	(\$85,262.57)
Small Business Revolving Loan Fund	\$80,198.56
Library Gifts & Memorials Fund	\$9,267.30
Hotel/Motel Tax Fund	\$97,681.34
Animal Shelter Donations Fund	\$16,292.39
City-Wide Donations Fund	\$60,010.85
City Wide Grants	\$151,807.30
FEMA Grant Funds	\$9.37
Municipal Court Efficiency	\$16,843.35
Municipal Court Technology	\$102,211.19
Municipal Court Security	\$30,088.45
Police Restricted Fund	\$24,716.76
Police Federal Seizure Fund	\$2,104.23
Law Enforcement Block Grant Fund	\$12,718.94
Fire Department Grant Fund	\$9,412.68
Library Grant Fund	\$15,653.35
Stop Grant	\$3,306.65
Tobacco Grant	\$2,367.67
2009 General Obligation (Drainage)	\$107,079.95
2009 General Obligation (Tax Supported)	\$1,127,950.81
2009 Tax Notes (Tax Supported)	\$567,492.58
2009 Tax Notes (Water & Sewer)	\$344,560.46
2009 Tax Notes (Solid Waste)	\$405,459.54
2009 Tax Notes (Hotel Occupancy Tax)	\$196,676.40
FM 1113 Grant	\$50,178.66
2006 Limited Tax Notes	\$46,340.75
2008 Tax Note	\$537,584.54
2008 Tax Note (Drainage)	\$153,185.42
2008A Limited Tax Notes (Tax Supported)	\$265,473.95
2008A Limited Tax Notes (Water & Sewer)	\$92,571.79
2008A Limited Tax Notes (Solid Waste)	\$73,692.71
2008A Limited Tax Notes (Drainage)	\$82,291.85
2010 General Obligation (Water & Sewer)	\$95,119.60
Reliever Route	\$109,814.67
2001 Combination Tax & Revenue C/O's (Capital Equip. & Improvements)	\$260,609.47
2003 Combination Tax & Revenue C/O's (Capital Equip. & Improvements)	\$355,746.24
2003 Combination Tax & Revenue C/O's (Water/Wastewater Phase III CIP)	\$279,232.05
2007 Combination Tax & Revenue C/O's (Police Facility)	\$11,548.02
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>\$20,584,717.92</b>
<b>RECAP OF CASH &amp; INVESTMENTS:</b>	
INVESTMENTS IN TEXPOOL	\$ 15,770,866.33
INVESTMENTS IN TEXSTAR	3,940,622.10
CASH IN BANK	\$873,229.49
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>\$ 20,584,717.92</b>

**CITY OF COPPERAS COVE**  
**INVESTMENT SCHEDULE**  
As of March 31, 2010 (FY 2009-10)

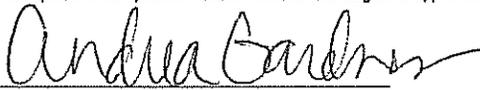
As of March 31, 2010, the City of Copperas Cove's investment portfolio was made up of investments in TEXPOOL, TEXSTAR, and bank deposits with the City's local depository. This portfolio accomplishes the objective of maintaining liquidity while earning a modest yield on invested taxpayers dollars.

TEXPOOL Investments	Market Value 01/01/10	Investments	Redemptions	Accrued Interest	Book Value 03/31/10	Market Value 03/31/10
General Fund	\$ 6,279,932.73	\$ 4,194,510.92	\$ 2,880,194.53	\$ 2,943.29	\$ 7,589,192.41	\$ 7,589,192.41
Water & Sewer Fund	3,572,623.54	800,000.00	960,000.00	1,354.77	3,413,978.31	3,413,978.31
Solid Waste Fund	857,436.54	230,000.00	200,000.00	352.34	887,788.88	887,788.88
Drainage Utility Fund	752,695.44	89,000.00	45,000.00	304.42	796,999.86	796,999.86
Interest & Sinking Fund	1,163,687.87	967,244.53	536,086.53	653.74	1,595,499.61	1,595,499.61
Youth Activities Fund	81,693.43	17,000.00	-	34.06	98,727.49	98,727.49
Golf Course Interest & Sinking	39.94	-	-	-	39.94	39.94
Small Business Revolving Loan Fund	73,176.75	4,450.00	-	29.48	77,656.23	77,656.23
Hotel/Motel Fund	95,441.71	21,000.00	26,000.00	35.41	90,477.12	90,477.12
Municipal Court Efficiency	15,009.90	1,000.00	-	6.10	16,016.00	16,016.00
Municipal Court Technology	98,256.44	5,000.00	2,000.00	38.57	101,295.01	101,295.01
Municipal Court Security	31,443.49	2,000.00	3,000.00	11.66	30,455.15	30,455.15
2008 Tax Supported Note	685,143.67	11,500.00	159,289.15	230.02	537,584.54	537,584.54
2008 Tax Supported Note (Water & Sewer)	26,153.70	-	26,163.53	9.83	-	-
2008 Tax Supported Note/ Golf	21,402.67	-	21,407.40	4.73	-	-
2008 Tax Supported Note (Drainage)	163,125.96	-	-	59.46	163,185.42	163,185.42
2001 C/O Bond Fund (Governmental)	260,609.29	-	-	101.18	260,609.47	260,609.47
2007 C/O Police Facility	44,329.17	-	32,800.00	16.85	11,546.02	11,546.02
Reliever Route	109,772.23	-	-	42.64	109,814.87	109,814.87
<b>Total TEXPOOL Investments</b>	<b>\$ 14,321,873.47</b>	<b>\$ 6,342,705.45</b>	<b>\$ 4,899,941.14</b>	<b>\$ 6,228.55</b>	<b>\$ 15,770,866.33</b>	<b>\$ 15,770,866.33</b>

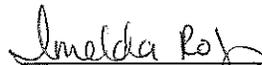
TEXSTAR Investments	Market Value 01/01/10	Investments	Redemptions	Accrued Interest	Book Value 03/31/10	Market Value 03/31/10
2003 C/O Project Fund (Governmental)	\$ 414,790.02	\$ -	\$ 59,185.97	\$ 142.19	\$ 355,746.24	\$ 355,746.24
2003 C/O Project Fund (W&S Phase III)	375,103.71	-	95,996.38	124.72	279,232.05	279,232.05
2006 Tax Notes - Police Building Project	71,808.52	-	25,488.90	21.13	46,340.75	46,340.75
2008A Limited Tax Notes (Tax Supported)	322,900.02	-	57,548.00	121.93	265,473.95	265,473.95
2008A Limited Tax Notes (Water & Sewer)	99,987.08	-	7,450.50	35.21	92,571.79	92,571.79
2008A Limited Tax Notes (Solid Waste)	73,664.75	-	-	27.96	73,692.71	73,692.71
2008A Limited Tax Notes (Drainage)	82,260.63	-	-	31.22	82,291.85	82,291.85
2009 General Obligation (Drainage)	102,461.18	-	-	38.89	102,500.07	102,500.07
2009 General Obligation (Tax Supported)	1,985,589.89	-	857,506.28	500.10	1,128,583.71	1,128,583.71
2009 Tax Notes (Tax Supported)	669,560.87	-	102,327.75	239.46	567,492.58	567,492.58
2009 Tax Notes (Water & Sewer)	486,340.95	-	141,963.54	183.05	344,560.46	344,560.46
2009 Tax Notes (Solid Waste)	537,698.61	-	132,440.00	200.93	405,459.54	405,459.54
2009 Tax Notes (Hotel Occupancy Tax)	201,356.96	-	4,756.36	75.60	196,676.40	196,676.40
<b>Total TEXSTAR Investments</b>	<b>\$ 5,423,543.19</b>	<b>\$ -</b>	<b>\$ 1,484,663.68</b>	<b>\$ 1,742.59</b>	<b>\$ 3,940,622.10</b>	<b>\$ 3,940,622.10</b>

<b>Total Investments</b>	<b>\$ 19,745,416.66</b>	<b>\$ 6,342,705.45</b>	<b>\$ 6,384,604.82</b>	<b>\$ 7,971.14</b>	<b>\$ 19,711,488.43</b>	<b>\$ 19,711,488.43</b>
--------------------------	-------------------------	------------------------	------------------------	--------------------	-------------------------	-------------------------

This report is in compliance with the investment strategies as approved and the Public Funds Investment Act.



Andrea Gardner  
City Manager



Imelda Rodriguez  
Assistant Director of Financial Services



Wanda Bunting, CPA  
Director of Financial Services

Vacant  
Project Accountant

# City of Copperas Cove

## City Council Agenda Item Report

May 4, 2010

### Agenda Item G-6

Contact – Danny Zincke, Assistant Director of Community Services, 535-4809  
dzincke@ci.copperas-cove.tx.us

---

**SUBJECT: Consideration and action on authorizing the City Manager to enter into an Agreement with Luck Design Team LLC to conduct a “Parks Needs Assessment” for the City of Copperas Cove Parks system.**

---

#### 1. BACKGROUND/HISTORY

In October 2009 the City Council voted to create the Copperas Cove Parks Committee. The Committee was formed and held an inaugural meeting in December 2009. The committee was tasked with selecting a firm to conduct a needs assessment on the Copperas Cove Parks System.

#### 2. FINDINGS/CURRENT ACTIVITY

The City of Copperas Cove Parks Committee reviewed and toured all existing parks and designated undeveloped park land. The committee then met to develop a plan and goals for the needs assessment. Two firms Luck Design Team LLC, and RVI Planning provided a presentation of qualifications to the Parks Committee in March 2010. The committee voted unanimously to recommend to City Council Luck Design Team LLC to conduct the needs assessment.

#### 3. FINANCIAL IMPACT

The impact to the budget will be \$24,600. This project is funded in the adopted 2009-2010 budget and is included in the Capital Improvement Plan in FY 2010.

#### 4. ACTION OPTIONS/RECOMMENDATION

City staff recommends the City Council authorize the City Manager to enter into an Agreement with Luck Design Team LLC to conduct a “Parks Needs Assessment” for the City of Copperas Cove Parks system.

# City of Copperas Cove

## Parks Needs Assessment

### Preliminary Schedule for Completion

Updated: April 22, 2010

Completed to date

#### Milestone:

#### Completion Date:

<u>Milestone:</u>	<u>Completion Date:</u>
Anticipated date for contract to be taken to City Council for possible award;	May 4, 2010
Develop parks needs assessment survey	May 5 -12
Distribute Surveys at Rabbit Fest	May 13-16
Distribute Surveys at CCISD Grades 4 and up	May 17-21
Parks Inventory	Mid May thru June
<u>Meeting #1 with Parks Committee</u> to review the parks needs assessment development process and review the needs assessment survey	May 18 (3rd Tuesday)
<u>Meeting #2 with Parks Committee</u> to share the gathered results of the parks inventory and formalize goals for the parks system;	June 15 (3rd Tuesday)
<u>Meeting #1 with Focus Group</u> To review the parks needs assessment development process, share the gathered results of the parks inventory and facilitate prioritization of park amenities.	Week of June 21
Last Day to receive completed surveys	June 30
<u>Meeting #3 with Parks Committee</u> To review results of the Focus Group meetings and needs assessment survey and facilitate park amenity prioritization	July 20 (3rd Tuesday)
<u>Meeting #2 with Focus Group</u> To review and discuss the needs assessment results, parks priorities and implementation plan.	August (Date TBD)
Develop concepts for Kate Street Park, Ogletree Park, the City Park Complex, and two undeveloped park sites	August 15- September 20
<u>Meeting #4 with Parks Committee</u> To review concepts for Kate Street Park, Ogletree Park, the City Park Complex, and two undeveloped park sites; submit City of Copperas Cove Parks and Open Space Master Plan draft to Parks Committee for review.	September 21 (3rd Tuesday)
Receive review comments back from Parks Committee for City of Copperas Cove parks needs assessment draft	October 5

Revise and edit City of Copperas Cove parks needs assessment per staff and Parks Committee Comments	October 6 thru 13
<u>Meeting #5 with Parks Committee</u> Receive recommendation to present final draft to City Council; present final concepts for Kate Street Park, Ogletree Park, the City Park Complex, and two undeveloped park sites	October 19 (3rd Tuesday)
Presentation of parks needs assessment to council; possibly workshop	November 16, 2010
Presentation of parks needs assessment to council; motion for adoption of needs assessment and master plan; possible public hearing.	December 7, 2010
Submit City of Copperas Cove Parks and Recreation Master Plan to Texas Parks and Wildlife for review	December 15, 2010



April 22, 2010

Ms. Andrea Gardner  
City of Copperas Cove  
City Manager  
507 S. Main St  
Copperas Cove, TX 76522

Re: City of Copperas Cove Parks Needs Assessment

Dear Ms. Gardner:

Luck Design Team, LLC is pleased to submit the following proposal for landscape architecture services on the above referenced project. We propose the following services:

**I. SCOPE OF SERVICES**

A. Level of Service and Inventory Review

The consultant will assist the city of Copperas Cove in conducting and updating their parks inventory and providing a recreation facility assessment of each of the developed parks owned by the city of Copperas Cove. The consultant will verify recreation amenities (quantity and size) and the consultant will document each amenity's level of service related to safety, level of maintenance, and accessibility. The results will be tabulated into an inventory template. Photo documentation of the existing amenities at each site will also be provided. The consultant will provide a recommendation for the usability of the existing amenities at each site, either in its current location or a different park site throughout the city. For the parks with playground equipment, the consultant will review the playground area with the Certified Playground Safety Inspector on staff at the City.

The consultant will work with City Staff at the City to map each of the parks within the City parks system. The inventory will include city facilities, undeveloped land owned by the City, CCISD facilities

located within the city limits of Copperas Cove, important cultural amenities (City Hall, City Library, etc.) as well as other area facilities with a relationship to a strategic parks and recreation master plan, and provide a list of these facilities.

The consultant will coordinate with City Staff at the City the appropriate park designations to be placed on each park site (i.e., neighborhood, community, etc.) and their appropriate service radius.

The consultant will work with the City to develop lists of City sponsored athletic programs, non-City sponsored athletic programs, and area recreation programs.

The City will provide a community profile from the latest U.S. Census and coordinate with the consultant to develop population estimates and forecasts.

B. Focus Group Meeting Facilitation and Survey Development for Needs Assessment

The consultant will assist the City in facilitating a Parks and Recreation Needs Assessment process for the City's parks system. The consultant will facilitate the following meetings (order and purpose are defined below):

- Meetings with *Parks Committee*  
(4) Total Meetings:

Meeting #1: To review the Parks and Recreation Strategic Master Plan development process and review the needs assessment survey;

Meeting #2: To share the gathered results of the parks inventory and formalize goals for the parks system;

Meeting #3: To review results of the Focus Group meetings and needs assessment survey and facilitate park amenity prioritization ;

Meeting #4: To review final City of Copperas Cove Parks and Open Space Master Plan draft and receive recommendation to present final draft to City Council.

- Meetings with the *General Public / Focus Groups*

(2) Total Meetings:

Meeting #1: To review the Parks and Recreation Strategic Master Plan development process, share the gathered results of the parks inventory and facilitate prioritization of park amenities.

Meeting #2: To review and discuss the needs assessment results, parks priorities and implementation plan.

The consultant will assist the City in developing a Parks and Recreation Needs Assessment Survey for distribution. The City will be responsible for distribution and tabulation of the survey.

C. Recommendations and Priorities

Based on the results of the public needs assessment process outlined above, the consultant will provide a summary of parks and recreation facility priority items ranked on a high, moderate, and low scale. This summary will be based on the weighted priorities of the general public, City staff, the city of Copperas Cove Parks Committee, individual members of City Council and the Mayor, and the City Manager.

The consultant will make a presentation of the final recommendations and priorities to the city of Copperas Cove Parks Committee. Upon approval or recommendation from the Parks Committee, the consultant will make a presentation of the final recommendations and priorities to the city of Copperas Cove City Council.

The consultant will provide staff a City of Copperas Cove Parks Needs Assessment in PDF format, to include the minutes from meetings outlined above, the needs assessment and prioritization development

process and observations and recommendations about the opportunities and challenges in for the City's Park System.

The plan will be prepared in accordance with Texas Parks and Wildlife Department standards.

D. Individual Park Concept Development/Refinement

After reviewing existing conditions at the project sites and developing the parks recommendations and priorities for the City of Copperas Cove Parks Needs Assessment, the consultant will produce preliminary master plans for the City of Copperas Cove for each of the five sites: Kate Street Park, Ogletree Park, the City Park Complex, and two undeveloped park sites. The main purpose of this development will be to finalize programming, space requirements and layout for proposed or renovated features within context of the site boundary. Cost estimates for the proposed features will be provided during this phase and the refinement will be reviewed and approved by City Staff.

As part of this scope, two meetings will be conducted with City Staff to ensure that programming intent is carried into the master-planning development stage.

The design team will also attend a pre-development meeting if necessary with all departments as organized by City staff to review development issues and permitting procedures associated with each of the sites.

The conclusion of this concept development/refinement will be a preliminary master plan for each of the parks depicting the vision for each of the park sites.

The landscape architect will make recommendations for facility/amenity improvements and provide an expenditure analysis of these recommendations.

The landscape architect will make recommendations for the potential opportunities of park improvements funding sources and assist the City in developing an outline for a ten year action plan.

## II. CITY RESPONSIBILITIES

The client will be responsible for providing accurate project information, which may include mapping and/or inputting elements into the City's GIS system. Master plan preparation and all printing of all interim and final deliverables (master plans and reports) will be the responsibility of the City.

## III. BASIS OF COMPENSATION

The fees for services stated will be as follows:

	<b>Item</b>	<b>Fee Basis</b>	<b>Fee</b>
A.	Level of Service and Inventory Review	Lump Sum	\$3,700
B.	Focus Group, General Public Meeting Facilitation and Survey Development for Needs Assessment	Lump Sum	\$4,800
C.	Recommendations and Priorities	Lump Sum	\$5,500
D.	Concept Development / Refinement	Lump Sum	\$8,600
E.	Reimbursable Expense	Estimated at cost plus 10%	\$2,000
		<b>Total Fee:</b>	<b>\$24,600</b>

Billing will be monthly as work progresses.

Reimbursable expenses (cost plus 10%) and additional services (all services not shown on Scope of Services), will be billed on an agreed upon lump sum fee. This proposal does not include services performed prior to the execution of this agreement or services not specifically addressed in "The Scope of Services".

Ms. Andrea Gardner  
April 22, 2010  
Page 6

We appreciate the opportunity to be of service and look forward to assisting you in the development of this project. Upon your review of this proposal, please call if you have any questions.

Respectfully submitted,

Brent Luck  
Park Planner / Landscape Architect  
BL

**CITY OF COPPERAS COVE**  
**STANDARD PROFESSIONAL SERVICES AGREEMENT**

THE STATE OF TEXAS   §  
  §  
CORYELL COUNTY       §

This Professional Services Agreement (“Agreement”) is made and entered by and between the City of Copperas Cove, Texas, (the “City”) a Texas municipality, and Luck Design Team, LLC (LDT).

**Section 1. Duration.** This Agreement shall become effective upon May 5, 2010 and shall remain in effect until satisfactory completion of the Scope of Work unless terminated as provided for in this Agreement.

**Section 2. Scope of Work.**

(A) Professional shall perform the Services as more particularly described in the Scope of Work attached hereto as Exhibit “A”. The work as described in the Scope of Work constitutes the “Project”. Unless otherwise provided in the Scope of Work, the anticipated submittal of all Project deliverables is immediately upon completion of the Project.

(B) The Quality of Services provided under this Agreement shall be of the level of professional quality performed by Professionals regularly rendering this type of service.

(C) The Professional shall perform its Services for the Project in compliance with all statutory, regulatory and contractual requirements now or hereafter in effect as may be applicable to the rights and obligations set forth in the Agreement.

(D) The Professional may rely upon the accuracy of reports and surveys provided to it by the City except when defects should have been apparent to a reasonably competent professional or when it has actual notice of any defects in the reports and surveys.

**Section 3. Compensation.**

(A) The Professional shall be paid in the manner set forth in Exhibit “A” and as provided herein.

(B) *Billing Period:* The Professional may submit monthly, or less frequently, an invoice for payment based on the estimated completion of the described tasks and approved work schedule. Subject to Chapter 2251, Texas Government Code (the “Prompt Payment Act”), payment is due within thirty (30) days of the City’s receipt of the Professional’s invoice. Interest on overdue payments shall be calculated in accordance with the Prompt Payment Act.

(C) *Reimbursable Expenses:* Any and all reimbursable expenses related to the Project shall be included in the scope of services (Exhibit A) and accounted for in the total contract amount. If these items are not specifically accounted for in Exhibit A they shall be considered subsidiary to the total contract amount.

#### **Section 4. Changes to the Project Work; Additional Work.**

(A) *Changes to Work:* Professional shall make such revisions to any work that has been completed as are necessary to correct any errors or omissions as may appear in such work. If the City finds it necessary to make changes to previously satisfactorily completed work or parts thereof, the Professional shall make such revisions if requested and as directed by the City and such services will be considered as additional work and paid for as specified under following paragraph.

(B) *Additional Work:* The City retains the right to make changes to the Scope of Work at any time by a written order. Work that is clearly not within the general description of the Scope of Work and not does not otherwise constitute special services under this Agreement must be approved in writing by the City by supplemental agreement before the additional work is undertaken by the Professional. If the Professional is of the opinion that any work is beyond that contemplated in this Agreement and the Scope of Work governing the project and therefore constitutes additional work, the Professional shall promptly notify the City of that opinion, in writing. If the City agrees that such work does constitute additional work, then the City and the Professional shall execute a supplemental agreement for the additional work and the City shall compensate the Professional for the additional work on the basis of the rates contained in the Scope of Work. If the changes deduct from the extent of the Scope of Work, the contract sum shall be adjusted accordingly. All such changes shall be executed under the conditions of the original Agreement. Any work undertaken by Professional not previously approved as additional work shall be at risk of the Professional.

## **Section 5. Time of Completion.**

The prompt completion of the services under the Scope of Work relates is critical to the City. Unnecessary delays in providing services under a Scope of Work shall be grounds for dismissal of the Professional and termination of this Agreement without any or further liability to the City other than a prorated payment for necessary, timely, and conforming work done by Professional prior to the time of termination. The Scope of Work shall provide, in either calendar days or by providing a final date, a time of completion prior to which the Professional shall have completed all tasks and services described in the Scope of Work.

## **Section 6. Insurance.**

Before commencing work under this Agreement, Professional shall obtain and furnish to the City evidence of the following insurance during the term of this Agreement and thereafter as required herein:

**Professional Liability Insurance:** professional errors and omissions liability insurance with limits of liability not less than \$1,000,000 per occurrence covering all work performed by the Professional, its employees, sub-contractors, or independent contractors. If this coverage can only be obtained on a "claims made" basis, the certificate of insurance must clearly state coverage is on a "claims made" basis and coverage must remain in effect for at least two years after final payment with the Professional continuing to furnish the City certificates of insurance.

**Workers Compensation Insurance:** The Professional shall carry and maintain during the term of this Agreement, workers compensation and employers liability insurance meeting the requirements of the State of Texas on all the Professional's employees carrying out the work involved in this contract.

**General Liability Insurance:** The Professional shall carry and maintain during the term of this Agreement, general liability insurance on a per occurrence basis with limits of liability not less than \$1,000,000 for each occurrence and for fire damage. For Bodily Injury and Property Damage no less than \$1,000,000. As a minimum, coverage for Premises, Operations, Products and Completed Operations shall be \$2,000,000. This coverage shall protect the public or any person from injury or property damages sustained by reason of the Professional or its employees carrying out the work involved in this Agreement. The general aggregate shall be no less than \$2,000,000.

**Automobile Liability Insurance:** Professional shall carry and maintain during the term of this Agreement, automobile liability insurance with either a combined limit of at least

\$1,000,000 per occurrence for bodily injury and property damage or split limits of at least \$1,000,000 for bodily injury per person per occurrence and \$1,000,000 for property damage per occurrence. Coverage shall include all owned, hired, and non-owned motor vehicles used in the performance of this contract by the Professional or its employees.

Subcontractor: In the case of any work sublet, the Professional shall require subcontractor and independent contractors working under the direction of either the Professional or a subcontractor to carry and maintain the same workers compensation and liability insurance required of the Professional.

Qualifying Insurance: The insurance required by this Agreement shall be written by non-assessable insurance company licensed to do business in the State of Texas and currently rated "B" or better by the A.M. Best Companies. All policies shall be written on a "per occurrence basis" and not a "claims made" form.

## **Section 7. Miscellaneous Provisions.**

(A) *Subletting.* The Professional shall not sublet or transfer any portion of the work under this Agreement or any Scope of Work issued pursuant to this Agreement unless specifically approved in writing by the City, which approval shall not be unreasonably withheld. Subcontractors shall comply with all provisions of this Agreement and the applicable Scope of Work. The approval or acquiescence of the City in the subletting of any work shall not relieve the Professional of any responsibility for work done by such subcontractor.

(B) *Ownership of Documents.* Upon completion or termination of this Agreement, all documents prepared by the Professional or furnished to the Professional by the City shall be delivered to and become the property of the City. All drawings, charts, calculations, plans, specifications and other data, including electronic files and raw data, prepared under or pursuant to this Agreement shall be made available, upon request, to the City without restriction or limitation on the further use of such materials PROVIDED, HOWEVER, THAT SUCH MATERIALS ARE NOT INTENDED OR REPRESENTED TO BE SUITABLE FOR REUSE BY THE CITY OR OTHERS. ANY REUSE WITHOUT PRIOR VERIFICATION OR ADAPTATION BY THE PROFESSIONAL FOR THE SPECIFIC PURPOSE INTENDED WILL BE AT THE CITY'S SOLE RISK AND WITHOUT LIABILITY TO THE PROFESSIONAL. Where applicable, Professional shall retain all pre-existing proprietary rights in the materials provided to the City but shall grant to the City a non-exclusive, perpetual, royalty-free license to use such proprietary information solely for the purposes for which the information was provided. The Professional may, at Professional's expense, have copies made of the documents or any other data furnished to the City under or pursuant to this Agreement.

(C) *Professional's Seal.* To the extent that the Professional has a professional seal it shall placed on all documents and data furnished by the Professional to the City. All work and services provided under this Agreement will be performed in a good and workmanlike fashion and shall conform to the accepted standards and practices of the Professional's industry. The plans, specifications and data provided by Professional shall be adequate and sufficient to enable those performing the actual work to perform the work as and within the time contemplated by the City and Professional. The City acknowledges that Professional has no control over the methods or means of work nor the costs of labor, materials or equipment. Unless otherwise agreed in writing, any estimates of costs by the Professional are for informational purposes only and are not guarantees.

(D) *Compliance with Laws.* The Professional shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts, administrative, or regulatory bodies in any matter affecting the performance of this Agreement, including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the Professional shall furnish the City with satisfactory proof of compliance.

(E) *Independent Contractor.* Professional acknowledges that Professional is an independent contractor of the City and is not an employee, agent, official or representative of the City. Professional shall not represent, either expressly or through implication, that Professional is an employee, agent, official or representative of the City. Income taxes, self-employment taxes, social security taxes and the like are the sole responsibility of the Professional.

(F) *Non-Collusion.* Professional represents and warrants that Professional has not given, made, promised or paid, nor offered to give, make, promise or pay any gift, bonus, commission, money or other consideration to any person as an inducement to or in order to obtain the work to be provided to the City under this Agreement. Professional further agrees that Professional shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from the City pursuant to this Agreement) for any of the services performed by Professional under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to Professional, Professional shall immediately report that fact to the City and, at the sole option of the City, the City may elect to accept the consideration for itself or to take the value of such consideration as a credit against the compensation otherwise owing to Professional under or pursuant to this Agreement.

(G) *Force Majeure.* If the performance of any covenant or obligation to be performed hereunder by any party is delayed as a result of circumstances which are beyond the reasonable control of such party (which circumstances may include, without limitation,

pending litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or tornados] labor action, strikes or similar acts, moratoriums or regulations or actions by governmental authorities), the time for such performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. The party claiming delay of performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such delay and the other party shall not otherwise be aware of such force majeure event, the claiming party shall not be entitled to avail itself of the provisions for the extension of performance contained in this subsection.

(H) In the case of any conflicts between the terms of this Agreement and wording contained within the Scope of Services, this Agreement shall govern. The Scope of Services is intended to detail the technical scope of services, fee schedule, and contract time only and shall not dictate Agreement terms.

### **Section 8. Termination.**

(A) This Agreement may be terminated:

- (1) By the mutual agreement and consent of both Professional and City;
- (2) By either party, upon the failure of the other party to fulfill its obligations as set forth in either this Agreement or a Scope of Work issued under this Agreement;
- (3) By the City, immediately upon notice in writing to the Professional, as consequence of the failure of Professional to perform the services contemplated by this Agreement in a timely or satisfactory manner;
- (4) By the City, at will and without cause upon not less than thirty (30) days written notice to the Professional.

(B) If the City terminates this Agreement pursuant to Section 5 or subsection 8(A)(2) or (3), above, the Professional shall not be entitled to any fees or reimbursable expenses other than the fees and reimbursable expenses then due and payable as of the time of termination and only then for those services that have been timely and adequately performed by the Professional considering the actual costs incurred by the Professional in performing work to date of termination, the value of the work that is nonetheless usable to the City, the cost to the City of employing another Professional to complete the work required and the time required to do so, and other factors that affect the value to the City of

the work performed at time of termination. In the event of termination not the fault of the Professional, the Professional shall be compensated for all basic, special, and additional services actually performed prior to termination, together with any reimbursable expenses then due.

**Section 9. Indemnification.** Professional agrees to indemnify and hold the City of Copperas Cove, Texas and all of its present, future and former agents, employees, officials and representatives harmless in their official, individual and representative capacities from any and all claims, demands, causes of action, judgments, liens and expenses (including attorney's fees, whether contractual or statutory), costs and damages (whether common law or statutory), costs and damages (whether common law or statutory, and whether actual, punitive, consequential or incidental), of any conceivable character, for injuries to persons (including death) or to property (both real and personal) created by, arising from or in any manner relating to the services or goods performed or provided by Professional – expressly including those arising through strict liability or under the constitutions of the United States or Texas – BUT ONLY TO THE EXTENT ALLOWABLE BY SEC. 271.904(a) OF THE TEXAS LOCAL GOVERNMENT CODE AS APPLICABLE.

**Section 10. Notices.** Any notice required or desired to be given from one party to the other party to this Agreement shall be in writing and shall be given and shall be deemed to have been served and received (whether actually received or not) if (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, and addressed to such party at the address hereinafter specified; or (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is actually received by the other party, the last address of such party designated for notice shall remain such party's address for notice.

**Section 11. No Assignment.** Neither party shall have the right to assign that party's interest in this Agreement without the prior written consent of the other party.

**Section 12. Severability.** If any term or provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable term or provision, there shall be added automatically to this Agreement a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid or unenforceable.

**Section 13. Waiver.** Either City or the Professional shall have the right to waive any requirement contained in this Agreement that is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended. No waiver of any breach or violation of any term of this Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation.

**Section 14. Governing Law; Venue.** This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Coryell County, Texas such that exclusive venue for any action arising out of this Agreement shall be in Coryell County, Texas.

**Section 15. Paragraph Headings; Construction.** The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Agreement and this Agreement shall not be construed either more or less strongly against or for either party.

**Section 16. Binding Effect.** Except as limited herein, the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors and assigns.

**Section 17. Gender.** Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

**Section 18. Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

**Section 19. Exhibits.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

**Section 20. Entire Agreement.** It is understood and agreed that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally.

**Section 21. Relationship of Parties.** Nothing contained in this Agreement shall be

deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

**Section 22. Right To Audit.** City shall have the right to examine and audit the books and records of Professional at any reasonable time. Such books and records will be maintained in accordance with generally accepted principles of accounting and will be adequate to enable determination of: (1) the substantiation and accuracy of any payments required to be made under this Agreement; and (2) compliance with the provisions of this Agreement.

**23. Dispute Resolution.** In accordance with the provisions of Subchapter I, Chapter 271, TEX. LOCAL GOV'T CODE, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this agreement, the parties will first attempt to resolve the dispute by taking the following steps: (1) A written notice substantially describing the nature of the dispute shall be delivered by the dissatisfied party to the other party, which notice shall request a written response to be delivered to the dissatisfied party not less than 5 days after receipt of the notice of dispute. (2) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give notice to that effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. (3) If those persons cannot or do not resolve the dispute, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

**24. Disclosure of Business Relationships/Affiliations; Conflict of Interest Questionnaire.** Professional represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code.

**EXECUTED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2010.

**CITY:**

By: \_\_\_\_\_

Name: Andrea M. Gardner

Title: City Manager

**PROFESSIONAL:**

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

**ADDRESS FOR NOTICE:**

**CITY**

507 S. Main Street  
Copperas Cove, TX 76522

**PROFESSIONAL**

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

with a copy to:

City Attorney  
City of Copperas Cove, Texas  
507 S. Main Street  
Copperas Cove, TX 76522

# **City of Copperas Cove**

## **City Council Agenda Item Report**

**May 4, 2010**

### **Agenda Item No. G-7**

**Contact – Robert M. McKinnon, Public Works Director**  
bmckinnon@ci.copperas-cove.tx.us

---

**SUBJECT: Consideration and action on authorizing the Mayor to execute a letter to the Brazos River Authority in support of Commissioner Jack V. Wall who desires to become a voting member on the Brazos G Water Planning Group.**

---

#### **1. BACKGROUND/HISTORY**

Brazos G Water Planning Group consists of 19 members operating in accordance with Senate Bill 1 passed during the 75<sup>th</sup> Texas Legislative Session, the Texas Water Development Board (TWDB) in Austin was authorized to divide the state into 16 regional water planning areas. The Brazos G Regional Water Planning Group (Brazos G) is one of the regional planning groups established by the TWDB to develop a regional water plan. Brazos G has been working since 1998 to develop a comprehensive regional water plan for its 37-County planning area, which extends generally along the Brazos River from Kent, Stonewall and Knox Counties in the Northwest to Washington and Lee Counties in the Southeast. Initially appointed by the TWDB, the regional water planning group members represent 11 water user groups. Brazos G selected the Brazos River Authority as the political subdivision charged with the day-to-day administration.

The regional water plans provide for the orderly development, management, and conservation of water resources, and include drought preparation and response. The goal of the planning process is to assure that sufficient water will be available at a reasonable cost to ensure public health, safety and welfare, further economic development and protect agricultural and natural resources. State law requires that the regional water plans be updated every 5 years. The Brazos G Regional Water Planning Group just completed the development of its 2006 Brazos G Regional Water Plan.

#### **2. FINDINGS/CURRENT ACTIVITY**

Commissioner Jack V. Wall has asked the City for a letter of support in his endeavor to become a voting member of the Brazos G Water Planning Group, a copy of the proposed letter is attached.

**3. FINANCIAL IMPACT**

None.

**4. ACTION OPTIONS/RECOMMENDATION**

City staff recommends the City Council authorize the Mayor to execute a letter to the Brazos River Authority in support of Commissioner Jack V. Wall, who desires to become a voting member on the Brazos G Water Planning Group.



---

*"The City Built for Family Living"*

April 27, 2010

Brazos G Water Planning Group  
Brazos River Authority  
P.O. Box 7555  
Waco, Texas 76714-7555

RE: Letter of Support, Commissioner Jack V. Wall

To Whom It May Concern:

Please accept this letter as an indication of the City of Copperas Cove's support of Commissioner Jack V. Wall who is seeking to become a voting member on the Brazos G Water Planning Group.

Mr. Wall is the Coryell County Precinct 1 Commissioner and has served in that capacity for the past 13 years. For the past 10 years he has worked tirelessly to develop a County Water District which is now being accomplished. He is deeply concerned for the present and future water needs of Coryell County and those of the State of Texas. Protecting and preserving the states natural resources are two of his major concerns and foremost in his planning. He is diligent, hardworking and totally committed to whatever he is involved in. He is totally supportive of the goals and objectives of the Brazos G Water Planning Group.

The City of Copperas Cove supports Commissioner Jack V. Wall and believes he would be an excellent choice to serve as a voting member on the Brazos G Water Planning Group.

Respectfully,

John Hull, Mayor

# City of Copperas Cove

## City Council Agenda Item Report

May 4, 2010

### Agenda Item No. H-1

Contact – Wesley Wright, P.E, City Engineer, 547-0751  
wwright@ci-copperas-cove.tx.us

---

**SUBJECT: Public hearing and action on an ordinance amending Chapter Four of the 2007 Comprehensive Plan of the City of Copperas Cove, Texas; providing for changes in the Future Land Use Plan; providing for changes on Plate 4-1, the Future Land Use Map.**

---

#### 1. BACKGROUND/HISTORY

The 2007 Comprehensive Plan of the City of Copperas Cove states:

“Approval of development proposals that are inconsistent with the Future Land Use Plan will often result in inconsistency between the Future Land Use Plan and zoning regulations. It is recommended that Copperas Cove amend the Future Land Use Plan prior to rezoning land that would result in such inconsistency, if the proposed zoning were appropriate. In order to expedite the process of amending the Future Land Use Plan to ensure zoning regulations correspond, the related amendment recommendation(s) should be forwarded simultaneously with the rezoning request(s).”

The 2007 Comprehensive Plan continues:

“Rezoning...for land uses not consistent with the Future Land Use Plan, except previously established and approved land uses, should not be considered until the Comprehensive Plan has been amended as necessary to provide for such land uses.”

#### 2. FINDINGS/CURRENT ACTIVITY

Please see accompanying report prepared by Chris Stewart, AICP of Espey Consultants, and delivered to the Planning and Zoning Commission on April 19, 2010 regarding proposed changes to the 2007 Comprehensive Plan's Future Land Use Plan.

Also, please see accompanying photographs, existing zoning map, and proposed ordinance with attachment updating the Future Land Use Plan.

**3. FINANCIAL IMPACT**

Except for public notice requirements, which have been satisfied, no direct costs exists in updating the Future Land Use Plan.

**4. ACTION OPTIONS/RECOMMENDATION**

City staff, Espey Consultants, and the Planning and Zoning Commission recommend City Council conduct a Public Hearing on, and not approve an ordinance amending Chapter Four of the 2007 Comprehensive Plan of the City of Copperas Cove, Texas; providing for changes in the Future Land Use Plan; providing for changes on Plate 4-1, the Future Land Use Map.

ITEM: PUBLIC HEARING / CONSIDERATION / ACTION ON AN AMENDMENT  
TO THE FUTURE LAND USE PLAN

PREPARED BY: Chris Stewart, AICP, Espey Consultants, Inc.  
CONTACT: [cstewart@espeyconsultants.com](mailto:cstewart@espeyconsultants.com), 512-326-5659  
or Wes Wright, City Engineer

---

## **BACKGROUND**

At issue is a tract of land for which R-2 zoning currently exists, for which B-4 zoning is requested, and for which the Future Land Use Plan, Plate 4.1, shows the area as Low Density Residential.

## **ANALYSIS**

### ***Land Use Intensity***

The area of consideration is generally of lighter intensity, including adjacent single-family and medium density residential. Although the zoning for the adjacent properties is mostly business district, the current *uses* are all residential, and that is what the Future Land Use Plan reflects.

The retail/commercial area along US 190 to the north is bounded at Rodney Avenue. This is a clear separation of the intensity. To the east, the retail and commercial use area is bounded at the common property line of the homes along Margaret Lee St.. Accordingly, Margaret Lee St. is single-family use on either side from Rodney Avenue to Robertson Avenue, and Phil Avenue from the apartment complex to Laura Avenue is a uniform corridor of single family use. These streets and blocks function as an integral single-family neighborhood.

### ***Land Use Quantity***

The Future Land Use Plan discusses the concept of “over-zoning”, a condition in which “the available supply of zoned land exceeds the projected demand for the use of the land” (see page 4.11, 4.12).

Analysis conducted previously indicates that the city is currently over-zoned with respect to the total acreage of retail and retail/commercial oriented districts, and yet under-zoned with respect to true retail zoning.

### ***Land Use Compatibility***

A request to zone to a higher intensity use, where a low intensity use is shown on the map and where existing residential is adjacent naturally brings about questions of land use compatibility. Generally, the Future Land Use Plan attempts to locate retail and commercial land uses along major roadways and away from established neighborhoods, and also provide a transition of use intensity between the extremes.

The buffer, or transition, between the proposed use and the existing lower intensity use is then an important consideration to be made (page 4.12, Future Land Use Plan). Under the current zoning ordinance, a screening device would be required (Sec. 20-19[6], Zoning Ordinance) for a commercial use adjacent to a residential use.

### **STAFF RECOMMENDATION**

Following is staff's summary review of the guidance questions:

- Will the proposed change enhance the site and the surrounding area?
  - The change would offer increased service opportunities to the surrounding area, but would be an encroachment into the integral neighborhood.
- Is the proposed change a better use than that recommended by the Future Land Use Plan?
  - The Future Land Use Plan recognizes the area as an integral neighborhood and preserves the block structure.
  - The area is served by local streets which were not intended to offer high visibility or access associated with a commercial or retail use.
- Will the proposed use impact adjacent residential areas in a negative manner? Alternatively, will the proposed use be compatible with, and/or enhance, adjacent residential areas?
  - The set of uses that can be placed on the site under the current or proposed zoning classification have the potential to impact adjacent areas negatively in terms of traffic, lighting/glare, noise, hours of operation, and odor.
- Are uses adjacent to the proposed use similar in nature in terms of appearance, hours of operation, and other general aspects of compatibility?
  - Current, adjacent uses are similar in terms of appearance, but the lots are smaller than most commercial lots, as they were originally platted with the intent of residential use.
- Does the proposed use present a significant benefit to the public health, safety, and welfare of the community? Would it contribute to the City's long-term economic well-being?
  - The proposed use would contribute valuable tax base to the City.
  - The city has ample existing zoning at the B-4 level, and is over-zoned for higher-intensity zoning districts.

**Staff does not recommend that Plate 4.1 of the Future Land Use plan be amended to change the area north of Phil Ave., east of Laura St., and west of Margaret Lee St. from low density residential to retail / commercial.**





At Laura looking East along Phil



At Laura & Phil looking North towards Hwy 190



At Laura and Phil looking South towards Robertson



At Laura and Phil looking West



At Phil and Margaret Lee looking East



At Phil and Margaret Lee looking North towards Hwy 190



At Phil and Margaret Lee looking South towards Robertson



At Margaret Lee looking East towards Phil

## ORDINANCE NO. 2010-20

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS AMENDING CHAPTER FOUR OF THE 2007 COMPREHENSIVE PLAN OF THE CITY OF COPPERAS COVE, TEXAS; PROVIDING FOR CHANGES IN THE FUTURE LAND USE PLAN; PROVIDING FOR CHANGES ON PLATE 4-1; THE FUTURE LAND USE PLAN.**

**WHEREAS**, the location described within the boundary set by Rodney Avenue, Laura Street, Phil Avenue, and Margaret Lee Street in Exhibit A has a current future land use designation of low density residential; and,

**WHEREAS**, the location described above has a proposed future land use designation of retail; and,

**WHEREAS**, the Planning and Zoning Commission of the City of Copperas Cove held a public hearing on April 19, 2010, and voted to not recommend approval of the amendment to the Future Land Use Plan to the City Council of the City of Copperas Cove; and,

**WHEREAS**, the City Council of the City of Copperas Cove held the required public hearing concerning the proposed amendment on May 4, 2010, and approved the amendment.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:**

### **SECTION 1.**

Chapter Four of the 2007 Comprehensive Plan of the City of Copperas Cove be amended providing for changes in the Future Land Use Plan (Plate 4-1) as described within the boundary set by Rodney Avenue, Laura Street, Phil Avenue, and Margaret Lee Street from low density residential to retail.

### **SECTION 2.**

That all ordinances for which provision has heretofore been made are hereby expressly repealed if in conflict with the provisions of this ordinance.

### **SECTION 3.**

That should any section, clause, or provision of this ordinance be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this ordinance or any other ordinance of the City as a whole or any part thereof, other ordinance of the City as a whole or any part thereof, other than the part so declared to be invalid.

**SECTION 4.**

That this ordinance shall go into effect upon passage.

**PASSED, APPROVED AND ADOPTED** this 4th day of May 2010, at a regular meeting of the City Council of the City of Copperas Cove, Texas, which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't. Code* §551.001, et.seq., at which meeting a quorum was present and voting.

---

John Hull, Mayor

**ATTEST:**

---

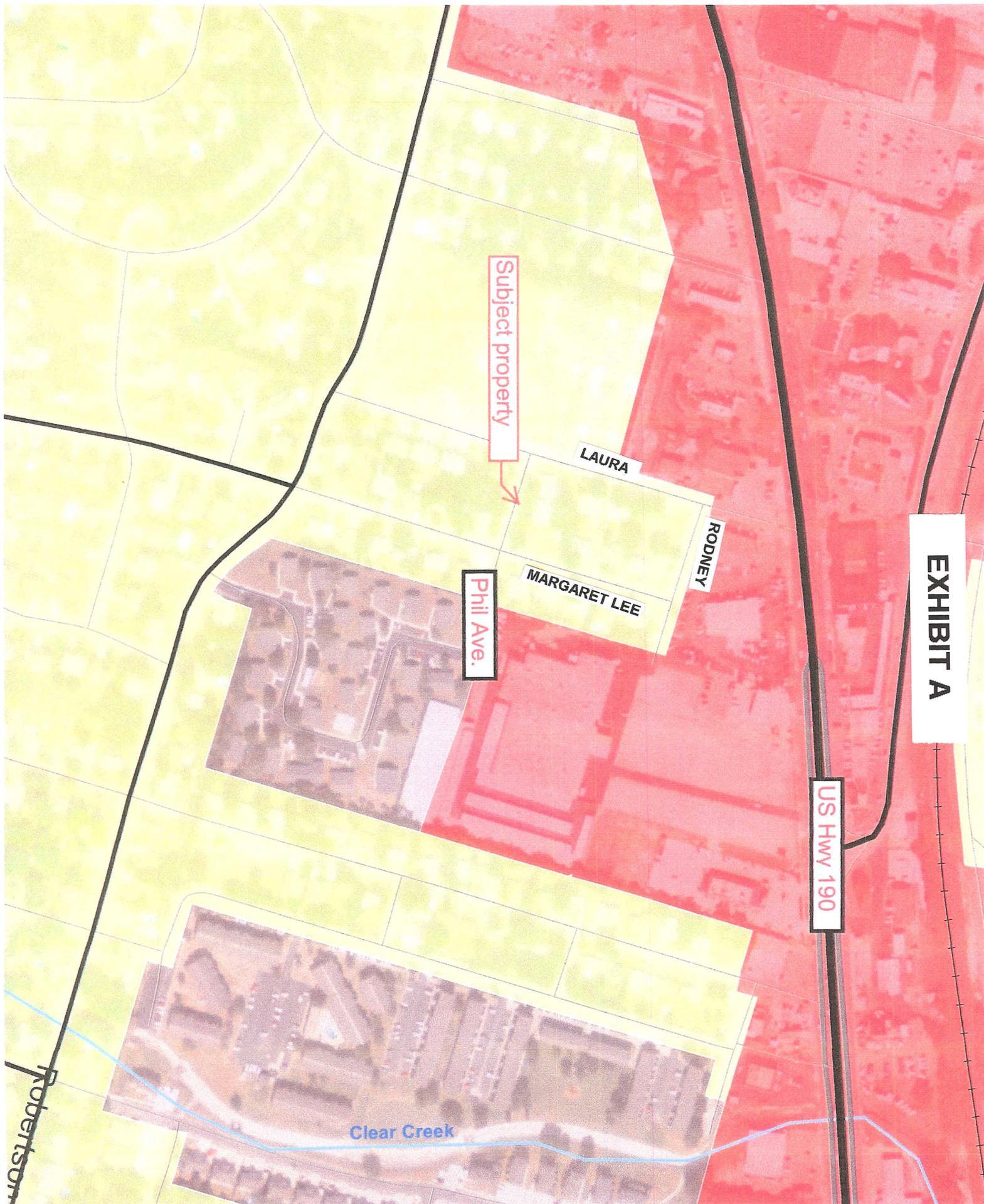
Jane Lees, City Secretary

**APPROVED AS TO FORM:**

---

Denton, Navarro, Rocha  
& Bernal, P.C., City Attorney

**EXHIBIT A**



Subject property

LAURA

RODNEY

MARGARET LEE

Phil Ave.

US Hwy 190

Clear Creek

Robertson

# City of Copperas Cove

## City Council Agenda Item Report

May 4, 2010

### Agenda Item No. H-2

Contact – Wesley Wright, P.E, City Engineer, 547-0751  
wwright@ci-copperas-cove.tx.us

---

**SUBJECT: Public hearing and action on an ordinance rezoning Lot 2, Block 3 of the Crestview Heights Addition, locally known as 1003 Phil Avenue, from R-2 (two-family residential) to B-4 (business).**

---

#### 1. BACKGROUND/HISTORY

On March 29, 2010, the property owner requested a rezone from R-2 (two-family residential) to B-4 (business). The property is locally known as 1003 Phil Avenue, and is located south of Hwy 190 between Laura and Margaret Lee. The property is an existing single-family detached home.

The stated purpose of the rezone request is “to open a small business (a driver’s education school)”.

#### 2. FINDINGS/CURRENT ACTIVITY

The immediate area can be characterized by residential use. The property is immediately surrounded by single family homes. Multi-family homes (duplexes and apartments) are also located within a 200’ radius of 1003 Phil. Retail and commercial development uses do become visible as you approach Hwy 190 and can be found within 1,000’ of 1003 Phil.

The existing zoning surrounding the area is generally zoned for retail/commercial uses. However, the existing uses along with the 2007 Comprehensive Plan’s Future Land Use Plan indicate a “low-density residential” use for property in the area.

Please see attached photographs, area zoning map, and proposed ordinance for reference.

#### 3. FINANCIAL IMPACT

Except for public notice requirements, which have been satisfied, no direct costs exists in considering the rezone request.

**4. ACTION OPTIONS/RECOMMENDATION**

City staff, Espey Consultants, and the Planning and Zoning Commission recommend that the City Council not approve an ordinance rezoning the subject property from R-2 (two-family residential) to B-4 (business).

**ORDINANCE NO. 2010-21**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS APPROVING A ZONING CHANGE BY REZONING LOT 2, BLOCK 3 OF THE CRESTVIEW HEIGHTS ADDITION, LOCALLY KNOWN AS 1003 PHIL AVENUE, FROM R-2 (TWO-FAMILY RESIDENTIAL) TO B-4 (BUSINESS).**

**WHEREAS**, the hereinabove described property has a current zoning of R-2 (two-family residential); and,

**WHEREAS**, the owner thereof has requested that such property should be zoned B-4 (business) rather than R-2; and,

**WHEREAS**, the Planning and Zoning Commission of the City of Copperas Cove held a public hearing on April 19, 2010, and voted to recommend denial of the zoning change to the City Council of the City of Copperas Cove; and,

**WHEREAS**, the City Council of the City of Copperas Cove held the required public hearing concerning the zoning change on May 4, 2010, and approved the change.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:**

**SECTION 1.**

That the hereinabove described property, locally known as 1003 Phil Avenue, be given the permanent zoning of B-4 (business);

**SECTION 2.**

That should any section, clause, or provision of this ordinance be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this ordinance or any other ordinance of the City as a whole or any part thereof, other ordinance of the City as a whole or any part thereof, other than the part so declared to be invalid.

**SECTION 3.**

That this ordinance shall go into effect upon passage.

**PASSED, APPROVED AND ADOPTED** this 4th day of May 2010, at a regular meeting of the City Council of the City of Copperas Cove, Texas, which meeting was held in compliance with the Open Meetings Act, *Tex. Gov't. Code* §551.001, et.seq., at which meeting a quorum was present and voting.

---

John Hull, Mayor

**ATTEST:**

---

Jane Lees, City Secretary

**APPROVED AS TO FORM:**

---

Denton, Navarro, Rocha  
& Bernal, P.C., City Attorney



At Laura looking East along Phil



At Laura & Phil looking North towards Hwy 190



At Laura and Phil looking South towards Robertson



At Laura and Phil looking West



At Phil and Margaret Lee looking East



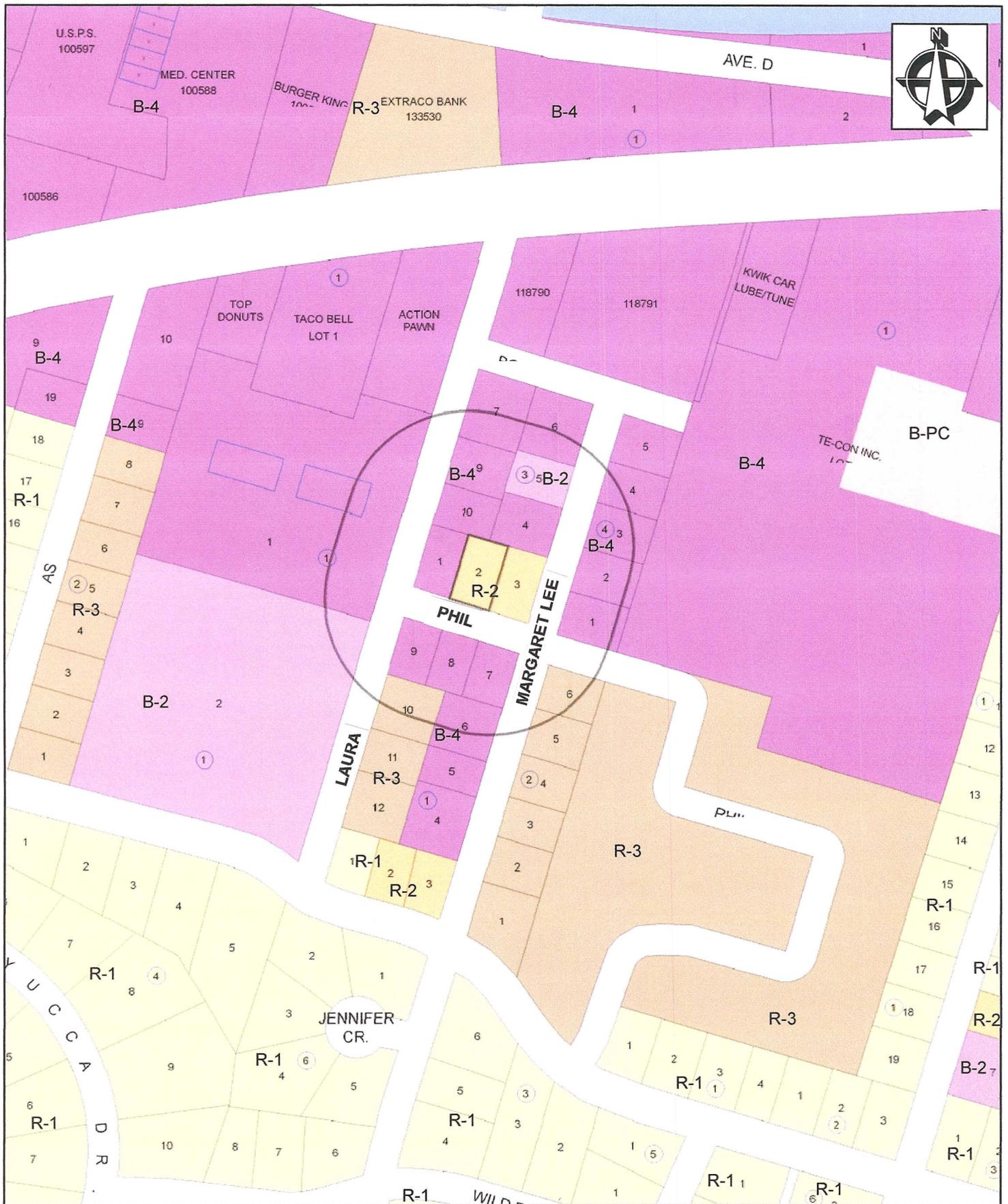
At Phil and Margaret Lee looking North towards Hwy 190



At Phil and Margaret Lee looking South towards Robertson



At Margaret Lee looking East towards Phil



200' ZONING RADIUS  
1003 PHIL AVE.



# City of Copperas Cove

## City Council Agenda Item Report

May 4, 2010

### Agenda Item No. I-1

Contact – John Hull, Mayor, 547-4221  
jhull@ci.copperas-cove.tx.us

---

**SUBJECT: Consideration and action on the Mayor's recommendation to appoint an alternate member to the Central Texas Council of Governments Executive Committee.**

---

#### 1. BACKGROUND/HISTORY

The City's Code of Ordinances states in Section 2-55.1, "*Ad hoc committees are formed on an 'as needed' basis with a clearly defined purpose and term, as well as reporting requirements. Ad hoc committees may consist of up to two (2) council members recommended by the mayor with concurrence through a motion of the majority of city council members.*"

Section 2-55.2 states, "*The mayor nominates and the city council confirms council member appointments to outside agencies, committees, task forces, boards and commissions.*"

#### 2. FINDINGS/CURRENT ACTIVITY

Andrea M. Gardner, City Manager, was appointed as the alternate to this Committee on March 3, 2009. A new alternate must be appointed since Ms. Gardner will now be serving as an officer on the Committee.

#### 3. FINANCIAL IMPACT

None.

#### 4. ACTION OPTIONS/RECOMMENDATION

City staff recommends that the Mayor make a recommendation and nominate an individual to serve as the alternate member to the CTCOG Executive Committee.

## COUNCIL COMMITTEE ASSIGNMENTS

(A) = Alternate

AS OF: January 19, 2010

Committee	Mayor John Hull	1 Cheryl Meredith	2 Charlie D. Youngs	3 Chuck Downard	4 Danny Palmer	5 Bill L. Stephens	6 Willie C. Goode	7 Frank Seffrood	City Manager Andrea M. Gardner	City Engr. Wesley Wright
Adopt-A-Fort Hood-Unit		X		X						
Central Texas Council of Governments Executive Committee	X								X (A)	
Central Texas Deployment Task Force				X		X				
Charter Committee 2009		X						X		
Deer Committee			X		X					
Downtown Zoning Committee			X					X		
Economic Development Corporation (Council Liaison)					X					
Hill Country Transit District Board of Directors	X								X (A)	
Housing Authority						X	X (A)			
Joint Image Campaign	X								X (A)	
K-TUTS Policy Board	X								X (A1)	X (A2)
Ministerial Alliance Representative							X			
Oil & Gas Committee					X		X			
Ordinance Review Committee					X					
Parks & Recreation Advisory Board							X			
Sex Offender Ordinance Committee		X								
Strategic Planning Committee						X		X		
Records Management Committee							X			
Transportation Committee								X		
Land Disturbance Ordinance & Drainage Criteria Manual Review Committee			X							

# **City of Copperas Cove City Council Agenda Item Report**

**May 4, 2010**

## **Agenda Item No. I-2**

**Contact – Michael Mundell, Superintendent of Solid Waste, 547-4242**  
mmundell@ci.copperas-cove.tx.us

---

**SUBJECT: Consideration and action on authorizing the City Manager to execute an agreement between the City of Copperas Cove and SCS Engineers for professional services to arrange for continuous coring and the installation of three piezometers to provide additional site characterization for the landfill groundwater monitoring plan as suggested by the Texas Commission on Environmental Quality (TCEQ).**

---

### **1. BACKGROUND/HISTORY**

The landfill is a closed type I municipal solid waste landfill. Over the years, one groundwater monitoring well produced no samples for analysis and two wells produced minimal samples; thereby bringing into question the effectiveness of the groundwater monitoring plan.

During a workshop held in September of 2009, Mr. Jim Lawrence of SCS Engineers briefed the Council on the history of the groundwater monitoring plan, the increased scrutiny from the TCEQ, and a preliminary plan on a possible remedy. Since that time TCEQ requested action to address the dry monitoring well and the wells that may be located too far from waste for adequate monitoring of the groundwater.

### **2. FINDINGS/CURRENT ACTIVITY**

SCS Engineers has several years of experience working with the TCEQ on the City's groundwater monitoring plan and monitoring well issues. As a result, a proposal was submitted to arrange for continuous coring and the installation of three piezometers that are expected to be appropriate future monitoring well locations. Also included in the proposal is the preparation and submission of a report to the TCEQ on the results of the site characterization. In an effort to reduce the project cost, staff requested the subcontractor costs of a land surveyor and the drilling company be direct billed to the City. However, SCS Engineers provided assistance in locating suitable subcontractors to provide the services.

**3. FINANCIAL IMPACT**

The SCS Engineers proposal to arrange for continuous coring and installation of three piezometers is \$14,600. Funds for the project are available in the Solid Waste Operating Budget.

**4. ACTION OPTIONS/RECOMMENDATION**

City staff recommends City Council authorize the City Manager to enter into a professional services agreement with SCS Engineers for the arranging of continuous coring and installation of three piezometers.

## SCS ENGINEERS

April 12, 2010

Proposal Number 16077209

Mr. Mike Mundell, Solid Waste Superintendent  
City of Copperas Cove  
2605 FM 116  
City of Copperas Cove, Texas 76522

Subject: Proposal to Provide Services Requested by TCEQ  
In the TCEQ letter dated January 15, 2010  
City of Copperas Cove Closed Landfill

Dear Mike:

SCS Engineers (SCS) is pleased to provide this proposal in response to a request from the City of Copperas Cove (City). We appreciate this opportunity to continue to provide services to the City. This proposal is to provide services at the Landfill, requested by the Texas Commission on Environmental Quality (TCEQ) in their letter dated January 15, 2010. Proposal details related to project background, scope, schedule, assumptions, and costs are provided below.

### BACKGROUND

The Site is a closed Type I municipal solid waste landfill operated under Permit No. MSW-1003 as issued by the Texas Department of Health and now regulated by the Texas Commission on Environmental Quality (TCEQ). The TCEQ has requested action in several letters to address the dry monitoring wells at the City's closed Landfill, and also to address wells that may be located too far from waste for adequate monitoring.

In the letter of January 15, 2010, TCEQ has suggested that additional site characterization is appropriate. This proposal details a limited site investigation to obtain sufficient additional site data to address TCEQ concerns. The scope of this site characterization is "limited" because it is supplemental to already-existing reports provided previously to predecessor agencies to the TCEQ. In summary, we are proposing to install three piezometers to address current TCEQ concerns, designed and located so that the piezometers can then be used as the new monitoring wells that appear to be a likely future TCEQ requirement. Details are below.

## SCOPE OF SERVICES

SCS will arrange for continuous coring and the installation of three piezometers that are expected to be appropriate future monitoring well locations (see attached map). (Note: a “piezometer” is a well intended only to provide a water level, not a water sample. However, a piezometer can be constructed identical to a monitor well, such that it serves both purposes.) The piezometers will be constructed using a design that we estimate will be an acceptable design for monitoring wells at this site. Note that, because these proposed piezometers will be constructed identical to monitoring wells, and because their ultimate use is expected to be as monitoring wells, subsequent discussion below refers to the piezometers as wells.

### Continuous Coring

In order to provide additional geologic characterization in the vicinity closer to the waste, the three piezometer locations will be continuously cored and described by a qualified field geologist. Drilling equipment suitable for core recovery will be used to retrieve as much continuous core as possible to a depth of 50 feet below ground level. (Note that some core loss is normal, due to geologic materials escaping out of the sampling equipment during recovery).

The continuous cores will be brought to the surface by the driller and described in the field for subsequent use in computer-generated logs suitable for inclusion in the final report. The purpose of the continuous coring and descriptions is two-fold: (1) because TCEQ is requesting additional site characterization, and (2) obtaining an accurate picture of geology down-hole will aid in understanding subsequent groundwater-related data, obtained as described below.

### Piezometer Installation

SCS has been unable to locate permit documentation or drawings that depict approved (required) monitor well design. The existing wells are four-inch-diameter, and this implies that the permit requirement is for four-inch wells. The use of four-inch diameter is obsolete; nearly all modern installations are now the widely-accepted two-inch diameter design standard. The two-inch design has a number of benefits, including lower installation cost and improved chances of obtaining water samples. SCS has assumed two-inch wells for this proposal. For landfill permits that clearly require exclusively four-inch wells, SCS routinely provides permit modifications to TCEQ in order to allow two-inch wells. Note that there is a possibility that the TCEQ may determine at some future point that four-inch wells are/were required; if this occurs, we anticipate that the problem can be resolved with a routine permit modification that is expected to be approved by TCEQ. The Permit Modification would be an additional service, not included in the scope of this proposal.

The depth of the wells will be approximately 50 feet below ground level, with a 40-foot screen interval. This longer-than-normal screen length is intended to maximize the chances of obtaining a water level and a water sample if the piezometers are ultimately used as monitoring wells. Air rotary or hollow stem auger drilling will be used in order to increase chances of

observing water, and avoid introducing drilling fluids that could inhibit future water sample production.

The three wells will be developed approximately one month after installation, using a combination of surging and bailing. Water quality parameters will be measured during development in accordance with TCEQ requirements, including pH, conductivity, and temperature. SCS will also provide and install metal embossed label plates and new locks; these costs are included in our fee. The wells will be completed at the ground surface with 6-foot by 6-foot cement pads, bollards, and locking metal protective casings.

### Water Levels

The normal procedure to provide a hydrogeologic characterization of a site is to install piezometers, and then subsequently to observe water levels for some period of time appropriate for the use of the data. Most often, for landfill sites the water levels are observed through one 12-month cycle in order to observe seasonal variation. SCS is recommending a 12-month period of observation, by taking water levels at all piezometers and monitoring wells every two months. As a cost-saving measure, we are assuming that City personnel will obtain these water levels. We estimate that measuring water levels at all wells and piezometers will take two hours, not counting travel time to the site.

If the City chooses to lower project cost by using City personnel to obtain water levels, the City will need a water level indicator. These can be rented for \$25/day, or purchased for approximately \$500. Obviously, rental for six days over a year (\$150) would be lower cost than purchasing, but the City would have to make arrangements for rental for each separate use. For the purposes of this project, we have assumed the City rents a water level indicator at its own cost, but we can add purchase of the water level indicator to this proposal scope and fee if the City prefers.

The water level data will be used in the final report by providing a series of graphs showing water level change with time. This will add hydrogeologic site characterization information, as requested by TCEQ. The water level data will also help confirm that these piezometers will be suitable groundwater monitoring wells.

### Report

Results of the coring, installation, and 12 months of water level readings will be incorporated into a report that will be submitted in draft form to the City for review in approximately April, 2011. The report will have a figure showing as-built locations of the piezometers. No scope or budget has been provided for other geology figures or cross-sections; these are normally a part of a complete site characterization, but these have been omitted here as a cost-saving measure and because they were developed previously as a part of previous investigation(s) at this site.

It is anticipated that TCEQ will continue to press for improved groundwater monitoring at the Landfill, and the report could be used to issue a recommendation to convert the piezometers to monitoring wells (pending discussion with the City). If TCEQ were to require this change, a permit modification would be required by approximately June, 2011. This would presumably close out all TCEQ requests for site characterization and improved groundwater monitoring closer to the waste.

#### Subcontractor Costs

The coring and installation will require the services of a land surveyor and a drilling company. SCS understands that the City wishes to have all subcontractor costs directly billed to the City. Therefore, the scope and fee described herein do not include subcontractor costs. SCS will assist the City with selecting suitable subcontractors for this work. The surveyor must be a Registered Professional Land Surveyor licensed in the State of Texas, and the driller must be similarly licensed for water well installation in the State of Texas. SCS will issue Requests for Bid for these services in order to obtain the lowest possible cost for acceptable services.

#### Discussion/Subsequent Actions

As detailed above, if TCEQ approves the above plan, no follow-on recommendations or report will be submitted to the TCEQ until approximately April, 2011. Under this scenario, TCEQ would respond to the report by approximately May, 2011. At that time (May, 2011), we believe it is most likely that TCEQ will respond by requesting that the piezometers be “converted” to monitoring wells by submitting a permit modification that would encompass this change (addition) to the monitoring system. Since the piezometers would be constructed to monitor well standards, such a conversion is a paperwork exercise only. Such a permit modification may be required by approximately June, 2011. The dry wells may possibly require plugging at that time.

The piezometer design detailed herein (50 feet deep, with 40 feet of open screen) is a cost-saving compromise approach that utilizes one well design to serve dual purposes: (1) a piezometer with enough screen (i.e., deep enough) to answer the question of where the groundwater levels are at the site, while (2) providing a design that is expected to also function as an acceptable monitor well for future needs. We cannot guarantee that TCEQ will accept these piezometers as monitoring wells, but we are prepared to certify that, from the perspective of our experience and licensing as professional geologists, this design will adequately monitor the Landfill.

## **ASSUMPTIONS AND CONDITIONS**

In preparing this proposal SCS is assuming the following conditions:

1. It is assumed that the City will provide access to the proposed locations. The City agrees to inspect each of the proposed locations to verify accessibility, and will provide any grading work necessary to ensure access prior to arrival of project personnel and equipment. This may require heavy equipment for clearing or grading, which will be done at the City's expense.
2. No time is included in the scope and fee to respond to TCEQ correspondence regarding this project.
3. No project meetings have been assumed in the scope of services for this project.
4. It is assumed subsurface materials encountered during field work will be uncontaminated and require no special handling or disposal. All subsurface waste materials (soil and rock) generated during field work will be disposed by spreading on the ground. In the unlikely event that trash or contaminated materials are encountered during drilling, out-of-scope services may be required. No out-of-scope costs will be incurred prior to consultation with the City.
5. It is assumed all field work can be completed within six days. Field time extending beyond six days caused by access problems, mechanical problems, or weather problems beyond the control of SCS may result in out-of-scope services. No out-of-scope costs will be incurred prior to consultation with the City.
6. Surveying and drilling costs are assumed to be directly billed to the City, and therefore these costs are not included in this proposal fee.
7. A permit modification may be required in conjunction with these services, but this cost is not included in this proposal scope and fee.

## **COST ESTIMATE**

SCS proposes to provide these services for a lump sum of \$14,600 which does not include the cost of subcontractor services (drilling and surveying).

April 12, 2010  
Mr. Mike Mundell  
Page 6

## SUMMARY

We appreciate the opportunity to continue to provide these services to the City of Copperas Cove. We have attached a standard short form agreement for your consideration. This is the same form that was approved by the City on a recent project conducted by SCS for the City. We look forward to discussing this with you at your convenience.

Sincerely,



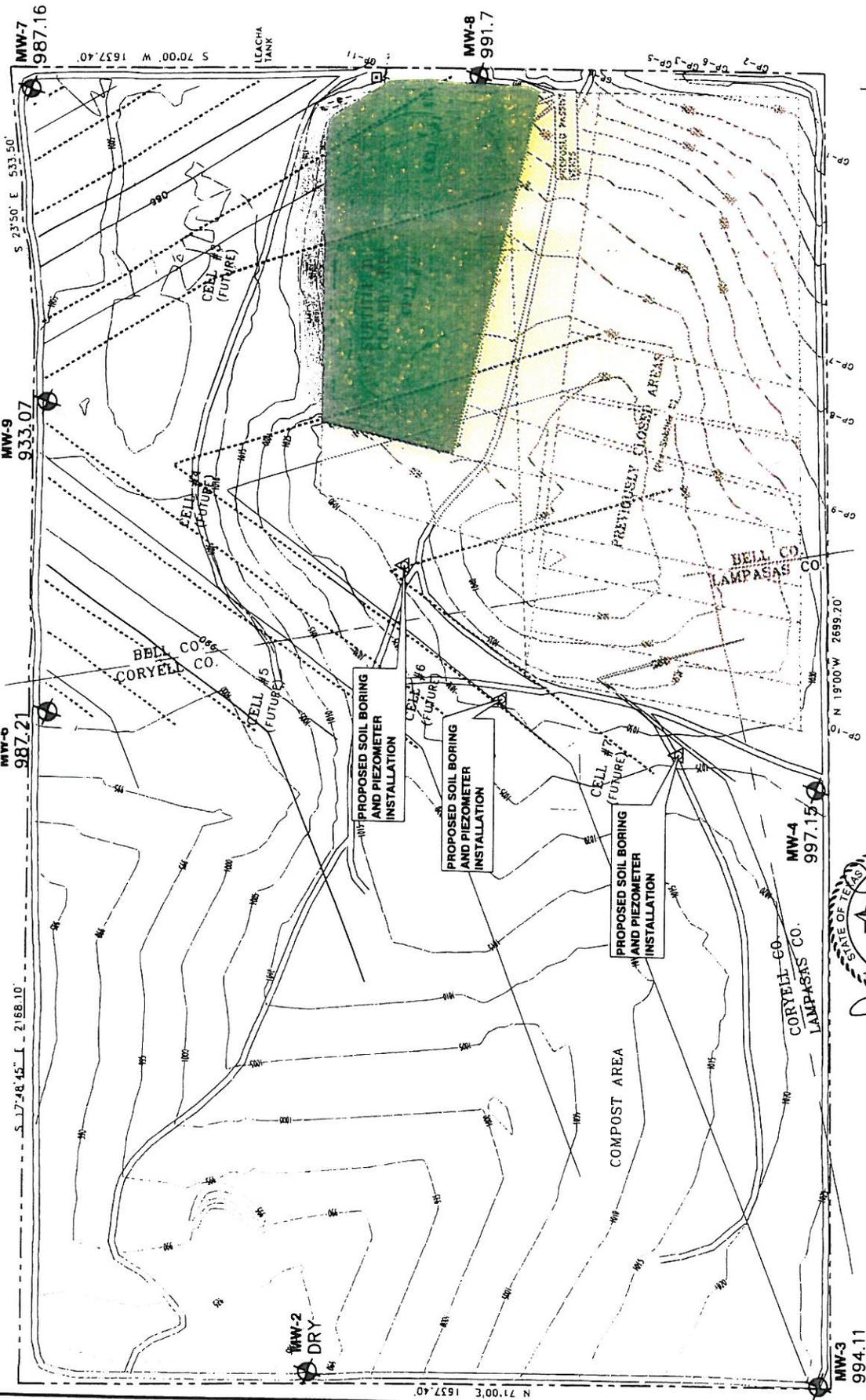
James Lawrence, P.G.  
Senior Hydrogeologist  
**SCS ENGINEERS**



Kevin D. Yard, P.E., BCEE  
Vice President  
**SCS ENGINEERS**

Attachments: Map Showing Location of Proposed Piezometers  
Standard Short Form Agreement

DATE: 08/2008	SCALE: AS SHOWN	DRAWING NO: 1
CAD FILE: 082008.dwg	DATE: 08/2008	SCALE: AS SHOWN
PROJECT: MW-7	PROPOSED LOCATIONS	DRAWING TITLE: GROUNDWATER MONITORING WELL INSTALLATION
CITY OF COPPERAS COVE LANDFILL	CITY OF COPPERAS COVE	CORRELL, BELL, LAMPASAS COUNTY, TEXAS
CLIENT: SCS ENGINEERS	CONSULTING ENGINEERS	STAFF: CONSULTING ENGINEERS
PROJECT NO: 082008	DATE: 08/2008	SCALE: AS SHOWN
DRAWING NO: 1	DATE: 08/2008	SCALE: AS SHOWN



FOR INFORMATION PURPOSES ONLY

SCALE IN FEET  
0 300 600

**LEGEND**

- PERMIT/PROPERTY BOUNDARY
- 987.16 EXISTING MONITORING WELL, SHOWING WATER LEVEL ELEVATION (ft. msl)
- △ 990 OCTOBER 2007 GROUNDWATER ELEVATIONS (ft. msl)
- △ PROPOSED MONITORING WELL

James Lawrence  
Geology  
License Number 541  
PROFESSIONAL GEOLOGIST  
STATE OF TEXAS  
2-15-2010

COPPERAS  
MW Contours

**AGREEMENT BETWEEN SCS ENGINEERS AND CLIENT  
FOR PROFESSIONAL SERVICES**

**This Agreement** is made by and between The City of Copperas Cove, Texas (hereafter “Client”), and SCS Engineers (hereafter “SCS”).

**WITNESSETH**

That for the considerations set forth below, the parties agree as follows:

**1. Scope of Services:** SCS shall provide professional services (hereafter “Services”) for the project (hereafter “Project”) as set forth in the attached letter dated April 12, 2010 and in accordance with the terms and conditions of this Agreement.

**2. Basis of Compensation:** As described in attached letter—project total of \$14,600

**3. Method of Invoicing:** Monthly, percent complete

**3. Method of Invoicing:** Monthly, percent complete

**4. Professional Retainer:** n/a

**5. Other Terms:** n/a

**6. General Conditions:**

a. Payments for invoices prepared by SCS are due and payable upon receipt. Payments due SCS under this Agreement shall be subject to a service charge of one and one-half (1-1/2) percent per month for invoices not paid within thirty (30) days after the date of receipt of invoice.

b. Client agrees to pay all costs and expenses of SCS, including reasonable attorney fees, arising out of or in connection with collecting amounts for which Client is responsible pursuant to this Agreement

c. This Agreement may be terminated by either party upon 15 days' written notice to the other party. Upon termination, SCS shall be paid for all Services rendered to the date of termination.

d. Any work in addition to that described in Article 1 above performed at the request of the Client shall be compensated on a time-and-materials basis at the rates contained in SCS' Standard Fee Schedule attached hereto as Exhibit "A"

e. The parties hereto shall each maintain in full force and effect Commercial General Liability insurance with coverage limits which are reasonable in light of the Services to be undertaken, and Workers' Compensation Insurance as required by law.

f. Upon completion or termination of this Agreement, all documents prepared by the SCS or furnished to the SCS by the Client shall be delivered to and become the property of the Client. All drawings, charts, calculations, plans, specifications and other data prepared under or pursuant to this Agreement shall be made available, upon request, to the Client without restriction or limitation on the further use of such materials provided, however, that such materials are not intended or represented to be suitable for reuse by the client or others. Any reuse without prior verification or adaptation by SCS for the specific purpose intended will be at the client's sole risk and without liability to SCS. Where applicable, SCS shall retain all pre-existing proprietary rights in the materials provided to the Client but shall grant to the Client a non-exclusive, perpetual, royalty-free license to use such proprietary information solely for the purposes for which the information was provided. SCS may, at SCS's expense, have copies made of the documents or any other data furnished to the Client under or pursuant to this Agreement.

g. Neither party shall delegate its duties under this Agreement without the written consent of the other party. Each party binds itself to the successors, administrators and assigns of the other party in respect of all covenants of this Agreement.

h. The parties agree that the total liability of SCS under this Agreement and for the Project shall be limited to One Hundred Thousand Dollars (\$100,000), unless Client pays for the assumption of additional liability by SCS as a separate line item in Article 2 above.

i. Unless otherwise expressly stated in the Scope of Services, SCS shall have no responsibility for site health and safety, except with respect to the activities of SCS and its subcontractors. In no event shall SCS be responsible for the means, methods or manner of performance of any persons other than SCS and SCS' subcontractors.

j. Client agrees that SCS will not be responsible for liability caused by the presence or release of hazardous substances or contaminants at the site, unless the release results from the sole negligence of SCS or its subcontractors. At no time shall title to hazardous substances, solid wastes, petroleum contaminated soil or other regulated substances pass to SCS, nor shall any provision of this Agreement be interpreted to permit or obligate SCS to assume the status of a "generator," "owner," "operator," "transporter," "arranger" or "treatment, storage or disposal facility" under state or federal law. The provisions of this Article 6j shall survive any termination of this Agreement.

k. SCS shall be entitled to rely on information provided by Client. SCS shall be entitled to an equitable adjustment in the price and schedule if conditions differ materially from information provided by Client, or differ from what could reasonably be anticipated given the nature of the Services.

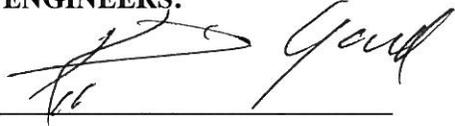
- 7. For the purposes of this Agreement, the term "SCS Engineers" shall mean SCS Engineers of Ohio, Inc. for projects in Ohio, SCS Engineers P.C. for projects in New York and North Carolina, and Stearns, Conrad and Schmidt Consulting Engineers, Inc. for all other projects.
- 8. Dispute venue. In the event of a dispute between SCS and the Client involving any aspect of this contract, the legal venue for dispute resolution shall be Coryell County, Texas.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed by their duly authorized representatives as of the last date written below.

**SCS ENGINEERS:**

**CLIENT:**

**BY:**



**BY:**

\_\_\_\_\_

**NAME:** Kevin D. Yard, P.E., BCEE

**NAME:** \_\_\_\_\_

**TITLE:** Vice President, SCS Engineers

**TITLE:** \_\_\_\_\_

**DATE:**

4/12/10

**DATE:**

\_\_\_\_\_

# City of Copperas Cove

## City Council Agenda Item Report

May 4, 2010

### Agenda Item No. I-3

Contact – Wanda Bunting, Director of Financial Services, 547-4221  
wbunting@ci.copperas-cove.tx.us

---

**SUBJECT:** Consider and take action with respect to an Ordinance of the City of Copperas Cove, Texas, authorizing the issuance and sale of City of Copperas Cove, Texas, Limited Tax Notes, Series 2010, in the aggregate principal amount of \$4,050,000; awarding the sale of said notes; levying a tax in payment thereof; prescribing the form of said notes; and enacting other provisions relating to the subject.

---

#### 1. BACKGROUND/HISTORY

Included in the FY2010 – FY2014 Capital Improvement Plan is the Bradford Drive Road Extension project and the North Loop Waterline project. Furthermore, the City Council approved reimbursement resolutions for the additional funds necessary to complete the Turkey Run Pump Station project in October 2009 and a reimbursement resolution for the North Loop Waterline project in March 2010. The tax note debt issuance in the amount of \$4,050,000 includes \$165,000 tax supported debt and \$3,885,000 in water and sewer revenues supported debt to cover the capital projects.

#### 2. FINDINGS/CURRENT ACTIVITY

City staff summarized the proposed debt issue to include the various items that were previously presented and approved by City Council and proceeded to work with the City's Financial Advisors, Special Public Financing, on the tax note issuance for the various projects. The following projects are included in the proposed issuance:

- Bradford Drive Road Extension
- Turkey Run Pump Station
- North Loop Waterline

While the principal of and interest on the tax notes are secured by and payable from ad valorem taxes levied, the City expects the debt service on the portions of the tax notes related to the various projects associated with the Water and Sewer Fund will be paid from the revenue generated in the fund to the extent funds are available for such purposes. The City sets aside debt service payments in all funds as the first priority.

The total debt issuance amount is \$4,050,000. Special Public Financing secured a bid of X.X percent for a term of seven (7) years on the proposed issuance.

**3. FINANCIAL IMPACT**

Attached is a copy of the summary of debt issuance by fund, debt service schedule, ordinance, and other issuance documents for Council review.

**4. ACTION OPTIONS/RECOMMENDATION**

City staff recommends that the City Council approve an Ordinance providing for the issuance and sale of the City of Copperas Cove, Texas, Limited Tax Notes, Series 2010.

---

ORDINANCE NO. 2010-22

AUTHORIZING THE ISSUANCE OF

\$4,050,000  
CITY OF COPPERAS COVE, TEXAS  
LIMITED TAX NOTES  
SERIES 2010

Dated: May 1, 2010

Adopted: May 4, 2010

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01.	Definitions.....	2
Section 1.02.	Other Definitions.....	4
Section 1.03.	Findings.....	4
Section 1.04.	Table of Contents, Titles and Headings .....	4
Section 1.05.	Interpretation.....	4

ARTICLE II

SECURITY FOR THE NOTES

Section 2.01.	Tax Levy for Payment of the Notes.....	4
---------------	--	---

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS  
REGARDING THE NOTES

Section 3.01.	Authorization.....	5
Section 3.02.	Date, Denomination, Maturities, Numbers and Interest.....	5
Section 3.03.	Medium, Method and Place of Payment.....	6
Section 3.04.	Execution and Initial Registration.....	7
Section 3.05.	Ownership.....	7
Section 3.06.	Registration, Transfer and Exchange.....	8
Section 3.07.	Cancellation and Authentication.....	8
Section 3.08.	Temporary Notes.....	9
Section 3.09.	Replacement Notes.....	9
Section 3.10.	Book-Entry Only System.....	10
Section 3.11.	Successor Securities Depository; Transfer Outside Book-Entry Only System.....	11
Section 3.12.	Payments to Cede & Co.....	11

ARTICLE IV

REDEMPTION OF NOTES BEFORE MATURITY

Section 4.01.	Optional Redemption.....	11
Section 4.02.	Mandatory Sinking Fund Redemption.....	12
Section 4.03.	Partial Redemption.....	13
Section 4.04.	Notice of Redemption to Owners.....	13
Section 4.05.	Payment Upon Redemption.....	13

Section 4.06.	Effect of Redemption. ....	14
---------------	----------------------------	----

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01.	Appointment of Initial Paying Agent/Registrar .....	14
Section 5.02.	Qualifications .....	14
Section 5.03.	Maintaining Paying Agent/Registrar.....	14
Section 5.04.	Termination .....	15
Section 5.05.	Notice of Change.....	15
Section 5.06.	Agreement to Perform Duties and Functions.....	15
Section 5.07.	Delivery of Records to Successor .....	15

ARTICLE VI

FORM OF THE NOTES

Section 6.01.	Form Generally. ....	15
Section 6.02.	Form of Notes.....	16
Section 6.03.	CUSIP Registration.....	22
Section 6.04.	Legal Opinion.....	22
Section 6.05.	Statement of Insurance .....	22

ARTICLE VII

SALE OF THE NOTES; OFFICIAL STATEMENT; CONTROL  
AND DELIVERY OF THE NOTES

Section 7.01.	Sale of Notes. ....	22
Section 7.02.	Control and Delivery of Notes. ....	23

ARTICLE VIII

CREATION OF FUNDS AND ACCOUNTS; DEPOSIT OF  
PROCEEDS; INVESTMENTS

Section 8.01.	Creation of Funds. ....	24
Section 8.02.	Interest and Sinking Fund. ....	24
Section 8.03.	Acquisition and Construction Fund.....	24
Section 8.04.	Security of Funds .....	25
Section 8.05.	Deposit of Proceeds.....	25
Section 8.06.	Investments.....	25
Section 8.07.	Investment Income .....	26

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01.	Payment of the Notes .....	26
Section 9.02.	Other Representations and Covenants.....	26
Section 9.03.	Provisions Concerning Federal Income Tax Exclusion .....	26
Section 9.04.	No Private Use or Payment and No Private Loan Financing.....	26
Section 9.05.	No Federal Guaranty .....	27
Section 9.06.	Notes are not Hedge Bonds.....	27
Section 9.07.	No-Arbitrage Covenant.....	27
Section 9.08.	Arbitrage Rebate .....	27
Section 9.09.	Information Reporting.....	28
Section 9.10.	Qualified Tax-Exempt Obligations .....	28
Section 9.11.	Continuing Obligation.....	28

## ARTICLE X

### DEFAULT AND REMEDIES

Section 10.01.	Events of Default.....	28
Section 10.02.	Remedies for Default. ....	29
Section 10.03.	Remedies Not Exclusive. ....	29

## ARTICLE XI

### DISCHARGE

Section 11.01.	Discharge.....	29
----------------	----------------	----

## ARTICLE XII

### CONTINUING DISCLOSURE UNDERTAKING

Section 12.01.	Annual Reports.....	29
Section 12.02.	Material Event Notices.....	30
Section 12.03.	Limitations, Disclaimers and Amendments. ....	31

## ARTICLE XIII

### EFFECTIVE IMMEDIATELY

Section 13.01.	Effectiveness .....	32
----------------	---------------------	----

Exhibit A – Description of Annual Disclosure of Financial Information

ORDINANCE NO. 2010-22

AN ORDINANCE OF THE CITY OF COPPERAS COVE, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF COPPERAS COVE, TEXAS, LIMITED TAX NOTES, SERIES 2010, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$4,050,000; AWARDING THE SALE OF SAID NOTES; LEVYING A TAX IN PAYMENT THEREOF; PRESCRIBING THE FORM OF SAID NOTES; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, pursuant to Chapter 1431, Texas Government Code, as amended, the governing body of a municipality is authorized to issue the notes hereinafter authorized (the "Notes") to pay contractual obligations incurred or to be incurred for the purposes set forth in Section 3.01 hereof; and

WHEREAS, this governing body (the "City Council") of the City of Copperas Cove, Texas (the "City"), hereby finds and determines that it is necessary and in the best interest of the City and its citizens to issue such Notes for the purposes herein described and that such Notes shall be payable from and secured by ad valorem taxes levied, within the limits prescribed by law, on all taxable property within the City; and

WHEREAS, the Notes hereinafter authorized shall mature before the seventh anniversary of the date that the Attorney General of the State of Texas approves the Notes, as required by the Act; and

WHEREAS, it is affirmatively found that this City Council is authorized to proceed with the issuance and sale of such Notes as authorized by the Constitution and laws of the State of Texas, particularly the Act; and

WHEREAS, the City Council has found and determined that it is necessary and in the best interest of the City and its citizens that it authorize by this Ordinance the issuance and delivery of its Notes in a single series at this time; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended; Now Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE:

## ARTICLE I

### DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions. Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Ordinance the following terms shall have the meanings specified below:

“Acquisition and Construction Fund” means the acquisition and construction fund established by Section 8.01(a).

“Closing Date” means the date of the initial delivery of and payment for the Notes.

“Code” means the Internal Revenue Code of 1986, as amended.

“Dated Date” shall mean the dated date of the Notes set forth in Section 3.02(a).

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named herein, its office in Austin, Texas, or at such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Event of Default” means any Event of Default as defined in Section 10.01.

“Fiscal Year” means such fiscal year as shall from time to time be set by the City Council.

“Initial Note” means the Note described in Section 3.04(d) and 6.02(d).

“Interest and Sinking Fund” means the interest and sinking fund established by Section 8.01(a).

“Interest Payment Date” means the date or dates upon which interest on the Notes is scheduled to be paid until the maturity of the Notes, such dates being February 15 and August 15 of each year commencing February 15, 2011.

“MSRB” means the Municipal Securities Rule Making Board.

“Note” means any of the Notes.

“Notes” means the City’s notes entitled “City of Copperas Cove, Texas, Limited Tax Notes, Series 2010” authorized to be issued by Section 3.01.

“Ordinance” means this Ordinance.

“Owner” means the person who is the registered owner of a Note or Notes, as shown in the Register.

“Paying Agent/Registrar” means initially Wells Fargo Bank, National Association, or any successor thereto as provided in this Ordinance.

“Paying Agent/Registrar Agreement” means the Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar relating to the Notes.

“Project” has the meaning set forth in Section 3.01.

“Purchaser” means the purchaser of the Notes as specified in Section 7.01.

“Record Date” means the last business day of the month next preceding an Interest Payment Date.

“Register” means the Register specified in Section 3.06(a).

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

“SEC” means the United States Securities and Exchange Commission.

“Special Payment Date” means the Special Payment Date prescribed by Section 3.03(b).

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b).

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of the principal of or interest on Notes as the same become due and payable and remaining unclaimed by the Owners of such Notes for 90 days after the applicable payment or redemption date.

Section 1.02. Other Definitions. The terms “City Council” and “City” shall have the meaning assigned in the preamble to this Ordinance.

Section 1.03. Findings. The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.04. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Article and section references shall mean references to articles and sections of this Ordinance unless designated otherwise.

(c) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Ordinance.

## ARTICLE II

### SECURITY FOR THE NOTES

Section 2.01. Tax Levy for Payment of the Notes.

(a) The City Council hereby declares and covenants that it will provide and levy a tax legally and fully sufficient for payment of the Notes, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations of the City.

(b) In order to provide for the payment of the debt service requirements on the Notes, being (i) the interest on the Notes, and (ii) a sinking fund for their payment at maturity or a sinking fund of two percent per annum (whichever amount is the greater), there is hereby levied for the current year and each succeeding year thereafter, while the Notes or interest thereon remain outstanding and unpaid, an ad valorem tax on each one hundred dollars valuation of taxable property within the City at a rate sufficient, within the limit prescribed by law, to pay such debt service requirements, full allowance being made for delinquencies and costs of collection.

(c) The tax levied by this Section shall be assessed and collected each year and deposited into the Interest and Sinking Fund for the payment of the debt service requirements on the Notes, and the tax shall not be diverted to any other purpose.

(d) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Notes when and as due and payable in accordance with their terms and this Ordinance.

(e) If the liens and provisions of this Ordinance shall be discharged in a manner permitted by Article XI, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit.

### ARTICLE III

#### AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE NOTES

Section 3.01. Authorization. The City’s notes to be designated “City of Copperas Cove, Texas, Limited Tax Notes, Series 2010,” are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, particularly Chapter 1431, Texas Government Code, as amended, in the aggregate principal amount of \$4,050,000 for the purpose of providing funds to: (i) construct improvements to the City’s water and sewer system; (ii) construct road and street improvements within the City (subparagraphs (i) and (ii) are herein collectively referred to as the “Project”); and (iii) pay the costs associated with the issuance of the Notes.

#### Section 3.02. Date, Denomination, Maturities, Numbers and Interest.

(a) The Notes shall be dated May 1, 2010, shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof, and shall be numbered separately from one upward or such other designation acceptable to the City and the Paying Agent/Registrar, except the Initial Note shall be numbered No. T-1.

(b) The Notes shall mature on August 15 in the years and in the principal amounts and shall bear interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2012	\$ 215,000		2015	\$ 235,000	
2013	220,000		2016	3,150,000	
2014	230,000				

(c) Interest shall accrue and be paid on each Note respectively until its maturity or prior redemption, from the later of the Dated Date or the most recent Interest Payment Date to

which interest has been paid or provided for at the rates per annum for each respective maturity specified in the schedule contained in subsection (b) above. Such interest shall be payable semiannually on each Interest Payment Date until maturity or prior redemption. Interest on the Notes shall be calculated on the basis of a 360-day year composed of 12 months of thirty (30) days each.

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of and interest on the Notes shall be paid in lawful money of the United States of America as provided in this Section.

(b) Interest on the Notes shall be payable to the Owners whose names appear in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be at least 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Note appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(c) Interest on the Notes shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment, United States mail, first class postage prepaid, to the address of such person as it appears in the Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements.

(d) The principal of each Note shall be paid to the person in whose name such Note is registered on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Note at the Designated Payment/Transfer Office.

(e) If a date for the payment of the principal of or interest on the Notes is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office 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 a Saturday, Sunday, legal holiday, or day on which such 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.

(f) Subject to any applicable escheat, unclaimed property, or similar law, including Title 6 of the Texas Property Code, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment or redemption date shall be paid to the City and thereafter neither the City, the Paying Agent/Registrar, nor any other person shall be

liable or responsible to any Owners of such Notes for any further payment of such unclaimed moneys or on account of any such Notes.

Section 3.04. Execution and Initial Registration.

(a) The Notes shall be executed on behalf of the City by the Mayor and City Secretary of the City, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Notes shall have the same effect as if each of the Notes had been signed manually and in person by each of said officers, and such facsimile seal on the Notes shall have the same effect as if the official seal of the City had been manually impressed upon each of the Notes.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Notes ceases to be such officer before the authentication of such Notes or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Note shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Notes. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Note delivered on the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Note has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one Note (the "Initial Note") representing the entire principal amount of the Notes, executed by manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the Purchaser or its designee against payment therefor. Upon payment for the Initial Note, the Paying Agent/Registrar shall cancel the Initial Note and deliver to DTC on behalf of the Purchaser one registered definitive Note for each year of maturity of the Notes in the aggregate principal amount of all Notes for such maturity, registered in the name of Cede & Co., as nominee of DTC.

Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Note is registered as the absolute owner of such Note for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Note is registered on the Record Date),

and for all other purposes, whether or not such Note is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Owner of any Note in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Note to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Notes remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Notes in accordance with this Ordinance.

(b) The ownership of a Note may be transferred only upon the presentation and surrender of the Note at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Note shall be effective until entered in the Register.

(c) The Notes shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Note or Notes of the same maturity and interest rate and in any denomination or denominations of any integral multiple of \$5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Notes presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Notes exchanged for other Notes in accordance with this Section.

(d) Each exchange Note delivered by the Paying Agent/ Registrar in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Note or Notes in lieu of which such exchange Note is delivered.

(e) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for any different denomination of any of the Notes. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Note.

(f) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Note called for redemption, in whole or in part, where such redemption is scheduled to occur within forty-five (45) calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Note.

Section 3.07. Cancellation and Authentication. All Notes paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Notes in lieu of which exchange Notes or replacement Notes are authenticated and delivered in accordance with this Ordinance, shall be cancelled upon the making of proper records regarding such payment, redemption,

exchange or replacement. The Paying Agent/Registrar shall dispose of the cancelled Notes in accordance with the Securities Exchange Act of 1934.

Section 3.08. Temporary Notes.

(a) Following the delivery and registration of the Initial Note and pending the preparation of definitive Notes, the proper officers of the City may execute and, upon the City's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Notes that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Notes in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Notes may determine, as evidenced by their signing of such temporary Notes.

(b) Until exchanged for Notes in definitive form, such Notes in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Notes in definitive form; thereupon, upon the presentation and surrender of the Note or Notes in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Notes in temporary form and authenticate and deliver in exchange therefor a Note or Notes of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Note or Notes in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Notes.

(a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Note, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Note of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Note to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Note is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Note has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Note of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Note;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

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

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Note has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Note, may pay such Note.

(e) Each replacement Note delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Note or Notes in lieu of which such replacement Note is delivered.

#### Section 3.10. Book-Entry Only System.

(a) The definitive Notes shall be initially issued in the form of a separate typewritten fully registered Note for each of the maturities thereof. Upon initial issuance, the ownership of such Notes shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Notes shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Notes registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Notes. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Notes, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Notes, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of or interest on the Notes. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Note is registered in the Register as the absolute owner of such Note for the purpose of payment of principal of, premium, if any, and interest on the Notes, for the purpose of all matters with respect to such Note, for the purpose of registering transfer with respect to such Note, and for all

other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Notes only to or upon the order of the respective owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of, premium, if any, and interest on the Notes to the extent of the sum or sums so paid. No person other than an owner, as shown in the Register, shall receive a Note certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

Section 3.11. Successor Securities Depository; Transfer Outside Book-Entry Only System.

In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC, and that it is in the best interest of the beneficial owners of the Notes that they be able to obtain certificated Notes, or in the event DTC discontinues the services described herein, the Issuer or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Notes to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Notes and transfer one or more separate Notes to DTC Participants having Notes credited to their DTC accounts. In such event, the Notes shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Notes shall designate, in accordance with the provisions of this Ordinance.

Section 3.12. Payments to Cede & Co.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Notes are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Notes, and all notices with respect to such Notes, shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

## ARTICLE IV

### REDEMPTION OF NOTES BEFORE MATURITY

Section 4.01. Optional Redemption.

(a) The Notes maturing on August 15, 2016 shall be subject to optional redemption before scheduled maturity, in whole or in part, on August 15, 2015, or on any date thereafter, at a redemption price equal to the principal amount thereof plus interest accrued thereon to the redemption date.

(b) If less than all of the Notes are to be redeemed pursuant to an optional redemption, the City shall determine the principal amount to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Notes for redemption. The City shall allocate such redeemed principal amount against one or more mandatory sinking fund redemption amounts, thereby reducing the amount of principal required to be paid on such mandatory sinking fund redemption date or dates.

(c) The City, at least forty-five (45) days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Notes to be redeemed.

Section 4.02. Mandatory Sinking Fund Redemption.

(a) The Notes maturing in the years \_\_\_\_\_ are subject to mandatory sinking fund redemption prior to their scheduled maturity and will be redeemed by the City in part at a redemption price equal to the principal amount thereof plus interest accrued thereon to the redemption date, on August 15 in each of the years and in the principal amounts shown in the following schedule:

<u>Year</u>	<u>Principal Amounts</u>
-------------	--------------------------

\_\_\_\_\_  
\*Maturity

(b) The principal amount of the Notes required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the City, by the principal amount of the Notes which, at least 45 days prior to a mandatory redemption date (i) shall have been acquired by the City and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City.

(c) The City reserves the right to purchase Notes, in lieu of redemption, at a price not exceeding the principal amount thereof, plus accrued interest, with moneys on deposit in the Interest and Sinking Fund which are available for mandatory redemption of the Notes, and the principal amount of Notes so purchased and delivered to the Paying Agent/Registrar at least 50 days prior to a mandatory redemption date shall be credited against the amount required to be called for redemption in that year.

Section 4.03. Partial Redemption.

(a) Notes shall be redeemed in a principal amount equal to \$5,000 or any integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of the Notes as though it were a single Note for purposes of selection for redemption.

(b) Upon surrender of the Note for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Ordinance and at the request of the Owner thereof, shall authenticate and deliver an exchange Note in an aggregate principal amount equal to the unredeemed portion of the Note so surrendered, such exchange being without charge, notwithstanding any provision of Section 3.06 to the contrary.

Section 4.04. Notice of Redemption to Owners.

(a) In the event of a redemption pursuant to Section 4.01, the Paying Agent/Registrar shall give notice of such redemption of Notes by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Note (or part thereof) to be redeemed, at the address shown in the Register.

(b) The notice shall state the redemption date, the redemption price, the place at which the Notes are to be surrendered for payment, and, if less than all the Notes outstanding are to be redeemed, an identification of the Notes or portions thereof to be redeemed.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

(d) The City reserves the right to give notice of its election or direction to redeem Notes under Section 4.01; provided, that such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time prior to and including the scheduled redemption date upon delivery of written instructions to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice. Upon such rescission, the notice and redemption shall be of no effect. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Notes or portions thereof subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default.

(e) Any notice or instructions given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.05. Payment Upon Redemption.

(a) Before or on each redemption date, the City shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Notes to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise

received by the Paying Agent/Registrar from the City and shall use such funds solely for the purpose of paying the principal of, and accrued interest on the Notes being redeemed.

(b) Upon presentation and surrender of any Note called for redemption at the Designated Payment/Transfer Office of the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, redemption premium, if any, and accrued interest on such Note to the date of redemption from the money set aside for such purpose.

#### Section 4.06. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.04 of this Ordinance and subject, in the case of an optional redemption under Section 4.01, to any conditions or rights reserved by the City under Section 4.04(c), the Notes or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City defaults in its obligation to make provision for the payment of the principal thereof, redemption premium, if any, or accrued interest thereon, such Notes or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Notes are presented and surrendered for payment on such date.

(b) If the City does not make provision for payment of all sums due on a redemption date, then any Note or portion thereof called for redemption shall continue to bear interest at the rate stated on the Note until due provision is made for the payment of same.

### ARTICLE V

#### PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar. Wells Fargo Bank, National Association, is hereby appointed as the initial Paying Agent/Registrar for the Notes.

Section 5.02. Qualifications. Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Notes.

#### Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Notes are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance. The Mayor is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar. The signature of the Mayor shall be attested by the City Secretary.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement.

Section 5.04. Termination. The City, upon not less than 60 days notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided, that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Notes.

Section 5.05. Notice of Change. Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner and any bond insurer by first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, and executing the Paying Agent/Registrar Agreement, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed thereby.

Section 5.07. Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Notes to the successor Paying Agent/Registrar.

## ARTICLE VI

### FORM OF THE NOTES

#### Section 6.01. Form Generally.

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

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

(c) The Notes, including the Initial Note submitted to the Attorney General of Texas and any temporary Notes, shall be typed, printed, lithographed, photocopied or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Notes, as evidenced by their execution thereof.

Section 6.02. Form of Notes. The form of Notes, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Notes, shall be substantially as follows:

(a) [Form of Note]

REGISTERED                      REGISTERED

No. \_\_\_\_\_                      \$ \_\_\_\_\_

United States of America  
State of Texas

CITY OF COPPERAS COVE, TEXAS  
LIMITED TAX NOTES  
SERIES 2010

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP NO.</u>
_____ %	August 15, _____	May 1, 2010	

The City of Copperas Cove (the "City"), in the Counties of Coryell, Lampasas and Bell, State of Texas, for value received, hereby promises to pay to

\_\_\_\_\_

or registered assigns, on the Maturity Date specified above, the sum of

\_\_\_\_\_ DOLLARS

unless the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Dated Date specified above or the most recent interest payment date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, 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 to be paid semiannually on February 15 and August 15 of each year, commencing February 15, 2011.

The principal of this Note shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Note at the corporate trust office in Austin, Texas (the "Designated Payment/Transfer Office"), of Wells Fargo Bank, National Association, as initial Paying Agent/Registrar, or, with respect to a successor Paying Agent/Registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Note is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the person to whom

interest is to be paid. For the purpose of the payment of interest on this Note, the registered owner shall be the person in whose name this Note is registered at the close of business on the "Record Date," which shall be the last business day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Note appearing on the books of the Paying Agent/Registrar at the close of business on the last business day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Notes is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office 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 a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Note is one of a series of fully registered notes specified in the title hereof, issued in the aggregate principal amount of \$4,050,000 (herein referred to as the "Notes"), pursuant to a certain ordinance approved by the City Council of the City (the "Ordinance") for the purpose of providing funds for acquiring and constructing public improvements and acquiring equipment for and within the City, as described in the Ordinance, and to pay the costs of issuance related to the Notes.

The Notes and the interest thereon are payable from the levy of a direct and continuing ad valorem tax levied, within the limit prescribed by law, against all taxable property in the City as described and provided in the Ordinance.

The City has reserved the option to redeem the Notes maturing on August 15, 2016, in whole or in part, on August 15, 2015, or on any date thereafter, at a price equal to the principal amount of the Notes so called for redemption plus accrued interest to the date fixed for redemption. If less than all of the Notes are to be redeemed, the City shall determine the principal amount thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Notes, or portions thereof, for redemption, in accordance with the terms of the Ordinance.

The City shall, not less than 30 days prior to the date of redemption, cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the Owners of the Notes to be redeemed at the address of the Owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice.

In the Ordinance, the City reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Notes conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit

of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Notes subject to conditional redemption and such redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default. Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the City in the notice, the certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any obligation or portion thereof has not been surrendered for payment, interest on such obligation or portion thereof shall cease to accrue.

The Notes maturing on August 15, \_\_\_\_\_ are subject to mandatory sinking fund redemption prior to their scheduled maturity and will be redeemed by the City in part at a redemption price equal to the principal amount thereof plus interest accrued thereon to the redemption date, on August 15 in each of the years and in the principal amounts shown in the following schedule:

<u>Year</u>	<u>Principal Amounts</u>
-------------	--------------------------

\_\_\_\_\_  
\*Maturity

The principal amount of the Notes required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the City, by the principal amount of the Notes which, at least 50 days prior to a mandatory redemption date (i) shall have been acquired by the City and delivered to the Paying Agent/Registrar for cancellation or (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City.

The City reserves the right to purchase Notes, in lieu of redemption, at a price not exceeding the principal amount thereof, plus accrued interest, with moneys on deposit in the

Interest and Sinking Fund which are available for mandatory redemption of the Notes, and the principal amount of Notes so purchased and delivered to the Paying Agent/Registrar at least 50 days prior to a mandatory redemption date shall be credited against the amount required to be called for redemption in that year.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Note is transferable upon surrender of this Note for transfer at the Designated Payment/Transfer Office, with such indorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar, and, thereupon, one or more new fully registered Notes of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Note is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Note be overdue, and neither the City nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Note and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Notes have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Notes, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, this Note has been duly executed on behalf of the City, under its official seal, in accordance with law.

\_\_\_\_\_  
Jane Lees, City Secretary  
City of Copperas Cove, Texas

\_\_\_\_\_  
John Hull, Mayor  
City of Copperas Cove, Texas

(b) Form of Certificate of Paying Agent/Registrar

CERTIFICATE OF PAYING AGENT/REGISTRAR

This is one of the Notes referred to in the within mentioned Ordinance. The series of Notes of which this Note is a part was originally issued as one Initial Note which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

WELLS FARGO BANK, NATIONAL  
ASSOCIATION,  
as Paying Agent/Registrar

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

By: \_\_\_\_\_  
Authorized Signatory

(c) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and Zip Code of transferee): \_\_\_\_\_

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

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

Signature Guaranteed By:

\_\_\_\_\_

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

(d) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Note:

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER §  
OF PUBLIC ACCOUNTS § REGISTER NO. \_\_\_\_\_  
THE STATE OF TEXAS §

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Note, and that this Note has been registered this day by me.

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

Comptroller of Public Accounts of the  
State of Texas

[SEAL]

(e) Initial Note Insertions.

The Initial Note shall be in the form set forth in paragraphs (a), (c) and (d) of this Section, except for the following alterations:

(i) immediately under the name of the Note, the headings “INTEREST RATE” and “MATURITY DATE” shall both be completed with the words “As shown below” and the words “CUSIP NUMBER” deleted; and

(ii) in the first paragraph of the Note, the words “on the Maturity Date specified above,” shall be deleted and the following will be inserted: “on August 15 in each of the years, in the principal installments and bearing interest at the per annum rates in accordance with the following schedule:

<u>Year</u>	<u>Principal Installment</u>	<u>Interest Rate</u>
-------------	----------------------------------	--------------------------

(Information to be inserted from  
schedule in Section 3.02 of this Ordinance)

Section 6.03. CUSIP Registration. The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor’s Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Notes. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Notes shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Notes as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Notes.

Section 6.04. Legal Opinion. The approving legal opinion of Vinson & Elkins L.L.P., Bond Counsel, may be printed on or attached to each Note over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 6.05. Statement of Insurance. A statement relating to a municipal bond insurance policy, if any, to be issued for the Notes may be printed on or attached to each Note.

## ARTICLE VII

### SALE OF THE NOTES; OFFICIAL STATEMENT; CONTROL AND DELIVERY OF THE NOTES

Section 7.01. Sale of Notes.

(a) The Notes are hereby sold and awarded and shall be delivered to \_\_\_\_\_ (the “Purchaser”), at a price equal to the principal amount thereof, plus accrued interest from the Dated Date to the Closing Date. It is hereby found, determined and declared that the bid of the Purchaser is the best and lowest bid submitted for the Notes. The Notes shall be initially registered in the name of the Purchaser or its designee.

(b) The form and substance of the Preliminary Official Statement, and any addenda, supplement or amendment thereto, and the final Official Statement (the "Official Statement") presented to and considered at this meeting, are hereby in all respects approved and adopted, and the Preliminary Official Statement is hereby deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The Mayor and City Secretary of the City are hereby authorized and directed to execute the same and deliver appropriate numbers of copies thereof to the Purchaser. The Official Statement as thus approved and delivered, with such appropriate variations as shall be approved by the Mayor of the City and the Purchaser, may be used by the Purchaser in the public offering and sale thereof. The use and distribution of the Preliminary Official Statement in the public offering of the Bonds by the Purchaser is hereby ratified, approved and confirmed. The City Secretary is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Official Statement and the preliminary public offering of the Bonds by the Purchaser is hereby ratified, approved and confirmed.

(c) All officers and officials of the City are authorized to take such actions and to execute such documents, certificates and receipts, and to make such elections with respect to the tax-exempt status of the Notes, as they may deem necessary and appropriate in order to consummate the delivery of the Notes. Further, in connection with the submission of the record of proceedings for the Notes to the Attorney General of the State of Texas for examination and approval of such Notes, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10th of 1% of the principal amount of the Notes or (ii) \$9,500).

(d) The obligation of the Purchaser identified in subsection (a) of this Section to accept delivery of the Notes is subject to the Purchaser being furnished with the final, approving opinion of Vinson & Elkins L.L.P., Bond Counsel for the City, which opinion shall be dated as of and delivered on the Closing Date.

(e) Bond Counsel is hereby authorized to make such nonsubstantive changes to the terms of this Ordinance if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Notes by the Attorney General of Texas.

#### Section 7.02. Control and Delivery of Notes.

(a) The Mayor is hereby authorized to have control of the Initial Note and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Notes shall be made to the Purchaser under and subject to the general supervision and direction of the Mayor, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor or City Secretary is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem and the Assistant City Secretary, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant City Secretary shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor and City Secretary, respectively.

## ARTICLE VIII

### CREATION OF FUNDS AND ACCOUNTS; DEPOSIT OF PROCEEDS; INVESTMENTS

#### Section 8.01. Creation of Funds.

(a) The City hereby establishes the following special funds or accounts:

(i) The City of Copperas Cove, Texas, Limited Tax Notes, Series 2010, Interest and Sinking Fund; and

(ii) The City of Copperas Cove, Texas, Limited Tax Notes, Series 2010, Acquisition and Construction Fund.

(b) Each of said funds or accounts shall be maintained at an official depository of the City.

#### Section 8.02. Interest and Sinking Fund.

(a) The taxes levied under Section 2.01 shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on the Notes.

(b) If the amount of money in the Interest and Sinking Fund is at least equal to the aggregate principal amount of the outstanding Notes plus the aggregate amount of interest due and that will become due and payable on such Notes, no further deposits to that fund need be made.

(c) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on the Notes as such become due and payable.

#### Section 8.03. Acquisition and Construction Fund.

(a) Money on deposit in the Acquisition and Construction Fund, including investment earnings thereof, shall be used for the purposes specified in Section 3.01 of this Ordinance.

(b) All amounts remaining in the Acquisition and Construction Fund after the accomplishment of the purposes for which the Notes are hereby issued, including investment earnings of the Acquisition and Construction Fund, shall be deposited into the Interest and Sinking Fund.

Section 8.04. Security of Funds. All moneys on deposit in the funds referred to in this Ordinance shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

Section 8.05. Deposit of Proceeds.

On the Closing Date, the proceeds of the Notes shall be applied as follows:

(a) An amount equal to the accrued interest on the Notes shall be deposited to the Interest and Sinking Fund; and

(b) The remaining proceeds of the Notes shall be deposited to the Acquisition and Construction Fund and applied to the payment of the costs of the Project and the costs of issuing the Notes as provided in Section 3.01. Amounts remaining in the Acquisition and Construction Fund after payment of costs of the Project and costs of issuing the Notes shall be deposited to the Interest and Sinking Fund and applied to the payment of debt service on the Notes.

Section 8.06. Investments.

(a) Money in the Interest and Sinking Fund and the Acquisition and Construction Fund, at the option of the City, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

Section 8.07. Investment Income. Interest and income derived from investment of any fund created by this Ordinance shall be credited to such fund.

## ARTICLE IX

### PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Notes. While any of the Notes are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay the interest on and the principal of the Notes, as applicable, as will accrue or mature on each applicable Interest Payment Date.

Section 9.02. Other Representations and Covenants.

(a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Note; the City will promptly pay or cause to be paid the principal of and interest on each Note on the dates and at the places and manner prescribed in such Note; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The City is duly authorized under the laws of the State of Texas to issue the Notes; all action on its part for the creation and issuance of the Notes has been duly and effectively taken; and the Notes in the hands of the Owners thereof are and will be valid and enforceable obligations of the City in accordance with their terms.

Section 9.03. Provisions Concerning Federal Income Tax Exclusion. The City intends that the interest on the Notes shall be excludable from gross income for purposes of federal income taxation pursuant to sections 103 and 141 through 150 of the Code, and the applicable Treasury regulations promulgated thereunder the (“Regulations”). The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would cause the interest on the Notes to be includable in the gross income, as defined in section 61 of the Code, of the holders thereof for purposes of federal income taxation. In particular, the City covenants and agrees to comply with each requirement of Sections 9.03 through 9.10 of this Article IX; provided, however, that the City shall not be required to comply with any particular requirement of Sections 9.03 through 9.10 of this Article IX if the City has received an opinion of nationally recognized bond counsel (“Counsel’s Opinion”) that such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Notes or if the City has received a Counsel’s Opinion to the effect that compliance with some other requirement set forth in Sections 9.03 through 9.10 of this Article IX will satisfy the applicable requirements of the Code, in which case compliance with such other requirement specified in such Counsel’s Opinion shall constitute compliance with the corresponding requirement specified in Sections 9.03 through 9.10 of this Article IX.

Section 9.04. No Private Use or Payment and No Private Loan Financing. The City covenants and agrees that it will make such use of the proceeds of the Notes, including interest or

other investment income derived from Note proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Notes will not be “private activity bonds” within the meaning of section 141 of the Code and the Regulations. Moreover, the City shall certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Notes are delivered, the proceeds of the Notes will not be used in a manner that would cause the Notes to be “private activity bonds” within the meaning of section 141 of the Code and the Regulations.

Section 9.05. No Federal Guaranty. The City covenants and agrees that it has not taken and will not take any action, and has not knowingly omitted and will not knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Notes to be “federally guaranteed” within the meaning of section 149(b) of the Code and the Regulations, except as permitted by section 149(b)(3) of the Code and the Regulations.

Section 9.06. Notes are not Hedge Bonds. The City covenants and agrees that it has not taken and will not take any action, and has not knowingly omitted and will not knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Notes to be “hedge bonds” within the meaning of section 149(g) of the Code and the Regulations.

Section 9.07. No-Arbitrage Covenant. Moreover, the City covenants and agrees that it will make such use of the proceeds of the Notes including interest or other investment income derived from Note proceeds, regulate investments of proceeds of the Notes and take such other and further action as may be required so that the Notes will not be “arbitrage bonds” within the meaning of section 148(a) of the Code and the Regulations. The City shall certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Notes are delivered, the City will reasonably expect that the proceeds of the Notes will not be used in a manner that would cause the Notes to be “arbitrage bonds” within the meaning of section 148(a) of the Code and the Regulations.

Section 9.08. Arbitrage Rebate. If the City does not qualify for an exception to the requirements of Section 148(f) of the Code, the City will take all necessary steps to comply with the requirement that certain amounts earned by the City on the investment of the “gross proceeds” of the Notes (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the City will (i) maintain records regarding the investment of the gross proceeds of the Notes as may be required to calculate the amount earned on the investment of the gross proceeds of the Notes separately from records of amounts on deposit in the funds and accounts of the City allocable to other debt issues of the City or moneys which do not represent gross proceeds of any debt issue of the City, (ii) calculate at such times as are required by the Regulations, the amount earned from the investment of the gross proceeds of the Notes which is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Notes or on such other dates as may be permitted under the Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by

entering into any investment arrangement with respect to the gross proceeds of the Notes that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

Section 9.09. Information Reporting. The City covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Notes are issued, an information statement concerning the Notes, all under and in accordance with section 149(e) of the Code and the Regulations.

Section 9.10. Qualified Tax-Exempt Obligations. The City hereby designates the Notes as "qualified tax-exempt obligations" for purposes of section 265(b) of the Code. In connection therewith, the City represents (a) that the aggregate amount of tax-exempt obligations issued by the City during calendar year 2010, including the Notes, which have been designated as "qualified tax-exempt obligations" under section 265(b)(3) of the Code does not exceed \$30,000,000, and (b) that the reasonably anticipated amount of its tax-exempt obligations which will be issued by the City during calendar year 2010, including the Notes, will not exceed \$30,000,000. For purposes of this Section 9.10, the term "tax-exempt obligations" does not include "private activity bonds" within the meaning of section 141 of the Code, other than "qualified 501(c)(3) bonds" within the meaning of section 145 of the Code. In addition, for purposes of this Section 9.10, the City includes all governmental units which are aggregate with the City under section 265(b) of the Code.

Section 9.11. Continuing Obligation. Notwithstanding any other provision of this Ordinance, the City's obligations under the covenants and provisions of Sections 9.03 through 9.10 of this Article IX shall survive the defeasance and discharge of the Notes.

## ARTICLE X

### DEFAULT AND REMEDIES

Section 10.01. Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an "Event of Default," to-wit:

- (i) the failure to make payment of the principal of, redemption premium, if any, or interest on any of the Notes when the same becomes due and payable; or
- (ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Owner to the City.

Section 10.02. Remedies for Default.

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

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Notes then outstanding.

Section 10.03. Remedies Not Exclusive.

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

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

ARTICLE XI

DISCHARGE

Section 11.01. Discharge. The City reserves the right to defease, discharge or refund the Notes in any manner permitted by applicable law.

ARTICLE XII

CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Annual Reports.

(a) The City shall provide annually to the MSRB, within six (6) months after the end of each Fiscal Year, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the information described in Exhibit A hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit A hereto, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable Fiscal Year to the MSRB.

Thereafter, when and if audited financial statements become available, the City shall provide such audited financial statements as required to the MSRB.

(b) 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.

(c) The financial information and operating data 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 (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

Section 12.02. Material Event Notices.

(a) The City shall notify the MSRB, in a timely manner, of any of the following events with respect to the Notes, if such event is material within the meaning of the federal securities laws:

- (i) principal and interest payment delinquencies;
  - (ii) nonpayment related defaults;
  - (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
  - (v) substitution of credit or liquidity providers, or their failure to perform;
  - (vi) adverse tax opinions or events affecting the tax exempt status of the Bonds;
  - (vii) modifications to rights of Owners;
  - (viii) bond calls;
  - (ix) defeasance;
  - (x) release, substitution, or sale of property securing repayment of the Notes;
- and
- (xi) rating changes.

(b) 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 Section 12.02 of this Ordinance by the time required by such Section.

Section 12.03. Limitations, Disclaimers and Amendments.

(a) The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an “obligated person” with respect to the Notes within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Article XI that causes Notes no longer to be Outstanding.

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Notes, and nothing in this Article, 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 Article 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 Article 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 Notes at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY NOTE 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 ARTICLE, 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.

(c) No default by the City in observing or performing its obligations under this Article shall comprise a breach of or default under the Ordinance for purposes of any other provisions of this Ordinance.

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

(e) The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (i) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Notes in the primary offering of the Notes 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 (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the Outstanding Notes 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 Owners and beneficial owners of the Notes. The provisions of this Article 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 the Purchaser of the initial public offering of the Notes from lawfully purchasing or selling Notes in such offering. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.02 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.

### ARTICLE XIII

#### EFFECTIVE IMMEDIATELY

Section 13.01. Effectiveness. This Ordinance shall become effective immediately upon its adoption at this meeting pursuant to Section 1201.028, Texas Government Code.

**PASSED AND APPROVED** this 4th day of May 2010, by the City Council of the City of Copperas Cove, Texas.

*Signature Page for Ordinance*

## EXHIBIT A

### DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

The following information is referred to in Article XII of this Ordinance:

#### Annual Financial Statements and Operating Data

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

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded Fiscal Year.
2. Statistical and financial data set forth in Tables numbered 1 through 4 and 6 through 16, each inclusive.

#### Accounting Principles

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

**2010 Tax Notes**  
**Summary of Debt Issuance by Fund**

<b>Tax Supported Projects</b>	<b><u>\$ 160,000</u></b>
<b>Water and Sewer Projects</b>	<b><u>\$ 3,805,000</u></b>
<b>Bond Issuance Costs</b>	<b><u>\$ 85,000</u></b>
<b>Total 2010 Tax Note Issue</b>	<b><u><u>\$ 4,050,000</u></u></b>

# City of Copperas Cove

## City Council Agenda Item Report

May 4, 2010

### Agenda Item No. I-4

Contact – Wanda Bunting, Director of Financial Services, 547-4221  
wbunting@ci.copperas-cove.tx.us

---

**SUBJECT:** Consider and take action with respect to an Ordinance of the City of Copperas Cove, Texas, authorizing the issuance and sale of City of Copperas Cove, Texas, General Obligation Bonds, Series 2010, in the aggregate principal amount of \$4,685,000; levying a tax in payment thereof; authorizing the execution and delivery of a paying agent / registrar agreement; approving the official statement; and enacting other provisions relating thereto.

---

#### 1. BACKGROUND/HISTORY

The citizens of Copperas Cove authorized general obligation bonds to complete street improvements to include the Northeast Bypass and water and sewer infrastructure improvements to include the Northeast Sewer Line at the election in November 2008. Furthermore, the City Council approved reimbursement resolutions for the projects in anticipation of the General Obligation Bond debt issue.

#### 2. FINDINGS/CURRENT ACTIVITY

City staff summarized the proposed debt issue to include the various items that were previously presented and approved by City Council and proceeded to work with the City's Financial Advisors, Special Public Financing, on the general obligation debt issuance. The following projects are included in the proposed issuance:

- Northeast Bypass
- Northeast Sewer Line

While the principal of and interest on the bonds are secured by and payable from ad valorem taxes, the City expects the debt service on the portion of the bonds related to the Northeast Sewer Line project will be paid from revenue generated in the Water and Sewer Fund to the extent funds are available for such purposes. The City sets aside debt service payments in all funds as the first priority.

The total debt issuance amount is \$4,685,000. Special Public Financing secured a bid of X.X percent for a term of twenty-five (25) years on the proposed issuance.

**3. FINANCIAL IMPACT**

Attached is a copy of the summary of debt issuance by fund, debt service schedule, ordinance, and other issuance documents for Council review.

**4. ACTION OPTIONS/RECOMMENDATION**

City Staff recommends that the City Council approve an Ordinance providing for the issuance of the City of Copperas Cove, Texas, General Obligation Bonds, Series 2010.

---

ORDINANCE NO. 2010-23

AUTHORIZING THE  
ISSUANCE OF

\$4,685,000  
CITY OF COPPERAS COVE, TEXAS  
GENERAL OBLIGATION BONDS  
SERIES 2010

Dated: May 1, 2010

Adopted: May 4, 2010

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions.....2  
Section 1.02. Findings.....3  
Section 1.03. Table of Contents, Titles and Headings.....4  
Section 1.04. Interpretation.....4

ARTICLE II

SECURITY FOR THE BONDS; INTEREST AND SINKING FUND

Section 2.01. Tax Levy.....4  
Section 2.02. Interest and Sinking Fund.....5

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.01. Authorization.....5  
Section 3.02. Date, Denomination, Maturities and Interest.....5  
Section 3.03. Medium, Method and Place of Payment.....6  
Section 3.04. Execution and Registration of Bonds.....7  
Section 3.05. Ownership.....8  
Section 3.06. Registration, Transfer and Exchange.....8  
Section 3.07. Cancellation.....9  
Section 3.08. Temporary Bonds.....9  
Section 3.09. Replacement Bonds.....10  
Section 3.10. Book-Entry Only System.....11  
Section 3.11. Successor Securities Depository; Transfer Outside Book-Entry Only System.....11  
Section 3.12. Payments to Cede & Co.....12

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.01. Limitation on Redemption.....12  
Section 4.02. Optional Redemption.....12  
Section 4.03. Mandatory Sinking Fund Redemption.....12  
Section 4.04. Partial Redemption.....13  
Section 4.05. Notice of Redemption to Owners.....14  
Section 4.06. Payment Upon Redemption.....14  
Section 4.07. Effect of Redemption.....15

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.....15  
Section 5.02. Qualifications.....15  
Section 5.03. Maintaining Paying Agent/Registrar. ....15  
Section 5.04. Termination.....15  
Section 5.05. Notice of Change to Owners.....16  
Section 5.06. Agreement to Perform Duties and Functions.....16  
Section 5.07. Delivery of Records to Successor.....16

ARTICLE VI

FORM OF THE BONDS

Section 6.01. Form Generally.....16  
Section 6.02. Form of the Bonds. ....17  
Section 6.03. CUSIP Registration.....23  
Section 6.04. Legal Opinion. ....23  
Section 6.05. Statement of Insurance.....23

ARTICLE VII

SALE AND DELIVERY OF BONDS; OFFICIAL STATEMENT; DEPOSIT OF PROCEEDS

Section 7.01. Sale of Bonds, Official Statement.....23  
Section 7.02. Control and Delivery of Bonds.....24  
Section 7.03. Deposit of Proceeds. ....25

ARTICLE VIII

INVESTMENTS

Section 8.01. Investments.....25  
Section 8.02. Investment Income.....25

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Bonds.....26  
Section 9.02. Other Representations and Covenants.....26  
Section 9.03. Provisions Concerning Federal Income Tax Exclusion.....26  
Section 9.04. No Private Use or Payment and No Private Loan Financing.....27  
Section 9.05. No Federal Guaranty.....27  
Section 9.06. Bonds are not Hedge Bonds.....27  
Section 9.07. No-Arbitrage Covenant.....27

Section 9.08. Arbitrage Rebate. ....	27
Section 9.09. Information Reporting. ....	28
Section 9.10. Qualified Tax-Exempt Obligations. ....	28
Section 9.11. Continuing Obligation. ....	28

ARTICLE X

DEFAULT AND REMEDIES

Section 10.01. Events of Default. ....	28
Section 10.02. Remedies for Default. ....	29
Section 10.03. Remedies Not Exclusive. ....	29

ARTICLE XI

DISCHARGE

Section 11.01. Discharge. ....	29
--------------------------------	----

ARTICLE XII

CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Annual Reports. ....	30
Section 12.02. Material Event Notices. ....	30
Section 12.03. Limitations, Disclaimers and Amendments. ....	31

ARTICLE XIII

EFFECTIVE IMMEDIATELY

Section 13.01. Effective Immediately. ....	32
--	----

Exhibit A - Description of Annual Disclosure of Financial Information

ORDINANCE NO. 2010-23

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF COPPERAS COVE, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2010, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$4,685,000; LEVYING A TAX IN PAYMENT THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT; APPROVING THE OFFICIAL STATEMENT; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, the bonds hereinafter authorized were duly and favorably voted, as required by the Constitution and laws of the State of Texas, at an election held in the City of Copperas Cove, Texas (the "City"); and

WHEREAS, at an election held on November 4, 2008, the following are among the purposes and amounts of bonds which were authorized, reflecting any amount previously issued pursuant to each voted authorization, the amount therefrom being issued, if any, pursuant to this Ordinance, and the balance that remains unissued after the issuance of the bonds herein authorized, to wit:

<u>Purpose</u>	<u>Amount Voted</u>	<u>Amount Previously Issued</u>	<u>Amount Being Issued</u>	<u>Unissued Balance</u>
<u>2008 Election</u>				
Street Improvements	\$ 8,025,000	\$ 1,070,000	\$ 1,425,000	\$ 5,530,000
Waterworks and Sewer System Bonds	5,125,000	-0-	3,260,000	1,865,000

WHEREAS, the City Council has found and determined that it is necessary and in the best interest of the City and its citizens that it authorize by this Ordinance the issuance and delivery of its bonds in a single series at this time; and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended; therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:

## ARTICLE I

### DEFINITIONS AND OTHER PRELIMINARY MATTERS

#### Section 1.01. Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise in this Ordinance, the following terms shall have the meanings specified below:

“Bond” means any of the Bonds.

“Bond Date” means the date designated as the date of the Bonds by Section 3.02(a) of this Ordinance.

“Bonds” means the City’s bonds authorized to be issued by Section 3.01 of this Ordinance and designated as “City of Copperas Cove, Texas, General Obligation Bonds, Series 2010.”

“Business Day” means any day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office is located are generally authorized or obligated by law or executive order to close.

“City” means the City of Copperas Cove, Texas.

“Closing Date” means the date of the initial delivery of and payment for the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named herein, its office in Austin, Texas, or at such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Event of Default” means any event of default as defined in Section 10.01 of this Ordinance.

“Fiscal Year” means such fiscal year as shall from time to time be set by the City Council.

“Initial Bond” means the Initial Bond authorized by Section 3.04 of this Ordinance.

“Interest and Sinking Fund” means the interest and sinking fund established by Section 2.02 of this Ordinance.

“Interest Payment Date” means the date or dates on which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being February 15 and August 15, commencing February 15, 2011.

“MSRB” means the Municipal Securities Rulemaking Board.

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

“Paying Agent/Registrar” means initially Wells Fargo Bank, National Association, Austin, Texas, or any successor thereto as provided in this Ordinance.

“Project” means the purposes for which the Bonds are issued as set forth in Section 3.01(i).

“Purchaser” means the entity or person to whom the sale of the Bonds is awarded.

“Record Date” means the last Business Day of the month next preceding an Interest Payment Date.

“Register” means the bond register specified in Section 3.06(a) of this Ordinance.

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

“SEC” means the United States Securities and Exchange Commission.

“Special Payment Date” means the Special Payment Date prescribed by Section 3.03(b) of this Ordinance.

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b) of this Ordinance.

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of principal of, redemption premium, if any, or interest on the Bonds as the same come due and payable or money set aside for the payment of Bonds duly called for redemption prior to maturity.

#### Section 1.02. Findings.

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

Section 1.03. Table of Contents, Titles and Headings.

The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.04. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Any action required to be taken on a date which is not a Business Day shall be taken on the next succeeding Business Day and have the same effect as if taken on the date so required.

(c) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Ordinance.

(d) Article and section references shall mean references to articles and sections of this Ordinance unless otherwise designated.

ARTICLE II

SECURITY FOR THE BONDS; INTEREST AND SINKING FUND

Section 2.01. Tax Levy.

(a) Pursuant to the authority granted by the Texas Constitution and the laws of the State of Texas, there shall be levied and there is hereby levied for the current year and for each succeeding year thereafter while any of the Bonds or any interest thereon is outstanding and unpaid, an ad valorem tax on each one hundred dollars valuation of taxable property within the City, at a rate sufficient, within the limit prescribed by law, to pay the debt service requirements of the Bonds, being (i) the interest on the Bonds, and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% per annum (whichever amount is greater), when due and payable, full allowance being made for delinquencies and costs of collection.

(b) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the City most recently approved in accordance with law and the money thus collected shall be deposited as collected to the Interest and Sinking Fund.

(c) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Bonds when and as due and payable in accordance with their terms and this Ordinance.

Section 2.02. Interest and Sinking Fund.

(a) The City hereby establishes a special fund or account, to be designated the “City of Copperas Cove, Texas, General Obligation Bonds, Series 2010, Interest and Sinking Fund,” said fund to be maintained at an official depository bank of the City separate and apart from all other funds and accounts of the City.

(b) Money on deposit in or required by this Ordinance to be deposited to the Interest and Sinking Fund shall be used solely for the purpose of paying the interest on and principal of the Bonds when and as due and payable in accordance with their terms and this Ordinance.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS  
REGARDING THE BONDS

Section 3.01. Authorization.

The City’s bonds to be designated “City of Copperas Cove, Texas, General Obligation Bonds, Series 2010,” are hereby authorized to be issued and delivered in accordance with Tex. Const. art. XI, Sec. 5, Chapter 1331, Texas Government Code. The Bonds shall be issued in the aggregate principal amount of \$4,685,000, for the purpose of providing funds to (a) make the following permanent public improvements authorized in the following amount, to wit: (i) \$1,425,000 for constructing, acquiring and improving city streets, including, without limitation, reconstructing Lutheran Church Road, Southeast Bypass, and Northeast Bypass and acquiring land and interests in land in connection therewith, and (ii) \$3,260,000 for extending and improving the City’s waterworks and sewer system, including acquiring land and interests in land in connection therewith (collectively, the “Project”), and (b) pay the costs of issuing the Bonds.

Section 3.02. Date, Denomination, Maturities and Interest.

(a) The Bonds shall be dated May 1, 2010. The Bonds shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof, and shall be numbered separately from one upward or such other designation acceptable to the City and the Paying Agent/Registrar, except the Initial Bond, which shall be numbered T-1.

(b) The Bonds shall mature on August 15 in the years and in the principal amounts and shall bear interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2012	\$ 95,000		2023	\$ 185,000	
2013	100,000		2024	195,000	
2014	105,000		2025	200,000	
2015	130,000		2026	210,000	
2016	135,000		2027	220,000	
2017	135,000		2028	230,000	
2018	145,000		2029	245,000	
2019	150,000		2030	250,000	
2020	160,000		2031	265,000	
2021	165,000		2032	280,000	
2022	170,000		2033	290,000	
			2034	305,000	
			2035	320,000	

(c) Interest shall accrue and be paid on each Bond respectively until its maturity or prior redemption, from the later of the Bond Date or the most recent Interest Payment Date to which interest has been paid or provided for at the rates per annum for each respective maturity specified in the schedule contained in subsection (b) above. Such interest shall be payable semiannually on each Interest Payment Date until maturity or prior redemption. Interest on the Bonds shall be calculated on the basis of a 360-day year composed of 12 months of thirty (30) days each.

**Section 3.03. Medium, Method and Place of Payment.**

(a) The principal of and interest on the Bonds shall be paid in lawful money of the United States of America.

(b) Interest on the Bonds shall be payable to the Owners as shown in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest 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 (the “Special Payment Date,” which date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Bond appearing in the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest on each Bond shall be paid by check, dated as of the Interest Payment Date, and mailed on or before such Interest Payment Date, by first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each Owner as it appears in the Register, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the Owner; provided, however, that such Owner shall bear all risk and expense of such other customary banking arrangements.

(d) The principal of each Bond shall be paid to the Owner thereof on the due date (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Bond at the Designated Payment/Transfer Office.

(e) If the date for the payment of the principal of or interest on the Bonds is not a Business Day, the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

(f) Unclaimed Payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such Unclaimed Payments pertain. Subject to Title 6 of the Texas Property Code, any Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment or redemption date shall be applied to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains three years after the retirement of all outstanding Bonds, such money shall be paid to the City to be used for any lawful purpose. Thereafter, neither the City, the Paying Agent/Registrar nor any other person shall be liable or responsible to any holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to Title 6 of the Texas Property Code.

#### Section 3.04. Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the City by the Mayor and the City Secretary, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the City had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying

Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by her duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and that it has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one initial Bond (the "Initial Bond"), representing the entire principal amount of all Bonds, payable in stated installments to the initial purchaser, or its designee, executed by the manual or facsimile signatures of the Mayor and City Secretary of the City, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the initial purchaser or its designee. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to DTC on behalf of the Purchaser one registered definitive Bond for each year of maturity of the Bonds in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC.

#### Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof, for the further purpose of making and receiving payment of the interest thereon, and for all other purposes (except interest will be paid to the person in whose name such bond is registered on the Record Date or Special Record Date, as applicable), whether or not such Bond is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of a Bond shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

#### Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Bonds remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Ordinance.

(b) The ownership of a Bond may be transferred only upon the presentation and surrender of the Bond at the Designated Payment/Transfer Office with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office for a Bond or Bonds of the same maturity and interest

rate and in any denomination or denominations of any integral multiple of \$5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Bonds presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) Each exchange Bond delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered.

(e) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Bond.

(f) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond called for redemption, in whole or in part, within forty-five (45) calendar days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

#### Section 3.07. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Ordinance, shall be cancelled and proper records shall be made regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall dispose of cancelled Bonds in accordance with the Securities Exchange Act of 1934.

#### Section 3.08. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of the City may execute and, upon the City's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and shall authenticate and deliver in

exchange therefor Bonds of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar to save it and the City harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

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

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the City and shall be entitled to the benefits and

security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.10. Book-Entry Only System.

The definitive Bonds shall be initially issued in the form of a separate typewritten fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of such Bonds shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Bondholder, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Bondholder, as shown in the Register of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on the Bonds, for the purpose of all matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

Section 3.11. Successor Securities Depository; Transfer Outside Book-Entry Only System.

In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the Issuer or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and

transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.12. Payments to Cede & Co.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.01. Limitation on Redemption.

The Bonds shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.02. Optional Redemption.

(a) The City reserves the option to redeem Bonds maturing on and after August 15, 2021, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof before their respective scheduled maturity dates, on August 15, 2020, or on any date thereafter, such redemption date or dates to be fixed by the City, at a price equal to the principal amount of the Bonds so called for redemption plus accrued interest to the date fixed for redemption.

(b) If less than all of the Bonds are to be redeemed pursuant to an optional redemption, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Bonds, or portions thereof, within such maturity or maturities and in such principal amounts for redemption.

(c) The City, at least forty-five (45) days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Bonds to be redeemed.

Section 4.03. Mandatory Sinking Fund Redemption.

(a) The Bonds stated to mature on August 15 in each of the years\_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ (the "Term Bonds") are subject to scheduled mandatory redemption and will be redeemed by the City, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the

Interest and Sinking Fund, on August 15 in the years and in the respective principal amounts as set forth in the following schedule:

Term Bonds Maturing August 15, \_\_\_\_\_

<u>Redemption Date</u> <u>(August 15)</u>	<u>Principal</u> <u>Amount</u>
(maturity)	\$

Term Bonds Maturing August 15, \_\_\_\_\_

<u>Redemption Date</u> <u>(August 15)</u>	<u>Principal</u> <u>Amount</u>
(maturity)	\$

(b) At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.05.

(c) The principal amount of the Term Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option of the City, by the principal amount of any Term Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) 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 (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.04. Partial Redemption.

(a) A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. If such a Bond is to be partially redeemed, the Paying Agent/Registrar shall treat each \$5,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption.

(b) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Ordinance, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge, notwithstanding any provision of Section 3.06 to the contrary.

(c) The Paying Agent/Registrar shall promptly notify the City in writing of the principal amount to be redeemed of any Bond as to which only a portion thereof is to be redeemed.

Section 4.05. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown in the Register at the close of business on the Business Day next preceding the date of mailing such notice.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

(c) The City reserves the right to give notice of its election or direction to redeem Bonds under Section 4.02; provided, that such notice may state that (i) the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) the City retains the right to rescind such notice at any time prior to and including the scheduled redemption date upon delivery of written instructions to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice. Upon such rescission, the notice and redemption shall be of no effect. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default.

(d) Any notice or instructions given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.06. Payment Upon Redemption.

(a) Before or on each redemption date, the City shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the City and shall use such funds solely for the purpose of paying the principal of, redemption premium, if any, and accrued interest on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the Designated Payment/Transfer Office on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, redemption premium, if any, and accrued interest on such Bond to the date of redemption from the money set aside for such purpose.

Section 4.07. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.04 of this Ordinance and subject, in the case of an optional redemption under Section 4.02, to any conditions or rights reserved by the City under Section 4.04(c), the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City defaults in its obligation to make provision for the payment of the principal thereof, redemption premium, if any, or accrued interest thereon, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If the City shall fail to make provision for payment of all sums due on a redemption date, then any Bond or portion thereof called for redemption shall continue to bear interest at the rate stated on the Bond until due provision is made for the payment of same.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

Wells Fargo Bank, National Association, Austin, Texas, is hereby appointed as the initial Paying Agent/Registrar for the Bonds.

Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Bonds.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Bonds are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance. The Mayor is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar in substantially the form presented at this meeting, the form, terms and provisions of which are hereby approved. The signature of the Mayor shall be attested by the City Secretary.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement, provided no such resignation shall be effective until a successor Paying Agent/Registrar has accepted the duties of Paying Agent/Registrar for the Bonds.

Section 5.04. Termination.

The City, upon not less than sixty (60) days notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to

be terminated written notice of such termination, provided, that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Bonds.

Section 5.05. Notice of Change to Owners.

Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner by first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions.

By accepting the appointment as Paying Agent/Registrar and executing the Paying Agent/Registrar Agreement, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed thereby.

Section 5.07. Delivery of Records to Successor.

If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

## ARTICLE VI

### FORM OF THE BONDS

Section 6.01. Form Generally.

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

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

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

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

Section 6.02. Form of the Bonds.

The form of the Bonds, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, to accompany the Initial Bond, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows:

(a) Form of Bonds.

REGISTERED  
No. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

United States of America  
State of Texas

CITY OF COPPERAS COVE, TEXAS  
GENERAL OBLIGATION BOND  
SERIES 2010

INTEREST RATE:      MATURITY DATE:      BOND DATE:      CUSIP NUMBER:  
\_\_\_\_\_ %              August 15, \_\_\_\_\_      May 1, 2010      \_\_\_\_\_

The City of Copperas Cove, Texas (the "City"), in the Counties of Coryell, Lampasas and Bell, State of Texas, for value received, hereby promises to pay to

\_\_\_\_\_

or registered assigns, on the Maturity Date specified above, the sum of

\_\_\_\_\_ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of the Bond Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, 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 to be paid semiannually on February 15 and August 15 of each year, commencing February 15, 2011.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the designated office in Austin, Texas, of Wells Fargo Bank, National Association, as Paying Agent/Registrar (the "Designated Payment/Transfer Office"), or, with respect to a successor

paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the interest payment date, and will be mailed on or before such interest payment date, by first class United States mail, postage prepaid, by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the last Business Day (as hereinafter defined) of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest 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 (the "Special Payment Date," which date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days (as hereinafter defined) prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day next preceding the date of mailing of such notice.

If the date for the payment of the principal of or interest on this Bond is not a Business Day, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are generally authorized or obligated by law or executive order to close (a "Business Day"), and payment on such date shall for all purposes be deemed to have been made on the original date payment was due.

This Bond is one of a series of fully registered bonds specified in the title hereof issued in the aggregate principal amount of \$4,685,000 (herein referred to as the "Bonds"), issued pursuant to a certain ordinance of the City (the "Ordinance") for the purpose of providing funds to make certain permanent public improvements within the City and to pay the costs of issuing the Bonds.

The City has reserved the option to redeem the Bonds maturing on or after August 15, 2021 in whole or in part before their respective scheduled maturity dates, on August 15, 2020 or on any date thereafter, at a price equal to the principal amount of the Bonds so called for redemption plus accrued interest to the date fixed for redemption. If less than all of the Bonds are to be redeemed, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Bonds, or portions thereof, within such maturity and in such principal amounts, for redemption.

The Bonds stated to mature on August 15 in each of the years \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ (the "Term Bonds") are subject to scheduled mandatory redemption and will be redeemed by the City, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest

and Sinking Fund, on August 15 in the years and in the respective principal amounts as set forth in the following schedule:

Term Bonds Maturing August 15, \_\_\_\_\_

<u>Redemption Date</u> <u>(August 15)</u>	<u>Principal</u> <u>Amount</u>
--	-----------------------------------

Term Bonds Maturing August 15, \_\_\_\_\_

<u>Redemption Date</u> <u>(August 15)</u>	<u>Principal</u> <u>Amount</u>
--	-----------------------------------

Term Bonds Maturing August 15, \_\_\_\_\_

<u>Redemption Date</u> <u>(August 15)</u>	<u>Principal</u> <u>Amount</u>
--	-----------------------------------

At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed and shall call such Term Bonds for redemption on such scheduled mandatory redemption date.

The principal amount of the Term Bonds required to be redeemed on any mandatory sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Term Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) 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 (ii) shall have been redeemed pursuant to an optional redemption and not previously credited to a mandatory sinking fund redemption.

Not less than thirty (30) days prior to a redemption date for the Bonds, the City shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the Owners of the Bonds to be redeemed at the address of the Owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice.

In the Ordinance, the City reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to conditional redemption and such redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default. Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the City in the notice, the certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any obligation or portion thereof has not been surrendered for payment, interest on such obligation or portion thereof shall cease to accrue.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within forty-five (45) calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the "Record Date" or "Special Record Date," as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the City, nor the Paying Agent/Registrar nor any other person shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law and has been authorized by a vote of the properly qualified electors of the City; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have

happened in regular and due time, form and manner, as required by law; and that ad valorem taxes upon all taxable property in the City have been levied for and pledged to the payment of the debt service requirements of the Bonds, within the limit prescribed by law.

IN WITNESS WHEREOF, the City has caused this Bond to be executed by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed or placed in facsimile on this Bond.

\_\_\_\_\_  
Jane Lees, City Secretary  
City of Copperas Cove, Texas

\_\_\_\_\_  
John Hull, Mayor  
City of Copperas Cove, Texas

[SEAL]

(b) Form of Comptroller's Registration Certificate.

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

OFFICE OF THE COMPTROLLER §  
OF PUBLIC ACCOUNTS § REGISTER NO. \_\_\_\_\_  
OF THE STATE OF TEXAS §

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of the City of Copperas Cove, Texas, and that this Bond has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, .

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

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar.

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

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Bond of this series of bonds was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Bonds referred to in the within-mentioned Ordinance.

WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as Paying Agent/Registrar

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

By: \_\_\_\_\_  
Authorized Signatory

(d) 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 hereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

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

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 and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

Signature Guaranteed By:

\_\_\_\_\_  
Authorized Signatory

(e) The Initial Bond shall be in the form set forth in paragraphs (a), (b) and (d) of this Section, except for the following alterations:

(i) immediately under the name of the Bond, the headings “INTEREST RATE” and “MATURITY DATE” shall both be completed with the words “As shown below” and the words “CUSIP NUMBER” deleted; and

(ii) in the first paragraph of the Bond, the words “on the Maturity Date specified above,” shall be deleted and the following will be inserted: “on August 15 in each of the years, in the principal installments and bearing interest at the per annum rates in accordance with the following schedule:

<u>Year</u>	<u>Principal Installment</u>	<u>Interest Rate</u>
-------------	----------------------------------	--------------------------

(Information to be inserted from  
schedule in Section 3.02 of this Ordinance)

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor’s Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

Section 6.04. Legal Opinion.

The approving legal opinion of Vinson & Elkins L.L.P., Bond Counsel, may be printed on the reverse side of or attached to each Bond over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 6.05. Statement of Insurance.

A statement relating to a municipal bond insurance policy, if any, to be issued for the Bonds may be printed on or attached to each Bond.

ARTICLE VII

SALE AND DELIVERY OF BONDS; OFFICIAL STATEMENT;  
DEPOSIT OF PROCEEDS

Section 7.01. Sale of Bonds, Official Statement.

(a) The Bonds are hereby sold and awarded and shall be delivered to \_\_\_\_\_ (the “Purchaser”), at a price equal to the principal amount thereof, plus accrued interest from the Bond Date to the Closing Date. It is hereby found, determined and

declared that the bid of the Purchaser is the best and lowest bid submitted for the Bonds. The Bonds shall be initially registered in the name of the Purchaser or its designee.

(b) The form and substance of the Preliminary Official Statement, and any addenda, supplement or amendment thereto, and the final Official Statement (the "Official Statement") presented to and considered at this meeting, are hereby in all respects approved and adopted, and the Preliminary Official Statement is hereby deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The Mayor and City Secretary of the City are hereby authorized and directed to execute the same and deliver appropriate numbers of copies thereof to the Purchaser. The Official Statement as thus approved and delivered, with such appropriate variations as shall be approved by the Mayor of the City and the Purchaser, may be used by the Purchaser in the public offering and sale thereof. The use and distribution of the Preliminary Official Statement in the public offering of the Bonds by the Purchaser is hereby ratified, approved and confirmed. The City Secretary is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Official Statement and the preliminary public offering of the Bonds by the Purchaser is hereby ratified, approved and confirmed.

(c) All officers of the City are authorized to execute such documents, certificates and receipts, and to make such elections with respect to the tax-exempt status of the Bonds, as they may deem appropriate in order to consummate the delivery of the Bonds. Further, in connection with the submission of the record of proceedings for the Bonds to the Attorney General of the State of Texas for examination and approval of such Bonds, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10<sup>th</sup> of 1% of the principal amount of the Bonds or (ii) \$9,500.

(d) The obligation of the Purchaser to accept delivery of the Bonds is subject to the Purchaser being furnished with the final, approving opinion of Vinson & Elkins L.L.P., Bond Counsel for the City, which opinion shall be dated and delivered the Closing Date.

(e) Bond Counsel is hereby authorized to make nonsubstantive changes to the terms of this Ordinance if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Bonds by the Attorney General of Texas.

#### Section 7.02. Control and Delivery of Bonds.

(a) The Mayor of the City is hereby authorized to have control of the Initial Bond and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts of the State of Texas, delivery of the Bonds shall be made to the Purchaser under and subject to the general supervision and direction of the Mayor, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor or City Secretary is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem and the Assistant City Secretary, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant City Secretary shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor and City Secretary, respectively.

Section 7.03. Deposit of Proceeds.

(a) All amounts received on the Closing Date as accrued interest on the Bonds from the Bond Date to the Closing Date shall be deposited to the Interest and Sinking Fund.

(b) The remaining proceeds of the Bonds shall be used to pay the costs of the Project and the costs of issuing the Bonds. Amounts remaining after payment of costs of the Project and costs of issuance shall be deposited to the Interest and Sinking Fund and applied to the payment of debt service on the Bonds.

ARTICLE VIII

INVESTMENTS

Section 8.01. Investments.

(a) Money in the Interest and Sinking Fund created by this Ordinance, at the option of the City, may be invested in such securities or obligations as permitted under applicable law as in effect on the date of the investment.

(b) Any securities or obligations in which money in the Interest and Sinking Fund is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the Interest and Sinking Fund.

Section 8.02. Investment Income.

(a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such Fund.

(b) Interest and income derived from the investment of funds deposited pursuant to Section 7.03(b) hereof shall be credited to the fund or account where deposited until completion of the Project; thereafter, to the extent such interest and income are present, such interest and income shall be deposited to the Interest and Sinking Fund.

## ARTICLE IX

### PARTICULAR REPRESENTATIONS AND COVENANTS

#### Section 9.01. Payment of the Bonds.

On or before each Interest Payment Date for the Bonds and while any of the Bonds are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such interest on and principal of the Bonds as will accrue or mature on the applicable Interest Payment Date, maturity date or date of prior redemption. Such transfer of funds shall be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar not later than the close of business on the Business Day next preceding the date of payment for the Bonds.

#### Section 9.02. Other Representations and Covenants.

(a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Bond; the City will promptly pay or cause to be paid the principal of and interest on each Bond on the dates and at the places and manner prescribed in such Bond; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The City is duly authorized under the laws of the State of Texas to issue the Bonds; all action on its part for the creation and issuance of the Bonds has been duly and effectively taken; and the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the City in accordance with their terms.

#### Section 9.03. Provisions Concerning Federal Income Tax Exclusion.

The City intends that the interest on the Bonds shall be excludable from gross income for purposes of federal income taxation pursuant to sections 103 and 141 through 150 of the Code and the applicable Treasury regulations promulgated thereunder (the "Regulations"). The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would cause the interest on the Bonds to be includable in the gross income, as defined in section 61 of the Code, of the holders thereof for purposes of federal income taxation. In particular, the City covenants and agrees to comply with each requirement of Sections 9.03 through 9.10, inclusive; provided, however, that the City shall not be required to comply with any particular requirement of Sections 9.03 through 9.10, inclusive, if the City has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or if the City has received a Counsel's Opinion to the effect that compliance with some other requirement set forth in Sections 9.03 through 9.10, inclusive, will satisfy the applicable requirements of the Code, in which case compliance with such other requirement specified in such Counsel's Opinion shall constitute compliance with the corresponding requirement specified in Sections 9.03 through 9.10, inclusive.

Section 9.04. No Private Use or Payment and No Private Loan Financing.

The City covenants and agrees that it will make such use of the proceeds of the Bonds, including interest or other investment income derived from Bond proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Bonds will not be “private activity bonds” within the meaning of section 141 of the Code and the Regulations. Moreover, the City shall certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be “private activity bonds” within the meaning of section 141 of the Code and the Regulations.

Section 9.05. No Federal Guaranty.

The City covenants and agrees that it has not taken and will not take any action, and not knowingly omitted and will not knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Bonds to be “federally guaranteed” within the meaning of section 149(b) of the Code and the Regulations, except as permitted by section 149(b)(3) of the Code and the Regulations.

Section 9.06. Bonds are not Hedge Bonds.

The City covenants and agrees that it has not taken and will not take any action, and has not knowingly omitted and will not knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Bonds to be “hedge bonds” within the meaning of section 149(g) of the Code and the Regulations.

Section 9.07. No-Arbitrage Covenant.

The City covenants and agrees that it will make such use of the proceeds of the Bonds including interest or other investment income derived from Bond proceeds, regulate investments of proceeds of the Bonds, and take such other and further action as may be required so that the Bonds will not be “arbitrage bonds” within the meaning of section 148(a) of the Code and the Regulations. Moreover, the City shall certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, the City will reasonably expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of section 148(a) of the Code and the Regulations.

Section 9.08. Arbitrage Rebate.

If the City does not qualify for an exception to the requirements of Section 148(f) of the Code, the City will take all necessary steps to comply with the requirement that certain amounts earned by the City on the investment of the “gross proceeds” of the Bonds (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the City will (i) maintain records regarding the investment of the gross proceeds of the Bonds as may be required to calculate the amount earned on the investment of the gross proceeds of the Bonds separately from records of amounts on deposit in the funds and accounts of the City allocable to

other debt issues of the City or moneys which do not represent gross proceeds of any debt obligations of the City, (ii) calculate at such times as are required by the Regulations, the amount earned from the investment of the gross proceeds of the Bonds which is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Bonds or on such other dates as may be permitted under the Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

Section 9.09. Information Reporting.

The City covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, an information statement concerning the Bonds, all under and in accordance with section 149(e) of the Code and the Regulations.

Section 9.10. Qualified Tax-Exempt Obligations.

The City hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of section 265(b) of the Code. In connection therewith, the City represents (a) that the aggregate amount of tax-exempt obligations issued by the City during calendar year 2010, including the Bonds, which have been designated as “qualified tax-exempt obligations” under section 265(b)(3) of the Code does not exceed \$30,000,000, and (b) that the reasonably anticipated amount of its tax-exempt obligations which will be issued by the City during calendar year 2010, including the Bonds, will not exceed \$30,000,000. For purposes of this Section 9.10, the term “tax-exempt obligations” does not include “private activity bonds” within the meaning of section 141 of the Code, other than “qualified 501(c)(3) bonds” within the meaning of section 145 of the Code. In addition, for purposes of this Section 9.10, the City includes all entities which are aggregate with the City under the Code.

Section 9.11. Continuing Obligation.

Notwithstanding any other provision of this Ordinance, the City's obligations under the covenants and provisions of Sections 9.03 through 9.10, inclusive, shall survive the defeasance and discharge of the Bonds.

## ARTICLE X

### DEFAULT AND REMEDIES

Section 10.01. Events of Default.

Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, which default materially and adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of sixty (60) days after notice of such default is given by any Owner to the City.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Bonds then outstanding.

Section 10.03. Remedies Not Exclusive.

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

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

ARTICLE XI

DISCHARGE

Section 11.01. Discharge.

The Bonds may be refunded, discharged or defeased in any manner permitted by applicable law.

## ARTICLE XII

### CONTINUING DISCLOSURE UNDERTAKING

#### Section 12.01. Annual Reports.

(a) The City shall provide annually to the MSRB, within six (6) months after the end of each Fiscal Year, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the information described in Exhibit A hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit A hereto, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable Fiscal Year to the MSRB. Thereafter, when and if audited financial statements become available, the City shall provide such audited financial statements as required to the MSRB.

(b) 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.

(c) The financial information and operating data 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 (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

#### Section 12.02. Material Event Notices.

(a) The City shall notify the MSRB, in a timely manner, of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

- (i) principal and interest payment delinquencies;
- (ii) nonpayment related defaults;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions or events affecting the tax exempt status of the Bonds;

- (vii) modifications to rights of Owners;
  - (viii) bond calls;
  - (ix) defeasance;
  - (x) release, substitution, or sale of property securing repayment of the Bonds;
- and
- (xi) rating changes.

(b) 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 Section 12.02 of this Ordinance by the time required by such Section.

**Section 12.03. Limitations, Disclaimers and Amendments.**

(a) The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Article XI that causes Bonds no longer to be Outstanding.

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Bonds, and nothing in this Article, 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 Article 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 Article 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 OWNER 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 ARTICLE, 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.**

(c) No default by the City in observing or performing its obligations under this Article shall comprise a breach of or default under the Ordinance for purposes of any other provisions of this Ordinance.

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

The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (i) the provisions of this Article, 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 (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions 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 Owners and beneficial owners of the Bonds. The provisions of this Article 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 the Purchaser 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 Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.02 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.

### ARTICLE XIII

#### EFFECTIVE IMMEDIATELY

##### Section 13.01. Effective Immediately.

This Ordinance shall become effective immediately upon its adoption at this meeting pursuant to Section 1201.028, Texas Government Code.

PASSED AND ADOPTED this 4th day of May 2010, by the City Council of the City of Copperas Cove, Texas.



## EXHIBIT A

### DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

The following information is referred to in Article XII of this Ordinance:

#### Annual Financial Statements and Operating Data

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

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded Fiscal Year.
2. Statistical and financial data set forth in Tables numbered 1 through 4 and 6 through 16, each inclusive.

#### Accounting Principles

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

**2010 General Obligation Bonds**  
**Summary of Debt Issuance by Fund**

<b>Tax Supported Projects</b>	<u><u>\$ 1,400,000</u></u>
<b>Water and Sewer Projects</b>	<u><u>\$ 3,200,000</u></u>
<b>Bond Issuance Costs</b>	<u><u>\$ 85,000</u></u>
<b>Total 2010 General Obligation Bond Issue</b>	<u><u><u>\$ 4,685,000</u></u></u>

# City of Copperas Cove

## City Council Agenda Item Report

May 4, 2010

### Agenda Item No. I-5

Contact – Danny Zincke, Assistant Director of Community Services, 535-4809  
dzincke@ci.copperas-cove.tx.us

---

**SUBJECT: Consideration and action on appointments to the Parks and Recreation Committee.**

---

#### 1. BACKGROUND/HISTORY

The Parks and Recreation Committee was established after the Council provided direction to create the committee at a special planning meeting held on August 20, 2009. At the planning meeting, Council Member Goode volunteered to serve as the Council representative. The Council determined that the committee should be comprised of five regular members and two alternate members.

At the September 8, 2009 Regular Meeting, the City Council officially established the committee and appointed four members as follows: Teresa Hawkins, Daniel James Loomis, Thamera "Tammy" Howard, and Linda W. Goode. At the October 13, 2009 Regular Meeting, the City Council appointed one member, Lisa Wilson, and two alternate members, Patricia Thomas, and Inez Faison. The appointments completed the make up of the committee.

#### 2. FINDINGS/CURRENT ACTIVITY

The committee recently incurred two resignations. City staff received notice from Daniel James Loomis on February 8, 2010 on his intent to resign from the committee and on April 20, 2010 staff received notice from Linda W. Goode on her immediate resignation from the committee. Both alternates have been active in attending meeting and are up to date on the progress of the committee.

#### 3. FINANCIAL IMPACT

N/A

#### 4. ACTION OPTIONS/RECOMMENDATION

City staff recommends appointing the two current alternate members, Patricia Thomas and Inez Faison to the Parks Committee.

**From:** Loomis, Daniel J CW4 RET [daniel.loomis@us.army.mil]  
**Sent:** Monday, February 08, 2010 9:26 PM  
**To:** Danny Zincke- Parks Department  
**Cc:** Ken Wilson - Parks Director; Andrea Gardner - City Manager  
**Subject:** Resignation from the Parks Committee

Danny,

I have sent a letter of resignation to the City Secretary, Jane Lees, saying I am resigning from the Parks Committee. I have accepted a Defense Department job in Waco, as of 20 FEB, and will be commuting daily. Though I would love to continue to take part in the committee, my time will be too limited.

I have truly enjoyed the chance to participate, thanks again for your efforts and the wealth of information that both you and Ken have conveyed.

Respectfully,  
CW4 Daniel James Loomis, USA Retired  
(254) 458-8868

**From:** Linda Goode [linda@coveleaderpress.com]  
**Sent:** Tuesday, April 20, 2010 1:35 PM  
**To:** Danny Zincke- Parks Department  
**Subject:** Re: Parks Committee

Dear Danny,  
Unfortunately,  
I am having To resign the Parks Board effectively immediately 4/20/2010. I have enjoyed serving and I was honored to be a member.  
Thanks Again,  
Linda Goode

On Apr 17, 2010, at 7:38 AM, Danny Zincke- Parks Department wrote:

Parks members I just wanted to update you on where we are with the needs assessment agreement. The agreement is complete and will be presented to City Council at the first meeting in May. Once the agreement has been signed we will then be able to meet with Luck Design to begin work on the assessment. Since we are awaiting City Council approval we will meet again in May hopefully with Brett Luck and get this ball rolling. If you have any questions please let me know.

Thank you,

Danny Zincke  
Assistant Director of Community Services  
City of Copperas Cove

1408 Golf Course Road  
Copperas Cove, Texas 76522

Golf Course: 254-547-2606  
Parks and Rec: 254-542-2719  
Cell: 254-535-4809  
Fax:254-547-3738

Linda Goode  
Account Executive  
Copperas Cove Leader Press  
254-547-427 FAX: 254-542-3299  
115 W. Ave D • Copperas Cove, TX 76522

# City of Copperas Cove

## City Council Agenda Item Report

May 4, 2010

### Agenda Item No. I-6

Contact – Dan Yancey, Chair, CCEDC Board of Directors, 547-7874  
Dan.Yancey@1stnb.com

---

**SUBJECT: Consideration and action to authorize the CCEDC to seek bids for the completion of Constitution Drive Extension project.**

---

#### 1. BACKGROUND/HISTORY

The extension of Constitution Drive is planned as a two phase project with Phase I beginning where the existing roadway ends, just south of Old Copperas Cove Road and Phase II begins at the point Phase I is proposed to end, just south of the proposed Constitution Court Apartment development.

Phase I contains 1,710 linear feet of 48' wide asphalt pavement (12" of base material and 2" of asphalt) including curb and gutter. The first phase of the project will end just north of the proposed Constitution Court Apartment development consisting of 108 units. Underground storm drainage will be provided to serve the road and undeveloped land within the basin. Additionally, a small temporary sanitary sewer lift station will be constructed to serve the apartment development. The lift station is expected to be privately maintained until gravity sewer is made available to the entire area. The Final Plat providing the right of way for Phase I was submitted for consideration by the Planning & Zoning Commission (P & Z) on February 8, 2010 and recommended for approval by the P & Z on March 1, 2010 and approved by City Council on March 16, 2010.

Phase II is planned contain approximately 1,300 linear feet of 48' wide asphalt (10" of base material and 2" of asphalt) including curb and gutter. The second phase will terminate at a proposed new intersection with Mueller Street. Underground storm drainage will also be provided to serve the road and undeveloped land within the basin. A Final Plat providing the right of way for Phase II has not been submitted to the City for consideration. However, construction plans were submitted to the City and are currently under review.

#### 2. FINDINGS/CURRENT ACTIVITY

The Copperas Cove Economic Development Corporation is requesting the City of Copperas Cove authorize the CCEDC to seek bids for the

construction of the Constitution Drive Extension project upon completion of an Engineer's Opinion of Probable Cost for both Phase I and II.

**3. FINANCIAL IMPACT**

An Engineer's Opinion of Probable Cost for the construction of Phase I was provided by Walker Partners in the amount of \$917,049. The probable cost estimate for Phase II of the project is expected within two weeks of construction review completion by City staff.

**4. ACTION OPTIONS/RECOMMENDATION**

The Copperas Cove Economic Development Corporation Board of Directors recommends approval to authorize the CCEDC to seek bids for the completion of the Constitution Drive Extension project upon completion of an Engineer's Opinion of Probable Cost.

WALKER, WIEDERHOLD & ASSOCIATES, L.L.C.

Engineer's Opinion of Probable Cost

COPPERAS COVE ECONOMIC DEVELOPMENT CORP.  
EXTENSION OF CONSTITUTION DRIVE - PHASE I

Project No. 2-01353

22-Dec-09

Item	Description	Quantity	Unit	Unit Price	Total Amount
1.00	Common Excavation	8977	CY	\$ 4.00	\$ 35,908.00
1.01	Embankment	251	CY	\$ 3.00	\$ 753.00
1.02	Channel Excavation and Preparation - 6' FB Channel	440	LF	\$ 45.00	\$ 19,800.00
1.03	TxDOT Item 432 Rock Riprap w/ Fabric - Type F	500	SY	\$ 30.00	\$ 15,000.00
1.04	TxDOT Item 248, TY A, GRD 2 - Flexible Base Material	3167	CY	\$ 45.00	\$ 142,515.00
1.05	HMA Pavement Grade D, 2" Thk.	8360	SY	\$ 8.00	\$ 66,880.00
1.06	Concrete Curb and Gutter	3420	LF	\$ 12.00	\$ 41,040.00
1.07	Gravel Driveway	350	SY	\$ 20.00	\$ 7,000.00
1.08	Conduit Bank	4	EA	\$ 2,500.00	\$ 10,000.00
1.09	10" SDR-26 PVC Sanitary Sewer Pipe	62	LF	\$ 30.00	\$ 1,860.00
1.10	8" SDR-26 PVC Sanitary Sewer Pipe	1553	LF	\$ 25.00	\$ 38,825.00
1.11	4' Diameter Concrete Manhole	7	EA.	\$ 4,000.00	\$ 28,000.00
1.12	6" Sanitary Sewer Service and Cleanout Assembly	10	EA.	\$ 600.00	\$ 6,000.00
1.13	Connect to Existing Manhole	1	EA.	\$ 800.00	\$ 800.00
1.14	18" Class IV RCP	96	LF	\$ 40.00	\$ 3,840.00
1.15	24" Class IV RCP	665	LF	\$ 45.00	\$ 29,925.00
1.16	36" Class IV RCP	554	LF	\$ 65.00	\$ 36,010.00
1.17	48" Class IV RCP	48	LF	\$ 80.00	\$ 3,840.00
1.18	4'X4' TxDOT Precast Box Culvert	60	LF	\$ 180.00	\$ 10,800.00
1.19	5'x5' Junction Box	1	EA.	\$ 4,000.00	\$ 4,000.00
1.20	5' Curb Inlet	5	EA.	\$ 3,500.00	\$ 17,500.00
1.21	10' Curb Inlet	1	EA.	\$ 4,500.00	\$ 4,500.00
1.22	20' Curb Inlet	2	EA.	\$ 5,000.00	\$ 10,000.00
1.23	30' Curb Inlet	1	EA.	\$ 6,000.00	\$ 6,000.00
1.24	40' Curb Inlet	1	EA.	\$ 8,000.00	\$ 8,000.00
1.25	TxDOT Concrete Parallel Headwall	1	EA.	\$ 4,000.00	\$ 4,000.00
1.26	TxDOT Railing	48	LF	\$ 100.00	\$ 4,800.00
1.27	12" D.I. 45 Degree Bend for Water Line	4	EA.	\$ 400.00	\$ 1,600.00
1.28	12" Flush Assembly and Resilient Seat Gate Valve	2	EA.	\$ 2,000.00	\$ 4,000.00
1.29	12"x12" Tapping Sleeve	2	EA.	\$ 2,000.00	\$ 4,000.00
1.30	Connect to Existing Water Line	2	EA.	\$ 800.00	\$ 1,600.00
1.31	4" White Broken Lane Line Pavement Marking	3420	LF	\$ 3.00	\$ 10,260.00
1.32	4" Yellow Solid Center Line Pavement Marking	3420	LF	\$ 3.00	\$ 10,260.00
1.33	White Raised Pavement Markers	95	EA.	\$ 4.00	\$ 380.00

1.34	Yellow Raised Pavement Markers	95 EA.	\$	4.00	\$	380.00
1.35	Class III Barricades	1 LS	\$	1,500.00	\$	1,500.00
1.36	Road Closed Signs	1 LS	\$	300.00	\$	300.00
1.37	Remove Barb Wire Fence	265 LF	\$	5.00	\$	1,325.00
1.38	Remove Traffic Barrier	1 EA	\$	250.00	\$	250.00
1.39	Site Clearing and Grubbing	1 LS	\$	5,000.00	\$	5,000.00
1.40	SWPPP and Implementation	1 LS	\$	10,000.00	\$	10,000.00
1.41	Topsoil, Seeding and Soil Retention Blanket	10770 SY.	\$	4.00	\$	43,080.00
1.42	Trench Safety	3038 LF	\$	1.00	\$	3,038.00
1.43	Trench Safety Plan	1 LS	\$	1,500.00	\$	1,500.00
1.44	Mobilization and Bonding	1 LS	\$	38,000.00	\$	38,000.00
1.45	4" C900 PVC Forcemain Pipe	1582 LF	\$	15.00	\$	23,730.00
1.46	4" D.I. 45 Degree Bend for Forcemain	5 EA.	\$	250.00	\$	1,250.00
1.47	1" Sewage Air Release Valve and Vault	2 EA.	\$	4,000.00	\$	8,000.00
1.48	Grinder Station, Valves, Controls, site preparation & Fence	1 LS	\$	50,000.00	\$	50,000.00
1.49	Electric Power Infrastructure for Lift Station	1 LS	\$	20,000.00	\$	20,000.00
<b>Total Construction Cost</b>						<b>\$ 797,049.00</b>
Contingencies						\$ 120,000.00
<b>TOTAL PROJECT COST</b>						<b>\$ 917,049.00</b>

# **City of Copperas Cove**

## **City Council Agenda Item Report**

**May 4, 2010**

### **Agenda Item No. I-7**

**Contact – Dan Yancey, Chair, CCEDC Board of Directors, 547-7874**  
Dan.Yancey@1stnb.com

---

**SUBJECT: Consideration and action to authorize the Chairman of the Copperas Cove Economic Development Corporation Board of Directors to execute a letter of commitment to Constitution Court Ltd. regarding the associated infrastructure to serve the project.**

---

#### **1. BACKGROUND/HISTORY**

Copperas Cove Economic Development Corporation has completed filing the final plat for Phase I of the Extension of Constitution Drive and the City of Copperas Cove approved the final plat. The approved plat encompasses the street and infrastructure that Constitution Court Ltd. requires for the project.

#### **2. FINDINGS/CURRENT ACTIVITY**

The Copperas Cove Economic Development Corporation is requesting the authorization currently due to Constitution Court Ltd. requiring a letter of commitment assuring the road and associated infrastructure will be available to the property.

#### **3. FINANCIAL IMPACT**

The Copperas Cove Economic Development Corporation will not incur expenditures as a result of the requested authorization.

#### **4. ACTION OPTIONS/RECOMMENDATION**

The Copperas Cove Economic Development Corporation Board of Directors recommends approval of authorizing the Chairman of the Board of Copperas Cove Economic Development Corporation to execute a commitment letter to Constitution Court Ltd.

**DRAFT**



May 5, 2010

Constitution Court, Ltd.  
P. O. Box 3189  
Bryan, TX 77805

Texas Department of Housing and Community Affairs  
P. O. Box 13941  
Austin, TX 78711-3941

Re: Lot 1, Block 1, Copperas Cove 190 Business and Industrial Park Phase Five ("Lot") as per plat ("Plat") filed in the Office of the County Clerk of Coryell County, Texas on March 17, 2010 under Clerk's File No. 235188 in Cabinet B, Slide 747 of the Plat Records of Coryell County, Texas

Dear Sir:

This letter is being written to confirm to Constitution Court, Ltd. ("Constitution") and the Texas Department of Housing and Community Affairs ("State") that Copperas Cove Economic Development Corporation, a Texas corporation ("Development Corporation") guarantees to Constitution and the State the completion of Constitution Drive ("Street"), as shown on the Plat, and the water and sewer service ("Utilities") to the Lot in sufficient size and capacity to service a 108 unit apartment complex and related facilities (collectively, "Project") on Lot 1 necessary to operate the Project.

The Development Corporation has sufficient funds on deposit or available to construct the above referenced Street and Utilities. The Development Corporation agrees not to use the funds reserved for the construction of the Street and Utilities for any other purpose except to construct the Street and Utilities.

A contract to construct the Street and Utilities should be awarded on or about June 9, 2010, with construction being estimated to commence on or about June 21, 2010 and estimated to be completed by February 1, 2011. The Development Corporation agrees to assist Constitution in obtaining a building permit from the City of Copperas Cove, Texas to allow Constitution to commence the construction of the Project prior to the completion of the Street and Utilities. The Development Corporation acknowledges that Constitution would not purchase the Lot and the State would not commence funding the construction of the Project without this confirmation that the Street and Utilities will be built in accordance with this letter.

Sincerely,

COPPERAS COVE ECONOMIC  
DEVELOPMENT CORPORATION

By: \_\_\_\_\_  
Dan Yancey, Chairman, Board of Directors