CITY OF HUNTSVILLE, TEXAS

Russell Humphrey, Mayor

Bert Lyle, Position 1 At-Large
Karen Denman, Position 2 At-Large
Vicki McKenzie, Position 3 At-Large
Pat Graham, Position 4 At-Large

Jon Strong, Mayor Pro Tem
Ward 4
Tore Fossum, Ward 1
Casey Cox, Ward 2
Anissa Antwine, Ward 3

HUNTSVILLE CITY COUNCIL AGENDA
TUESDAY, JUNE 2, 2026

WORKSHOP 5:30 P.M. - Main Conference Room
REGULAR SESSION 6:00 P.M. - Main Conference Room

City of Huntsville Service Center Complex, 448 Highway 75 N, Huntsville, Texas, 77320

Persons with disabilities who plan to attend this meeting and may need auxiliary aids or services are requested to contact the City Secretary's office (936.291.5413) two working days prior to the meeting for appropriate arrangements.

WORKSHOP (5:30 p.m.)

a. The City of Huntsville Employee Scholarship Committee will host a Reception for the Class of 2026 Scholarship Recipients.
Jessie Ferguson, Scholarship Committee Chairman

MAIN SESSION (6:00 p.m.)

CALL TO ORDER I would like to welcome everyone to this duly called meeting of the Huntsville City Council, being held on the 2nd day of June at 448 SH75 N Huntsville, Texas. I attest that this meeting room is open and accessible to members of the public.

INVOCATION AND PLEDGES - ***U.S. Flag and Texas Flag:*** *Honor the Texas Flag. I pledge allegiance to thee, Texas, one state, under God, one, and indivisible.*

PROCLAMATION

a. Proclamation No. 2026-16 National Police Week
Russell Humphrey, Mayor

PRESENTATIONS

a. The City of Huntsville Employee Scholarship Committee will recognize the Class of 2026 Scholarship Recipients.
Jessie Ferguson, Scholarship Committee Chairman

b. Presentation of Delinquent Tax Collection Report by Leslie Schkade of Perdue Brandon Fielder Collins & Mott LLP.
Lance Hall, Finance Director

1. CONSENT AGENDA

The presiding officer will call for public comments before action is taken on these items. *(Approval of Consent Agenda authorizes the City Manager to implement each item in accordance with staff recommendations. An item may be removed from the Consent Agenda and added to the Statutory Agenda for full discussion by request of a member of Council.)*

a. Consider approving the Minutes from the May 19, 2026, Regular City Council Meeting.
Kristy Doll, City Secretary

b. Consider the acceptance of the Monthly Financial Report for the month of April 2026.
Lance Hall, Finance Director

c. Consider authorizing the City Manager to enter into an agreement with UES Professional Solutions 64, LLC for environmental professional services for the Autumn Lake Flood and Drainage, and MLK Street Improvements Projects funded by a Grant from the Texas General Land Office (GLO) under the Regional Mitigation Program (RMP).
Kathlie Jeng-Bulloch, City Engineer

2. STATUTORY AGENDA

a. Consider approving Resolution 2026-20, approving a bond resolution of the Trinity River Authority; and authorizing the execution and delivery of "Trinity River Authority of Texas - First Amendment - Huntsville Regional Water Supply System Contract".
Lance Hall, Finance Director
Ricardo Villagrand, Assistant City Manager

b. Consider approving Resolution No. 2026-19 for Private Resale of Tax Trust Property at 119 Smith Hill Road on Account No. 54832 pursuant to Texas Property Tax Code Section 34.05.
Lance Hall, Finance Director

c. **First Reading -** Consider authorizing the City Manager to enter into an agreement with LJA Engineering for professional engineering services for the Drainage Projects included in the Drainage Utility Fees.
Kathlie Jeng-Bulloch, City Engineer

3. CITY COUNCIL/MAYOR/CITY MANAGER

4. MEDIA INQUIRIES RELATED TO MATTERS ON THE AGENDA

5. ITEMS OF COMMUNITY INTEREST

6. EXECUTIVE SESSION

a. City Council will convene in closed session as authorized by Texas Government Code, Chapter 551, Section 551.071 for consultation with attorney to receive legal advice regarding Casey v City of Huntsville, Cause No. 14770CV; appeal of Castilleja v City of Huntsville, Cause No. 2331107; SOAH Docket No. 473-26-11795/Public Utility Commission Docket No. 58983; settlement agreement related to City of Huntsville v ADG, Inc., Cause No. 2230703.
Robby Chapman, City Attorney

7. RECONVENE
Take action on item discussed in executive session, if needed.

ADJOURNMENT
*If during the course of the meeting and discussion of any items covered by this notice, City Council determines that a Closed or Executive session of the Council is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Section 551.071 – consultation with counsel on legal matters; 551.072 – deliberation regarding purchase, exchange, lease or value of real property; 551.073 – deliberation regarding a prospective gift; 551.074 – personnel matters regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; 551.076 – implementation of security personnel or devices; 551.087 – deliberation regarding economic development negotiation; Sec. 551.089 - deliberation regarding security devices or security audits; and/or other matters as authorized under the Texas Government Code. If a Closed or Executive session is held in accordance with the Texas Government Code as set out above, the City Council will reconvene in Open Session to take action, if necessary, on the items addressed during Executive Session.

CERTIFICATE

I, Kristy Doll, City Secretary, do hereby certify that the above notice was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.HuntsvilleTX.gov, in compliance with Chapter 551, Texas Government Code.

DATE OF POSTING: May 27, 2026

Kristy Doll

Kristy Doll, City Secretary

TIME OF POSTING: 4:05 p.m.
TAKEN DOWN:

CITY COUNCIL AGENDA
6/2/2026

Agenda Item Number: a.

Agenda Item: The City of Huntsville Employee Scholarship Committee will host a Reception for the Class of 2026 Scholarship Recipients.

Initiating Department/Presenter: Development Services

Presenter:
Jessie Ferguson, Scholarship Committee Chairman

Recommended Motion: Not Applicable

Strategic Initiative:

Discussion:

Previous Council Action:

Financial Implications: None

Approvals:
Kristy Doll

Associated Information:

CITY COUNCIL AGENDA
6/2/2026

Agenda Item Number: a.

Agenda Item: Proclamation No. 2026-16 National Police Week

Initiating Department/Presenter: City Council

Presenter:
Russell Humphrey, Mayor

Recommended Motion: N/A

Strategic Initiative:

Discussion:

Previous Council Action:

Financial Implications: N/A

Approvals:
Sharon Schultz
Kristy Doll

Associated Information:

CITY COUNCIL AGENDA

6/2/2026

Agenda Item Number: a.

Agenda Item: The City of Huntsville Employee Scholarship Committee will recognize the Class of 2026 Scholarship Recipients.

Initiating Department/Presenter: Development Services

Presenter:
Jessie Ferguson, Scholarship Committee Chairman

Recommended Motion: n/a

Strategic Initiative: Strategic Priority #5, Engagement - Build strong relationships within our organization and community with a focus on our culture of core values as expressed in Service, Trust, Accountability and Respect. Provide a welcoming and collaborative environment that fosters mutual partnership between city government, community organizations and our residents.

Discussion:

Previous Council Action:

Financial Implications: n/a

Approvals:
Kristy Doll
Scott Swigert

Associated Information:

CITY COUNCIL AGENDA
6/2/2026

Agenda Item Number: b.

Agenda Item: Presentation of Delinquent Tax Collection Report by Leslie Schkade of Perdue Brandon Fielder Collins & Mott LLP.

Initiating Department/Presenter: Finance

Presenter:
Lance Hall, Finance Director

Recommended Motion: N/A

Strategic Initiative: Strategic Priority #5, Engagement - Build strong relationships within our organization and community with a focus on our culture of core values as expressed in Service, Trust, Accountability and Respect. Provide a welcoming and collaborative environment that fosters mutual partnership between city government, community organizations and our residents.

Discussion: Leslie Schkade will be presenting the collection report as of 05/19/2026.

Previous Council Action:

Financial Implications: NA

Approvals:
Lance Hall
Scott Swigert
Kristy Doll

Associated Information:
1. Collection Report to City of Huntsville June 2026 (1)

WHEN EXPERIENCE, REPUTATION AND PERFORMANCE MATTER

PERDUE BRANDON FIELDERCOLLINS&MOTT LLP

ATTORNEYS AT LAW

COLLECTION REPORT TO THE CITY OF HUNTSVILLE

Submitted by: Leslie Schkade

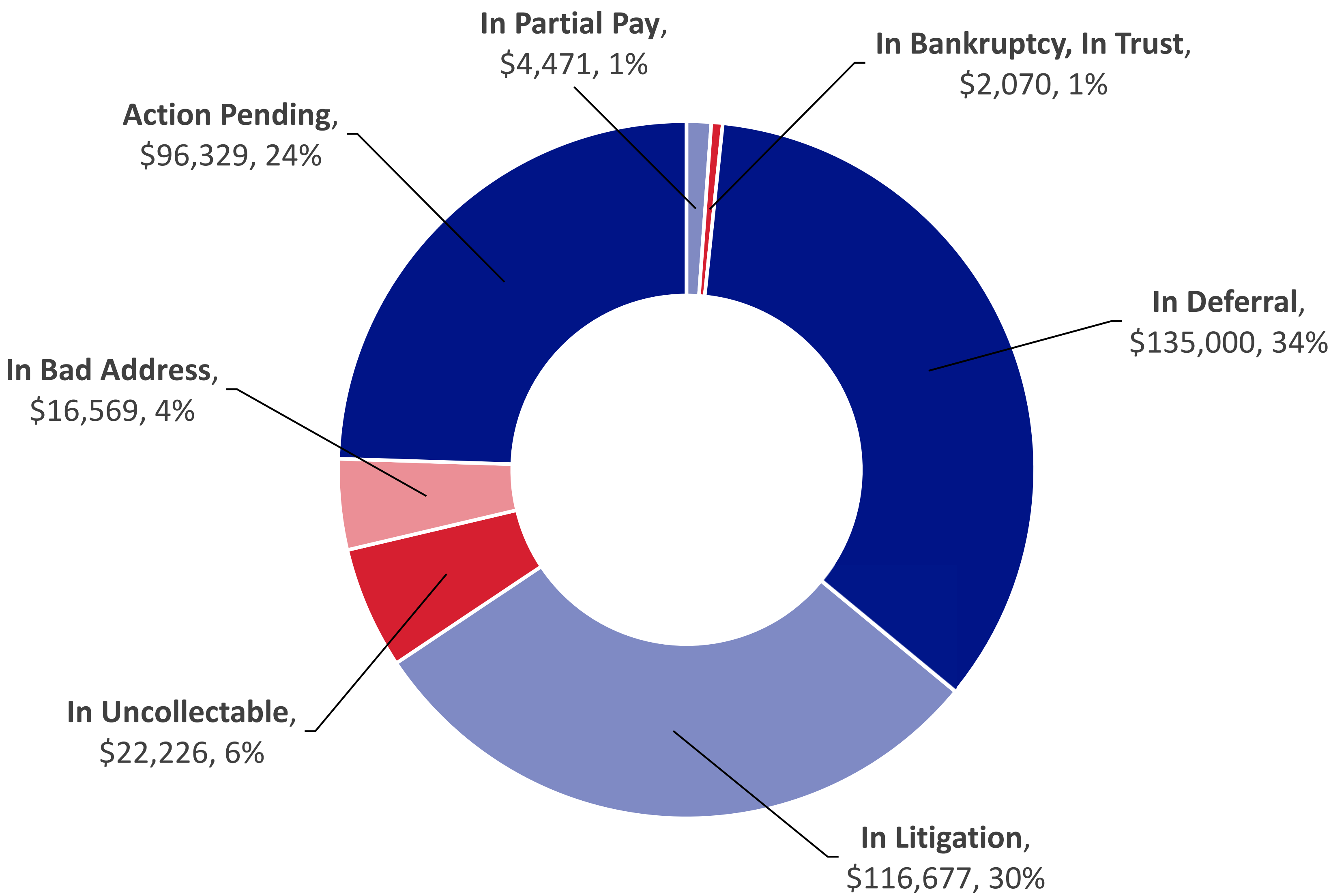
June 2026

www.pbfcm.com

ACCOUNT BREAKDOWN CHART

FOR CITY OF HUNTSVILLE

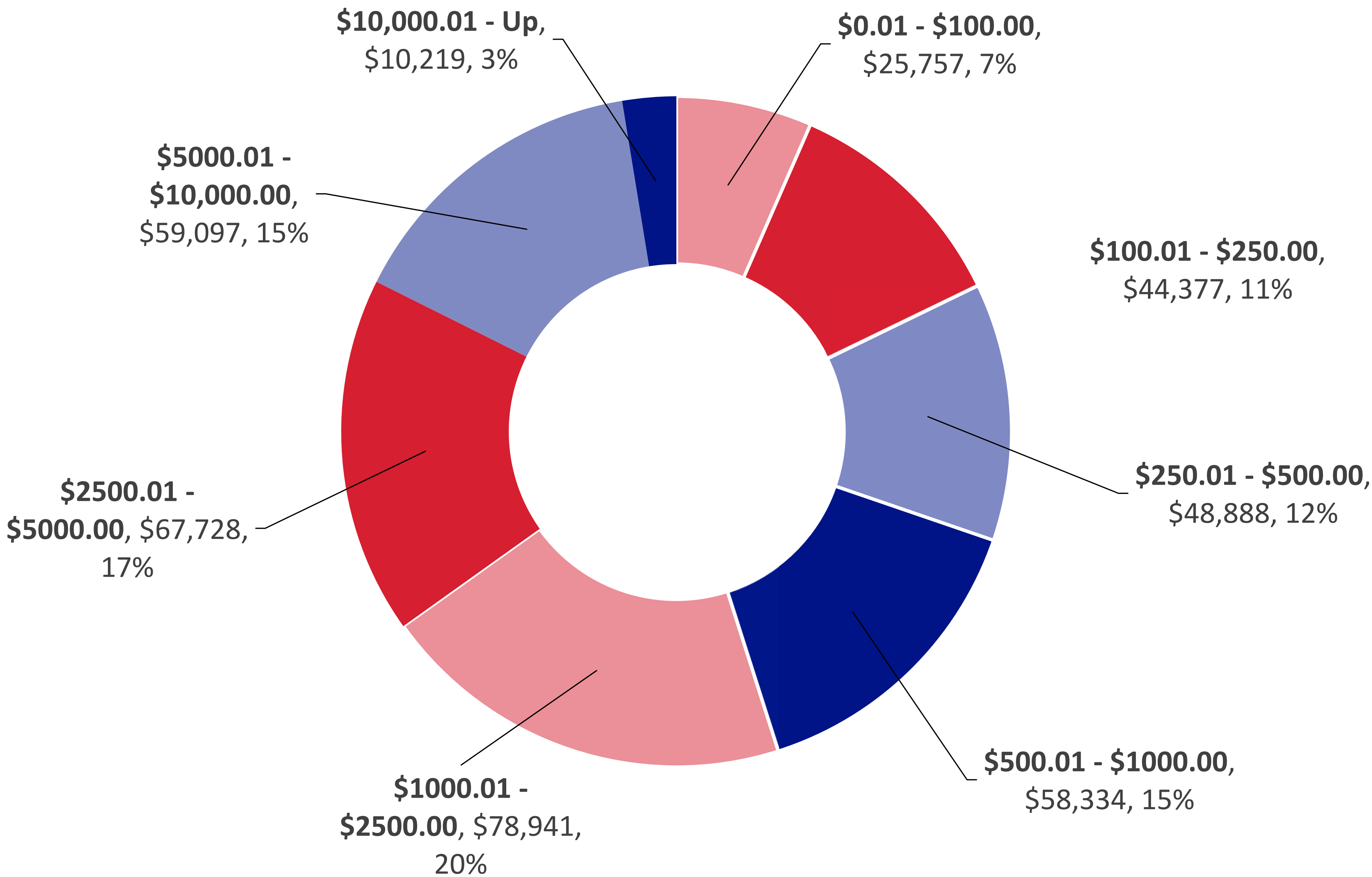
As of 05/19/2026 - Total Base Tax: $393,341



DOLLAR RANGE CHART

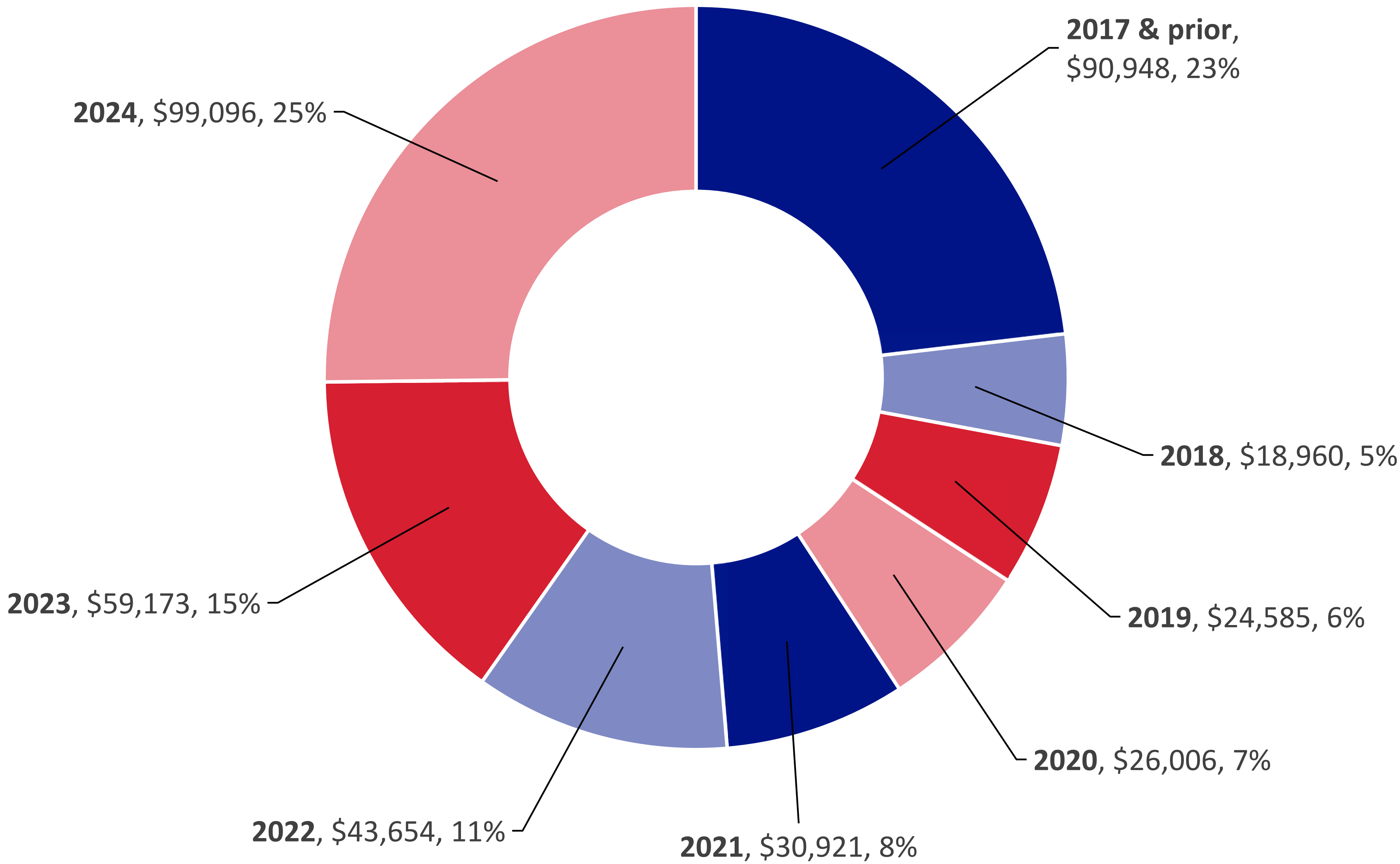
FOR CITY OF HUNTSVILLE

As of 05/19/2026 - <u>Total Base Tax: $393,341</u>



TAX YEAR CHART
FOR CITY OF HUNTSVILLE

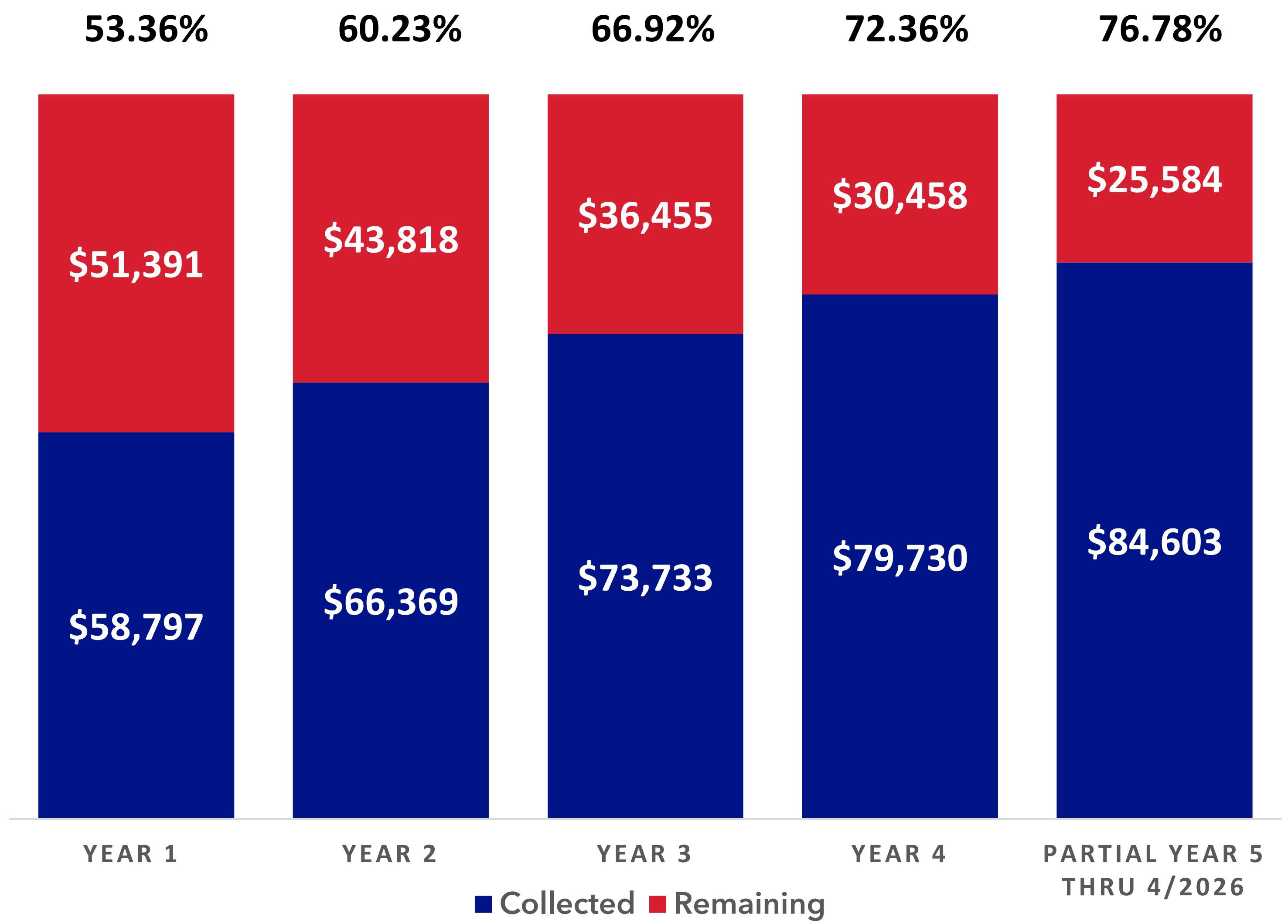
As of 05/19/2026 - Total Base Tax: $393,341



2020 PERCENTAGE OF COLLECTION

FOR CITY OF HUNTSVILLE

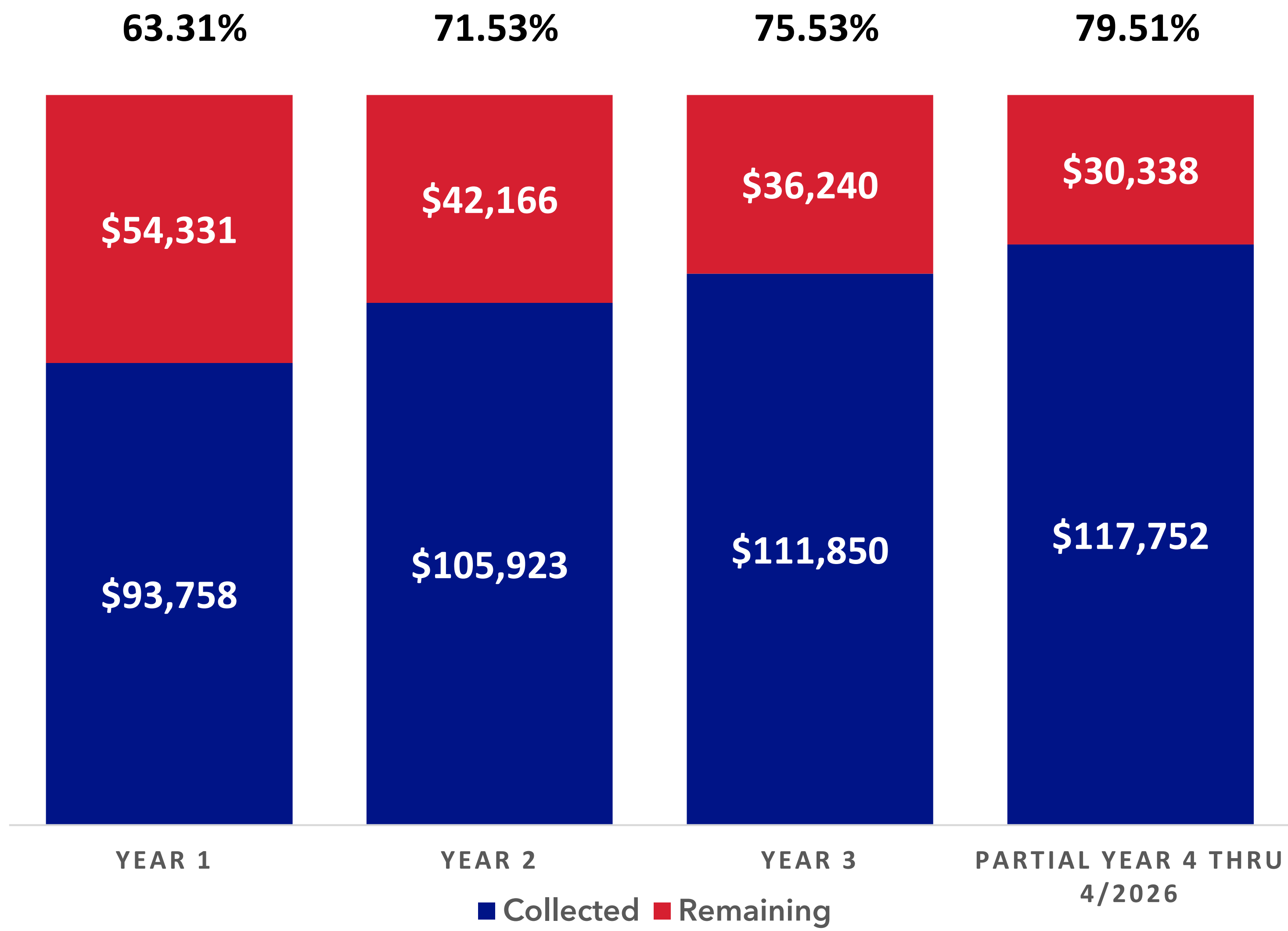
As of 07/01 – 6/30 for each year - Initial Outstanding Base Tax $110,188



2021 PERCENTAGE OF COLLECTION

FOR CITY OF HUNTSVILLE

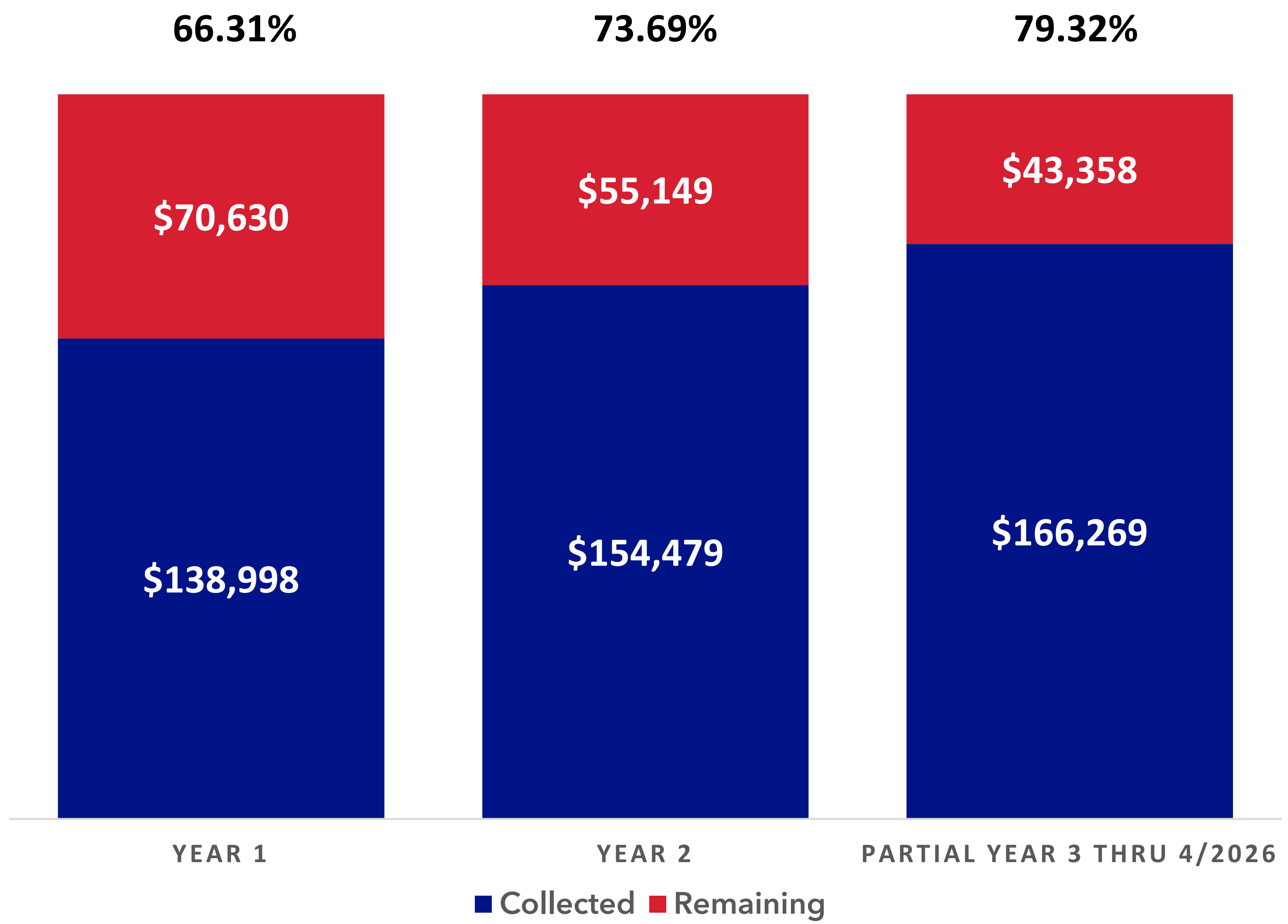
As of 07/01 – 6/30 for each year - <u>Initial Outstanding Base Tax $148,090</u>



2022 PERCENTAGE OF COLLECTION

FOR CITY OF HUNTSVILLE

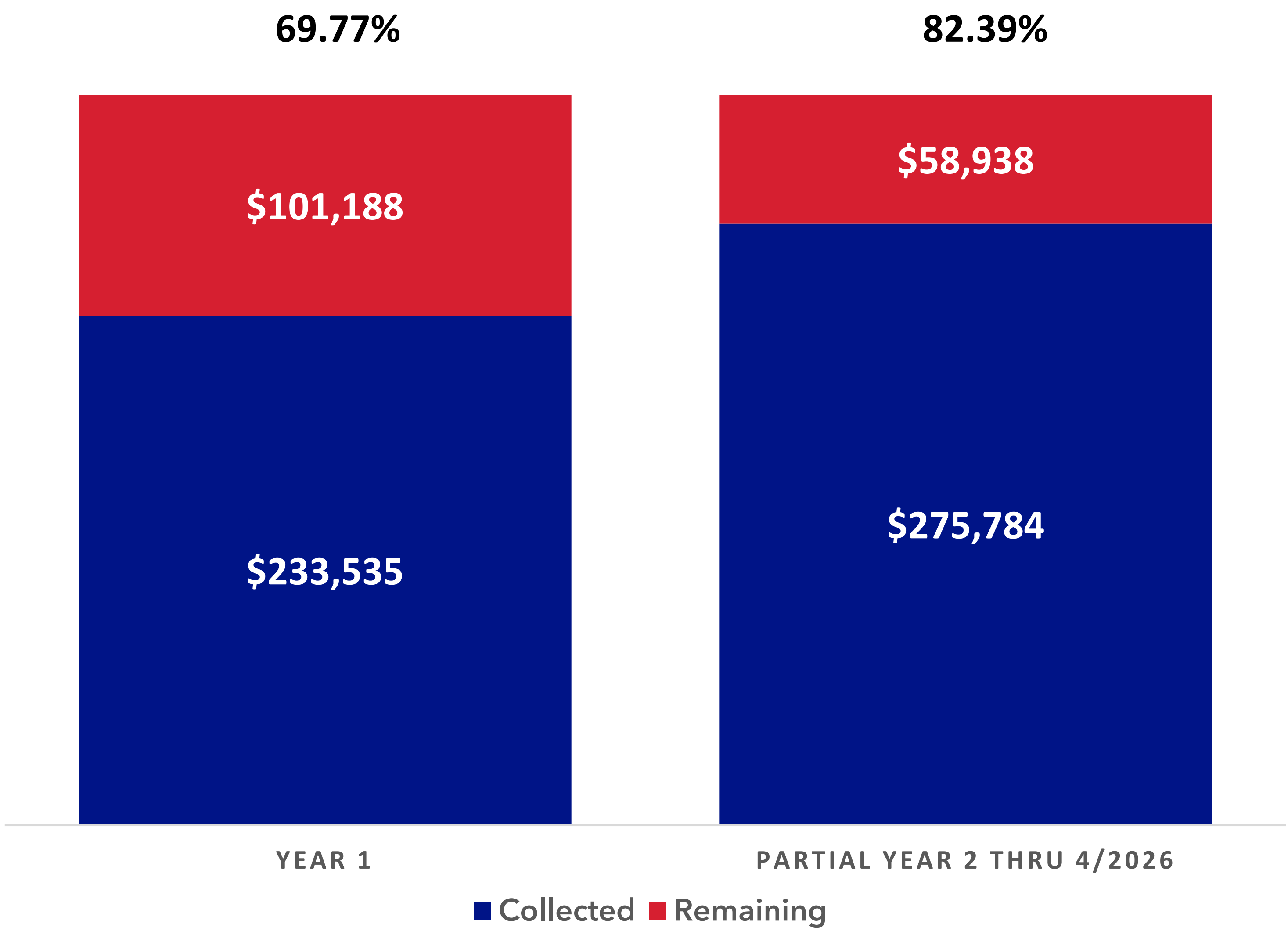
As of 07/01 – 6/30 for each year - Initial Outstanding Base Tax $209,627



2023 PERCENTAGE OF COLLECTION

FOR CITY OF HUNTSVILLE

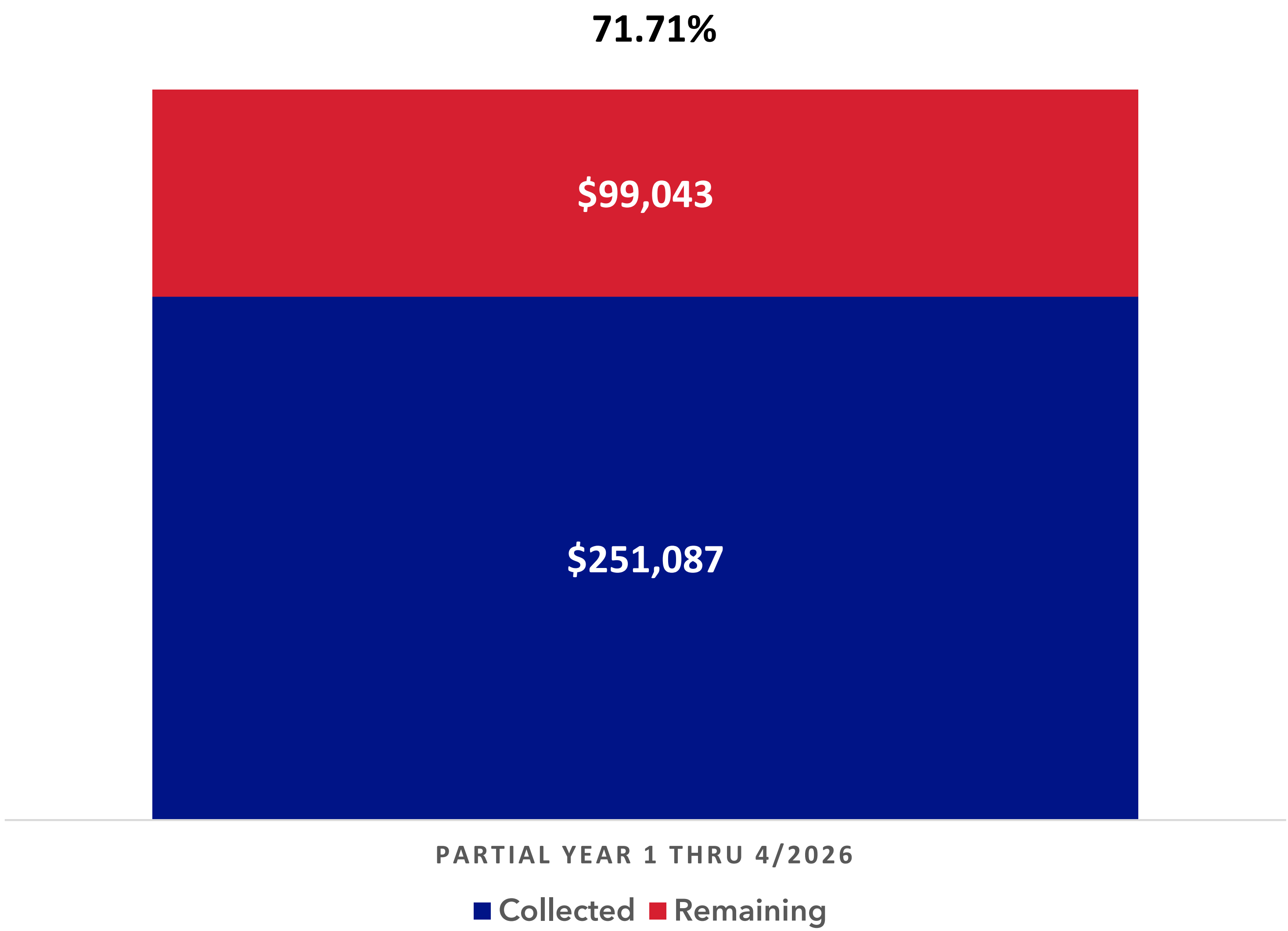
As of 07/01 – 6/30 for each year - Initial Outstanding Base Tax $334,723



2024 PERCENTAGE OF COLLECTION

FOR CITY OF HUNTSVILLE

As of 07/01 – 6/30 for each year - Initial Outstanding Base Tax $350,131



MINUTES FROM THE HUNTSVILLE CITY COUNCIL REGULAR MEETING HELD ON THE 19TH DAY OF MAY 2026 AT 6:00 P.M. AT THE CITY OF HUNTSVILLE SERVICE CENTER COMPLEX, LOCATED AT 448 HIGHWAY 75, IN THE CITY OF HUNTSVILLE, WALKER COUNTY, TEXAS.

The City Council met in a Workshop and Regular Session with the following:
COUNCILMEMBERS PRESENT: Mayor Humphrey, Mayor Pro Tem Strong, Councilmember At-Large Position 1 Lyle, Councilmember Ward 1 Fossum, Councilmember At-Large Position 2 Denman, Councilmember Ward 2 Cox, Councilmember At-Large Position 3 McKenzie, Councilmember Ward 3 Antwine, Councilmember At-Large Position 4 Graham

COUNCILMEMBERS ABSENT:

OFFICERS PRESENT: Scott Swigert, City Manager; Kristy Doll, City Secretary

OFFICERS ABSENT: Robby Chapman, City Attorney

WORKSHOP (5:00 p.m.)

Mayor Humphrey called the Workshop to order at 5:00 p.m.

a. **Trinity River Authority (TRA) update on CIP Bond**
Kathlie Jeng-Bulloch, City Engineer

Mayor Humphrey adjourned the Workshop at 5:46 p.m.

MAIN SESSION CALL TO ORDER

Mayor Humphrey called the meeting to order at 6:00 p.m.

INVOCATION AND PLEDGES - ***U.S. Flag and Texas Flag:*** *Honor the Texas Flag. I pledge allegiance to thee, Texas, one state, under God, one, and indivisible.*

Councilmember Bert Lyle gave the invocation, and Mayor Humphrey led the pledges.

PROCLAMATIONS

a. **Proclamation No. 2026-14 Public Works Week**
Russell Humphrey, Mayor

PRESENTATIONS

a. **Presentation on the local effects of Tax Exempt Property on the City of Huntsville.**
Olivia Discon, Assistant to the City Manager

b. **Presentation on the Story Book Walk in Eastham-Thomason Park.**
Lisa Lance, City Librarian

1. **CONSENT AGENDA**
The presiding officer will call for public comments before action is taken on these items. ***(Approval of Consent Agenda authorizes the City Manager to implement each item in accordance with staff recommendations. An item may be removed from the Consent Agenda and added to the Statutory Agenda for full discussion by request of a member of Council.)***
a. **Consider approving the Minutes from the May 5, 2026, Regular City Council Meeting.**

Kristy Doll, City Secretary

b. **Consider approving the Minutes from the May 6, 2026, Special City Council Workshop - Strategic Planning.**
Kristy Doll, City Secretary

c. **Consider approving the Minutes from the May 7, 2026, Special City Council Workshop - Strategic Planning.**
Kristy Doll, City Secretary

Councilmember Jon Strong made a motion to approve Consent Agenda Items a. through c. The motion was seconded by Councilmember Tore Fossum. The motion passed 9 - 0. Yes: Russell Humphrey, Karen Denman, Vicki McKenzie, Jon Strong, Pat Graham, Bert Lyle, Anissa Antwine, Tore Fossum, Casey Cox; No: None

2. **STATUTORY AGENDA**

a. **First Reading - Consider authorizing the City Manager to enter into an agreement with Pape-Dawson for professional engineering services for the Martin Luther King Drive Street Improvement (DRRP-190-1199) Project funded by the Urban Development's Community Development Block Grant Disaster Recovery (CDBG-DR) Program.**
Kathlie Jeng-Bulloch, City Engineer

Councilmember Tore Fossum made a motion to waive the two-reading requirement and approve to authorize the City Manager to enter into an agreement with Pape-Dawson for professional engineering services for the Martin Luther King (MLK) Drive Street Improvement Project in the amount of $607,000.00. The motion was seconded by Councilmember Anissa Antwine. The motion passed 9 - 0. Yes: Russell Humphrey, Karen Denman, Vicki McKenzie, Jon Strong, Pat Graham, Bert Lyle, Anissa Antwine, Tore Fossum, Casey Cox; No: None

b. **First Reading - Consider authorizing the City Manager to award the purchase of cellular endpoints for water meters.**
Kim Kembro, Public Works Director

Councilmember Anissa Antwine made a motion to waive the two-reading requirement and authorize the City Manager to award the purchase of cellular endpoints for water meters to Badger Meter in the amount of $452,900.00. The motion was seconded by Councilmember Jon Strong. The motion passed 9 - 0. Yes: Russell Humphrey, Karen Denman, Vicki McKenzie, Jon Strong, Pat Graham, Bert Lyle, Anissa Antwine, Tore Fossum, Casey Cox; No: None

c. **Consider Resolution 2026-18 authorizing the City Manager to submit an application to the Texas Water Development Board for funding under the Water Supply and Infrastructure Grant Program (HB 500/WSIG) and to designate an authorized representative.**
Christina Bodin-Turner, Grants Manager

Councilmember Tore Fossum made a motion to adopt Resolution No. 2026-18 authorizing submission of an application to the Texas Water Development Board Water Supply and Infrastructure Grant Program and authorizing the City Manager to act as the City's Authorized Representative. The motion was seconded by Councilmember Anissa Antwine. The motion passed 9 - 0. Yes: Russell Humphrey, Karen Denman, Vicki McKenzie, Jon Strong, Pat Graham, Bert Lyle, Anissa Antwine, Tore Fossum, Casey Cox; No: None

3. **CITY COUNCIL/MAYOR/CITY MANAGER**

4. MEDIA INQUIRIES RELATED TO MATTERS ON THE AGENDA

None

5. ITEMS OF COMMUNITY INTEREST

Councilmembers announced Items of Community Interest.

ADJOURNMENT

Mayor Humphrey adjourned the meeting without objection at 6:50 p.m.

ATTEST:	CITY OF HUNTSVILLE
______________________________	______________________________
Kristy Doll, City Secretary	**Russell Humphrey, Mayor**

CITY COUNCIL AGENDA
6/2/2026

Agenda Item Number: 1.b.

Agenda Item: Consider the acceptance of the Monthly Financial Report for the month of April 2026.

Initiating Department/Presenter: Finance

Presenter:
Lance Hall, Finance Director

Recommended Motion: Move to accept the April 2026 Monthly Financial Report.

Strategic Initiative:

Discussion: Financial Report for 2025-2026 YTD as of April 2026.

Previous Council Action:

Financial Implications: No Financial Implications

Approvals:
Lance Hall
Scott Swigert
Kristy Doll

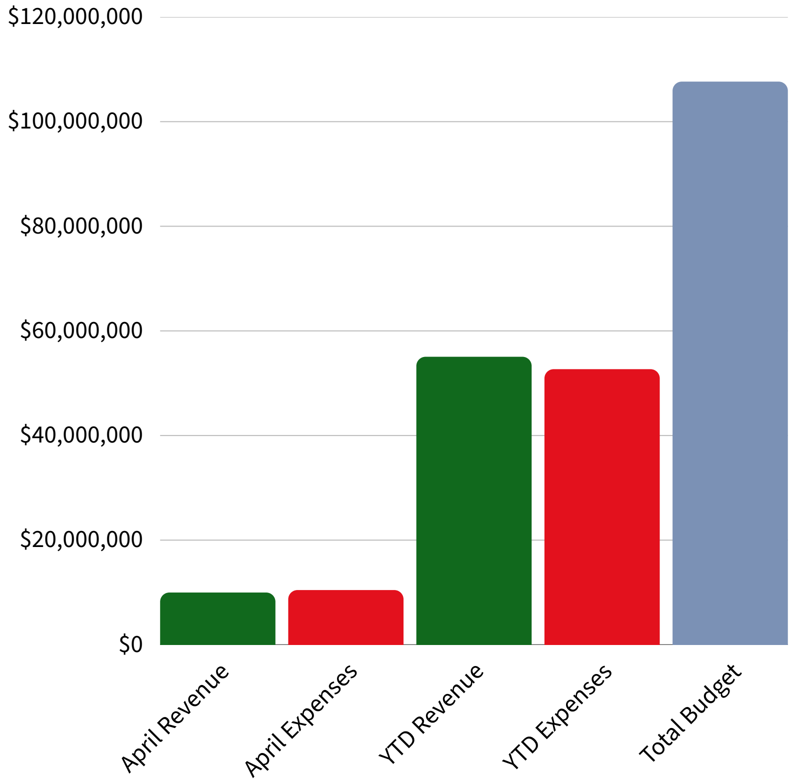
Associated Information:
1. Monthly Financial Report 043026

CITY OF HUNTSVILLE, TX
MONTHLY FINANCIAL REPORT

For the Period Ending April, 2026

Budget 58% Complete

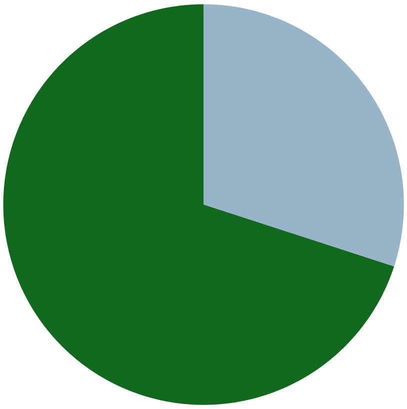
This report has been meticulously prepared by the Finance Department of the City of Huntsville. The Monthly Financial Report aims to furnish both internal and external stakeholders with timely, accurate, and pertinent insights into the City's financial standing.



GENERAL FUND

REVENUE-

$26,432,409.28



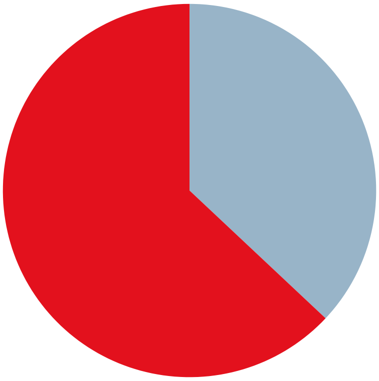
70% of Budget

	2025-2026 Adopted Budget	2025-2026 April Monthly	2025-2026 YTD Actual	2025-2026 YTD % of the	2024-2025 Final YTD
411 - Property Taxes Totals	$9,300,000.00	$162,408.20	$8,396,529.92	90%	$8,149,552.82
412 - Sales Tax Totals	$13,500,000.00	$938,495.14	$7,834,436.08	58%	$13,260,640.07
413 - Franchise-Utilities/Comm Totals	$2,140,000.00	$38,583.90	$641,496.76	30%	$1,865,108.94
415 - Other Taxes Totals	$155,000.00	$0.00	$52,867.48	34%	$147,719.68
416 - Permit/Development Fees Totals	$38,000.00	$3,805.00	$24,800.00	65%	$40,460.00
417 - Permits and Licenses Totals	$946,500.00	$103,573.82	$680,153.86	72%	$1,391,349.80
418 - Municipal Court Fines Totals	$992,650.00	$118,182.76	$840,743.32	85%	$1,145,125.69
419 - Fees/Charges/Sales Totals	$452,700.00	$43,521.42	$332,948.06	74%	$481,669.90
422 - Inter Governmental Totals	$246,487.00	$20,541.00	$143,787.00	58%	$267,028.00
424 - Intra Governmental Totals	$6,824,291.00	$1,706,072.75	$5,118,218.25	75%	$7,119,497.00
426 - Interest Earnings Totals	$700,000.00	$48,413.58	$293,387.22	42%	$645,996.82
428 - Reimbursements Totals	$70,000.00	$0.00	$120,962.54	117%	$113,960.19
429 - Contributions Totals	$0.00	$38.25	($3,989.92)	+++	$2,247.46
432 - Other Totals	$55,000.00	$25,290.65	$46,493.71	85%	$92,940.71
434 - Charges to Other Funds Totals	$2,488,091.00	$622,022.75	$1,866,068.25	75%	$1,897,707.00
435 - Transfers from Other Funds Totals	$58,009.00	$14,502.25	$43,506.75	75%	$53,576.00
Totals	**$37,966,728.00**	**$3,845,451.47**	**$26,432,409.28**	**70%**	**$36,674,580.08**

EXPENDITURES-

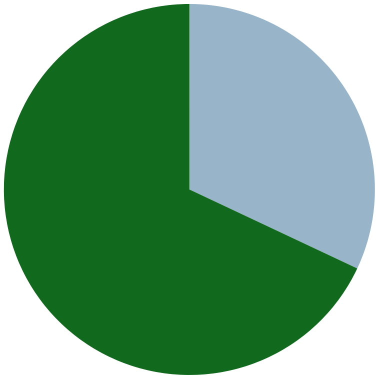
$25,015,737.23

	2025-2026 Adopted Budget	2025-2026 April Monthly	2025-2026 YTD Actual	2025-2026 YTD % of the	2024-2025 Final YTD
51 - Salary/OtherPay/Benefits Totals	$23,966,238.00	$2,422,435.10	$13,390,034.10	56%	$20,982,992.40
51b - Salary/Other Pay/Benefits-Adj 4	$42,353.00	$0.00	$0.00	+++	$0.00
52 - Supplies Totals	$1,339,626.00	$170,253.61	$568,447.99	50%	$1,132,697.41
53 - Maintenance Structures/Improvements	$2,796,060.00	$140,255.92	$1,228,222.01	61%	$2,276,062.96
54 - Maintenance of Equipment Totals	$461,626.00	$28,233.38	$229,604.92	39%	$261,355.59
55 - Services and Utilities Totals	$6,142,980.00	$450,760.45	$3,858,615.82	69%	$5,676,531.16
56 - Insurance/Sundry/Elections Totals	$979,600.00	$102,086.08	$721,211.32	74%	$968,974.39
57 - Programs/Projects Totals	$121,100.00	$0.00	$20,991.86	17%	$84,029.81
69 - Capital Equipment Totals	$170,759.00	$0.00	$26,263.71	99%	$100,303.46
90 - Transfer to ISF (New Purchases) Totals	$245,026.00	$61,256.50	$1,240,735.50	95%	$104,013.00
91 - Transfers Totals	$500,000.00	$0.00	$500,000.00	100%	$265,000.00
94 - Transfer to ISF (Replacement) Totals	$1,008,991.00	$252,247.75	$756,743.25	75%	$678,087.00
95 - Transfers to Operating Funds Totals	$166,489.00	$41,622.25	$2,474,866.75	98%	$174,365.00
99 - Reserves Totals	$25,880.00	$0.00	$0.00	0%	$0.00
Totals	**$37,966,728.00**	**$3,669,151.04**	**$25,015,737.23**	**63%**	**$32,704,412.18**



63% of Budget

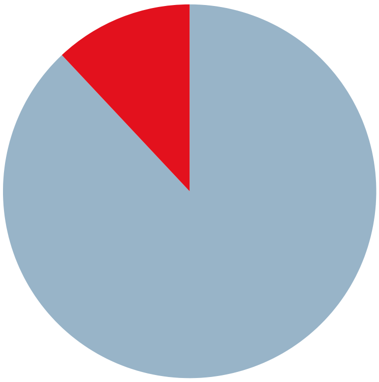
DEBT SERVICE FUND



68% of Budget

REVENUE- $1,632,067.87

	2025-2026 Adopted Budget	2025-2026 April Monthly	2025-2026 YTD Actual	2025-2026	2024-2025 Final YTD
411 - Property Taxes Totals	$1,798,468.00	$23,517.26	$1,178,448.63	66%	$2,034,710.73
426 - Interest Earnings Totals	$10,000.00	$1,485.70	$10,846.99	108%	$23,751.85
435 - Transfers from Other Funds Totals	$590,363.00	$147,590.75	$442,772.25	75%	$590,363.00
Totals	**$2,398,831.00**	**$172,593.71**	**$1,632,067.87**	**68%**	**$2,648,825.58**



12% of Budget

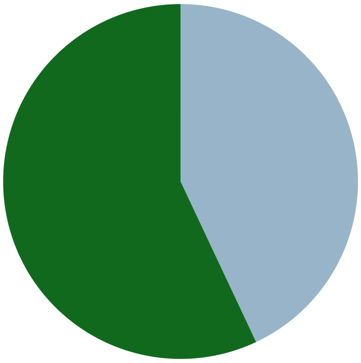
EXPENDITURES- $285,756.25

	2025-2026 Adopted Budget	2025-2026 April Monthly	2025-2026 YTD Actual	2025-2026	2024-2025 Final YTD
81 - GO/Revenue Bond Debt Totals	$2,363,832.00	$0.00	$285,756.25	12%	$2,662,552.51
Totals	**$2,363,832.00**	**$0.00**	**$285,756.25**	**12%**	**$2,662,552.51**

UTILITY FUND

REVENUE-

$19,801,358.06



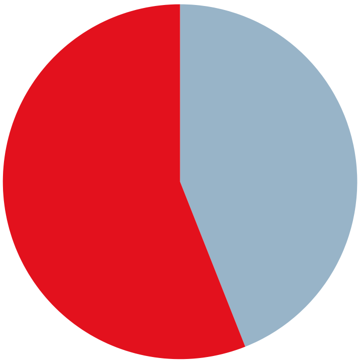
57% of Budget

	2025-2026 Adopted Budget	2025-2026 April Monthly Transactions	2025-2026 YTD Actual	2025-2026 YTD % of the Budget	2024-2025 Final YTD
401 - Water Sales Totals	$29,626,637.00	$2,373,072.76	$13,512,623.76	54%	$26,895,508.52
402 - Waste Water Service Totals	$14,844,075.00	$1,282,548.85	$6,744,290.50	55%	$13,336,713.06
403 - Water/Wastewater Taps Totals	$280,000.00	$33,037.71	$150,988.90	46%	$219,339.67
408 - Late Payment Penalties Totals	$175,000.00	$10,237.76	$88,284.74	50%	$180,957.33
417 - Permits and Licenses Totals	$0.00	$100.00	($100.00)	+++	$300.00
419 - Fees/Charges/Sales Totals	$352,000.00	$31,253.40	$134,605.14	62%	$441,473.63
426 - Interest Earnings Totals	$310,750.00	$9,215.50	$233,808.72	25%	$206,725.99
428 - Reimbursements Totals	$10,000.00	$2,477.79	($45,099.21)	551%	$10,144.02
429 - Contributions Totals	$0.00	$0.00	$0.00	+++	$734,800.00
432 - Other Totals	$50,000.00	$1,082,429.18	($1,036,382.49)	2173%	$488,334.82
434 - Charges to Other Funds Totals	$73,352.00	$18,338.00	$18,338.00	75%	$63,222.00
Totals	**$45,721,814.00**	**$4,842,710.95**	**$19,801,358.06**	**57%**	**$42,577,519.04**

	2025-2026 Adopted Budget	2025-2026 April Monthly Transactions	2025-2026 YTD Actual	2025-2026 YTD % of the Budget	2024-2025 Final YTD
51 - Salary/OtherPay/Benefits	$4,508,071.00	$476,192.69	$1,825,207.66	60%	$3,740,679.09
51b - Salary/Other Pay/Benefits-Adj 4	$7,996.00	$0.00	$0.00	+++	$0.00
52 - Supplies Totals	$1,004,418.00	$59,629.57	$501,232.52	50%	$1,009,587.94
53 - Maintenance Structures	$1,683,700.00	$165,028.06	$691,677.53	60%	$1,469,342.40
54 - Maintenance of Equipment Totals	$356,021.00	$10,975.78	$151,684.92	57%	$336,721.66
55 - Services and Utilities Totals	$4,835,910.00	$154,814.36	$3,134,154.72	41%	$2,291,618.82
56 - Insurance/Sundry	$344,950.00	$16,237.50	$16,237.50	95%	$282,503.00
68 - Improvements Totals	$0.00	$0.00	$0.00	+++	$734,800.00
69 - Capital Equipment Totals	$0.00	$0.00	$0.00	+++	$234.60
79 - TRA Water Plant Totals	$9,531,605.00	$535,179.00	$4,328,548.99	55%	$8,338,261.81
80 - Utility Fund Debt Payments Totals	$7,342,869.00	$135,396.00	$4,204,230.09	43%	$2,599,363.50
88 - Depreciation Totals	$0.00	$0.00	$0.00	+++	$5,095,150.45
90 - Transfer to ISF (New Purchases) Totals	$585,000.00	$146,250.00	$146,250.00	75%	$91,944.00
91 - Transfers Totals	$6,252,446.00	$1,563,111.50	$2,930,084.00	54%	$40,605,327.90
93 - Charges Other Funds Totals	$7,868,565.00	$1,967,141.25	$1,967,141.25	75%	$7,637,875.00
94 - Transfer to ISF (Replacement) Totals	$586,182.00	$146,545.50	$146,545.50	75%	$768,653.00
99 - Reserves Totals	$100,000.00	$0.00	$100,000.00	0%	$0.00
Totals	**$45,007,733.00**	**$5,376,501.21**	**$20,142,994.68**	**56%**	**$75,002,063.17**

EXPENDITURES-

$20,142,994.68

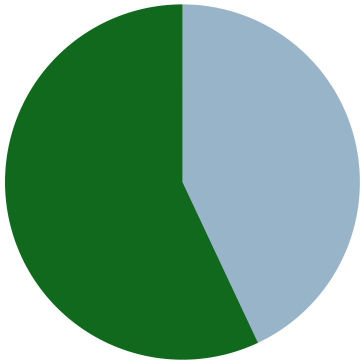


56% of Budget

SOLID WASTE FUND

REVENUE- $4,972,757.28

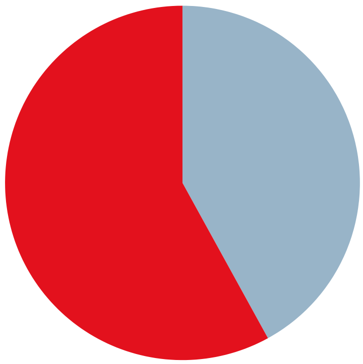
	2025-2026 Adopted Budget	2025-2026 April Monthly	2025-2026 YTD Actual	2025-2026 YTD % of the Budget	2024-2025 Final YTD
406 - Collection Charges Totals	$6,798,000.00	$532,645.91	$3,607,264.47	53%	$6,072,839.96
407- Solid Waste Disposal Totals	$1,584,890.00	$182,582.55	$1,194,448.84	75%	$1,833,671.54
408 - Late Payment Penalties Totals	$65,000.00	$4,154.76	$30,995.43	48%	$72,511.18
419 - Fees/Charges/Sales Totals	$9,200.00	$1,184.75	$8,935.51	97%	$12,990.93
426 - Interest Earnings Totals	$185,000.00	$14,846.22	$115,147.91	62%	$223,490.37
428 - Reimbursements Totals	$0.00	$0.00	$0.00	+++	$14,136.09
432 - Other Totals	$40,000.00	($362.37)	$15,965.12	40%	$32,636.07
Totals	**$8,682,090.00**	**$735,051.82**	**$4,972,757.28**	**57%**	**$8,262,276.14**



57% of Budget

EXPENDITURES- $4,953,970.54

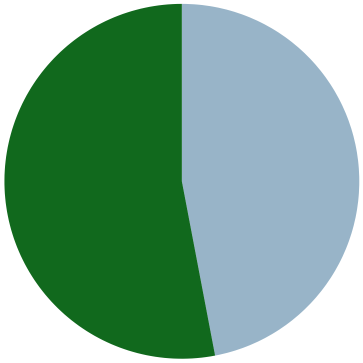
	2025-2026 Adopted Budget	2025-2026 April Monthly Transactions	2025-2026 YTD Actual	2025-2026 YTD % of the Budget	2024-2025 Final YTD
51 - Salary/OtherPay/Benefits Totals	$1,536,112.00	$165,439.11	$904,293.47	59%	$1,326,340.57
51b - Salary/Other Pay/Benefits-Adj 4 Step/COLA/Other PR Benefit Totals	$3,536.00	$0.00	$0.00	0%	$0.00
52 - Supplies Totals	$378,031.00	$35,834.48	$231,645.65	61%	$327,723.41
53 - Maintenance Structures/Improvements Totals	$15,000.00	$7.30	$10,239.31	68%	$11,011.21
54 - Maintenance of Equipment Totals	$387,776.00	$37,390.68	$194,500.70	53%	$305,091.41
55 - Services and Utilities Totals	$3,321,514.00	$245,449.92	$1,501,813.31	45%	$2,927,874.79
56 - Insurance/Sundry/Elections Totals	$221,550.00	$23,887.50	$196,662.50	89%	$175,813.00
57 - Programs/Projects Totals	$500.00	$0.00	$0.00	0%	$331.26
68 - Improvements Totals	$1,500.00	$0.00	$906.35	60%	$1,337.11
82 - Other Debt Totals	$207,800.00	$0.00	$0.00	0%	$57,826.00
88 - Depreciation Totals	$0.00	$0.00	$0.00	+++	$22,704.34
90 - Transfer to ISF (New Purchases) Totals	$230,000.00	$57,500.00	$172,500.00	75%	$765,776.00
91 - Transfers Totals	$15,110.00	$3,777.50	$11,332.50	75%	($271,668.00)
93 - Charges Other Funds Totals	$1,448,090.00	$362,022.50	$1,086,067.50	75%	$1,359,423.00
94 - Transfer to ISF (Replacement) Totals	$858,679.00	$214,669.75	$644,009.25	75%	$1,010,183.00
Totals	**$8,625,198.00**	**$1,145,978.74**	**$4,953,970.54**	**58%**	**$8,019,767.10**



58% of Budget

STORMWATER FUND

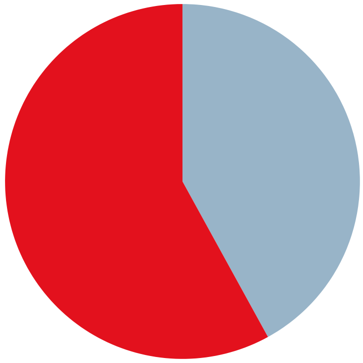
REVENUE- $ 802,187.51



53% of Budget

	2025-2026 Adopted Budget	2025-2026 April Monthly Transactions	2025-2026 YTD Actual	2025-2026 YTD % of the Budget	2024-2025 Final YTD
408 - Late Payment Penalties Totals	$500.00	$772.83	$6,213.27	1243%	$4,272.23
426 - Interest Earnings Totals	$5,000.00	$0.00	$0.00	0%	$0.00
409 - Stormwater Drainage Fees Totals	$1,500,000.00	$117,468.50	$795,974.24	53%	$1,227,665.17
Totals	**$1,505,500.00**	**$118,241.33**	**$802,187.51**	**53%**	**$1,231,937.40**

EXPENDITURES- $866,044.93

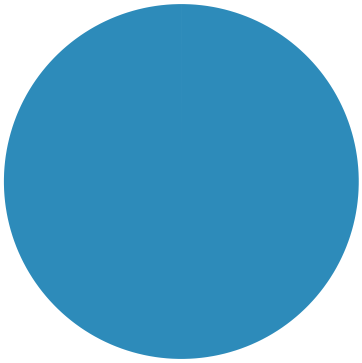


58% of Budget

	2025-2026 Adopted Budget	2025-2026 April Monthly Transactions	2025-2026 YTD Actual	2025-2026 YTD % of the Budget	2024-2025 Final YTD
51 - Salary/OtherPay/Benefits Totals	$251,384.00	$21,803.62	$126,028.76	50%	$123,522.20
51b - Salary/Other Pay/Benefits-Adj 4 Step/COLA/Other PR Benefit Totals	$500.00	$0.00	$0.00	0%	$0.00
52 - Supplies Totals	$7,895.00	$361.10	$4,225.99	54%	$4,382.05
53 - Maintenance Structures/Improvements Totals	$115,000.00	$1,412.78	$11,526.67	10%	$99,944.68
54 - Maintenance of Equipment Totals	$6,000.00	$29.29	$4,440.16	74%	$1,033.15
55 - Services and Utilities Totals	$2,610.00	$0.00	$718.00	28%	$500.00
81 - GO/Revenue Bond Debt Totals	$950,490.00	$0.00	$590,389.60	62%	$94,436.00
88 - Depreciation Totals	$0.00	$0.00	$0.00	+++	$262,853.79
90 - Transfer to ISF (New Purchases) Totals	$171,283.00	$42,820.75	$128,462.25	75%	$0.00
91 - Transfers Totals	$0.00	$0.00	$0.00	+++	$15,014,446.40
95 - Transfers to Operating Funds Totals	$338.00	$84.50	$253.50	75%	$0.00
Totals	**$1,505,500.00**	**$66,512.04**	**$866,044.93**	**58%**	**$15,601,118.27**

AIRPORT FUND

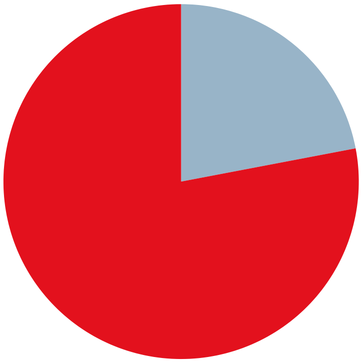
REVENUE- $235,109.15



158% of Budget

	2025-2026 Adopted Budget	2025-2026 April Monthly Transactions	2025-2026 YTD Actual	2025-2026 YTD % of the Budget	2024-2025 Final YTD
419 - Fees/Charges/Sales Totals	$57,917.00	$115.66	$19,627.22	34%	$34,346.76
426 - Interest Earnings Totals	$500.00	$47.27	$343.93	69%	$658.13
428 - Reimbursements Totals	$90,000.00	$0.00	$0.00	0%	$58,944.81
429 - Contributions Totals	$0.00	$0.00	$215,138.00	+++	$21,514.00
432 - Other Totals	$0.00	$0.00	$0.00	+++	$820.00
Totals	**$148,417.00**	**$162.93**	**$235,109.15**	**158%**	**$116,283.70**

EXPENDITURES- $251,719.70



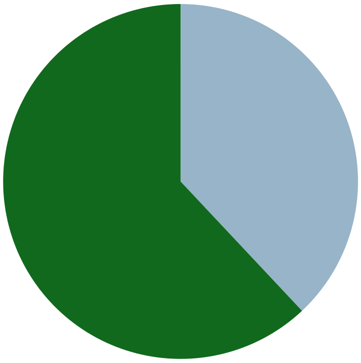
78% of Budget

	2025-2026 Adopted Budget	2025-2026 April Monthly Transactions	2025-2026 YTD Actual	2025-2026 YTD % of the Budget	2024-2025 Final YTD
52 - Supplies Totals	$1,700.00	$0.00	$109.92	6%	$362.34
53 - Maintenance Structures/Improvements Totals	$123,000.00	$0.00	$13,157.62	53%	$31,458.38
55 - Services and Utilities Totals	$29,484.00	$275.20	$1,800.16	6%	$9,253.69
91 - Transfers Totals	$0.00	$0.00	$236,652.00	100%	$0.00
Totals	**$154,184.00**	**$275.20**	**$251,719.70**	**78%**	**$41,074.41**

SCHOOL RESOURCE OFFICER SRF

REVENUE- $539,469.86

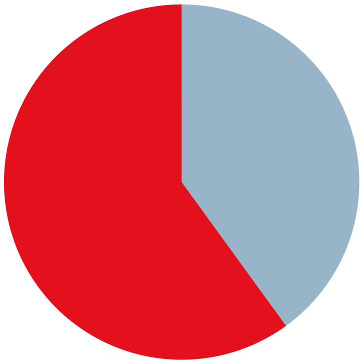
	2025-2026 Adopted Budget	2025-2026 April Monthly	2025-2026 YTD Actual	2025-2026 YTD % of the Budget	2024-2025 Final YTD
422 - Inter Governmental Totals	$655,955.00	$109,325.84	$382,640.44	58%	$598,876.04
426 - Interest Earnings Totals	$10,000.00	$838.26	$6,105.86	61%	$11,693.12
430 - Other Totals	$44,326.00	$7,387.66	$25,856.81	58%	$44,325.96
432 - Other Totals	$0.00	$0.00	$0.00	+++	$2,973.00
435 - Transfers from Other Funds Totals	$166,489.00	$41,622.25	$124,866.75	75%	$174,365.00
Totals	**$876,770.00**	**$159,174.01**	**$539,469.86**	**62%**	**$832,233.12**



62% of Budget

EXPENDITURES-$517,887.53

	2025-2026 Adopted Budget	2025-2026 April Monthly Transactions	2025-2026 YTD Actual	2025-2026 YTD % of the Budget	2024-2025 Final YTD
51 - Salary/OtherPay/Benefits Totals	$773,641.00	$82,572.69	$474,760.42	61%	$746,076.03
51b - Salary/Other Pay/Benefits-Adj 4 Step/COLA/Other PR Benefit Totals	$1,713.00	$0.00	$0.00	+++	$0.00
52 - Supplies Totals	$30,450.00	$1,056.59	$6,063.13	20%	$24,008.57
54 - Maintenance of Equipment Totals	$11,200.00	$67.12	$2,608.50	23%	$5,550.15
55 - Services and Utilities Totals	$15,440.00	$74.40	$1,210.98	42%	$9,218.54
94 - Transfer to ISF (Replacement) Totals	$44,326.00	$11,081.50	$33,244.50	75%	$44,326.00
Totals	**$876,770.00**	**$94,852.30**	**$517,887.53**	**60%**	**$829,179.29**

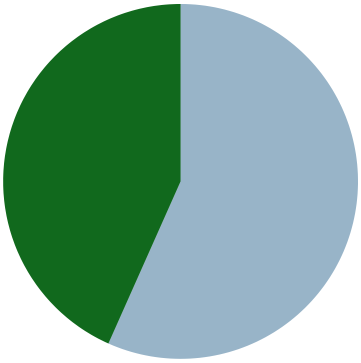


60% of Budget

ARTS & VISITOR CENTER SRF

REVENUE- $ 86,392.07

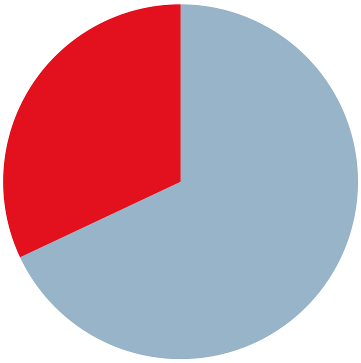
	2025-2026 Adopted Budget	2025-2026 April	2025-2026 YTD Actual	2025-2026	2024-2025 Final YTD
414 - Hotel/Motel Tax Totals	$210,000.00	$15,425.74	$81,375.15	39%	$138,209.69
419 - Fees/Charges/Sales Totals	$7,000.00	($7,805.91)	($5,841.01)	-83%	($6,808.64)
426 - Interest Earnings Totals	$3,200.00	$380.91	$2,776.28	87%	$5,320.26
428 - Reimbursements Totals	$1,500.00	$0.00	$0.00	0%	$0.00
429 - Contributions Totals	$1,640.00	$134.06	$8,081.65	493%	$11,206.01
432 - Other Totals	$0.00	$0.00	$0.00	+++	$500.00
Totals	**$223,340.00**	**$8,134.80**	**$86,392.07**	**39%**	**$148,427.32**



39% of Budget

EXPENDITURES-$93,790.06

	2025-2026 Adopted Budget	2025-2026 April	2025-2026 YTD Actual	2025-2026	2024-2025 Final YTD
51 - Salary/OtherPay/Benefits Totals	$112,296.00	$937.18	$49,789.57	44%	$104,064.06
51b - Salary/Other Pay/Benefits-Adj 4 Step/COLA/Other PR Benefit Totals	$500.00	$0.00	$0.00	0%	$0.00
52 - Supplies Totals	$4,500.00	$1,662.36	$1,268.99	28%	$4,757.04
53 - Maintenance Structures/Improvements Totals	$25,000.00	$972.43	$2,909.95	10%	$11,931.00
54 - Maintenance of Equipment Totals	$500.00	$0.00	$0.00	0%	$0.00
55 - Services and Utilities Totals	$54,373.00	$963.22	$9,994.49	14%	$23,850.00
56 - Insurance/Sundry/Elections Totals	$14,450.00	$3,037.50	$11,290.08	78%	$13,346.04
57 - Programs/Projects Totals	$18,000.00	$0.00	$2,608.27	14%	$14,931.80
78 - Miscellaneous Projects Totals	$20,000.00	$402.75	$15,928.71	37%	$23,024.79
Totals	**$249,619.00**	**$7,975.44**	**$93,790.06**	**32%**	**$195,904.73**

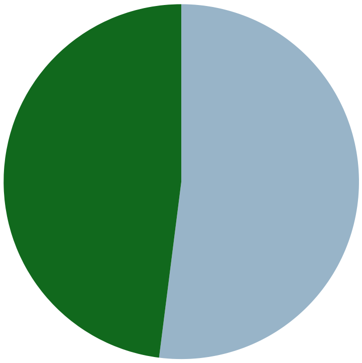


32% of Budget

HOTEL MOTEL

REVENUE- $552,045.26

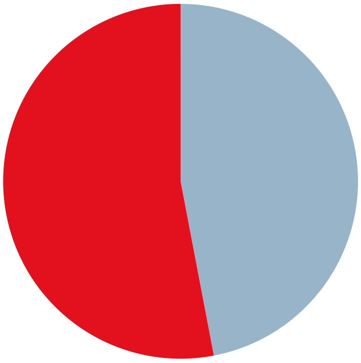
	2025-2026 Adopted Budget	2025-2026 April Monthly	2025-2026 YTD Actual	2025-2026	2024-2025 Final YTD
414 - Hotel/Motel Tax Totals	$1,000,000.00	$92,554.27	$473,536.46	47%	$829,255.05
419 - Fees/Charges/Sales Totals	$100,000.00	$6,442.78	$50,287.82	50%	$98,492.54
426 - Interest Earnings Totals	$60,000.00	$3,424.92	$26,082.43	43%	$49,943.47
429 - Contributions Totals	$500.00	$32.99	$280.65	56%	$782.33
432 - Other Totals	$0.00	$0.00	$1,857.90	***	$6.05
Totals	**$1,160,500.00**	**$102,454.96**	**$552,045.26**	**48%**	**$978,479.44**



48% of Budget

EXPENDITURES- $554,390.78

	2025-2026 Adopted Budget	2025-2026 April Monthly	2025-2026 YTD Actual	2025-2026	2024-2025 Final YTD
51 - Salary/OtherPay/Benefits Totals	$408,896.00	$46,245.29	$241,128.76	59%	$375,827.75
51b - Salary/Other Pay/Benefits-Adj 4 Step/COLA/Other PR Benefit Totals	$500.00	$0.00	$0.00	0%	$0.00
52 - Supplies Totals	$91,900.00	$8,481.58	$32,687.37	36%	$88,321.10
53 - Maintenance Structures/Improvements Totals	$30,000.00	$19.14	$2,308.23	8%	$9,616.95
54 - Maintenance of Equipment Totals	$500.00	$0.00	$80.73	16%	$212.85
55 - Services and Utilities Totals	$187,290.00	$16,584.42	$130,156.80	60%	$215,522.29
56 - Insurance/Sundry/Elections Totals	$232,950.00	$1,237.50	$81,276.64	43%	$163,905.08
69 - Capital Equipment Totals	$25,000.00	$0.00	$0.00	27%	$9,349.50
93 - Charges Other Funds Totals	$69,079.00	$17,269.75	$51,809.25	75%	$83,128.00
94 - Transfer to ISF (Replacement) Totals	$19,755.00	$4,938.75	$14,816.25	75%	$17,943.00
95 - Transfers to Operating Funds Totals	$169.00	$42.25	$126.75	75%	$0.00
Totals	**$1,066,039.00**	**$94,818.68**	**$554,390.78**	**53%**	**$963,826.52**



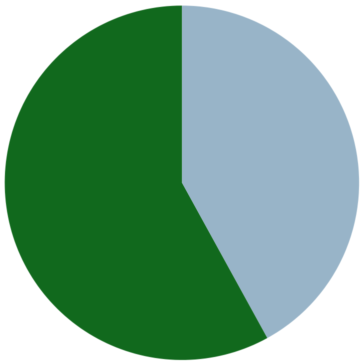
53% of Budget

SALES TAX COLLECTIONS

REVENUE- $7,829,408.14

City of Huntsville Sales Tax Collections

2025-2026	Budgeted	Actual Collections	2024-2025	Actual Collections	Difference over last year
Oct-25	$ 1,078,017.20	$ 962,281.79	Oct-25	$ 1,014,698.61	$ (52,416.82)
Nov-25	$ 1,355,098.31	$ 1,357,411.43	Nov-25	$ 1,305,151.06	$ 52,260.37
Dec-25	$ 1,027,643.30	$ 1,064,582.42	Dec-25	$ 1,043,111.93	$ 21,470.49
Jan-26	$ 1,027,963.80	$ 1,043,775.04	Jan-26	$ 992,005.85	$ 51,769.19
Feb-26	$ 1,430,380.03	$ 1,418,674.95	Feb-26	$ 1,488,434.98	$ (69,760.03)
Mar-26	$ 1,024,012.83	$ 1,044,187.37	Mar-26	$ 1,009,965.56	$ 34,221.81
Apr-26	$ 962,391.27	$ 938,495.14	Apr-26	$ 901,870.55	$ 36,624.59
May-26	$ 1,322,757.50		May-26	$ 1,301,151.80	
Jun-26	$ 1,050,456.26		Jun-26	$ 1,044,795.95	
Jul-26	$ 985,742.41		Jul-26	$ 975,076.70	
Aug-26	$ 1,209,620.56		Aug-26	$ 1,158,614.13	
Sep-26	$ 1,025,916.53		Sep-26	$ 1,003,626.99	
Totals	$13,500,000.00	$ 7,829,408.14		$13,238,504.11	$ 74,169.60



58% of Budget

CITY COUNCIL AGENDA
6/2/2026

Agenda Item Number: 1.c.

Agenda Item: Consider authorizing the City Manager to enter into an agreement with UES Professional Solutions 64, LLC for environmental professional services for the Autumn Lake Flood and Drainage, and MLK Street Improvements Projects funded by a Grant from the Texas General Land Office (GLO) under the Regional Mitigation Program (RMP).

Initiating Department/Presenter: Engineering

Presenter:
Kathlie Jeng-Bulloch, City Engineer

Recommended Motion: Move to authorize the City Manager to enter into an agreement with UES Professional Solutions 64, LLC for environmental professional services for the Autumn Lake Flood and Drainage, and MLK Street Improvements Project in the amount of $15,000.00.

Strategic Initiative: Strategic Priority #4, Infrastructure - Develop and maintain a comprehensive and well-planned infrastructure network that prepares for the challenges of the future and provides quality, modern and efficient, water, wastewater, drainage and transportation services.

Discussion:

A Request for Proposal process was conducted for the Autumn Lake Flood and Drainage, and MLK Street Improvements Projects. Eight (8) applications were received. The Evaluation Committee consisted of three members from two (2) departments (Public Works and Engineering Department). As a result of this process, the top scored Environmental Firm, UES Professional Solutions 64, LLC, was invited to submit their Scope of Works with a fee proposal.

This project provides required Environmental and Consulting Services for two GLO Grant funded projects: Autumn Lake Flood and Drainage (Council Approved on 5/5/2026), and MLK Street Improvement Projects, which is one of the Agenda items tonight.

There are eight (8) tasks items with the detailed cost for each item listed below:

Category	MLK	Autumn
Environmental Review and Document	$1,350	$1,350
Regulatory Coordination & Compliance	$1,350	$1,350
Environmental Analysis	$1,350	$1,350
Public Participation & Notices	$675	$675
Mitigation & Compliance	$675	$675
Grant Coordination & Reporting Support	$337.50	$337.50
TIGR & Documentation	$675	$675
Environmental Clearance Support	$337.50	$337.50

Subtotal	$6,750	$6,750
Profit	$750	$750
Total Project Cost (Not to Exceed)	$7,500	$7,500

GLO will fund the total cost of $15,000.00. The details of the Cost Proposal, Scope Breakdown and draft contract are attached.

Previous Council Action: None

Financial Implications: $15,000.00 from Grant and City will be responsible for $0.00.

Approvals:
Kathlie Jeng-Bulloch
Ricardo Villagrand
Scott Swigert
Robby Chapman
Kristy Doll

Associated Information:
1. 2022.03.03 Ex. B (A201) Owner's Insurance Requirements - Chapman
2. City of Huntsville Cost Proposal attachment A.1(006)
3. UES_Autumn Road Improvements Scope Breakdown Attachment A.2
4. UES_MLK Dr. Street Improvements Scope Breakdown Attachment A.3
5. Environmental services - Autumn Road DRAFT_RC 5-21-2026

Exhibit B.
Owner's Insurance Requirements of Design-Builder

1. Specific Insurance Requirements

The following insurance shall be maintained in effect with limits not less than those set forth below at all times during the term of this Agreement and thereafter as required:

Insurance	Coverage/Limits	Other Requirements
Commercial General Liability (Occurrence Basis)	Amounts of coverage shall be no less than: ▪ $1,000,000 Per Occurrence ▪ $2,000,000 General Aggregate ▪ $2,000,000 Products/Completed Operations Aggregate ▪ $1,000,000 Personal And Advertising Injury ▪ Designated Construction Project(s) General Aggregate Limit	▪ Current ISO edition of CG 00 01 ▪ Additional insured status shall be provided in favor of Owner Parties on a combination of ISO forms CG 20 10 04 13 and CG 20 37 04 13. ▪ This coverage shall be endorsed to provide primary and non-contributing liability coverage. It is the intent of the parties to this Agreement that all insurance coverage required herein shall be primary to and will not seek contribution from any other insurance held by Owner Parties, with Owner Parties' insurance being excess, secondary and non-contributing. ▪ Stop Gap coverage shall be provided if any work is to be performed in a monopolistic workers' compensation state. ▪ The following exclusions/limitations (or their equivalent(s), are prohibited: ○ Contractual Liability Limitation CG 21 39 ○ Amendment of Insured Contract Definition CG 24 26 ○ Limitation of Coverage to Designated Premises or Project, CG 21 44 ○ Exclusion-Damage to Work Performed by Subcontractors On Your Behalf, CG 22 94 or CG 22 95 ○ Exclusion-Explosion, Collapse and Underground Property Damage Hazard, CG 21 42 or CG 21 43 ○ Any Classification limitation ○ Any Construction Defect Completed Operations exclusion ○ Any endorsement modifying the Employer's Liability exclusion or deleting the exception to it ○ Any endorsement modifying or deleting Explosion, Collapse or Underground coverage ○ Any Habitational or Residential exclusion applicable to the Work ○ Any "Insured vs. Insured" exclusion except Named Insured vs. Named Insured ○ Any Punitive, Exemplary or Multiplied Damages exclusion ○ Any Subsidence exclusion

Business Auto Liability	Amount of coverage shall be no less than: ▪ $1,000,000 Per Accident	▪ Current ISO edition of CA 00 01 ▪ Arising out of any auto (Symbol 1), including owned, hired and non-owned
Workers' Compensation and Employer's Liability	Amounts of coverage shall be no less than: ▪ Statutory Limits ▪ $1,000,000 Each Accident and Disease ▪ Alternate Employer endorsement ▪ USL&H must be provided where such exposure exists.	▪ The State in which work is to be performed must listed under Item 3.A. on the Information Page ▪ Such insurance shall cover liability arising out of the Contractor's employment of workers and anyone for whom the Contractor may be liable for workers' compensation claims. Workers' compensation insurance is required, and no "alternative" forms of insurance shall be permitted. ▪ Where a Professional Employer Organization (PEO) or "leased employees" are utilized, Contractor shall require its leasing company to provide Workers' Compensation insurance for said workers and such policy shall be endorsed to provide an Alternate Employer endorsement in favor of Contractor and Owner. Where Contractor uses leased employees with Workers' Compensation insurance provided by a PEO or employee leasing company, Contractor is strictly prohibited from subletting any of its work without the express written agreement of Owner.
Excess Liability (Occurrence Basis)	Amounts of coverage shall be no less than: ▪ $5,000,000 Each Occurrence ▪ $5,000,000 Annual Aggregate	▪ Such insurance shall be excess over and be no less broad than all coverages described above. ▪ Drop-down coverage shall be provided for reduction and/or exhaustion of underlying aggregate limits and shall include a duty to defend any insured.
Professional Liability	Amounts of coverage shall be no less than: ▪$2,000,000 Each Occurrence ▪ $2,000,000 Annual Aggregate ▪ If a combined Contractor's Pollution Liability and Professional Liability policy is utilized, the limits shall be $3,000,000 Each Loss and Aggregate. ▪ Such insurance shall cover all services rendered by the Contractor and its consultants under the Agreement, including but not limited to design or design/build services. ▪ Policies written on a Claims-Made basis shall be maintained for at least two years beyond termination of the Agreement.	▪ Such insurance shall cover all services rendered by the Design-Builder and shall apply independently to each professional design subconsultant or firm. Contractor and its subcontractors under the Agreement. ▪ This insurance is not permitted to include any type of exclusion or limitation of coverage applicable to claims arising from: o bodily injury or property damage where coverage is provided in behalf of design professionals or design/build contractors o habitational or residential operations o mold and/or microbial matter and/or fungus and/or biological substance o punitive, exemplary or multiplied damages. ▪ Any retroactive date must be effective prior to beginning of services for the Owner. ▪ Policies written on a Claims-Made basis shall have an extended reporting period of at least two years beyond termination of the Agreement. Vendor shall trigger the extended reporting period if identical coverage is not otherwise maintained with the expiring retroactive date.

Contractors Pollution Liability	Amounts of coverage shall be no less than: ▪ $1,000,000 Each Loss ▪ $2,000,000 Annual Aggregate ▪ If a combined Contractor's Pollution Liability and Professional Liability policy is utilized, the limits shall be $3,000,000 Each Loss and Aggregate. ▪ The policy must provide coverage for: o the full scope of the named insured's operations (on-going and completed) as described within the scope of work for this Agreement o loss arising from pollutants including but not limited to fungus, bacteria, biological substances, mold, microbial matter, asbestos, lead, silica and contaminated drywall o third party liability for bodily injury, property damage, clean up expenses, and defense arising from the operations; o diminution of value and Natural Resources damages o contractual liability o claims arising from non-owned disposal sites utilized in the performance of this Agreement.	▪ The policy must insure contractual liability, name Owner Parties as an Additional Insured, and be primary and noncontributory to all coverage available to the Additional Insured. ▪ This insurance is not permitted to include any type of exclusion or limitation of coverage applicable to claims arising from: o Insured vs. insured actions. However exclusion for claims made between insured within the same economic family are acceptable. o impaired property that has not been physically injured o materials supplied or handled by the named insured. However, exclusions for the sale and manufacture of products are allowed. Exclusionary language pertaining to materials supplied by the insured shall be reviewed by the certificate holder for approval. o property damage to the work performed by the contractor o faulty workmanship as it relates to clean up costs o punitive, exemplary or multiplied damages o work performed by subcontractors ▪ If coverage is provided on a Claims Made basis, coverage will at least be retroactive to the earlier of the date of this Agreement or the commencement of contractor services relation to the Work. ▪ The policy will offer an extended discovery or extended reporting clause of at least three (3) years. ▪ Completed Operations coverage shall be maintained through the purchase of renewal policies to protect the insured and additional insured for at least two (2) years after the property owner accepts the project or this contract is terminated. The purchase of an extended discovery period or an extended reporting period on a Claims Made policy or the purchase of occurrence based Contractors Environmental Insurance will not be sufficient to meet the terms of this provision.
Builders Risk	▪ Coverage shall be provided in an amount equal at all times to the full contract value, including change orders, and cost of debris removal for any single occurrence. ▪ Coverage shall be at least as broad as an unmodified ISO Special form, shall be provided on a completed-value basis, and shall be primary to any other insurance coverage available to the named insured parties, with	▪ Insureds shall include Owner, Design-Build Contractor, all Loss Payees and Mortgagees, and subcontractors of all tiers in the Work as Insureds. ▪ Such insurance shall cover: o all structure(s) under construction, including retaining walls, paved surfaces and roadways, bridges, glass, foundation(s), footings, underground pipes and wiring, excavations, grading, backfilling or filling;

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that other insurance being excess, secondary and non-contributing.

The policy must provide coverage for:
<table>
<tr><td>○ Agreed Value</td><td>Included</td></tr>
<tr><td>○ Damage arising from error, omission or deficiency in construction methods, design, specifications, workmanship or materials, including collapse</td><td>Included</td></tr>
<tr><td>○ Debris removal additional limit</td><td>$1,000,000</td></tr>
<tr><td>○ Earthquake and Earthquake Sprinkler Leakage</td><td>$5,000,000</td></tr>
<tr><td>○ Flood</td><td>$5,000,000</td></tr>
<tr><td>○ Freezing</td><td>Included</td></tr>
<tr><td>○ Mechanical breakdown including hot & cold testing</td><td>Included</td></tr>
<tr><td>○ Ordinance or law</td><td>$1,000,000</td></tr>
<tr><td>○ Pollutant clean-up and removal</td><td>$ 25,000</td></tr>
<tr><td>○ Preservation of property</td><td>Included</td></tr>
<tr><td>○ Theft</td><td>Included</td></tr>
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Deductible shall not exceed
<table>
<tr><td>○ All Risks of Direct Damage, Per Occurrence, except</td><td>$10,000</td></tr>
<tr><td>○ Named Storm</td><td>2% subject to $50,000 minimum</td></tr>
<tr><td>○ Earthquake and Earthquake Sprinkler Leakage, Per Occurrence</td><td>$100,000</td></tr>
<tr><td>○ Flood, Per Occurrence or excess of NFIP if in Flood Zone A or V</td><td>$100,000</td></tr>
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○ all temporary structures (e.g., fencing, scaffolding, cribbing, false work, forms, site lighting, temporary utilities and buildings) located at the site;
○ all property including materials and supplies on site for installation;
○ all property including materials and supplies at other locations but intended for use at the site;
○ all property including materials and supplies in transit to the site for installation by all means of transportation other than ocean transit; and
○ other Work at the site identified in the Agreement to which this Exhibit is attached.

No protective safeguard warranty shall be permitted.
The termination of coverage provision shall be endorsed to permit occupancy of the covered property being constructed This insurance shall be maintained in effect, unless otherwise provided for the Agreement Documents, until the earliest of:

○ the date on which all persons and organizations who are insureds under the policy agree that it shall be terminated;
○ occupancy, in whole or in part;
○ the date on which release of substantial completion is executed; or
○ the date on which the insurable interests of Contractor in the Covered Property has ceased.

A waiver of subrogation provision shall be provided in favor of all insureds.

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2. General Insurance Requirements

A. Definitions. For purposes of this Agreement:

i. "ISO" means Insurance Services Office.

ii. "Contractor" shall include design-build subcontractor, subcontractors, and subconsultants of any tier.

iii. "Owner Parties" means (a) the City of Huntsville ("Owner"), (b) the Project, (c) any lender whose loan is secured by a lien against the Work, (d) their respective shareholders, members, partners, joint venturers, affiliates, subsidiaries, successors and assigns, (e) any directors, officers, employees, or agents of such persons or entities, and (f) others as required by the Construction Documents.

B. Policies.

i. Contractor shall maintain such General Liability, Excess Liability, Professional and Pollution insurance in identical coverage, form and amount, including required endorsements, for at least two (2) years following Date of Substantial Completion of the Work to be performed under this Agreement. Contractor shall provide written representation to Owner stating Work completion date.

ii. All policies must:

a. Be written through insurance companies authorized to do business in the State in which the work is to be performed and rated no less than A-: VII in the most current edition of A. M. Best's Key Rating Guide at all times Work is to be performed.
b. Provide a waiver of subrogation in favor of Owner Parties on all insurance coverage carried by Contractor, whether required herein or not.
c. Contain an endorsement providing for thirty (30) days prior written notice of cancellation to Owner.
d. Be provided to the Owner Parties in compliance with the requirements herein and shall contain no endorsements that restrict, limit, or exclude coverage required herein in any manner without the prior express written approval of the Owner.

iii. Failure of any Owner Party to demand such certificate or other evidence of full compliance with these insurance requirements or failure of any Owner Party to identify a deficiency from evidence that is provided shall not be construed as a waiver of the Contractor's obligation to maintain such insurance.
iv. Contractor shall provide to the Owner a certified copy of all insurance policies required herein within ten (10) days of any such request. Renewal policies, if necessary, shall be delivered to the Owner prior to the expiration of the previous policy.
v. Commencement of Work without provision of the required certificate of insurance, evidence of insurance and/or required endorsements, or without compliance with any other provision of this Agreement, shall not constitute a waiver by any Owner Party of any rights. The Owner shall have the right, but not the obligation, of prohibiting the Contractor or any subcontractor from performing any Work until such certificate of insurance, evidence of insurance and/or required endorsements are received and approved by the Owner.

C. <u>Limits, Deductibles and Retentions</u>

i. The limits of liability may be provided by a single policy of insurance or by a combination of primary and excess policies, but in no event shall the total limits of liability available for any one occurrence or accident be less than the amount required herein.
ii. No deductible or self-insured retention shall exceed $25,000 without prior written approval of the Owner, except as otherwise specified herein. All deductibles and/or retentions shall be paid by, assumed by, for the account of, and at the Contractor's sole risk. The Contractor shall not be reimbursed for same

D. <u>Forms</u>

i. If the forms of policies, endorsements, certificates or evidence of insurance required by this Exhibit are superseded or discontinued, Owner will have the right to require other equivalent forms.
ii. Any policy or endorsement form other than a form specified in this Exhibit must be approved in advance by Owner.

E. **<u>Evidence of Insurance</u>**. Insurance must be evidenced as follows:

i. ACORD Form 25 Certificate of Liability Insurance for liability coverages.
ii. ACORD Form 28 Evidence of Commercial Property Insurance for property coverages.
iii. Evidence shall be provided to Owner prior to commencing Work and prior to the expiration of any required coverage.
iv. ACORD Forms specify:
   a. Owner as certificate holder at Owner's mailing address;
   b. Insured's name, which must match that on this Agreement;
   c. Insurance companies producing each coverage and the policy number and policy date of each coverage;
   d. Producer of the certificate with correct address and phone number and have the signature of the authorized representative of the producer;
   e. Additional Insured status in favor of Owner Parties;
   f. Amount of any deductible or self-insured retention in excess of $25,000;
   g. Designated Construction Project(s) General Aggregate Limit;
   h. Primary and non-contributory status;
   i. Waivers of subrogation; and
   j. All exclusions and limitations added by endorsement to the General Liability coverage. This can be achieved by attachment of the Schedule of Forms and Endorsements page.
v. Copies of the following shall also be provided:

a. General Liability Additional insured endorsement(s);
b. General Liability Schedule of Forms and Endorsements page(s); and
c. 30 Day Notice of Cancellation endorsement applicable to all required policies.

F. <u>Contractor Insurance Representations to Owner Parties</u>

i. It is expressly understood and agreed that the insurance coverages required herein (a) represent Owner Parties' minimum requirements and are not to be construed to void or limit the Contractor's indemnity obligations as contained in this Agreement nor represent in any manner a determination of the insurance coverages the Contractor should or should not maintain for its own protection; and (b) are being, or have been, obtained by the Contractor in support of the Contractor's liability and indemnity obligations under this Agreement. Irrespective of the requirements as to insurance to be carried as provided for herein, the insolvency, bankruptcy or failure of any insurance company carrying insurance of the Contractor, or the failure of any insurance company to pay claims accruing, shall not be held to affect, negate or waive any of the provisions of this Agreement.

ii. Failure to obtain and maintain the required insurance shall constitute a material breach of, and default under, this Agreement. If the Contractor shall fail to remedy such breach within five (5) business days after notice by the Owner, the Contractor will be liable for any and all costs, liabilities, damages and penalties resulting to the Owner Parties from such breach, unless a written waiver of the specific insurance requirement(s) is provided to the Contractor by the Owner. In the event of any failure by the Contractor to comply with the provisions of this Agreement, the Owner may, without in any way compromising or waiving any right or remedy at law or in equity, on notice to the Contractor, purchase such insurance, at the Contractor's expense, provided that the Owner shall have no obligation to do so and if the Owner shall do so, the Contractor shall not be relieved of or excused from the obligation to obtain and maintain such insurance amounts and coverages.

iii. This Exhibit is an independent contract provision and shall survive the termination or expiration of the Construction Agreement.

G. <u>Insurance Requirements of Contractor's Subcontractors</u>

i. Insurance similar to that required of the Contractor shall be provided by all subcontractors (or provided by the Contractor on behalf of subcontractors) to cover operations performed under any subcontract agreement. The Contractor shall be held responsible for any modification in these insurance requirements as they apply to subcontractors. The Contractor shall maintain certificates of insurance from all subcontractors containing provisions similar to those listed herein (modified to recognize that the certificate is from subcontractor) enumerating, among other things, the waivers of subrogation, additional insured status, and primary liability as required herein, and make them available to the Owner upon request.

ii. The Contractor is fully responsible for loss and damage to its property on the site, including tools and equipment, and shall take necessary precautions to prevent damage to or vandalism, theft, burglary, pilferage and unexplained disappearance of property. Any insurance covering the Contractor's or its subcontractor's property shall be the Contractor's and its subcontractor's sole and complete means or recovery for any such loss. To the extent any loss is not covered by said insurance or subject to any deductible or co-insurance, the Contractor shall not be reimbursed for same. Should the Contractor or its subcontractors choose to self insure this risk, it is expressly agreed that the Contractor hereby waives, and shall cause its subcontractors to waive, any claim for damage or loss to said property in favor of the Owner Parties.

H. <u>Use of the Owners Equipment</u>

The Contractor, its agents, employees, subcontractors or suppliers shall use the Owners equipment only with express written permission of the Owners designated representative and in accordance with the Owners terms and condition for such use. If the Contractor or any of its agents, employees, subcontractors or suppliers utilize any of the Owners equipment for any purpose, including machinery, tools, scaffolding, hoists, lifts or similar items owned, leased or under the control of the Owner, the Contractor shall defend, indemnify and be liable to the Owner Parties for any and all loss or damage which may arise from such use.

I. <u>Release and Waiver</u>

The Contractor hereby releases, and shall cause its subcontractors to release, the Owner Parties from any and all claims or causes of action whatsoever which the Contractor and/or its subcontractors might otherwise now or hereafter possess resulting in or from or in any way connected with any loss covered by insurance, whether required herein or not, or which should have been covered by insurance required herein, including the deductible and/or uninsured portion thereof, maintained and/or required to be maintained by the Contractor and/or its subcontractors pursuant to this Agreement. **THE FOREGOING RELEASE AND WAIVER APPLY EVEN IF THE LOSS OR DAMAGE IS CAUSED IN WHOLE OR IN PART BY THE FAULT OR NEGLIGENCE OR STRICT LIABILITY OF THE OWNER PARTIES.**

COST PROPOSAL

INSTRUCTIONS TO VENDORS

Vendors shall complete this Cost Proposal Form provided in this section in its entirety. All costs must be inclusive of labor, overhead, travel, materials, and any other expenses necessary to complete the Scope of Environmental Services.

Costs shall be provided separately for each project. All pricing shall be submitted on a not-to-exceed (NTE) basis and shall represent the maximum compensation for completion of the work. Profit must be identified as a separate line item in accordance with applicable federal requirements.

Category	Project 1 – MLK Street Improvements ($)	Project 2 – Autumn Road Improvements ($)
Environmental Review & Documentation	$1,350	$1,350
Regulatory Coordination & Compliance	$1,350	$1,350
Environmental Analysis	$1,350	$1,350
Public Participation & Notices	$675	$675
Mitigation & Compliance Support	$675	$675
Grant Coordination & Reporting Support	$337.50	$337.50
TIGR & Documentation Management	$675	$675
Environmental Clearance Support	$337.50	$337.50
Subtotal	$6,750	$6,750
Profit (separate line item)	$750	$750
Total Project Cost (Not-to-Exceed)	$7,500	$7,500

ADDITIONAL REQUIREMENTS

- No additional compensation will be allowed unless approved in writing by the City through a formal contract amendment.
- The City reserves the right to request additional cost detail, including hours and billing rates by task, during evaluation or negotiation.

Attachment A.2

City of Huntsville
448 State Highway 75 North
Huntsville, Texas 77320

May 20, 2026

Re: RFP 26-0191 - Environmental Engineering & Consulting Services // Autumn Road Improvements Scope Breakdown

UES Professional Solutions 64, LLC (UES) appreciates the opportunity to move further in negotiations to provide environmental professional services for the City of Huntsville to support the Martin Luther King Dr. and Autumn Rd. Street Improvements Projects. UES has provided a breakdown of scope activities for the Autumn Road Improvements project below:

ENVIRONMENTAL REVIEW AND DOCUMENTATION

- UES Professional Solutions 64, LLC (UES) will determine the appropriate level of environmental review (Exempt, CEST, Environmental Assessment, etc.).
  - Environmental assessment is assumed.
  - If significant effects are identified, Environmental Impact Statement (EIS) will be required.
- UES will prepare a complete and compliant Environmental Review Record (ERR) for the project.
- UES will maintain all environmental documentation in a complete and organized manner sufficient to meet all federal, state and GLO monitoring and audit requirements.

REGULATORY COORDINATION AND COMPLIANCE

- UES will coordinate with applicable regulatory agencies, including but not limited to:
  - Texas Parks and Wildlife Department (TPWD)
  - U.S. Army Corps of Engineers (USACE)
  - Texas Historical Commission/State Historic Preservation Office (THC/SHPO)
  - Federal Emergency Management Agency (FEMA)
  - U.S. Fish & Wildlife Services (USFWS)
- UES will assist the City in obtaining all required environmental clearances, approvals, and permits, as applicable.
  - If the project size is greater than one (1) acre, a National Pollutant Discharge Elimination System (NPDES) permit is required. An additional proposal would be required if the NDPES permit is needed.

ENVIRONMENTAL ANALYSIS

- UES will conduct and document all required environmental reviews and analyses, including:
  - All Applicable Airports in the Area
  - Coastal Barrier Resource Zones
  - Air Quality
  - Coastal Zone Management
  - Contamination of Toxic Substances
    - UES will conduct a Phase I Environmental Site Assessment (ESA) and incorporate the findings into the HUD Part 58 EA.
  - Endangered Species
    - UES will perform a Section 7 consultation with US Fish & Wildlife Services via Information for

Planning & Consultation (IPaC).
- Explosives and Flammable Hazards in Proximity to the Project Site
- Farmland Protection
- Floodplain Management and Compliance
  - UES will perform an 8-step decision-making process for floodplains in accordance with 24 CFR 55.20.
- Historic and Cultural Resources Review (Section 106 compliance)
- Noise Review
- Sole Source Aquifers
- Wetlands and Waters of the U.S. Determination
  - UES will perform an 8-step decision-making process for wetlands to comply with EO 11990.
  - If a wetland delineation and/or federal/state permitting is required, a separate proposal will be submitted. Please refer to the assumptions at the end of this document.
- Wild and Scenic Rivers
- Environmental Assessment Factors
  - Land Development
  - Socioeconomic
  - Community Facilities & Services
  - Natural Features

- If additional field review is required, a separate proposal will be submitted. Please refer to the assumptions at the end of this document.

PUBLIC PARTICIPATION AND NOTICES

- UES will prepare an early notice and public review of a proposed activity in a floodplain and wetland and a final notice and public explanation of a proposed activity in a floodplain and wetland.
- UES will prepare environmental compliance documentation required under 24 CFR Part 58, including draft public notices such as the Notice of Intent to Request Release of Funds (NOI/RROF) and Finding of No Significant Impact (FONSI), if applicable.
- UES will ensure all public notice documentation is based on the completed Environmental Review Record (ERR).
- UES will coordinate with the City's Grant Manager to ensure accuracy and compliance with applicable environmental requirements.
- The City, as the Responsible Entity, shall retain responsibility for publication, certification, and submission of all public notices.

MITIGATION AND COMPLIANCE SUPPORT

- UES will identify and document any required environmental mitigation measures.
- UES will provide guidance to the City regarding implementation of mitigation requirements.
- UES will assist the City in maintaining environmental compliance throughout the HUD environmental review project lifecycle, as needed. UES will not assist with construction phase environmental support and/or monitoring.

GRANT COORDINATION AND REPORTING SUPPORT

- UES will coordinate with the City's Grant Manager and project team to ensure environmental activities, milestones, and approvals align with overall project schedules and applicable GLO program requirements.
- UES will provide status updates and supporting environmental information as needed to assist the City in meeting grant reporting requirements.

TIGR & DOCUMENTATION MANAGMENT

- UES will assist the City, as directed, with the entry and uploading of environmental documentation into the Texas Integrated Grant Reporting (TIGR) system.
- UES will provide revisions or additional documentation as requested to support completeness and accuracy of the official grant record. Our proposal includes two (2) virtual meetings. Please refer to the assumptions at the end of this document.

ENVIRONMENTAL CLEARANCE SUPPORT

- UES will prepare a draft Notice of Intent (NOI) to Request for Release of Funds (RROF) document based on the completed Environmental Review Record (ERR) and coordinate with the City to support submission.
- UES will respond to comments or requests for additional information from GLO or other regulatory agencies related to environmental review.
- UES will support the City through issuance of Authority to Release Grant Funds (AUGF) letter.

ASSUMPTIONS

This proposal is based on the limited information available at the time of the request. The expectation is that the proposed scope of work will require a HUD Part 58 EA, subject to RE review and approval. If extraordinary circumstances or significant impacts are identified requiring an Environmental Impact Statement, an additional proposal will be provided. Substantial changes to site boundaries, ground disturbance, building footprint, or project purpose may require supplemental environmental review and are not included. Should the HUD Environmental Review process identify conditions requiring additional field investigations or supplemental reporting not included within the current scope of work above, UES will submit an additional proposal for such services or request a formal modification to the existing contract. This proposal includes no more than two reviews and response to comments from RE. The proposal includes no more than two virtual meetings with client and RE. The proposed scope of work does not include construction support, construction phase monitoring, or post construction environmental testing unless such services are explicitly described in this proposal. Following HUD Part 58 formal approval from the RE and issuance of the Authority to Release Grant Funds letter, any revisions to HUD documentation will require an additional proposal.

Please feel free to reach out to Christine Peach, PG (cpeach@teamues.com) or Leah Parker (lparker1@teamues.com) if the City of Huntsville has further questions or clarifications.

Thank you,

Christine Peach

Christine Peach, PG - Director of Environmental Services, TX
cpeach@teamues.com // (832) 559-5811

City of Huntsville
448 State Highway 75 North
Huntsville, Texas 77320

Attachment A.3

May 20, 2026

Re: RFP 26-0191 - Environmental Engineering & Consulting Services // MLK Street Improvements Scope Breakdown

UES Professional Solutions 64, LLC (UES) appreciates the opportunity to move further in negotiations to provide environmental professional services for the City of Huntsville to support the Martin Luther King Dr. and Autumn Rd. Street Improvements Projects. UES has provided a breakdown of scope activities for the MLK Dr. Street Improvements project below:

ENVIRONMENTAL REVIEW AND DOCUMENTATION

- UES Professional Solutions 64, LLC (UES) will determine the appropriate level of environmental review (Exempt, CEST, Environmental Assessment, etc.).
  - Environmental assessment is assumed unless engineering drawings show project could be CATEX.
  - If significant effects are identified, Environmental Impact Statement (EIS) will be required.
- UES will prepare a complete and compliant Environmental Review Record (ERR) for the project.
- UES will maintain all environmental documentation in a complete and organized manner sufficient to meet all federal, state and GLO monitoring and audit requirements.

REGULATORY COORDINATION AND COMPLIANCE

- UES will coordinate with applicable regulatory agencies, including but not limited to:
  - Texas Parks and Wildlife Department (TPWD)
  - U.S. Army Corps of Engineers (USACE)
  - Texas Historical Commission/State Historic Preservation Office (THC/SHPO)
  - U.S. Fish & Wildlife Services (USFWS)
- UES will assist the City in obtaining all required environmental clearances, approvals, and permits, as applicable.
  - If the project size is greater than one (1) acre, a National Pollutant Discharge Elimination System (NPDES) permit is required. An additional proposal would be required if the NDPES permit is needed.

ENVIRONMENTAL ANALYSIS

- UES will conduct and document all required environmental reviews and analyses, including:
  - All Applicable Airports in the Area
  - Coastal Barrier Resource Zones
  - Air Quality
  - Coastal Zone Management
  - Contamination of Toxic Substances
    - UES will conduct a Phase I Environmental Site Assessment (ESA) and incorporate the findings into the HUD Part 58 EA.
  - Endangered Species
    - UES will perform a Section 7 consultation with US Fish & Wildlife Services via Information for Planning & Consultation (IPaC).

  - Explosives and Flammable Hazards in Proximity to the Project Site
  - Farmland Protection
  - Floodplain Management and Compliance
  - Historic and Cultural Resources Review (Section 106 compliance)
  - Noise Review
  - Sole Source Aquifers
  - Wetlands and Waters of the U.S. Determination
  - Wild and Scenic Rivers
  - Environmental Assessment Factors
    - Land Development
    - Socioeconomic
    - Community Facilities & Services
    - Natural Features
- If additional field review is required, a separate proposal will be submitted. Please refer to the assumptions at the end of this document.

PUBLIC PARTICIPATION AND NOTICES

- UES will prepare environmental compliance documentation required under 24 CFR Part 58, including draft public notices such as the Notice of Intent to Request Release of Funds (NOI/RROF) and Finding of No Significant Impact (FONSI), if applicable.
- UES will ensure all public notice documentation is based on the completed Environmental Review Record (ERR).
- UES will coordinate with the City's Grant Manager to ensure accuracy and compliance with applicable environmental requirements.
- The City, as the Responsible Entity, shall retain responsibility for publication, certification, and submission of all public notices.

MITIGATION AND COMPLIANCE SUPPORT

- UES will identify and document any required environmental mitigation measures.
- UES will provide guidance to the City regarding implementation of mitigation requirements.
- UES will assist the City in maintaining environmental compliance throughout the HUD environmental review project lifecycle, as needed. UES will not assist with construction phase environmental support and/or monitoring.

GRANT COORDINATION AND REPORTING SUPPORT

- UES will coordinate with the City's Grant Manager and project team to ensure environmental activities, milestones, and approvals align with overall project schedules and applicable GLO program requirements.
- UES will provide status updates and supporting environmental information as needed to assist the City in meeting grant reporting requirements.

TIGR & DOCUMENTATION MANAGMENT

- UES will assist the City, as directed, with the entry and uploading of environmental documentation into the Texas Integrated Grant Reporting (TIGR) system.
- UES will provide revisions or additional documentation as requested to support completeness and accuracy of the official grant record. Our proposal includes two (2) virtual meetings. Please refer to the assumptions at the end of this document.

ENVIRONMENTAL CLEARANCE SUPPORT

- UES will prepare a draft Notice of Intent (NOI) to Request for Release of Funds (RROF) document based on the completed Environmental Review Record (ERR) and coordinate with the City to support submission.
- UES will respond to comments or requests for additional information from GLO or other regulatory agencies related to environmental review.
- UES will support the City through issuance of Authority to Release Grant Funds (AUGF) letter.

ASSUMPTIONS

This proposal is based on the limited information available at the time of the request. The expectation is that the proposed scope of work will require a HUD Part 58 EA, subject to RE review and approval. If extraordinary circumstances or significant impacts are identified requiring an Environmental Impact Statement, an additional proposal will be provided. Substantial changes to site boundaries, ground disturbance, building footprint, or project purpose may require supplemental environmental review and are not included. Should the HUD Environmental Review process identify conditions requiring additional field investigations or supplemental reporting not included within the current scope of work above, UES will submit an additional proposal for such services or request a formal modification to the existing contract. This proposal includes no more than two reviews and response to comments from RE. The proposal includes no more than two virtual meetings with client and RE. The proposed scope of work does not include construction support, construction phase monitoring, or post construction environmental testing unless such services are explicitly described in this proposal. Following HUD Part 58 formal approval from the RE and issuance of the Authority to Release Grant Funds letter, any revisions to HUD documentation will require an additional proposal.

Please feel free to reach out to Christine Peach, PG (cpeach@teamues.com) or Leah Parker (lparker1@teamues.com) if the City of Huntsville has further questions or clarifications.

Thank you,

Christine Peach

Christine Peach, PG - Director of Environmental Services, TX
cpeach@teamues.com // (832) 559-5811

CONTRACT FOR ENVIRONMENTAL SERVICES
RFP# 26-21

UES PROFESSIONAL SOLUTIONS 64, LLC

This Contract is between the **City of Huntsville**, a Texas home-rule municipal corporation (City) and **UES Professional Solutions 64, LLC,** a Texas limited liability company (Firm). City and the Firm, in consideration of the mutual covenants set forth herein, agree as follows:

1. Scope of Services

The Firm agrees to provide the City of Huntsville with professional services generally described as environmental services. The services are more particularly described in **Attachment A (Proposal) for the Project of Autumn Road Improvement and the MLK Street Improvement.**

2. Payment

The City shall pay the Firm as set forth in the fee schedule in **Attachment A.** Except in the event of a duly authorized change order, approved by the City in writing, the total cost of all professional services provided under this Contract may not exceed **$15,000**.

3. Time of Performance

A. **Term of Contract**. This contract shall be effective for five (5) months from the date indicated in the Notice to Proceed.

B. **Time is of the essence of this Contract.** The Firm shall be prepared to provide the professional services in the most expedient and efficient manner in order to complete the services as specified in the Notice to Proceed.

4. Warranty, Indemnification, and Release

A. As an experienced and qualified professional, the Firm warrants that Firm will perform all services under this Contract, including but not limited to providing information, design preparation of drawing, designation or selection of materials and equipment and selection and supervision of personnel, (1) with the professional skill and care ordinarily provided by competent Firms practicing in the same or similar locality and under the same or similar circumstances and professional license; and (2) as expeditiously as is prudent considering the ordinary professional skill and care of a competent design professional Firm. Approval of the City shall not constitute, or be deemed, a release of the responsibility and liability of the Firm, its employees, agents, or associates for the exercise of skill and diligence to promote the accuracy and competency of their designs, information, plans, specifications or any other document, nor shall the City's approval be deemed to be the assumption of responsibility by the City for any defect or error in the aforesaid documents prepared by the Firm, its employees, associates, agents, or subcontractors.

B. The Firm shall promptly correct any defective designs or specifications furnished by the Firm at no cost to the City. The City's approval, acceptance, use of, or payment for, all or any part of the Firm’s services hereunder or of the project itself shall in no way alter the Firm's obligations or the City's rights hereunder.

C. In all activities or services performed hereunder, the Firm is an independent contractor and not an agent or employee of the City. The Firm and its employees are not the agents, servants, or employees of the City. As an independent contractor, the Firm shall be responsible for the professional services and the final work product contemplated under this Contract. Except for materials furnished by the City, the Firm shall supply all materials, equipment, and labor required for the professional services to be provided under this Contract. The Firm shall have ultimate control over the execution of the professional services. The Firm shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees or subcontractors, and the City shall have no control of or supervision over the employees of the Firm or any of the Firm's subcontractors.

D. The Firm must at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, employees, agents, subcontractors, licensees, and other persons, as well as their personal property, while in the vicinity of the locations where services are performed. It is expressly understood and agreed that the City shall not be liable or responsible for the negligence of the Firm, its officers, employees, agents, subcontractors, invitees, licensees, and other persons.

E. <u>Responsibility for damage claims (indemnification)</u>: Firm shall indemnify and save harmless the City and all its officers, agents, and employees from all suits, actions, or claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person or persons or property resulting from the Firm's negligent act, intentional tort, intellectual property infringement or failure to pay a subcontractor or supplier, or by or on account of any claims or amounts recovered under the Workmen's Compensation Law or any other law, ordinance, order or decree arising therefrom, and his sureties shall be held until such suit or suits, action or actions, claim or claims for injury or damages as aforesaid shall have been settled and satisfactory evidence to the effect furnished the City. Firm shall indemnify and save harmless the City, its officers, agents and employees in accordance with this indemnification clause only for that portion of the damage caused by Firm's negligence, intentional tort, intellectual property infringement or failure to pay a subcontractor or supplier. Firm shall reimburse City for its reasonable attorney's fees in proportion to Firm's liability for any such claim.

F. **<u>Release</u>**. The Firm releases, relinquishes, and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to, sickness or death of the Firm or its employees and any loss of or damage to any property of the Firm or its employees that is caused by or alleged to be caused by, arises out of, or is in connection with the Firm's negligent performance of the work. Both the City and the Firm expressly intend that this release shall apply regardless of whether said claims, demands, and causes of action are covered, in whole or in part, by insurance.

5. Insurance Requirement

Professional Service Firm agrees to have and maintain the policies set forth in the insurance requirements attached as **Attachment B**. All policies, endorsements, certificates, and/or binders shall be subject to approval by the City as to form and content. These requirements are subject to amendment or waiver only if so approved in writing by the City. A lapse in any required coverage shall be a breach of this Contract.

6. Termination

A. The City may terminate this Contract at any time upon thirty (30) calendar days' written notice. Upon the receipt of such notice, the Firm shall discuss with the City what will be accomplished within the thirty (30) calendar day timeframe and document this in an exit strategy that must be approved by the City. The Firm shall be compensated for the services satisfactorily performed prior to the termination date.

B. If, through any cause, the Firm fails to fulfill its obligations under this Contract, or if the Firm violates any of the agreements of this Contract, the City has the right to terminate this Contract by giving five (5) calendar days' written notice to the Firm. The Firm will be compensated for the services satisfactorily performed before the termination date.

C. No term or provision of this Contract shall be construed to relieve the Firm of liability to the City for damages sustained by the City because of any breach of contract by the Firm. The City may withhold payments to the Firm for the purpose of setoff until the exact amount of damages due the City from the Firm is determined and paid.

7. Provisions Required by Statute

A. Firm verifies that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.

B. Firm verifies that neither it, nor its parent company, is (1) majority owned or controlled by individuals who are citizens of China, Iran, North Korea, or Russia, or by a company or other entity that is owned or directly controlled by the government of China, Iran, North Korea, Russia; (2) headquartered in any of those countries, as prohibited by Section 2275.0102 of the Texas Government Code.

8. Miscellaneous Terms

A. This Contract has been made under and shall be governed by the laws of the State of Texas. The parties agree that performance and all matters related thereto shall be in Walker County, Texas. Venue for any matter arising from this Contract shall be in the court of competent jurisdiction in Brazos County, Texas.

B. Notices shall be mailed to the addresses designated herein or as may be designated in writing by the parties from time to time and shall be deemed received when sent postage prepaid U.S. Mail to the following addresses:

The City of Huntsville `
Engineering
Attn: Dr. Kathlie S. Jeng-Bulloch, P.E.
1212 Avenue M
Huntsville, Texas 77340

The Professional Service Firm:
UES Professional Solutions 64, LLC
Attn: John D. Peterson, PG
14731 Pebble Bend Drive
Houston, Texas 77068

C. No waiver by either party hereto of any term or condition of this Contract shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

D. This Contract represents the entire and integrated agreement between the City and the Firm and supersedes all prior contracts, negotiations, representations, or agreements, either written or oral. This Contract may only be amended by written instrument approved and executed by the parties.

E. This Contract and all rights and obligations contained herein may not be assigned by the Firm without the prior written approval of the City.

F. The Firm, its agents, employees, and subcontractors must comply with all applicable federal and state laws, the charter and ordinances of the City of Huntsville, and with all applicable rules and regulations promulgated by local, state, and national boards, bureaus, and agencies. The Firm must obtain all necessary permits and licenses required in completing the work and providing the services required by this Contract.

G. The Firm shall apply basic safeguarding requirements and procedures to protect Firm's information systems whenever the information systems store, process or transmit any information, not intended for public release, which is provided by or generated for the City. This requirement does not include information provided by the City to the public or simple transactional information, such as that necessary to process payments. These requirements and procedures shall include, at a minimum, the security control requirements "reflective of actions a prudent business person would employ" which are outlined in the Federal Acquisition Regulations FAR 52.204-21(b) and codified in the Code of Federal Regulations at 48 C.F.R. § 52.204-21(b) (2016). Firm shall include the substance of this clause in subcontracts under this contract in which the subcontractor may have City contract information residing in or transiting through its information system.

H. The provisions of this Contract are independent and severable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that, for any reason, any other or others of them may be invalid or unenforceable in whole or in part. Furthermore, if a court of competent jurisdiction determines that any provision of this Contract is invalid or unenforceable as written, the court may interpret, construe, rewrite, or revise such provision to the fullest extent allowed by law, so as to make it valid and enforceable, consistent it the intent of the parties hereto.

I. The attachments to this Contract are incorporated herein and shall be considered part of this Contract. In the event of a conflict between this Contract and any attachments to this Contract, the provision of this Contract shall prevail.

J. The parties acknowledge that they have read, understood, and intend to be bound by the terms and conditions of this Contract.

[Signature Page Follows]

CITY OF HUNTSVILLE:

APPROVED:

____
Scott E. Swigert
City Manager

APPROVED AS TO FORM:

____
Robby Chapman
City Attorney

PREPARED AND RECOMMENDED:

____
Dr. Kathlie S. Jeng-Bulloch, P.E., BC.WRE, CFM
City Engineer

ATTEST:

____
Kristy Doll
City Secretary

Date: ______________________________

FIRM:

By: ______________________________

Printed Name:______________________________

Title: ______________________________

Date: ______________________________

CITY COUNCIL AGENDA
6/2/2026

Agenda Item Number: 2.a.

Agenda Item: Consider approving Resolution 2026-20, approving a bond resolution of the Trinity River Authority; and authorizing the execution and delivery of “Trinity River Authority of Texas - First Amendment - Huntsville Regional Water Supply System Contract”.

Initiating Department/Presenter: Finance

Presenter:
Lance Hall, Finance Director
Ricardo Villagrand, Assistant City Manager

Recommended Motion: Move to approve Resolution 2026-20, approving a bond resolution of the Trinity River Authority; and authorizing the execution and delivery of “Trinity River Authority of Texas - First Amendment - Huntsville Regional Water Supply System Contract”.

Strategic Initiative: Goal #4, Infrastructure - Ensure the quality of the City utilities, transportation and physical structures so that the City's core services can be provided in an effective and efficient manner.

Discussion: The City has had a contract with the Trinity River Authority (TRA) since 1976. The original contract provided that TRA would build and operate a water treatment plant and the City would be responsible for all costs associated with building and operating the plant with the City having exclusive rights to all water coming from the plant. There were various amendments to the original contract from 1976. In 1997 the City and TRA entered into a “superseding” contract. This resolution provides for an amendment to the superseding contract and the amendment is to make the contract “effective until November 30, 2074, and for so long thereafter until all Bonds or any Bonds issued to refund same, if any, have been paid in full.” This resolution also provides for the authorization of issuing $12,630,000 of contract revenue bonds thru TRA that the City will be responsible for providing revenues for the debt service on the bonds. Proceeds from the bonds will be used for capital costs for FY 2026 as outlined by TRA in their May 19, 2026 presentation to Council,

Previous Council Action: No previous Council action has been taken. TRA presented a workshop item at Council's May 19, 2026 meeting informing Council of TRA's operations and contract/agreement history with the City.

Financial Implications: Debt service on the bonds issued will create a need for increased water rates in future years. Rate increases for future years will be developed based on the debt service on bonds issued and all other operational costs to provide water to City customers.

Approvals:
Lance Hall
Scott Swigert

Robby Chapman
Kristy Doll

Associated Information:
1. Resolution No. 2026-20 with Exhibit
2. Huntsville General Certificate v2 (3)
3. Certificate of Resolution

RESOLUTION NO. 2026-20

A RESOLUTION APPROVING A BOND RESOLUTION OF THE TRINITY RIVER AUTHORITY FOR THE ISSUANCE OF BONDS FOR IMPROVEMENTS TO THE HUNTSVILLE REGIONAL WATER SUPPLY SYSTEM

WHEREAS, the City of Huntsville, Texas and the Trinity River Authority of Texas have previously entered into the "Trinity River Authority of Texas Regional Water Supply System Contract" dated June 25, 1997 and the "Trinity River Authority of Texas – First Amendment – Huntsville Regional Water Supply System Contract" relating to the provision of facilities and services by the Authority for the benefit of the City and for additions, improvements, repairs, replacements, expansions and extensions of the Huntsville Regional Water Supply System; and

WHEREAS, in connection with the financing of the facilities and services provided by the Authority for the benefit of the City, the Authority has and is preparing to authorize, issue and deliver bonds of the Authority supported by payments to be made by the City pursuant to the Contract; and

WHEREAS, it is necessary and required by the Contract that the City approves the resolution of the Authority authorizing the issuance, sale, and delivery of Trinity River Authority of Texas Huntsville Regional Water Supply System Revenue Bonds, Series 2026, and approving and authorizing instruments and procedures relating thereto hereinafter described.

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

SECTION I: The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

SECTION 2: The "Resolution Authorizing the Issuance, Sale, and Delivery of Trinity River Authority of Texas Huntsville Regional Water Supply System Revenue Bonds and Approving and Authorizing Instruments and Procedures Relating Thereto" has been submitted to the City in the form attached hereto as Exhibit A and made a part hereof for all purposes. The Bond Resolution is hereby approved by the City as to form and substance, and the bonds described therein may be issued by the Authority in accordance with the terms and provisions set forth therein and herein.

SECTION 3: It is acknowledged and agreed by the City that the Bonds authorized pursuant to the Bond Resolution will be issued in strict conformance and compliance with the Contract and described in said Bond Resolution, and that the City will be fully bound by the provisions of said Bond Resolution insofar as they pertain to the City, and the City will be unconditionally obligated to make the payments with respect to said Bonds as required by the Contract and the Bond Resolution. This Resolution shall be effective from one year after the date of adoption, and the Authority is not required to seek subsequent approval of this Resolution if all Bonds authorized hereby are priced and sold within one year from date of adoption of this Resolution.

PASSED AND APPROVED THIS ___ DAY OF JUNE 2026.

THE CITY OF HUNTSVILLE

____

Russell Humphrey, Mayor

ATTEST:

____

Kristy Doll, City Secretary

APPROVED AS TO FORM:

____

Robby Chapman, City Attorney

EXHIBIT A
RESOLUTION NO. R-17[xx]

RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF TRINITY RIVER AUTHORITY OF TEXAS HUNTSVILLE REGIONAL WATER SUPPLY SYSTEM REVENUE BONDS, AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO

THE STATE OF TEXAS
TRINITY RIVER AUTHORITY OF TEXAS

WHEREAS, Trinity River Authority of Texas (the "Authority" or "Issuer"), is an agency and political subdivision of the State of Texas, being a conservation and reclamation district created and functioning under Article 16, Section 59, of the Texas Constitution, pursuant to the provisions of Chapter 518, Acts of the 54th Legislature, Regular Session, 1955, as amended (the "Authority Act");

WHEREAS, the Authority entered into a "*Trinity River Authority of Texas – Huntsville Regional Water Supply System Contract*" dated June 25, 1997, as amended on February 28, 2024 by the "*Trinity River Authority of Texas - First Amendment - Huntsville Regional Water Supply System Contract*" (together, the "Contract") with the City of Huntsville, Texas (the "City") for additions, improvements, repairs, replacements, expansions and extensions of the Huntsville Regional Water Supply System (the "System") by the Issuer for the benefit of the City;

WHEREAS, the Authority has determined to issue the bonds or other evidence of indebtedness hereinafter authorized to (i) obtain funds to pay for the acquisition and construction of the Improvements for the System; (ii) funding the Reserve Fund, if required; and (iii) pay costs of issuance of the Bonds;

WHEREAS, the Bonds authorized to be issued by this resolution (the "Bond Resolution" or "Resolution") are to be issued and delivered pursuant to the Authority Act, Chapter 30, Texas Water Code, as amended, Chapter 1371, Texas Government Code, as amended, and other applicable laws;

WHEREAS, the Contract authorizes the Issuer to issue the Bonds in the manner and amount and with the security, as hereinafter provided.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TRINITY RIVER AUTHORITY OF TEXAS, THAT:

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE BONDS. The Board of Directors hereby incorporates the recitals set forth in the preamble hereto as if set forth in full at this place and further finds and determines that said recitals are true and correct. In order to (i) obtain funds to pay for the acquisition and construction of the Improvements for the System; (ii) funding the Reserve Fund, if required; and (iii) pay costs of issuance of the Bonds, the Board of Directors hereby authorizes and directs the issuance of revenue bonds of the Issuer, in one or more series, in the aggregate principal amount of not to exceed $12,630,000.

Section 2. DEFINITIONS. The definitions set forth in the preamble hereto are incorporated herein as if set forth in this section. As used in this Resolution the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

(a) The term "Additional Bonds" means the additional parity bonds permitted to be authorized in this Resolution.

(b) The terms "Authority" and "Issuer" shall have the meaning set forth in the preamble.

(c) The term "Board" means the Board of Directors of the Issuer, being the governing body of the Issuer and it is further resolved that the declarations and covenants of the Issuer contained in this Resolution are made by, and for and on behalf of the Board and the Issuer, and are binding upon the Board and the Issuer for all purposes.

(d) The terms "Bond Resolution" and "Resolution" mean this resolution adopted by the Board of Directors of the Issuer authorizing the issuance of the Bonds.

(e) The term "Bonds" means collectively the Bonds or other evidence of indebtedness authorized by law and as authorized by this Resolution, issued in a single or multiple series, and all substitute bonds exchanged therefor and other substitute bonds as provided for in this Resolution.

(f) The term "City" means the City of Huntsville, Texas.

(g) The term "Code" means the United States Internal Revenue Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto.

(h) The term "Contract" means, collectively, the *Trinity River Authority of Texas – Huntsville Regional Water Supply System Contract*" dated June 25, 1997, as amended on February 28, 2024 by the "*Trinity River Authority of Texas - First Amendment - Huntsville Regional Water Supply System Contract*", between the Issuer and the City.

(i) The term "Fiscal Year" shall mean the Authority's fiscal year, which initially shall be the year commencing December 1 of each calendar year and ending on November 30 of the following calendar year, but which subsequently may be any other 12-month period hereafter established by the Issuer as a Fiscal Year.

(j) The terms "Gross Revenues" mean all of the revenues, income, rentals, rates, fees, and charges of every nature derived by the Issuer from the operation and/or ownership of the System, including specifically all payments and amounts received by the Issuer from the City pursuant to the Contract, and any income from the investment of money in any Funds created by this Resolution, excepting any amounts required to be rebated to the Internal Revenue Service in accordance with this Resolution.

(k) The term "Improvements" means all of the Issuer's additions, improvements, repairs, replacements, expansions and extensions of the System. However, said terms do not include any facilities acquired or constructed by the Issuer with the proceeds from the issuance of "Special Facilities Bonds", which are hereby defined as being revenue obligations of the Issuer which are not issued as Additional Bonds, and which are payable from any source, contract, or revenues whatsoever other than the Pledged Revenues; and Special Facilities Bonds may be issued for any lawful purpose and made payable from any source, contract, or revenues whatsoever other than the Pledged Revenues.

(l) The term "Net Revenues" means the Gross Revenues less the Operation and Maintenance Expenses.

(m) The term "Operation and Maintenance Expenses" means all costs and expenses of operation and maintenance of the System, including (for greater certainty but without limiting the generality of the foregoing) repairs and replacements for which no special fund is created in the resolutions authorizing the issuance of the Bonds or Parity Bonds, operating personnel, the cost of utilities, the costs of supervision, engineering, accounting, auditing, legal services, supplies, services, administrative costs, including general overhead expenses of the Issuer attributable to the System, insurance premiums, equipment necessary for proper operation and maintenance of the System, and payments made by the Issuer in satisfaction of judgments resulting from claims not covered by the Issuer's insurance arising in connection with the operation and maintenance of the System. The term also includes the charges of the bank or banks where the Bonds are payable. The term does not include the cost of raw water supplies.

(n) The term "Parity Bonds" means (i) the Previously Issued Bonds, the (ii) Bonds and (iii) any Additional Bonds.

(o) The term "Pledged Revenues" means: (a) the Net Revenues and (b) any additional revenues, income, receipts, donations, or other resources derived or received or to be received from any public or private source, whether pursuant to an agreement or otherwise, which in the future may, at the option of the Issuer, be pledged to the payment of the Bonds or the Additional Bonds.

(p) The term "Previously Issued Bonds" means the Trinity River Authority of Texas (Huntsville Regional Water Supply System Project) Contract Revenue Bonds, Series 2024.

(q) The term "System" means the water treatment facilities, including raw water intake facilities, water treatment plants and metered treated water discharge facilities, water transmission and clear well storage and pumping facilities, constituting the Huntsville Regional Water Supply System including all Improvements.

Section 3. DESIGNATION, DATE, DENOMINATIONS, NUMBERS, MATURITIES AND SALE OF BONDS.

(a) Each bond issued pursuant to this Resolution shall, subject to paragraph (b) of this section, be designated: "TRINITY RIVER AUTHORITY OF TEXAS (HUNTSVILLE REGIONAL WATER SUPPLY SYSTEM PROJECT) CONTRACT REVENUE BOND, SERIES 2026" except as modified in the Pricing Certificate to reflect the year of issue or sequential alphabetical lettering of multiple series.

(b) As authorized by Chapter 1371, Texas Government Code, as amended, the General Manager and the Chief Financial Officer of the Issuer are each hereby designated as the "Authorized Officer" of the Issuer, and are each individually hereby authorized, appointed, and designated as the officer or employee of the Issuer authorized to act on behalf of the Issuer in the selling and delivering of the Bonds and carrying out the other procedures specified in this Resolution, including the use of a book-entry-only system with respect to the Bonds and the execution of an appropriate letter of representations if deemed appropriate, the determining and fixing of the date of the Bonds, whether the federal income treatment of any series of Bonds shall be excludable from Section 103 of the Internal Revenue Code, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the aggregate principal amount of the Bonds and the amount of each maturity of principal thereof, the due date of each such maturity (not exceeding forty years from the date of the Bonds), the rate of interest to be borne by each such maturity, the interest payment dates and periods, the dates, price and terms upon and at which the Bonds shall be subject to redemption prior to due date or maturity at the option of the Issuer, any mandatory sinking fund redemption provisions, procuring municipal bond insurance, and approving modifications to this Resolution and executing such instruments, documents and agreements as may be necessary with respect thereto, if it is determined that such insurance would be financially desirable and advantageous, and all other matters relating to the issuance, sale and delivery of the Bonds. The Authorized Officer, acting for and on behalf of the Issuer, is authorized to arrange for the Bonds to be sold at a private placement, negotiated sale or public sale, at such price, in the aggregate principal amount not exceeding the maximum amount set forth in Section 1 hereof, with such maturities of principal, with such interest rates, and with such optional and mandatory sinking fund redemption provisions, if any, and other matters, as shall be set forth in a certification by the Authorized Officer. The Authorized Officer shall determine if the provisions of Rule 15c2-12 of the United States Securities and Exchange Commission relating to continuing disclosure of information shall be required to be complied with and, if required, what disclosure will be required to be complied with by the Issuer; all of which shall be specified in the "Pricing Certificate" executed by the Authorized Officer. It is further provided, however, that, notwithstanding the foregoing provisions, the Bonds shall not be delivered unless, prior to their delivery, the Bonds have been rated by a nationally recognized rating agency for municipal long-term obligations, as required by said Chapter 1371, Texas Government Code, as amended.

(c) *Sale Parameters.* The Pricing Officer is authorized to issue and deliver, on behalf of the Authority, the Bonds in multiple series so long as all series are sold within one year of the date of this Resolution. In establishing the aggregate principal amount of the Bonds, the Authorized Officer shall establish an amount within the amount authorized in Section 1 hereof, which amount shall be sufficient to provide for (i) obtaining funds to pay for the acquisition and construction of the Improvements for the System; (ii) funding the Reserve Fund, if required; and (iii) pay costs of issuance of the Bonds.

(d) If the Authorized Officer determines that the Bonds should be sold by private placement, the Authorized Officer shall select the purchaser which, after due consideration and investigation, is willing to buy the Bonds on the most advantageous terms to the Issuer as determined by the Authorized Officer.

(e) If the Authorized Officer determines that the Bonds should be sold by a negotiated sale, the Authorized Officer shall designate the senior managing underwriter for the Bonds and such additional investment banking firms as deemed appropriate to assure that the Bonds are sold on the most advantageous terms to the Issuer. The Authorized Officer, acting for and on behalf of the Issuer, is authorized to enter into and carry out the terms of a bond purchase contract for the Bonds to be sold by negotiated sale, with the underwriter(s) thereof at such price, with and subject to such terms as determined by the Authorized Officer subject to the parameters set forth in this Resolution. Any such bond purchase contract shall be substantially in a form and substance previously approved by the Board in connection with the authorization of bonds by the Issuer with such changes as are acceptable to the Authorized Officer. The Authorized Officer shall cause to be prepared an official statement in such manner as the Authorized Officer deems appropriate.

(f) If the Authorized Officer determines that the Bonds should be sold at a competitive sale, the Authorized Officer shall cause to be prepared a notice of sale and official statement in such manner as the Authorized Officer deems appropriate, to make the notice of sale and official statement available to those institutions and firms wishing to submit a bid for the Bonds, to receive such bids, and to award the sale of the Bonds to the bidder submitting the best bid in accordance with the provisions of the notice of sale.

(g) The authority of the Authorized Officer to sell the Bonds as described in Section 2(b) of this Resolution shall expire on the one-year anniversary date of the adoption of this Resolution by the Board.

Section 4. CHARACTERISTICS OF THE BONDS.

(a) Registration, Transfer, Conversion and Exchange; Authentication. The Issuer shall keep or cause to be kept at the principal corporate trust office of the paying agent/registrar designated in the Pricing Certificate (the "Paying Agent/Registrar") books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Resolution. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

Except as provided in Section 4(c) hereof, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Resolution, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Bonds and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Resolution. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Resolution. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(c) In General. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities if s provided in the Pricing Certificate (notice of which shall be given to the Paying Agent/Registrar by the Issuer at least thirty days prior to any such redemption date), (iii) transferred and assigned, (iv) may be converted and exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Resolution. The Bonds initially issued and delivered pursuant to this Resolution are not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Resolution the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND.

(d) Substitute Paying Agent/Registrar. The Issuer covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

(e) Book-Entry Only System. The Bonds issued in exchange for the Bonds initially issued to the purchaser specified herein shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond may be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC"), and except as provided in subsection (f) 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 Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC

Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants 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 Issuer 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 registered owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Resolution to the contrary, the Issuer and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers 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 registered owners, as shown in the Registration Books as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the Issuer to make payments of principal and interest pursuant to this Resolution. 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., and subject to the provisions in this Resolution with respect to interest checks being mailed to the registered owner at the close of business on the Record date, the words "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

(f) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Issuer to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17A 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 Registration Books 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 registered owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

(g) Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the Issuer to DTC.

(h) Notice of Redemption.

(i) In addition to the notice of redemption set forth in the FORM OF BOND, the Paying Agent/Registrar shall give notice of redemption of the Bonds by first class mail, postage prepaid at least thirty (30) days prior to a redemption date to each registered securities depository and to any national information service that disseminates redemption notices. In addition, in the event of a redemption caused by an advance refunding of the Bonds, the Paying Agent/Registrar shall send a second notice of redemption to the persons specified in the immediately preceding sentence at least thirty (30) days but not more than ninety (90) days prior to the actual redemption date. Any notice sent to the registered securities depositories or such national information services shall be sent so that it is received at least two (2) days prior to the general mailing or publication date of such notice. The Paying Agent/Registrar shall also send a notice of prepayment or redemption to the Registered Owner of any Bond who has not sent the Bonds in for redemption sixty (60) days after the redemption date.

(ii) Each notice of redemption given by the Paying Agent/Registrar, whether required in the

FORM OF BOND or in this Section, shall contain a description of the Bonds to be redeemed including the complete name of the Bonds, the Series, the date of issue, the interest rate, the maturity date, the CUSIP number, the certificate numbers, the amounts called of each certificate, the publications and mailing date for the notice, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and the address at which the Bonds may be redeemed, including a contact person and telephone number.

(iii) All redemption payments made by the Paying Agent/Registrar to the Registered Owners shall include a CUSIP number relating to each amount paid to such Registered Owner.

Section 5. FORM OF BONDS. The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Bonds initially issued and delivered pursuant to this Resolution, shall be, respectively, substantially in the form as provided in ***Exhibit A***, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution. The Form of Bond as it appears in ***Exhibit A*** shall be completed, amended and modified by Bond Counsel to incorporate the information set forth in the Pricing Certificate but it is not required for the Form of Bond to be reproduced as an exhibit to the Pricing Certificate.

Section 6. PLEDGE.

(a) The Parity Bonds, and the interest thereon, are and shall be secured equally and ratably on a parity by and payable from a first lien on and pledge of the Pledged Revenues, and the Pledged Revenues are further pledged to the establishment and maintenance of the Interest and Sinking Fund, the Reserve Fund, and the Contingency Fund as provided in this Resolution.

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

Section 7. REVENUE FUND CREATION. There has been created and shall be maintained on the books of the Issuer, and accounted for separate and apart from all other funds of the Issuer, a special fund to be entitled the "*Trinity River Authority of Texas Huntsville Regional Water Supply System Revenue Bonds Revenue Fund*" (hereinafter called the "Revenue Fund"). All Gross Revenues (excepting investment income from any Fund other than the Revenue Fund) shall be credited to the Revenue Fund promptly after they become available. All Operation and Maintenance Expenses shall be paid from the Gross Revenues, as a first charge against same.

Section 8. INTEREST AND SINKING FUND. For the sole purpose of providing an interest and sinking fund for paying the principal of and interest on all Parity Bonds, as the same come due, there has been created and shall be maintained on the books of the Issuer a separate fund to be entitled the "*Trinity River Authority of Texas Huntsville Regional Water Supply System Revenue Bonds Interest and Sinking Fund*" (hereinafter called the "Interest and Sinking Fund").

Section 9. RESERVE FUND. There has been created and shall be maintained on the books of the Issuer a separate fund to be entitled the "*Trinity River Authority of Texas Huntsville Regional Water Supply System Revenue Bonds Reserve Fund*" (hereinafter called the "Reserve Fund"). The Reserve Fund shall be used solely for the purpose of finally retiring the last of any Parity Bonds or Additional Bonds, or for paying when due the principal of and interest on any Parity Bonds or Additional Bonds when and to the extent the amounts in the Interest and Sinking Fund and Contingency Fund are insufficient for such purpose.

Section 10. CONTINGENCY FUND. There has been created and shall be maintained on the books of the Issuer a separate fund to be entitled the "*Trinity River Authority of Texas Huntsville Regional Water Supply System*

Revenue Bonds Contingency Fund" (hereinafter called the "Contingency Fund"). The Contingency Fund shall be used solely for the purpose of paying the costs of Improvements or other capital expenditures relating to the System, and unexpected or extraordinary repairs or replacements of the System for which funds are not otherwise available, or for paying unexpected or extraordinary Operation and Maintenance Expenses for which funds are not otherwise available, or for paying principal of and interest on any Parity Bonds or Additional Bonds, when and to the extent the amount in the Interest and Sinking Fund is insufficient for such purpose.

Section 11. REVENUE FUND. All Pledged Revenues shall be credited as received by the Issuer to the Revenue Fund, and shall be deposited from the Revenue Fund into the other Funds created by this Resolution, in the manner and amounts hereinafter provided, and each of such Fund shall have priority as to such deposits in the order in which they are treated in the following Sections.

Section 12. INTEREST AND SINKING FUND REQUIREMENTS. There shall be deposited into the Interest and Sinking Fund the following:

(a) promptly after the delivery of the Bonds the Issuer shall cause to be deposited to the credit of the Interest and Sinking Fund, from the proceeds received from the sale and delivery of the Bonds, the accrued interest received, if any.

(b) on or before the last day of the January or July, whichever comes first, immediately following delivery of the Bonds to the purchaser thereof, and semiannually thereafter, on or before the last day of each January and July, an amount sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the interest and/or principal and interest scheduled to accrue and come due on the Parity Bonds and any Additional Bonds on the next succeeding interest payment date.

(c) The Interest and Sinking Fund shall be used solely to pay the principal of and interest on the Parity Bonds and any Additional Bonds as such principal matures and such interest comes due.

Section 13. RESERVE REQUIREMENTS. If required, immediately after the delivery of the Bonds, the Issuer will deposit in the Reserve Fund, from funds derived from the sale of the Bonds or lawfully available funds of the Issuer, an amount of money equal to the average annual principal and interest requirements of the Parity Bonds, or other amount specified in the Pricing Certificate (the "Reserve Required Amount"), taking into account any Additional Bonds to which Section 18(d) applies. No deposits shall be made into the Reserve Fund as long as the money and investments in the Reserve Fund are at least equal in market value to the Reserve Required Amount; but if and whenever the market value of money and investments in the Reserve Fund is reduced below said Reserve Required Amount because of a decrease in market value of investments, then the Issuer shall require the City to increase their payments under the Contract as soon as practicable, and in any event within one year, in an amount sufficient to restore the Reserve Fund to the Reserve Required Amount. In the event the Reserve Fund is used to pay the principal of or interest on the Parity Bonds because of insufficient amounts being available in the Interest and Sinking Fund and the Contingency Fund, then the Issuer shall require the City to increase their payments under the Contract in an amount sufficient to restore the Reserve Fund to the Reserve Required Amount in market value, and the Issuer shall deposit in the Reserve Fund, in approximately equal semiannual installments, such amounts as are required to restore the Reserve Fund to the Reserve Required Amount in market value within five years from any date of the use of the Reserve Fund to pay such principal or interest.

Whenever Additional Bonds are issued pursuant to Section 18, then the term "Reserve Required Amount" thereafter shall mean an amount in market value equal to the average annual principal and interest requirements of all Parity Bonds and Additional Bonds which will be outstanding after the issuance of each installment of Additional Bonds (taking into account any Additional Bonds to which Section 18(d) applies) or as may be otherwise provided in the Pricing Certificate for such proposed Additional Bonds.

Section 14. CONTINGENCY REQUIREMENTS. There is currently on deposit in the Contingency Fund the sum of $0.00. No additional deposits are required to be made to the credit of the Contingency Fund unless and until the Issuer, upon the advice and recommendation of an independent engineer or firm of engineers, determines it necessary to increase such amount in order adequately to provide for contingencies related to the System, or unless the Issuer provides for an increase in such amount in any resolution authorizing Additional Bonds. If and when such amount in the Contingency Fund is reduced or depleted, or an increase in such amount has been provided for, then, subject and subordinate to making the required deposits to the credit of the Interest and Sinking Fund and the Reserve Fund, such reduction or depletion shall be restored, and/or such amount shall be increased, to the extent not otherwise funded, from amounts which shall be provided for such purpose in the Issuer's Annual Budget for the next ensuing Fiscal Year; provided that the Issuer is not required to budget more than one third of the amount to be accumulated for such purpose during any one Fiscal Year. The Issuer may transfer any amount in the Contingency Fund to the credit of the Interest and Sinking Fund if the Issuer determines the Contingency Fund is over-funded or unnecessary.

Section 15. INVESTMENTS.

(a) Money in any Fund maintained pursuant to this Resolution may, at the option of the Issuer, be placed in interest bearing time deposits with banks secured by obligations of the kind hereinafter described, or be invested to the extent allowed by Texas law. Such deposits and investments shall be made consistent with the estimated requirements of such Funds, and any obligation in which money is so invested shall be kept and held for the benefit of the owners of the Parity Bonds, and shall be promptly sold and the proceeds of sale applied to the making of all payments required to be made from the Fund from which the investment was made. All earnings from the deposit or investment of any such Fund shall be credited to such Fund, except that if on February 1 of any year the Reserve Fund should contain an amount in excess of the Reserve Required Amount in market value, such excess shall be deposited into the Interest and Sinking Fund. All investment earnings on deposit in the Interest and Sinking Fund shall reduce the amounts which otherwise would be required to be deposited therein. Uninvested money in any Fund shall be secured in the manner prescribed by law for securing funds of the Issuer.

(b) Notwithstanding any other provisions of this Resolution, all investment income, if any, required by the United States Internal Revenue Code to be rebated by the Issuer to the Internal Revenue Service in order to prevent the Parity Bonds from being or becoming taxable "arbitrage bonds" under said Code shall be withdrawn from each Fund created by this Resolution and so rebated to the extent so required.

Section 16. DEFICIENCIES; EXCESS PLEDGED REVENUES.

(a) If on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Sinking Fund, the Reserve Fund, and the Contingency Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues.

(b) Subject to making the required deposits to the credit of the Interest and Sinking Fund, the Reserve Fund, and the Contingency Fund, when and as required by this Resolution, or any resolution authorizing the issuance of Additional Bonds, the excess Pledged Revenues may be used for any lawful purpose relating to the System.

Section 17. PAYMENT OF PARITY BONDS AND ADDITIONAL BONDS. On or before the first interest or principal payment date of the Bonds immediately following delivery of the Bonds to the purchaser thereof, and semiannually on or before each principal and interest payment date thereafter while any of the Parity Bonds or Additional Bonds are outstanding and unpaid, the Issuer shall make available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, or the Contingency Fund or the Reserve Fund, if necessary, money sufficient to pay such interest on and such principal of the Parity Bonds and Additional Bonds as will be payable on each principal and interest payment date.

Section 18. ADDITIONAL BONDS.

(a) The Issuer shall have the right and power at any time and from time to time, and in one or more series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Bonds"), in accordance with law, in any amounts, for any lawful purpose related to the System, including the refunding of Parity Bonds, Additional Bonds or bonds secured by Pledged Revenues that is junior and subordinate in all respects to the liens, pledges, covenants and agreements hereof or any resolution authorizing the issuance of Additional Bonds. Such Additional Bonds, when issued and delivered in accordance with the provisions hereof, shall be secured by and made payable equally and ratably on a parity with the Parity Bonds, from a first lien on and pledge of the Pledged

Revenues.

(b) The Interest and Sinking Fund, the Reserve Fund, and the Contingency Fund established pursuant to this Resolution shall secure and be used to pay all Additional Bonds as well as the Parity Bonds, all on a parity. However, each resolution under which Additional Bonds are issued shall provide and require that, in addition to the amounts required by the provisions of this Resolution and the provisions of each resolution authorizing Additional Bonds to be deposited to the credit of the Interest and Sinking Fund, the Issuer shall deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same come due; and that the aggregate amount to be accumulated and maintained in the Reserve Fund shall be increased (if and to the extent necessary) to an amount specified in the Pricing Certificate for such proposed Additional Bonds; and that any required additional amount shall be so accumulated by the deposit in the Reserve Fund of all or any part of said required additional amount in cash immediately after the delivery of the then proposed Additional Bonds, or, at the option of the Issuer, by the deposit of said required additional amount (or any balance of said required additional amount not deposited in cash as permitted above) in 120 approximately equal monthly installments, made on or before the 25th day of each month following the delivery of the then proposed Additional Bonds.

(c) All calculations to determine the Reserve Required Amount pursuant to this Section shall be made as of the date the proposed Additional Bonds will be issued.

(d) Notwithstanding sections (a) through (c) of this Section, the resolution authorizing a future issue of Additional Bonds may provide that such series shall not be secured by the Reserve Fund. Such series of Additional Bonds shall nevertheless be secured by and made payable equally and ratably on a parity with the Parity Bonds from a first lien on and pledge of the Pledged Revenues. The Interest and Sinking Fund and the Contingency Fund shall also secure and be used to pay such proposed series of Additional Bonds. If such series of Additional Bonds is issued and not secured by the Reserve Fund, the debt service on such series shall not be taken into account when calculating the average annual principal and interest requirements of the Parity Bonds to determine the Reserve Required Amount.

Section 19. FURTHER REQUIREMENTS FOR ADDITIONAL BONDS. Additional Bonds shall be issued only in accordance with the provisions hereof, but notwithstanding any provisions hereof to the contrary, no installment, series, or issue of Additional Bonds shall be issued or delivered unless the General Manager or Chief Financial Officer of the Issuer sign a written certificate to the effect that the Issuer is not in default as to any covenant, condition, or obligation in connection with all outstanding Parity Bonds and Additional Bonds, and the resolutions authorizing the same, that the Interest and Sinking Fund and the Reserve Fund each contains the amount then required to be therein, and that either (1) based on a report of an independent engineer or firm of engineers, the Pledged Revenues, in each Fiscal Year thereafter, commencing with the third complete Fiscal Year following the date of such report, are estimated to be at least equal to 1.25 times the average annual principal and interest requirements of all Parity Bonds and Additional Bonds to be outstanding after the delivery of the then proposed Additional Bonds, or (2) based upon an opinion of legal counsel to the Issuer, there is a Contract then in effect pursuant to which the City and others, if any, which are parties to such Contract are obligated to make payments to the Issuer during each Fiscal Year (including during periods when services of the System may not be available to such City and others) in such amounts as shall be necessary to provide to the Issuer Pledged Revenues sufficient to pay when due all principal of and interest on all Parity Bonds and Additional Bonds to be outstanding after the issuance of the proposed Additional Bonds, and to make the deposits into the Reserve Fund as required under this Resolution.

Section 20. GENERAL COVENANTS. The Issuer further covenants and agrees that:

(a) PERFORMANCE. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in each resolution authorizing the issuance of the Parity Bonds and any Additional Bonds, and in each and every Parity Bond and Additional Bond; that it will promptly pay or cause to be paid the principal of and interest on every Parity Bond and Additional Bond, on the dates and in the places and manner prescribed in such resolutions and Parity Bonds or Additional Bonds, and that it will, at the times and in the manner prescribed, deposit or cause to be deposited the amounts required to be deposited into the Interest and Sinking Fund and the Reserve Fund and any holder of the Parity Bonds or Additional Bonds may require the Issuer, its Board of Directors, and its officials and employees, to carry out, respect, or enforce the covenants and obligations of each resolution authorizing the issuance of the Parity Bonds and Additional Bonds, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the Issuer, its Board of Directors, and its officials and employees.

(b) ISSUER'S LEGAL AUTHORITY. It is a duly created and existing conservation and reclamation district of the State of Texas pursuant to Article 16, Section 59, of the Texas Constitution, and Chapter 518, Acts of the 54th Legislature, Regular Session, 1955, as amended, and is duly authorized under the laws of the State of Texas to create and issue the Parity Bonds; that all action on its part of the creation and issuance of the Parity Bonds has been duly and effectively taken, and that the Parity Bonds in the hands of the owners thereof are and will be valid and enforceable special obligations of the Issuer in accordance with their terms.

(c) TITLE. It has or will obtain lawful title to, or the lawful right to use and operate, the lands, buildings, and facilities constituting the System and will use its best efforts to acquire and construct the System as provided in the Contract, that it warrants that it will defend the title to or lawful right to use and operate, all of the aforesaid lands, buildings, and facilities, and every part thereof, for the benefit of the owners of the Parity Bonds and Additional Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Parity Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) LIENS. It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or the System, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's, or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's, or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Issuer.

(e) OPERATION OF IMPROVEMENTS. That while the Parity Bonds or any Additional Bonds are outstanding and unpaid it will cause the System to be continuously and efficiently operated and maintained in good condition, repair, and working order, and at a reasonable cost.

(f) FURTHER ENCUMBRANCE. That while the Parity Bonds or any Additional Bonds are outstanding and unpaid the Issuer shall not additionally encumber the Pledged Revenues in any manner, except as permitted hereby in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants and agreements hereof and any resolution authorizing the issuance of Additional Bonds; but the right of the Issuer and the Board to issue revenue bonds for any lawful purpose payable from a subordinate lien on the Pledged Revenues is specifically recognized and retained.

(g) SALE OF PROPERTY. That while the Parity Bonds or any Additional Bonds, are outstanding and unpaid, the Issuer will maintain its current legal corporate status as a conservation and reclamation district, and the Issuer shall not sell, convey, mortgage, or in any manner transfer title to, or lease, or otherwise dispose of the entire System, or any significant or substantial part thereof; provided that whenever the Issuer deems it necessary or advisable to dispose of any real or personal property, machinery, fixtures, or equipment, it may sell or otherwise dispose of such property, machinery, fixtures, or equipment if the Issuer determines that such property, machinery, fixtures, or equipment are not needed for System purposes, or if the Issuer has made arrangements to replace the same or provide substitutes therefor.

(h) INSURANCE.

(1) That it will carry fire, casualty, public liability, and other insurance (including self-insurance to the extent deemed advisable by the Issuer) on the System for purposes and in amounts which ordinarily would be carried by a privately owned utility company owning and operating such facilities, except that the

Issuer shall not be required to carry liability insurance except to insure itself against risk of loss due to claims for which it can, in the opinion of the Issuer's legal counsel, be liable under the Texas Tort Claims Act or any similar law or judicial decision. Such insurance will provide, to the extent feasible and practical, for the restoration of damaged or destroyed properties and equipment to minimize the interruption of the services of such facilities. All such policies shall be open to the inspection of the owners of the Parity Bonds and their representatives at all reasonable times.

(2) Upon the happening of any loss or damage covered by insurance from one or more of said causes, the Issuer shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the Issuer. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the Issuer for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds pertaining to the System shall be used promptly as follows:

(a) for the redemption prior to maturity of the Parity Bonds and Additional Bonds, if any, ratably in the proportion that the outstanding principal of each Series or issue of Parity Bonds or Additional Bonds bears to the total outstanding principal of all Parity Bonds and Additional Bonds; provided that if on any such occasion the principal of any such Series or issue is not subject to redemption, it shall not be regarded as outstanding in making the foregoing computation; or

(b) if none of the outstanding Parity Bonds or Additional Bonds is subject to redemption, then for the purchase on the open market and retirement of said Parity Bonds and Additional Bonds, in the same proportion as prescribed in the foregoing clause (2), to the extent practicable; provided that the purchase price for any such Parity Bond or Additional Bond shall not exceed the redemption price of such Parity Bond or Additional Bond on the first date upon which it becomes subject to redemption; or

(c) to the extent that the foregoing clauses (a) and (b) cannot be complied with at the time, the insurance proceeds, or the remainder thereof, shall be deposited in a special and separate trust fund, at an official depository of the Issuer, to be designated the Insurance Account. The Insurance Account shall be held until such time as the foregoing clauses (a) and/or (b) can be complied with, or until other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required, whichever of said events occurs first.

(i) RATE COVENANT. It will fix, establish, maintain, and collect such rentals, rates, charges, and fees for the use and availability of the System as are necessary to produce Gross Revenues sufficient, together with any other Pledged Revenues, (a) to pay all Operation and Maintenance Expenses, and (b) to make all payments and deposits required to be made into the Interest and Sinking Fund and to maintain the Reserve Fund and the Contingency Fund, when and as required by the resolutions authorizing all Parity Bonds and Additional Bonds.

(j) RECORDS. Proper books of records and account will be kept in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the System, the Pledged Revenues, and all Funds created pursuant to this Bond Resolution; and all books, documents, and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of the owner of any Parity Bond.

(k) AUDITS. Each Fiscal Year while any of the Parity Bonds or Additional Bonds are outstanding, an audit will be made of its books and accounts relating to the System and the Pledged Revenues by an independent certified public accountant or an independent firm of certified public accountants. As soon as practicable after the close of each Fiscal Year, and when said audit has been completed and made available to the Issuer, a copy of such audit for the preceding Fiscal Year shall be mailed to any owner of any Parity Bond who shall so request in writing. Such annual audit reports shall be open to the inspection of the owners of the Parity Bonds and their agents and representatives at all reasonable times.

(l) GOVERNMENTAL AGENCIES. It will comply with all of the terms and conditions of any and all franchises and permits applicable to the System granted by any governmental agency, and all franchises, permits, and agreements applicable to the System and the Parity Bonds or Additional Bonds entered into between the Issuer and any governmental agency, and the Issuer will take all action necessary to enforce said terms and conditions; and the Issuer will obtain and keep in full force and effect all franchises, permits, and other requirements necessary with respect to the acquisition, construction, operation, and maintenance of the System.

(m) CONTRACT. It will comply with the terms and conditions of the Contract and will cause the City and others to comply with all of their obligations thereunder by all lawful means; and that the Contract will not be changed, rescinded, modified, or amended in any way which would have a materially adverse effect on the operation and maintenance of the System by the Issuer or the rights of owners of the Parity Bonds or Additional Bonds.

(n) ANNUAL BUDGET. The Issuer shall prepare and adopt an Annual Budget for the System for each Fiscal Year as required by the Contract.

Section 21. AMENDMENT OF RESOLUTION.

(a) The owners of Parity Bonds and Additional Bonds aggregating a majority in principal amount of the aggregate principal amount of then outstanding Parity Bonds and Additional Bonds shall have the right from time to time to approve any amendment to any resolution authorizing the issuance of any Parity Bonds or Additional Bonds, which may be deemed necessary or desirable by the Issuer, provided, however, that nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions in said resolutions or in the Parity Bonds or Additional Bonds so as to:

(1) Make any change in the maturity of the outstanding Parity Bonds or Additional Bonds;

(2) Reduce the rate of interest borne by any of the outstanding Parity Bonds or Additional Bonds;

(3) Reduce the amount of the principal payable on the outstanding Parity Bonds or Additional Bonds;

(4) Modify the terms of payment of principal of or interest on the outstanding Parity Bonds or Additional Bonds, or impose any conditions with respect to such payment;

(5) Affect the rights of the owners of less than all of the Parity Bonds and Additional Bonds then outstanding;

(6) Change the minimum percentage of the principal amount of Parity Bonds and Additional Bonds necessary for consent to such amendment.

(b) If at any time the Issuer shall desire to amend a resolution under this Section, the Issuer shall cause notice of the proposed amendment to be published in a financial newspaper or journal published in The City of New York, New York, once during each calendar week for at least two successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of each Paying Agent/Registrar for the Parity Bonds and Additional Bonds, for inspection by all owners of Parity Bonds and Additional Bonds. Such publication is not required, however, if such notice in writing is given to the owner of each of the Parity Bonds and Additional Bonds.

(c) Whenever at any time not less than thirty days, and within one year, from the date of the first publication of said notice or other service of written notice the Issuer shall receive an instrument or instruments executed by the owners of at least a majority in aggregate principal amount of all Parity Bonds and Additional Bonds then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file as aforesaid, the Issuer may adopt the amendatory resolution in substantially the same form.

(d) Upon the adoption of any amendatory resolution pursuant to the provisions of this Section, the resolution being amended shall be deemed to be amended in accordance with the amendatory resolution, and the respective rights, duties, and obligations of the Issuer and all the owners of then outstanding Parity Bonds and Additional Bonds and all future Additional Parity Bonds shall thereafter be determined, exercised, and enforced hereunder, subject in all respects to such amendment.

(e) Any consent given by the owner of a Parity Bond or Additional Bonds pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice provided for in this Section, and shall be conclusive and binding upon such owner and all future owners of the principal amount of such Parity Bond or Additional Bond and any bond issued in substitution and exchange therefor during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice by the owner who gave such consent, or by a successor in title, by filing notice thereof with the Paying Agent/Registrar for such Parity Bond or Additional Bond, and the Issuer, but such revocation shall not be effective if the owner of a majority in aggregate principal amount of then outstanding Parity Bonds and Additional Bonds as in this Section defined have, prior to the attempted revocation, consented to and approved the amendment.

(f) For the purpose of this Section, all matters relating to the ownership of Parity Bonds and Additional Bonds shall be determined from the Registration Books of the Issuer kept by the Paying/Registrar for such Parity Bonds and Additional Bonds.

Section 22. DEFEASANCE OF BONDS.

(a) Any Bond and the interest thereon shall be deemed to be paid, retired, and no longer outstanding (a "Defeased Bond") within the meaning of this Resolution, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the Pledged Revenues as provided in this Resolution, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Resolution to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in subsection 22(a)(i) or (ii) shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Issuer expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer also be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection 22(a)(i) or (ii). All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

(c) The term "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to discharge obligations such as the Bonds.

(d) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Resolution.

(e) In the event that the Issuer elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

(f) The Authorized Officer may modify the securities that are eligible to be Defeasance Securities and any such modification shall be reflected in the Pricing Certificate.

Section 23. DAMAGED, MUTILATED, LOST, STOLEN OR DESTROYED BONDS.

(a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen or destroyed, the Paying Agent/Registrar shall cause to be printed, executed and delivered, a new bond of the same principal amount, maturity and interest rate, as the damaged, mutilated, lost, stolen or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft or destruction of a Bond, the registered owner applying for a replacement bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Bond, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

(e) Authority for Issuing Replacement Bonds. In accordance with Subchapter B, Chapter 1206, Texas Government Code, this Section shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 4 of this Resolution for Bonds issued in conversion and exchange for other Bonds.

Section 24. COVENANTS REGARDING TAX-EXEMPTION.

(a) General Tax Covenants Regarding Tax Exemption of Interest on the Bonds. The Issuer covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(i) to take any action to assure that no more than 10 percent of the proceeds of the Bonds (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(ii) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(iii) to take any action to assure that no amount which is greater than the lesser of $5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(iv) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(v) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(vi) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(A) proceeds of the Bonds invested for a reasonable temporary period until such proceeds are needed for the purpose for which the bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(vii) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(viii) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

In order to facilitate compliance with the above covenant (viii), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such modification or expansion, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the General Manager of the Issuer to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. This Resolution is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

(b) Interest Earnings on Bond Proceeds. Interest earnings derived from the investment of proceeds from the sale of the Bonds shall be used along with other bond proceeds for the purpose for which the Bonds are issued, as set forth in Section 1 hereof; provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Redemption Fund. It is further provided, however, that any interest earnings on bond proceeds which are required to be rebated to the United States of America pursuant to Section 24(a) hereof in order to prevent the Bonds from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

(c) Disposition of Project. The Issuer covenants that the property constituting the project financed with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest on the Bonds.

(d) Allocation of, and Limitation on, Expenditures for the Project. The Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Resolution (the "Project") on its books and records in accordance with the requirements of the Internal Revenue Code. The Issuer recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the Issuer recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired. The Issuer agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes hereof, the issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest on the Bonds.

Section 25. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION, CUSIP NUMBERS, AND INSURANCE. The President of the Board of Directors of the Issuer and the Authorized Officer are hereby authorized to have control of the Bonds issued hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate on the Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on the Bonds. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Bonds or on any Parity Bonds issued and delivered in conversion of and exchange or replacement of any Bond, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. If insurance is obtained on any of the Bonds, the Bonds and all other Bonds shall bear an appropriate legend concerning insurance as provided by the insurer.

Section 26. FURTHER PROVISIONS AND PROCEDURES. The President, Vice President and Secretary of the Board of Directors of the Issuer, the General Manager and the Chief Financial Officer of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Issuer a Letter of Representation with DTC regarding the Book-Entry Only System, the Paying Agent/Registrar Agreement with the Paying Agent/Registrar and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Letter of Representation, the Bonds, the sale of the Bonds and the Official Statement. Notwithstanding anything to the contrary contained herein, while the Bonds are subject to DTC's Book-Entry Only System and to the extent permitted by law, the Letter of Representation is hereby incorporated herein and its provisions shall prevail over any other provisions of this Resolution in the event of conflict. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 27. RESERVED.

Section 28. CONTINUING DISCLOSURE OF INFORMATION.

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

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

(b) Pursuant to a Continuing Disclosure Agreement by and between the Issuer and the City, the Issuer and the City have undertaken for the benefit of the beneficial owners of the Bonds, to the extent set forth therein, to provide continuing disclosure of financial information and operating data with respect to the City in accordance with the Rule as promulgated by the SEC.

(c) <u>Annual Reports</u>.

The Authority will provide its audited financial statements with the MSRB through its EMMA system within six months after the end of the Authority's Fiscal Year. If audited financial statements are not available by the required time, the Authority will provide unaudited financial statements within the required time and audited financial statements when and if such audited financial statements become available. Any such financial statements will be prepared in accordance with generally accepted accounting principles in effect at the time or that the Authority may be required to employ from time to time pursuant to State law or regulation.

The Authority's Fiscal Year end is November 30. Accordingly, the Authority must provide updated information by May 31 in each year beginning with the Fiscal Year ending in 2023. If the Authority changes its Fiscal Year, the Authority 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 Authority otherwise would be required to provide financial statements pursuant to this Section.

(d) The Issuer shall notify the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

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

As used in clause 12 above, the phrase "bankruptcy, insolvency, receivership or similar event" means the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court of governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if jurisdiction has been assumed by leaving the Board and officials or officers of the Issuer in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(e) The Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide information in accordance with subsections (c) and (d) of this Section by the time required by such subsection.

(f) The financial statements to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet website or filed with the SEC. All financial statements and notices required to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

Section 29. REPEAL OF CONFLICTING RESOLUTIONS. All resolutions and all parts of any resolutions which are in conflict or inconsistent with this Resolution are hereby repealed and shall be of no further force or effect to the extent of such conflict or inconsistency.

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EXHIBIT A

FORM OF BOND

The form of the Bond, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached only to the Bonds initially issued and delivered pursuant to this Resolution, shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution and with the Bonds to be completed with information set forth in the Pricing Certificate. The Form of Bond as it appears in this Exhibit A shall be completed, amended and modified by Bond Counsel to incorporate the information set forth in the Pricing Certificate but it is not required for the Form of Bond to reproduced as an exhibit to the Pricing Certificate.

The ”[]” in this section are intentional

NO. R-

UNITED STATES OF AMERICA
STATE OF TEXAS

PRINCIPAL AMOUNT
$__________

TRINITY RIVER AUTHORITY OF TEXAS
(HUNTSVILLE REGIONAL WATER SUPPLY SYSTEM PROJECT)
CONTRACT REVENUE BONDS, SERIES 2026

INTEREST RATE	DELIVERY DATE	MATURITY DATE	CUSIP NO.
	[], 2026	August 1, 20[]	

REGISTERED OWNER: [___________]

PRINCIPAL AMOUNT: [___________] DOLLARS

ON THE MATURITY DATE specified above, the TRINITY RIVER AUTHORITY OF TEXAS (the "Issuer"), being a governmental agency, and body corporate and politic of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "registered owner") the principal amount set forth above, and to pay interest thereon from the Delivery Date as set forth above, on August 1, 20[] and semiannually thereafter on each February 1 and August 1 to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above, calculated on the basis of a 360-day year composed of twelve 30-day months; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at the principal corporate trust office of BOKF, NA, Dallas, Texas, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the Resolution authorizing the issuance of this Bond (the "Bond Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the fifteenth day of the month next preceding each such date (the "Record Date") on the Registration

Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled 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 Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five 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 on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Bond for redemption and payment at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date, interest payment date, and accrued interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Redemption Fund" created by the Bond Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which 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 BOND is one of a Series of Bonds dated [], 2026, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of $[], in order to (i) obtain funds to pay for the acquisition and construction of the Improvements for the Huntsville Regional Water Supply System; (ii) funding the Reserve Fund, if required; and (iii) pay costs of issuance of the Bonds.

ON AUGUST 1, 20[], or on any date thereafter, the Bonds of this Series may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds to be redeemed shall be selected and designated by the Issuer, at the redemption price of the principal amount, plus accrued interest to the date fixed for redemption.

THE BONDS MATURING ON AUGUST 1 IN THE YEARS [] are subject to mandatory redemption prior to maturity in part at random, by lot or other customary method selected by the Paying Agent/Registrar, at par plus accrued interest to the redemption date, and without premium, with funds on deposit in the Interest and Sinking Fund. Such Bonds shall be redeemed by the Paying Agent/Registrar on the following Mandatory Redemption Dates and in the Principal Amounts as set forth in the following schedule:

<u>Term Bonds due August 1, 20</u>

Mandatory Redemption Date: 8/1/20	Principal Amount: $,000
Mandatory Redemption Date: 8/1/20*	Principal Amount: $,000

* Stated Maturity

The principal amount of Term Bonds of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the Issuer, by the principal amount of any Term Bonds of the same maturity which, at least 45 days prior to a mandatory redemption date (1) shall have been acquired by the Issuer and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

AT LEAST THIRTY days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the registered owner of each Bond to be redeemed at its address as it appeared on the day such notice of redemption is mailed and to major securities depositories, national bond rating agencies and bond information services; provided, however, that the failure of the registered owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the registered owner, and in aggregate amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Bond Resolution.

IF AT THE TIME OF MAILING of notice of optional redemption there shall not have either been deposited with the Paying Agent/Registrar or legally authorized escrow agent immediately available funds sufficient to redeem all the Bonds called for redemption, such notice must state that it is conditional, and is subject to the deposit of the redemption moneys with the Paying Agent/Registrar or legally authorized escrow agent at or prior to the redemption date, and such notice shall be of no effect unless such moneys are so deposited on or prior to the redemption date. If such redemption is not effectuated, the Paying Agent/Registrar shall give notice in the manner in which the notice of redemption was given that such moneys were not so received and shall rescind the redemption.

ALL BONDS OF THIS SERIES are issuable solely as fully registered Bonds, without interest coupons, in the denomination of any integral multiple of $5,000. As provided in the Bond Resolution, this Bond, or any unredeemed portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of $5,000 as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of $5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 30 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, sold, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that this Bond and other parity bonds, are special obligations of the Issuer payable from and secured by a first lien on and pledge of the "Pledged Revenues", as defined in the Bond Resolution, which include payments and amounts derived by the Issuer from the Contract (the "Trinity River Authority of Texas – Huntsville Regional Water Supply System Contract" dated June 25, 1997, as amended on February 28, 2024 by the "Trinity River Authority of Texas - First Amendment - Huntsville Regional Water Supply System Contract") between the Issuer and the City.

THE ISSUER has reserved the right, subject to the restrictions stated or referred to in the Bond Resolution, to issue additional parity revenue bonds which also may be made payable from and secured by a first lien on and pledge of the aforesaid Pledged Revenues.

THE ISSUER also has reserved the right to amend the Bond Resolution with the approval of the owners of a majority in principal amount of all outstanding bonds secured by and payable from a first lien on and pledge of the aforesaid Pledged Revenues, subject to the restrictions stated in the Bond Resolution.

THE REGISTERED OWNER hereof shall never have the right to demand payment of this Bond or the interest hereon from taxes or from any source whatsoever other than specified in the Bond Resolution.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Resolution, agrees to be bound by such terms and provisions, acknowledges that the Bond Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Resolution constitute a contract between each registered owner hereof and the Issuer.

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

______________________________	______________________________
Secretary, Board of Directors Trinity River Authority of Texas	President, Board of Directors, Trinity River Authority of Texas

(SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Bond is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Resolution described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a bond, bonds, or a portion of a bond or bonds of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: ________________.

BOKF, NA
Paying Agent/Registrar

By: ____
Authorized Representative

FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto:

____

Please insert Social Security or Taxpayer Identification Number of Transferee

____

Please print or type name and address, including zip code of Transferee

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

Dated: __________________.

Signature Guaranteed:

____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

____

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

FORM OF REGISTRATION CERTIFICATE OF
THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

COMPTROLLER'S REGISTRATION CERTIFICATE:
REGISTER NO. ____________________

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

Witness my signature and seal this _______________.

____

Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

(b) Insertions for the Initial Bond:

The initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

(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 "CUSIP NO. _____" shall be deleted.

(ii) the first paragraph shall be deleted and the following will be inserted:

"TRINITY RIVER AUTHORITY OF TEXAS (the "Issuer"), being a governmental agency, and body corporate and politic of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on the Maturity Dates, in the Principal Amounts and bearing interest at the per annum rates set forth in the following schedule:

Maturity Date	Principal Amount	Interest Rate
[]	[]	[]

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date at the respective Interest Rate per annum specified above. Interest is payable on August 1, 20[], and on each February 1 and August 1 thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

(iii) The initial Bond shall be numbered "T-1."

GENERAL AND NO-LITIGATION CERTIFICATE OF THE CITY OF HUNTSVILLE

We, the undersigned City Manager and City Secretary of the City of Huntsville (the "*City*"), hereby certify that we are executing and delivering this certificate with reference to the Trinity River Authority of Texas Huntsville Regional Water Supply System Revenue Bonds, Series 2026 (the "*Bonds*").

The certifications herein are made this, the 2nd_ day of June, 2026.

1. That this certificate is executed for the benefit of the Attorney General of the State of Texas and the prospective owners of the Bonds, which Bonds were authorized by resolution of the Board of Directors of the Trinity River Authority (the "*Bond Resolution*"). The Attorney General is authorized to date this certificate.

2. That the City is a duly incorporated Home Rule City, having more than 5,000 inhabitants, operating and existing under the Constitution and laws of the State of Texas and the duly adopted home rule charter of the City, which Charter has not been changed or amended since the passage of the ordinance authorizing the City of Huntsville Combination Tax and Revenue Certificates of Obligation, Series 2025.

3. That no litigation of any nature is pending or threatened pertaining to, affecting or contesting: (a) the execution or delivery, payment, security or validity of the "Trinity River Authority of Texas – Huntsville Regional Water Supply System Contract" dated June 25, 1997, as amended on February 28, 2024 by the "Trinity River Authority of Texas - First Amendment - Huntsville Regional Water Supply System Contract" (together, the "*Contract*") by and among the City and the Trinity River Authority; (b) the title of the present members and officers of the City Council of said City to their respective offices; or (c) the validity of the corporate existence or the Charter of said City.

4. That the Contract is still in full force and effect, has not been amended or rescinded, no litigation is pending relating to the authority of the City to enter into the Contract and no default exists in connection therewith. The City is not in default in the payment of principal or interest on any of its outstanding obligations.

5. That the Contract has been duly authorized by the City Council by a resolution adopted on June 2, 2026, in full compliance with the City's home rule charter and applicable law.

6. The following is a true schedule of net revenues of the City's water and sewer system for the fiscal years shown:

City of Huntsville - Water/Sewer Net Revenues Operating Income *			
FYE	2025	2024	2023
Revenue	$41,572,770	$34,251,090	$31,062,690
Expenses	$23,311,375	$24,076,209	$16,292,705
Net Revenues	$18,261,395	$10,174,881	$14,769,985

* The above figures obtained from the City 's annual financial reports under the schedule "Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Fund"

7. As of the date hereof, the following are the duly elected and constituted members of the City Council.

Russell Humphrey; Mayor	Jon Strong; Ward 4; Mayor Pro Tem
Tore Fossum; Ward 1	Casey Cox; Ward 2
Anissa Antwine ; Ward 3	Jon Strong; Ward 4
Bert Lyle; At-Large Position 1	Karen Denman; At-Large Position 2
Vicki McKenzie; At-Large Position 3	Pat Graham; At-Large Position 4

EXECUTED AND DELIVERED ON June 2, 2026.

Manual Signatures	Official Titles
______________________________	City Manager City of Huntsville
______________________________	City Secretary City of Huntsville

ACKNOWLEDGMENT

Before me, on this day personally appeared the foregoing individuals, known to me to be the officers whose true and genuine signatures were subscribed to the foregoing instrument in my presence.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _2nd_ day of __June, 2026.

____
Notary Public, State of Texas

[NOTARY SEAL]

CERTIFICATE FOR RESOLUTION APPROVING A BOND RESOLUTION OF THE TRINITY RIVER AUTHORITY FOR THE ISSUANCE OF BONDS FOR IMPROVEMENTS TO THE HUNTSVILLE REGIONAL WATER SUPPLY SYSTEM

THE STATE OF TEXAS
COUNTY OF WALKER
CITY OF HUNTSVILLE

I, the undersigned City Secretary of the City of Huntsville, Texas, hereby certify as follows:

1. The City Council of said City convened in a regular meeting on June 2, 2026 and the roll was called of the duly constituted officers and members of said City Council, to-wit:

Russell Humphrey; Mayor	Jon Strong; Ward 4; Mayor Pro Tem
Tore Fossum; Ward 1	Casey Cox; Ward 2
Anissa Antwine ; Ward 3	Jon Strong; Ward 4
Bert Lyle; At-Large Position 1	Karen Denman; At-Large Position 2
Vicki McKenzie; At-Large Position 3	Pat Graham; At-Large Position 4

and all of said persons were present except ________________________, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

RESOLUTION APPROVING A BOND RESOLUTION OF THE TRINITY RIVER AUTHORITY FOR THE ISSUANCE OF BONDS FOR IMPROVEMENTS TO THE HUNTSVILLE REGIONAL WATER SUPPLY SYSTEM

was duly introduced for the consideration of said City Council and duly read. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried with all members present voting "AYE" except the following:

NAY: __ ABSTAIN: __

Remainder of page intentionally left blank

2. That a true, full, and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in said City Council's minutes of said Meeting; that the above and foregoing paragraph is a true, full, and correct excerpt from said City Council's minutes of said Meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said City Council as indicated therein; and that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting; and that said Meeting was open to the public, and public notice of the time, place, and purpose of said Meeting was given, all as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED the 2nd day of June, 2026.

____
Kristy Doll, City Secretary

(CITY SEAL)

CITY COUNCIL AGENDA
6/2/2026

Agenda Item Number: 2.b.

Agenda Item: Consider approving Resolution No. 2026-19 for Private Resale of Tax Trust Property at 119 Smith Hill Road on Account No. 54832 pursuant to Texas Property Tax Code Section 34.05.

Initiating Department/Presenter: Finance

Presenter:
Lance Hall, Finance Director

Recommended Motion: Move to approve Resolution No. 2026-19 to resale property at 119 Smith Hill RD to Valeria Yvette McAdams in accordance with Section 34.05 (a) and (i) of the Property Tax Code.

Strategic Initiative:

Discussion: This is a bid on property that has been struck off to the taxing jurisdictions, meaning we had a tax foreclosure sale but received no bids on the property. It has been struck off and exempt since July 2025. It was likely struck off because it is only a 50% undivided interest. We were approached by the bidder because she lives on the land and owns the other 50% undivided interest in the land and mobile home through inheritance. She has bid less that what was originally due so all taxing jurisdictions must agree to the resale. The County has already approved. I am hoping to present it to Huntsville ISD on May 14.

Although she has not bid 100%, I believe that she has made a good offer. She is likely the only person who will be interested in purchasing this 50% interest. Since the bid is less than what was due, most of it will be applied to the costs of the case due to the hierarchy for resale proceed payments established by the Tax Code. The $1,798 left to distribute to the back tax will be paid in pro rata shares of what was due under the tax judgment. The City will receive 16.58% or $298.15. The remaining back taxes will be deleted. Most importantly, the property will go back on the tax roll and will be in the hands of a paying taxpayer.

Previous Council Action: N/A

Financial Implications: The property was valued at $9990.00 at the time of judgment. The City of Huntsville judgment amount is $958.23. There was only 1 bid, $5128. The total cost was $3,300.00. The city will receive $298.15, and the property will be returned to the tax roll.

Approvals:
Lance Hall
Scott Swigert
Robby Chapman
Kristy Doll

Associated Information:

1. Resolution 2026-19 final with exhibit
2. T15-38 BID FORM (2)
3. T15-38 RESALE DEED

RESOLUTION NO. 2026-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTSVILLE, TEXAS, AUTHORIZING THE PRIVATE RESALE OF TAX TRUST PROPERTY LOCATED AT 119 SMITH HILL ROAD ON ACCOUNT NO. 54832 PURSUANT TO TEXAS PROPERTY TAX CODE SECTION 34.05; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Huntsville is a Texas home-rule municipal corporation operating pursuant to the Huntsville City Charter and the laws of the State of Texas; and

WHEREAS, City is owed back taxes on the property located at 119 Smith Hill Road described in Exhibit "A" ("Property"); and

WHEREAS, Section 34.05(a) of the Tax Code provides that a taxing unit may sell such property at public or private sale; and

WHEREAS, there was only one bidder for the Property, who offered an amount less than either the market value specified in the judgement of foreclosure or the total amount of the judgements against the property; and

WHEREAS, Section 34.05(i) provides that such property may be sold for an amount less than required by the Tax Code with the consent of each taxing unit entitled to receive proceeds of the sale under the judgment; and

WHEREAS, the City Council finds that such consent for this sale is in the best interests of the City of Huntsville;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HUNTSVILLE, TEXAS:

SECTION I: That the City Council hereby consents to the private resale of the property located at 119 Smith Hill Road described in Exhibit "A" to Valeria Yvette McAdams.

SECTION II: That the City Council hereby authorizes Mayor Russell Humphrey to sign the deed prepared by Perdue Brandon Fielder Collins & Mott LLP conveying the Property and subject to payment for Property within thirty days after Valeria Yvette McAdams is notified of the City's acceptance of the offer.

SECTION III. That this Resolution shall be effective immediately upon its passage and adoption.

PASSED AND APPROVED THIS ___ DAY OF JUNE 2026.

THE CITY OF HUNTSVILLE

Russell Humphrey, Mayor

ATTEST:

APPROVED AS TO FORM:

Kristy Doll, City Secretary

Robby Chapman, City Attorney

Exhibit A

Bid Analysis

Cause No. T15-38   Account No. 54832

TRACT 1: A 50% UNDIVIDED INTEREST IN LOTS 4 & 6, BLOCK 1, NORTH PARK ADDITION, SECTION 1, LOCATED IN WALKER COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED IN VOLUME 943, PAGE 5 OF THE DEED RECORDS OF WALKER COUNTY, TEXAS, TOGETHER WITH A 14X75, MOBILE HOME WITH LABEL NUMBER ULI0093393; SERIAL NUMBER A1S7914X75134SN7566; AND TITLE NUMBER 00584655.

Bid Amount $5,128.00

Name of Bidder VALERIA YVETTE MCADAMS

Judgment Information

Taxing Unit	Tract	Tax Years	Total
WALKER COUNTY	TRACT 1	2010-2023	$1,478.29
WALKER COUNTY HOSPITAL DISTRICT	TRACT 1	2010-2023	$352.29
HUNTSVILLE INDEPENDENT SCHOOL DISTRICT	TRACT 1	2010-2023	$2,989.80
CITY OF HUNTSVILLE	TRACT 1	2010-2023	$958.23
TOTAL			$5,778.61

Property Value (at time of Judgment)
$9,990.00

Judgment Date: 1/24/2025

Sale Date: 7/1/2025   Tax Sale Opening Bid: $9,246.51

Account No. 54832

Costs

Publication Fee	$373.00 (PBFCM)
Court Costs	$2,044.00 (WALKER COUNTY DISTRICT CLERK)
Constable Commission	$750.00 (WALKER COUNTY CONSTABLE)
Deed Recording Fee	$ 33.00 (PBFCM)
Mailing/AJ Recording fees	$130.00 (PBFCM)

Total costs: $3,330.00

<u>Proposed Distribution</u>

Bid Amount <u>$5,128.00</u> Costs <u>$3,330.00</u>

Net to Distribute <u>$1,798.00</u>

Taxing Unit	Total
WALKER COUNTY	$459.97 (25.58%)
WALKER COUNTY HOSPITAL DISTRICT	$109.61 (6.10%)
HUNTSVILLE INDEPENDENT SCHOOL DISTRICT	$930.27 (51.74%)
CITY OF HUNTSVILLE	$298.15 (16.58%)

*****Please delete all tax years through 2023 not covered by this payment (54832) *****

PB | PERDUE BRANDON

ATTORNEYS AT LAW

OFFICIAL BID FORM-TAX RESALE PROPERTY
WALKER COUNTY

You may bid on any or all the parcels available- *that do not already have an offer pending*. Please enter the amount you wish to bid; Walker County reserves the right to accept or reject any or all bids. **No title insurance or survey will be provided. Property is being sold "as is", "where is" and "without warranty".**

(All Resale Offers are to INCLUDE the Delinquent Post Judgment Taxes and a $33.00 Resale Deed Recording Fee)

Cause Number	Account Number	Total Amount Offered for Property
T15-38	54832	5600

471.62 PJ
5,128 bid offer
= 5600 total

By my signature below, I certify that I understand the conditions and limitations of this sale, as well as the restrictions on the use of the property as set forth in the Texas Property Tax code. I understand that I am responsible for post-judgment taxes, and I further understand that I am to provide for those taxes, if any, in the total amount offered for the property(ies). **I agree to indemnify the county and its attorney and agent from any action or damages arising from the purchase of this property.**

Your filled out form should be mailed to the law firm: 2040 North Loop 336 West, Suite 320, Conroe, TX 77304. (Email: thernandez@pbfcm.com)

Valeria Yvette McAdams
Bidder's Name (Please Print or Type)
(NAME WANTED ON DEED)

Valeria Yvette McAdams
Bidder's Signature

119 Smith Hill Rd.
Bidder's Address (**ADDRESS WANTED ON DEED**)

936-650-3511 / valingram78@yahoo.com
Bidder's Telephone / Email Address

Huntsville 77320
City Zip

4/6/26
Date

NOTICE OF CONFIDENTIALITY RIGHT:
IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

THE STATE OF TEXAS	§	
	§	RESALE DEED
COUNTY OF WALKER	§	

KNOW ALL MEN BY THESE PRESENTS that WALKER COUNTY for itself and as trustee for the use and benefit of WALKER COUNTY HOSPITAL DISTRICT, CITY OF HUNTSVILLE and HUNTSVILLE ISD, acting by and through his duly elected official ("GRANTOR") as authorized by Section 34.05, Texas Property Tax Code, for and in consideration of the sum of FIVE THOUSAND ONE HUNDRED TWENTY-EIGHT DOLLARS AND 00/100 ($5,128.00), in hand paid by **VALERIA YVETTE MCADAMS** ("GRANTEE") the receipt of which is hereby acknowledged and confessed, has granted and conveyed and by these presents do grant and convey unto said grantee all right, title and interest of the WALKER COUNTY for itself and as trustee for the use and benefit of WALKER COUNTY HOSPITAL DISTRICT, CITY OF HUNTSVILLE and HUNTSVILLE ISD, in the property herein conveyed, acquired by tax foreclosure sale heretofore held, in **Cause No. T15-38** styled WALKER COUNTY vs. VERNA LEE BURNEY, ET AL, said property being described as:

TRACT 1: GEO: 54832
A 50% UNDIVIDED INTEREST IN LOTS 4 & 6, BLOCK 1, NORTH PARK ADDITION, SECTION 1, LOCATED IN WALKER COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED IN VOLUME 943, PAGE 5 OF THE DEED RECORDS OF WALKER COUNTY, TEXAS, TOGETHER WITH A 14X75, MOBILE HOME WITH LABEL NUMBER ULI0093393; SERIAL NUMBER A1S7914X75134SN7566; AND TITLE NUMBER 00584655.

GRANTOR excludes and excepts from this conveyance any warranties, express or implied, on the property, including, without limitation, any warranties arising by common law or Section 5.023 of the Property Code.

GRANTOR conveys the property:

(a). "as is", "with all faults" and without any warranty as to condition or environmental hazard,

(b). subject to all restrictions, easements, rights-of-way leases, oil, gas and mineral leases, royalties, mineral conveyances, and mineral reservations of record, if any, in the office of the County Clerk of said County,

(c). subject to any right of redemption; and

(d). subject to rights of parties in possession

GRANTOR disclaims any warranty, guaranty or representation, oral or written, on:

(a). the nature and condition of the property or other items conveyed hereunder, without limitation, the water, soil and geology,

(b). the suitability of the property conveyed hereunder for any and all activities and uses which GRANTEE may elect to conduct thereon,

(c). the existence of any environmental hazards or conditions thereon, (including but not limited to the presence of asbestos or other hazardous materials), (d). compliance with applicable environmental laws, rules or regulations; and

(e). the compliance of the property with any laws, ordinances, or regulations of any governmental entity or body.

By acceptance of this deed, GRANTEE acknowledges and agrees:

(a). that GRANTOR acquired the property through foreclosure of a tax lien as Trustee and as such has little, if any, knowledge of the physical or economic characteristics of the property,

(b). GRANTEE has inspected the property and is relying solely on **her** own investigation of the same and not on any information provided or to be provided by on behalf of GRANTOR,

(c). that any information provided with respect to the property was obtained from a variety of sources, and

(d). GRANTOR (1) has not made any independent investigation or verification of such information; and (2) does not make any representations as to the accuracy or completeness of such information.

(e). that if there are any improvements on the property, GRANTOR shall not be responsible for or liable to GRANTEE for any construction defects, errors omissions, or any other conditions affecting the property.

GRANTEE or anyone claiming by, through or under GRANTEE, hereby fully releases GRANTOR, **her** employees, officers, directors, representatives, attorneys and agents from any and all claims that it may now have or hereafter acquire against GRANTOR, his respective employees, officers, directors, representatives, attorneys and agents for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to the conveyance of the premises herein as well as any construction defects, errors, omissions, or other conditions affecting the property and other items conveyed hereunder. GRANTEE further acknowledges and agrees that this release shall be given full force and effect according to each of his express terms and provisions, including, but not limited to, those relating to unknown and suspected claims, damages and causes of action. This covenant releasing GRANTOR shall be a covenant running with the property and shall be binding upon GRANTEE, **her** heirs, successors and assigns. GRANTOR hereby assigns without recourse or representation of any nature to GRANTEE, effective upon the execution and delivery hereof, any and all claims that GRANTOR may have for any such errors, omissions or defects in the property and other items conveyed hereunder. As a material covenant and condition of this conveyance, GRANTEE agrees that in the event of any such construction defects, errors, omissions or on account of any other conditions affecting the property, GRANTEE shall look solely to GRANTOR'S predecessors or to such contractors and consultants as may have contracted for work in connection with the property and other items conveyed hereunder for any redress or relief. Upon the assignment by GRANTOR of his claims, GRANTEE releases GRANTOR of all right, express or implied, GRANTEE may have against GRANTOR arising out of or resulting from any errors, omissions or defects in the property and other items conveyed hereunder. GRANTEE further understands that some of GRANTOR'S predecessors in interest may be or become insolvent, bankrupt, judgment-proof or otherwise incapable of responding in damages and GRANTEE may have no remedy against such predecessors, contractors or consultants.

GRANTEE hereby further agrees on behalf of **her** heirs, successors and assigns to indemnify, protect, defend, save and hold harmless GRANTOR and GRANTOR'S elected and appointed officials, employees, officers, directors, representatives, attorney and agents from and against any and all debts, duties, obligation, liabilities, suhis, claims, demands, cause of action, damages, losses, costs and expenses (including, without limitation, attorneys' fees and expenses and court costs) in any way relating to, connected with or arising out of the property and other items conveyed hereunder or the ownership, leasing, use, operation, maintenance and management thereof from and after the date hereof, including, without limitation, the cost of any removal of hazardous substances or contaminants from the property and other items conveyed hereunder.

TO HAVE AND TO HOLD said premises, together with all and singular the rights, privileges and appurtenances thereto in any manner belonging unto the said **VALERIA YVETTE MCADAMS,** her heirs, successors, beneficiaries, heirs and assigns forever, so that neither the WALKER COUNTY for itself and as trustee for the use and benefit of WALKER COUNTY HOSPITAL DISTRICT, CITY OF HUNTSVILLE and HUNTSVILLE ISD, nor any person claiming under it shall at any time hereafter have, claim or demand any right or title to the aforesaid premises or appurtenances, or any part thereof.

EXECUTED on April 20th, 2026.

WALKER COUNTY

Judge Colt Christian, Walker County Judge

THE STATE OF TEXAS §
§
COUNTY OF WALKER §

ACKNOWLEDGMENT

BEFORE ME, the undersigned authority, on this day personally appeared, Judge Colt Christian, Walker County Judge, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 20th day of April, 2026.

NOTARY PUBLIC, in and for the STATE OF TEXAS
My Commission Expires: 01/04/2030

ALANNAH HARGIS WOOD
Notary Public, State of Texas
Comm. Expires 01-04-2030
Notary ID 133514491

EXECUTED on ______________________________, ______________.

WALKER COUNTY HOSPITAL DISTRICT

____
Anne Woodard
Chairman, Walker County Hospital District

THE STATE OF TEXAS §
§
COUNTY OF WALKER §

ACKNOWLEDGMENT

BEFORE ME, the undersigned authority, on this day personally appeared, Anne Woodard, Walker County Hospital District Chairman, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _______day of ______________, 2026.

____
NOTARY PUBLIC, in and for the STATE OF TEXAS
My Commission Expires: ___________

EXECUTED on ______________________________, _____________.

CITY OF HUNTSVILLE

____
Russell Humphrey
Mayor, City of Huntsville

THE STATE OF TEXAS §
§
COUNTY OF WALKER §

ACKNOWLEDGMENT

BEFORE ME, the undersigned authority, on this day personally appeared, Russell Humphrey, Mayor, City of Huntsville, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _______day of _____________, 2026.

____
NOTARY PUBLIC, in and for the STATE OF TEXAS
My Commission Expires: __________

EXECUTED on _______________________________, ______________.

HUNTSVILLE INDEPENDENT SCHOOL DISTRICT

____
Ken Holland
President, School Board of Trustees

THE STATE OF TEXAS §
§
COUNTY OF WALKER §

ACKNOWLEDGMENT

BEFORE ME, the undersigned authority, on this day personally appeared, Ken Holland, President, School Board of Trustees, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _______day of ______________, 2026.

____
NOTARY PUBLIC, in and for the STATE OF TEXAS
My Commission Expires: ___________

Grantee: **VALERIA YVETTE MCADAMS**
119 SMITH HILL RD
HUNTSVILLE, TX 77320

HOLD FOR PICK-UP, PERDUE, BRANDON

CITY COUNCIL AGENDA
6/2/2026

Agenda Item Number: 2.c.

Agenda Item: First Reading - Consider authorizing the City Manager to enter into an agreement with LJA Engineering for professional engineering services for the Drainage Projects included in the Drainage Utility Fees.

Initiating Department/Presenter: Engineering

Presenter:
Kathlie Jeng-Bulloch, City Engineer

Recommended Motion: Move to waive the two-reading requirement and authorize the City Manager to enter into an agreement with LJA Engineering for professional engineering services for Drainage Projects which was included in the Drainage Utility Fees, in the amount of $874,146.00. This authorization is for Drainage System B, System C, and 27" Sanitary Sewer reroute at the Elkins Lake Subdivision downstream of the Woods at the Elkins Lake development.

Strategic Initiative: Strategic Priority #4, Infrastructure - Develop and maintain a comprehensive and well-planned infrastructure network that prepares for the challenges of the future and provides quality, modern and efficient, water, wastewater, drainage and transportation services.

Discussion:

This agenda item is to request authorization to enter into an agreement with LJA for the re-routing of System B, System C, and the 27" sanitary sewer reroute in the amount of $874,146.00.

The Woods at Elkin's Lake Subdivision is a proposed residential development on 32 acres consisting of 57 residential lots for townhomes and single-family residences.

Upon review of the submitted plans, concerns about stormwater drainage were noted. The existing drainage infrastructure in the vicinity (originally constructed in the 1970's outside the City Limits) is not of sufficient capacity to handle the existing conditions. Various pipes, inlets, and other drainage structures must be upgraded in order to meet current storm water design standards. The preliminary concept plan information was provided to the Finance Committee (August 2023) by the Engineer of Record of the Woods at the Elkins Lake, for rehabilitation and upsizing drainage systems at the existing locations.

The Council approved LJA's performance of the Drainage Analysis and Preliminary Engineering Report (PER—Phase I) for the professional engineering service under the CIP FY23-24 Drainage Project on October 17, 2023.

The PER segmented the downstream of the proposed Woods at the Elkins Lake into three (3) Drainage System: System A, System B, and System C. The PER also revealed that it is unfeasible to upsize much of the existing storm sewer in its existing alignment due to the close proximity to the residential structures (such as 18” to the edge of the existing 24” pipe).

Drainage Program Projects were discussed during the November 5, 19, 2024, and March 18, 2025, Finance Committee Meetings. Council approved the “Issuance of Series 2025 Certificates of Obligation” for the Stormwater Capital Improvement Projects on April 15, 2025.

The Purchase Order for design of System A was issued on November 11, 2025. The 60% design plan was received, which included activities for storm easement acquisition.

After several negotiations of the Scope of Services and Fee Proposals, the final fee proposed by LJA for Phase II, Phase III Storm B and C Systems and Sanitary re-route is $874,146.00; which includes:

Phase II		
	Storm B, C System	**Sanitary**
Design	$152,963.00	$271,933.00
Survey	$ 21,600.00	$ 38,400.00
Subsurface Utility Exploration	$ 9,360.00	$ 16,640.00
Geotechnical	$ 20,520.00	$ 36,480.00
Environmental	$ 7,560.00	$ 13,440.00
Bid Phase	$ 4,050.00	$ 7,200.00
Total – Phase II	**$216,053.00**	**$384,093.00**
Phase III		
	Storm B, C System	**Sanitary**
Construction Phase Services	$ 53,640.00	$ 95,360.00
Material Testing	$ 80,000.00	$ 45,000.00
Total – Phase III	**$ 98,640.00**	**$175,360.00**
	Storm B, C System	**Sanitary**
Total Phase II + Phase III	**$314,693.00**	**$559,453.00**

This project proposal includes combining the Storm System B and C, and re-routing the storm sewer away from the side lot easement, and away directly outfalling into Prairie Creek. The proposed route will be along Green Briar Dr Street ROW toward north then discharge into the Elkins Lake. (See Map attached)

The existing 27” Sanitary Sewer is within back lot easements and along/within Prairie Creek, along the street ROW (See Map attached). This proposal also includes rerouting the existing 27” Sanitary Sewer from 125’ north of the Green Briar Drive intersection with Wellington Dr. to the south along Green Briar Dr. (within ROW), then toward west along River Oaks Drive to 150’ west of East Lake Drive (on River Oaks) to tie-in to the existing 30” sanitary sewer system. This proposal will move the 27” Sanitary Sewer away from the back lots to within street ROW in order to avoid the on-going excessive erosion in this area. (See Map attached)

Previous Council Action:

The City Council approved for staff to prepare a budget amendment and identify potential sources of funding on August 15, 2023.

The City Council approved the CIP Budget with an amount of $250,000.00 in FY 2023-2024 for the Miscellaneous Drainage Project.

The City Council approved LJA for Phase I - Professional Engineering Services for the CIP FY23-24 Miscellaneous Drainage Project on October 17, 2023.

The City Council approved LJA for System A – Professional Engineering Services on August 5, 2025.

Financial Implications: In the amount of $874,146.00 (which includes part of System B, C, and 27” Sanitary re-route).

Approvals:
Kathlie Jeng-Bulloch
Ricardo Villagrand
Scott Swigert
Robby Chapman
Kristy Doll

Associated Information:
1. edit with material testing Elkins Lake System B and C and 27 inch San Swr Proposal
2. Existing Storm B C and Sanitary Sewer
3. revised map for B C and 27 inch proposed route
4. Standard form engineer 5 20 2026 with draft watermark without comments

713.953.5200
TBPELS F-1386
TBPELS 10110501
www.LJA.com
3600 W Sam Houston Pkwy S, Suite 600 Houston, Texas 77042

May 21, 2026 **PROPOSAL**

Dr. Kathlie S. Jeng-Bulloch, PE, B.C. WRE, CFM
City of Huntsville
448 SH 75 North
Huntsville, Texas 77320

Re: Proposal for Engineering Services for System B & C Storm Sewers and 27-inch Sanitary Sewer Reconstruction at Elkins Lake Subdivision
COH Project No XX-XX-XX
LJA Proposal No. XXXX

Dear Dr. Jeng-Bulloch:

LJA Engineering, Inc. (LJA) submits this proposal for the engineering design for a subdivision storm sewer system in the Elkins Lake Subdivision which requires the reconstruction of two storm sewer systems to improve stormwater conveyance to in the Elkins Lake Subdivision. The improvements will also include the relocation of an existing 27-inch sanitary sewer from back lot to front lot due to the on-going erosion along Prairie Creek which has impacted existing infrastructure. This proposal includes combining System B and C to re-route system C away from a direct outfall to Prairie Creek and instead outfall into Elkins Lake. The City of Huntsville (City) requested LJA to submit a proposal to perform complete design services including the following:

- Phase II – Final Design
- Phase III – Construction Phase Services

Phase II will include the following services:

- Survey
  - Topographic Survey
  - Survey Control
  - Right-of-way verification
  - Easement/Parcel Acquisition (if necessary)
- Geotechnical Engineering
- Hydrological and Hydraulic Analysis
  - The City requested that Systems B and C be combined into one system to remove an outfall from System C directly into Prairie Creek.
  - Previously, both systems were evaluated based on two independent systems and recommendations were made based on upsizing those two systems. Due to combining the systems, a drainage analysis will be required to evaluate the sizing of the storm sewer and evaluating that there no impacts.
- Environmental Assessment
  - Threatened and Endangered Species
  - Cultural Resources
  - Wetland Delineation
  - Phase I ESA
  - USACE Permitting (anticipate nationwide permitting, if individual permit is needed additional fees will need to be negotiated at a later date).
- Subsurface Utility Exploration
  - This will include Level B – D.

  - If SUE Level A is required, additional fees will need to be negotiated at a later phase.
- Bid Phase

Phase III will include the following services:

- Construction Phase Services
- Materials Testing

The scope for System B and C and 27-inch Sanitary Sewer is as follows.

- Storm Drain System B
  - North KSTA
    This storm sewer is located ~~south~~ of Storm Drain System C and directly outfalls into Elkins Lake via drainage easement near Wellington.
- Storm Drain System C
  - This storm sewer system is located south of Storm Drain System No. 2 and is located along Green Briar Drive and River Oak Drive intersection. The storm sewer then flows west via side lot easements and discharges into Prairie Branch.
- 27-inch Sanitary Sewer
  - The 27-inch of sanitary will be relocated from back lot to front lot.
    - The relocation is from 125-ft north of the Green Briar Drive/Wellington Dr intersection to travel south along Greenbriar Dr, then west on River Oaks Drive to 150-feet west of East Lake Drive/River Oaks Drive intersection to tie-in into existing 30-inch sanitary sewer system.. The system will be moved from back lot to front lot due to excessive on-going erosion on the backlots.

Phase II – Final Design

LJA will prepare plans, specifications, and estimates for the final design. The plans will follow City of Huntsville criteria. The following sheets are anticipated.

- Cover Page
- General Notes
- Alignment Sheets
- Typical Sections
- Overall Layouts
- Drainage Area Maps
- Drainage Calculations
- Plan and Profiles
- Structural Design and Details
- Demolition Plan
- Stormwater Pollution Prevention Plan
- Traffic Control Plan and Phasing
- Cross-sections
- Traffic Control
- Typical Details
- Project specific details

LJA will prepare a quantity take-off and cost estimates based on most recent bid tabs. LJA will also prepare the project manual which will include front end documents provided by the City and specifications prepared by LJA. As part of Final Design, LJA will assist the City with bidding and intends to do the following:

- Prepare pre-bid agenda and attend meeting
- Respond to RFIs and issue addendums
- Prepare letter of recommendation

Phase III - Construction Phase Services

LJA will perform construction phase services for the City. The following services will be included as part of this task:

1. Attend and assist the City in pre-construction conference and monthly meetings.
2. Review and submit comments on all project schedules as submitted by the Contractor.
3. Review and approve/disapprove submittals as submitted by the Contractor for compliance with design concepts, the Contract documents and with the applicable specifications.
4. Participate with the City's representatives in the substantial completion and/or final inspection of the project.
5. Respond to all requests for information submitted by the contractor and update plans accordingly if required.
6. Review change orders if necessary and provide City guidance.
7. Complete changes in drawings if necessary.
8. Produce as-built drawings.
9. Subcontract with a Materials Testing Lab for testing

Fee

The following are the fees:

	Phase II	
	Storm	**Sanitary**
Construction Documents	$152,963.00	$271,933.00
Surveying	$21,600.00	$38,400.00
Subsurface Utility Exploration (SUE Level B, C, D)	$9,360.00	$16,640.00
Geotechnical Investigation	$20,520.00	$36,480.00
Environmental	$7,560.00	$13,440.00
Bid Phase	$4,050.00	$7,200.00
Phase II Sub-Total	**$216,053.00**	**$384,093.00**
	Phase III	
	Storm	**Sanitary**
Construction Phase Services	$53,640.00	$95,360.00
Construction Materials Testing WSD	$80,000.00	$45,000.00
Phase III Sub-Total	**$98,640.00**	**$175,360.00**
	Total	
	Storm	**Sanitary**
Total	$314,693.00	$559,453.00

$314,693 + $559,453 = $874,146

Exclusions

For Final Design, LJA has not included the cost to perform SUE Level A, detailed tree surveys and arborist recommendations, or any other environmental services outside of the aforementioned environmental services. Therefore, for environmental services, efforts such as mussel surveys, Phase II ESA, shovel testing Cultural Resources study, bird and bat surveys, eagle observation, etc are not included in the scope of work. These services can be provided and LJA will submit a separate proposal to perform this work if necessary and requested by the City.

For Construction Phase Services, LJA will not provide Construction Management and Inspection services which includes accepting pay apps, reviewing pay apps, and providing full time inspections services. If the City wishes for LJA to provide these services, LJA will submit a separate proposal to perform this work.

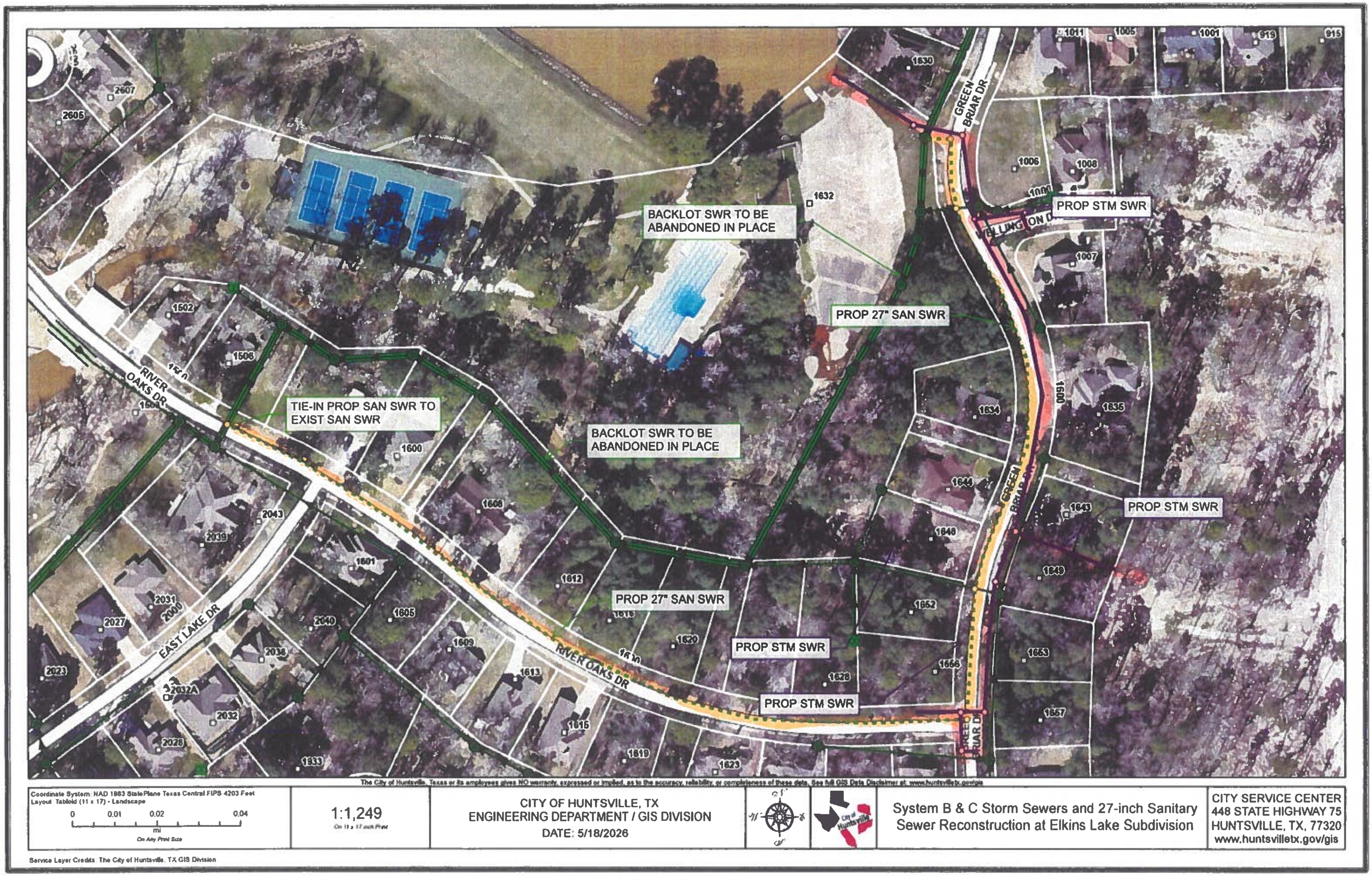
We appreciate the opportunity to submit this proposal. If you have any questions or concerns, please do not hesitate to contact me at 713-953-5253.

Best Regards,

Isaac Muñiz, PE
Sr. Project Manager – Water Resources

Attachments:

Existing Storm Sewer System B, and C; and Sanitary Sewer System



Proposed 27" SS Reroute

Proposed Storm Sewer Reroute

AGREEMENT BETWEEN CITY AND ENGINEER
FOR PROFESSIONAL SERVICES

This Agreement, dated _______________, 2026 ("Effective Date") is made and entered into by and between the City of Huntsville, a Texas home-rule municipal corporation ("City") and _________________________________("Engineer"), whereas the City intends to construct___________________________ ("Project"). City and Engineer, in consideration of the mutual covenants set forth herein, agree as follows:

SECTION 1- SCOPE OF SERVICES

The Engineer agrees to provide the City with the professional engineering services more particularly described in Exhibit 1. The City and Engineer acknowledge and anticipate that the timing and development of any services may depend on the availability of funding and the needs of the City; therefore, the Engineer shall not proceed with any phase of engineering services without specific written authorization by the City.

SECTION 2- LIABILITY, INSURANCE AND INDEMNIFICATION

2.1 Insurance Requirement. Engineer agrees to have and maintain the policies set forth in the insurance requirements herein. All policies, endorsements, certificates, and/or binders shall be subject to approval by the City as to form and content. These requirements are subject to amendment or waiver only if so approved in writing by the City. A lapse in any required coverage shall be a breach of this Agreement. Prior to commencement of services Engineer shall secure and maintain such insurance as stated below from companies licensed or approved to do business in Texas:

(a) Workers Compensation in accordance with the laws of the State of Texas. Substitutes to genuine Workers' Compensation Insurance will not be allowed.

(b) Employers' Liability insurance with limits of not less than $1,000,000 per injury by accident, $1,000,000 per injury by disease, and $1,000,000 per bodily injury by disease.

(c) Commercial general liability insurance with a limit of not less than $1,000,000 each occurrence and $2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.

(d) Business Automobile Liability coverage applying to owned, non-owned and hired automobiles with limits not less than $1,000,000 each occurrence combined single limit for Bodily Injury and Property Damage combined.

(e) Professional Liability insurance with limits not less than $2,000,000.

City will be named as an additional insured to all required coverage except for Worker's Compensation and Professional Liability and will provide certificate of such insurance to the City. The Engineer shall furnish proof of Professional Liability Coverage for the Engineer for this Project in the amount of Two Million Dollars to the City before commencement of Services. Engineer agrees to maintain both types of insurance during the duration of the Project.

2.2 As an experienced and qualified professional, the Engineer warrants that Engineer will perform all services under this Contract, including but not limited to providing information, design preparation of drawing, designation or selection of materials and equipment and selection and supervision of personnel, (1) with the professional skill and care ordinarily provided by competent Engineer practicing in the same or similar locality and under the same or similar circumstances and professional license; and (2) as expeditiously as is prudent considering the ordinary professional skill and care of a competent Engineer. Approval of the City shall not constitute, or be deemed, a release of the responsibility and liability of the Engineer, its employees, agents, or associates for the exercise of skill and diligence to promote the accuracy and competency of their designs, information, plans, specifications or any other document, nor shall the City's approval be deemed to be the assumption of responsibility by the City for any defect or error in the aforesaid documents prepared by the Engineer, its employees, associates, agents, or subcontractors.

2.3 In all activities or services performed hereunder, the Engineer is an independent contractor and not an agent or employee of the City. The Engineer and its employees are not the agents, servants, or employees of the City. As an independent contractor, the Engineer shall be responsible for the professional services and the final work product contemplated under this Contract. Except for materials furnished by the City, the Engineer shall supply all materials, equipment, and labor required for the professional services to be provided under this Contract. The Engineer shall have ultimate control over the execution of the professional services. The Engineer shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees or subcontractors, and the City shall have no control of or supervision over the employees of the Engineer or any of the Engineer's subcontractors.

2.4 The Engineer must at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, employees, agents, subcontractors, licensees, and other persons, as well as their personal property, while in the vicinity of locations where services are performed. It is expressly understood and agreed that the City shall not be liable or responsible for the negligence of the Engineer, its officers, employees, agents, subcontractors, invitees, licensees, and other persons.

2.5 <u>**Responsibility for damage claims (indemnification)**</u>**: Engineer shall indemnify and save harmless the City and all its officers, agents, and employees from all suits, actions, or claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person or persons or property resulting from the Engineer's negligent act, intentional tort, intellectual property infringement or failure to pay a subcontractor or supplier, or by or on account of any claims or amounts recovered**

under the Workmen's Compensation Law or any other law, ordinance, order or decree arising therefrom, and his sureties shall be held until such suit or suits, action or actions, claim or claims for injury or damages as aforesaid shall have been settled and satisfactory evidence to the effect furnished the City. Engineer shall indemnify and save harmless the City, its officers, agents and employees in accordance with this indemnification clause only for that portion of the damage caused by Engineer's negligence, intentional tort, intellectual property infringement or failure to pay a subcontractor or supplier. Engineer shall reimburse City for its reasonable attorney's fees in proportion to Engineer's liability for any such claim.

SECTION 3- ADDITIONAL SERVICES OF ENGINEER

If authorized in writing by the City, the Engineer shall provide additional services that are not already a part of Exhibit 1 and these will be paid by the City a fee negotiated between the City and the Engineer. It is agreed that if any of the additional services listed in this Section 3 are a part of Exhibit 1, then Exhibit 1 controls. Any additional services authorized must be in writing and signed by both Parties and attached to this Agreement:

3.1 Preparation of applications and supporting documents for governmental grants, loans or advances in connection with the Project; preparation or review of environmental assessments and impact statements; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Project.

3.2 Services to perform geotechnical investigations, materials testing, engineering surveys or topographic surveys for design, to make measured drawings of or to investigate existing conditions or facilities, or to verify the accuracy of drawings or other information furnished by the City.

3.3 Services resulting from significant changes in general scope of the Project or its design including, but not limited to, changes in size, complexity, City's schedule, or character of construction; and revising previously accepted studies, reports, design documents or Contract Documents when such revisions are due to causes beyond the Engineer's control.

3.4 Providing renderings or models for the City's use.

3.5 Preparing documents for alternate bids requested by City for work which is not executed or documents for out of sequence work.

3.6 Investigations involving detailed consideration of operations, maintenance and overhead expenses; and the preparation of rate schedules, earnings and expense statements, feasibility studies, appraisals and valuations; detailed quantity surveys of material, equipment and labor; and audits or inventories required in connection with construction performed by the City.

3.7 Furnishing the services of special consultants for other than the normal civil, structural, mechanical and electrical engineering and normal architectural design incidental thereto, such as consultants for communications, acoustics, and landscaping.

3.8 Services in connection with change orders to reflect changes requested by City if the resulting change in compensation for services is not commensurate with the additional services rendered, and services resulting from significant delays, changes or price increases occurring as a direct or indirect result of material, equipment or energy shortages.

3.9 Services during out-of-town travel required of the Engineer other than visits to the Project site or to regulatory agency offices having jurisdiction over the Project.

3.10 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work of any Contractor, (3) prolongation of the contract time of any prime contract by more than sixty (60) days, (4) acceleration of the work schedule involving services beyond normal working hours, and (5) default by any Contractor.

3.11 Construction staking for the Project.

3.12 Land surveys and office computations required to develop plats and metes and bounds descriptions for easement or property acquisition.

3.13 Preparation of operating and maintenance manuals.

3.14 Services after completion of the Construction Phase, such as inspections during any guarantee period and reporting observed discrepancies under guarantees called for in any contract for the Project.

3.15 Preparing to serve or serving as a consultant or witness for City in any litigation, public hearing or other legal or administrative proceeding involving the Project.

3.16 Additional services in connection with the Project, including services normally furnished by the City and services not otherwise provided for in this Agreement.

3.17 If requested by the City or recommended by the Engineer and agreed to in writing by the City, a Resident Project Representative and assistants will be furnished and will act as directed by the Engineer in order to provide more extensive representation at the Project site during the Construction Phase.

3.18 Through more extensive on site observations of the work in progress and field checks of materials and equipment by the Resident Project Representative (if furnished) and assistants, the Engineer shall endeavor to provide further protection for City against defects and deficiencies in the work, but the furnishing of such Resident Project Representation will not make the Engineer responsible for construction means, methods, techniques, sequences or procedures or for safety precautions or programs, or for Contractor(s)' failure to perform the construction work in accordance with the Contract Documents.

3.19 Reimbursable services shall include the following items when authorized in writing by the City: transportation and subsistence of principals and employees on special trips to the Project or to other locations; long distance telephone and telegraph calls as required to expedite the work of the Contractor; reproduction of drawings and specifications.

SECTION 4- THE CITY'S RESPONSIBILITIES

4.1 Access to the Work: The City shall provide reasonable access to and make provisions for the Engineer to enter upon property as required for the Engineer to perform such work as surveys and inspections in the development of the Project.

4.2 Consideration of the Engineer's Services: The City, or an agent appointed by City, shall give thorough considerations to all reports, sketches, estimates, drawings, specifications, proposals, and other documents presented by the Engineer, and shall inform the Engineer of all decisions within a reasonable time so as not to delay the work of the Engineer.

4.3 Legal Requirements: The City shall serve all required notices, receive and act upon all protests and fulfill requirements necessary in the development of the Project.

4.4 Proposals: The City shall advertise for Proposals from Bidders, open the Proposals at the appointed time and place and pay all costs incidental thereto.

4.5 Protection of Markers: The City shall protect to the best of its ability, all stakes and other markers set by the Engineer prior to the assumption of such responsibility by the Contractor. Replacement of markers or stakes which have been damaged, moved or removed shall be paid for by the City as extra services of the Engineer.

4.6 Standards: The City shall furnish the Engineer with a copy of any design and construction standards it shall require the Engineer to follow in the preparation of Contract Documents for the Project.

4.7 City's Representative: The City shall designate in writing, by appendix to this Agreement, a single person to act as the City's Representative with respect to the services to be performed under this Agreement. The person designated as City's Representative shall have complete authority to transmit instructions, receive information, interpret and define City's policy and decisions, with respect to the materials, equipment, elements and systems pertinent to the services covered by this Agreement. The City may also appoint, and will notify the Engineer of such appointment, a 3rd party to act as the City's agent for consideration of the Engineer's services set forth in paragraph 4.3 above.

SECTION 5 - THE CITY'S PAYMENTS TO THE ENGINEER

5.1 The City shall pay the Engineer as set forth in Exhibit 1. The total cost of all professional services and expenses provided under this Agreement may not exceed $AMT.

5.2 The City will make prompt payments in response to the Engineer's detailed statements for all categories of completed services rendered under this Agreement, or as provided in an agreed upon schedule which shall be attached to this Agreement. The City shall not be required to make more than one payment a month.

5.4. Additional Services of the Engineer. The Engineer shall be reimbursed according to a written agreed schedule of charges for the additional services outlined under Section 3. Payments to the Engineer for additional services in Section 3 will be made monthly by the City, upon presentation of monthly detailed statements by the Engineer.

SECTION 6 – TIME OF PERFORMANCE AND TERMINATION

6.1 All professional services provided under this Agreement must be completed by DATE, as set forth in Exhibit 1. Any extension of time for completion must be approved by the City Engineer and agreed by both parties in writing.

6.2 Time is of the essence of this Agreement. The Engineer shall be prepared to provide the professional services in the most expedient and efficient manner possible in order to complete the work by the date indicated in Section 6.1. Engineer shall be provided reasonable time to employ safe and sound engineering practices and the services shall be performed expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer. Accordingly, Engineer shall have deducted from any amounts owed a sum of $0 per calendar day beyond completion dates for the respective design phases of various Project elements established in the agreed upon schedule attached to this Agreement, as may be amended in writing between both parties.

6.1 Termination. The City or Engineer may terminate this Agreement without cause upon thirty (30) calendar days' prior written notice. Upon receipt of the notice, the Engineer shall discuss with the City what will be accomplished within the thirty (30) calendar day timeframe and document this in an exit strategy that must be approved by the City. The Engineer shall be paid for services satisfactorily performed before the termination date.

6.2 No term or provision of this Contract shall be construed to relieve the Engineer of liability to the City for damages sustained by the City because of any breach of contract by the Engineer. The City may withhold payments to the Engineer for the purpose of setoff until the exact amount of damages due the City from the Engineer is determined and paid.

SECTION 7 – PROVISIONS REQUIRED BY STATUTE

7.1 Disclosure of Interested Parties. Engineer must submit a disclosure of interested parties to City, as applicable under Section 2252.908 of the Texas Government Code, for any contract that requires approval by the City Council. The disclosure must be submitted at the time the Contractor submits the signed contract to the City and on a form prescribed by the Texas Ethics Commission.

7.2. Foreign Terrorists. Engineer verifies that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.

7.3 Boycott Israel. Engineer verifies, to the extent authorized by law and as applicable under Section 2271.002 of the Texas Government Code, that for any contract that has a value of $100,000 or more, it does not, and will not for the duration of this contract, boycott Israel.

7.4 Boycott Firearms. Engineer verifies, as applicable under Section 2274.002 of the Texas Government Code, that for any contract that has a value of $100,000 or more, it does not, and will not for the duration of this contract, discriminate against a firearm entity or firearm trade association.

7.4 Critical Infrastructure. Engineer verifies that neither it, nor its parent company, is (1) majority owned or controlled by individuals who are citizens of China, Iran, North Korea, or Russia, or by a company or other entity that is owned or directly controlled by the government of China, Iran, North Korea, Russia; (2) headquartered in any of those countries, as prohibited by Section 2275.0102 of the Texas Government Code.

SECTION 8 - MISCELLEANEOUS

8.1 No Waiver. No waiver by either party hereto of any term or condition of this Contract shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

8.2 Ownership of Documents. Any writings, documents, or information in whatsoever form or character produced by Engineer pursuant to the provisions of this Agreement are the exclusive property of City; and no such writing, document or information shall be the subject to any copyright or proprietary claim by Engineer.

8.3. Successors and Assigns: This Agreement and all of the covenants hereof shall inure to the benefit of and be binding upon the City and the Engineer respectively and its partners, successors, assigns and legal representatives. Neither the City nor the Engineer shall have the right to assign, transfer or sublet its interest or obligations hereunder without written consent of the other party. This Agreement and attachments supersede any previous contracts or oral agreements between the parties and constitutes the entire agreement between the parties.

8.4 Severability. Provisions of this Agreement are severable and if any provision or part of this Agreement or the application thereof to any person or circumstance should ever be held in any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of the Agreement and the application of such provisions or part of this Agreement to other persons or circumstances shall not be affected thereby.

8.5. Jurisdiction and Venue. The laws of the State of Texas shall govern this Agreement. Venue of any matter arising under this Agreement will be in the court of competent jurisdiction in Walker County, Texas.

8.6 Written Notice. Notices shall be sent by certified mail return receipt requested, or by personal delivery, or by facsimile, to the attention of and to the following addresses:

CITY	**ENGINEER**
Kathlie S. Jeng-Bulloch, P.E., BC.WRE, CFM City Engineer Director of Engineering Department City of Huntsville 448 State Highway 75 North Huntsville, TX 77320 kjengbulloch@huntsvlletx.gov	

8.7 Staffing. Engineer acknowledges that continuity of staffing is important to the City for the duration of the Project. Accordingly, Engineer agrees to assign the following key staff to the Project. No substitution will be made to the assigned key staff without the written consent of the City, provided the identified staff members remain employed by the Engineer:

PROJECT ROLE: ____
PROJECT ROLE: ____

8.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, with such counterparts together constituting one and the same instrument. Alternatively, the Parties acknowledge and agree that this Agreement may be, for convenience, executed in duplicate originals, each of which is intended to be and is as valid as its counterpart original.

8.9. The signer of this agreement for the Engineer represents, warrants, assures and guarantees that he or she has full legal authority to execute this Agreement on behalf of the Engineer and to bind the Engineer to all of the terms, conditions, provisions and obligations herein contained.

8.10. If Engineer is a corporation, partnership, or a limited liability company, Engineer warrants, represents, covenants, and agrees that it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is duly authorized and in good standing to conduct business in the State of Texas.

8.11 In the event of any conflict or ambiguity between this Agreement and any exhibits or attachments to this Agreement, the terms and conditions of this Agreement shall prevail.

8.12 The Engineer, its agents, employees, and subcontractors must comply with all applicable federal and state laws, the charter and ordinances of the City of Huntsville, and with all applicable rules and regulations promulgated by local, state, and national boards, bureaus, and agencies. The Engineer must obtain all necessary permits and licenses required in completing the work and providing the services required by this Contract.

8.13 The parties acknowledge that they have read, understood, and intend to be bound by the terms and conditions of this Contract.

[SIGNATURE PAGE FOLLOWS]

Executed to be effective as of the above stated Effective Date.

CITY: ENGINEER:

APPROVED:

________________________________ By:____________________________________

Scott E. Swigert Name ____________________________________

City Manager Title ____________________________________

ATTEST:

____

Kristy Doll - City Secretary

APPROVED AS TO FORM:

____

Robby Chapman, City Attorney

CITY COUNCIL AGENDA
6/2/2026

Agenda Item Number: 6.a.

Agenda Item: City Council will convene in closed session as authorized by Texas Government Code, Chapter 551, Section 551.071 for consultation with attorney to receive legal advice regarding Casey v City of Huntsville, Cause No. 14770CV; appeal of Castilleja v City of Huntsville, Cause No. 2331107; SOAH Docket No. 473-26-11795/Public Utility Commission Docket No. 58983; settlement agreement related to City of Huntsville v ADG, Inc., Cause No. 2230703.

Initiating Department/Presenter: City Attorney

Presenter:
Robby Chapman, City Attorney

Recommended Motion: NA

Strategic Initiative:

Discussion:

Previous Council Action:

Financial Implications: NA

Approvals:
Scott Swigert
Robby Chapman
Sharon Schultz
Kristy Doll

Associated Information: