

ALLEN OWEN
Mayor

JERRY WYATT
Councilmember at Large Position 1

CHRIS PRESTON
Councilmember at Large Position 2



YOLANDA FORD
Mayor Pro Tem
Councilmember District A
JEFFREY L. BONEY
Councilmember District B
ANTHONY G. MAROULIS
Councilmember District C
FLOYD EMERY
Councilmember District D

CITY COUNCIL MEETING AGENDA

Notice is hereby given of a meeting of the City Council of Missouri City to be held on **Monday, October 1, 2018, at 7:00 p.m.** at: **City Hall, Council Chamber, 2nd Floor**, 1522 Texas Parkway, Missouri City, Texas, 77489, for the purpose of considering the following agenda items. All agenda items are subject to action. The City Council reserves the right to meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

1. ROLL CALL

2. **PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance will be led by Elkins High School Air Force Junior Reserve Officer Training Corps.

3. PRESENTATIONS AND RECOGNITIONS

- (a) Proclaim the week of October 7-13, 2018 as “Fire Prevention Week” in the City of Missouri City, Texas.
- (b) Proclaim the month of October as “National Community Planning Month” in the City of Missouri City, Texas.
- (c) Proclaim October 2, 2018, as “National Night Out” in the City of Missouri City, Texas.
- (d) Proclaim October 4, 2018, as “Public Administration Day” in the City of Missouri City, Texas.

4. PUBLIC COMMENTS

An opportunity for the public to address City Council on agenda items or concerns not on the agenda—those wishing to speak must complete the orange comment card, present the comment card to the City Secretary prior to the beginning of the meeting, and observe a three-minute time limit.

5. STAFF REPORTS

- (a) City Manager announcements.

6. CONSENT AGENDA

All consent agenda items listed are considered routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a councilmember so requests; in which event, the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda. Information concerning consent agenda items is available for public review.

- (a) Consider approving the minutes of the special City Council meeting of September 13, 2018, and the special and regular City Council meetings of September 17, 2018.

- (b) Consider an ordinance levying an assessment on certain residential lots within Section 8, Lake Shore Harbour subdivision, for public improvements in Public Improvement District No. 2; and consider the ordinance on the second and final reading.

7. PUBLIC HEARINGS AND RELATED ACTIONS

- (a) **Zoning Public Hearings and Ordinances** – *There are no Zoning Public Hearings and Ordinances on this agenda.*
- (b) **Public Hearings and related actions** – *There are no Public Hearings and related actions on this agenda.*

8. APPOINTMENTS – *There are no Appointments on this agenda.*

9. AUTHORIZATIONS

- (a) Consider authorizing the City Manager to execute a contract for diesel fuel and gasoline for the City's fleet of vehicles.
- (b) Consider approving the parkland dedication proposal for Murphy Village Townhomes.

10. ORDINANCES

- (a) Consider an ordinance providing for the assessment, levy, and collection of ad valorem taxes for the City of Missouri City, Texas, for the 2018 tax year and for each year thereafter until otherwise provided; providing the date on which such taxes shall be due and timely paid; authorizing an additional penalty for the collection of delinquent ad valorem taxes in lieu of recovering attorneys' fees; and consider the ordinance on the first and final reading. *Separate votes are required for the adoption of operations tax rate, the debt service tax rate, and the tax rate ordinance.*
- (b) Consider an ordinance authorizing the issuance and sale of City of Missouri City, Texas, Certificates of Obligation, Series 2018A in the aggregate principal amount of \$21,000,000; levying a tax in payment thereof; authorizing the issuance of the certificates in accordance with specified parameters; authorizing the execution and delivery of a paying agent/registrar agreement and a certificate purchase agreement; approving the official statement; confirming the engagement of professionals in connection with the issuance of the certificates of obligation; finding and determining that the meeting at which this ordinance is passed is open to the public as required by law; enacting other provisions relating thereto; and consider the ordinance on the first and final reading.
- (c) Consider an ordinance authorizing the issuance and sale of City of Missouri City, Texas, Certificates of Obligation, Series 2018B in the aggregate principal amount of \$1,230,000; levying a tax in payment thereof; authorizing the issuance of the certificates in accordance with specified parameters; authorizing the execution and delivery of a paying agent/registrar agreement and a certificate purchase agreement; approving the official statement; confirming the engagement of professionals in connection with the issuance of the certificates of obligation; finding and determining that the meeting at which this ordinance is passed is open to the public as required by law; enacting other provisions relating thereto; and consider the ordinance on first and final reading.
- (d) Consider an ordinance authorizing the issuance and sale of City of Missouri City, Texas, General Obligation Bonds, Series 2018, in the aggregate principal amount not to exceed \$13,000,000; levying a tax in payment thereof; authorizing the execution and delivery of a bond purchase contract, a paying agent/registrar agreement and an officer's pricing certificate; approving the official statement; approving the engagement of certain

professionals in connection with the issuance of the bonds; finding and determining that the meeting at which this ordinance is passed is open to the public as required by law; enacting other provisions relating thereto; and consider the ordinance on the first and final reading.

11. RESOLUTIONS – *There are no Resolutions on this agenda.*

12. CITY COUNCIL ANNOUNCEMENTS

Discussion, review, and possible action regarding a meeting or activity of one or more of the following entities (each entity refers to a City of Missouri City entity unless otherwise indicated):

Charter Review Commission, Community Development Advisory Committee, Construction Board of Adjustments, Electrical Board, Parks Board, Planning and Zoning Commission, Tax Increment Reinvestment Zone Boards, Fort Bend Chamber of Commerce, Houston-Galveston Area Council, Fort Bend Regional Council, Texas Municipal League, Fort Bend County, Harris County, Gulf Coast Building and Construction Trades Council, Mayor's Youth Commission, Finances and Services Committee, Fort Bend Leadership Forum, Fort Bend County Drainage District, Economic Development Committee, Missouri City Parks Foundation, Missouri City Police and Fire Auxiliary, Livable Community Committee, Texas Parkway Alliance, High Performance Organization Committee, Missouri City Juneteenth Celebration Foundation, Fort Bend County Mayor and Council Association, METRO, Planning, Development and Infrastructure Committee, Fort Bend Independent School District, Greater Fort Bend Economic Development Coalition, Transportation Policy Council, Community Development Advisory Committee, Veterans Memorial Committee, Missouri City Recreation and Leisure Local Government Corporation, Missouri City Development Authority, and the Greater Houston Partnership and Emergency Management updates.

13. CLOSED EXECUTIVE SESSION

The City Council may go into Executive Session regarding any item posted on the Agenda as authorized by Chapter 551 of the Texas Government Code.

14. RECONVENE

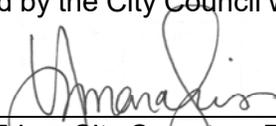
Reconvene into Regular Session and Consider Action, if any, on items discussed in Executive Session.

15. ADJOURN

In compliance with the Americans with Disabilities Act, the City of Missouri City will provide for reasonable accommodations for persons attending City Council meetings. To better serve you, requests should be received 24 hours prior to the meetings. Please contact Maria Jackson, City Secretary, at 281.403.8686.

CERTIFICATION

I certify that a copy of the October 1, 2018, agenda of items to be considered by the City Council was posted on the City Hall bulletin board on September 28, 2018, at 4:00 p.m.



Yomara Frias, City Secretary Department

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the ____ day of _____, 2018.

Signed: _____

Title: _____



**Council Agenda Item
October 1, 2018**

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ANTHONY G. MAROULIS
Councilmember District C

FLOYD EMERY
Councilmember District D

CITY COUNCIL SPECIAL MEETING MINUTES

The City Council of the City of Missouri City, Texas, met in special session on **Thursday, September 13, 2018**, at City Hall, Council Chamber, 2nd Floor, 1522 Texas Parkway, Missouri City, Texas, 77489, at 5:30 p.m. to consider the following:

1. CALL TO ORDER

Mayor Owen called the meeting to order at 5:31 p.m.

Those also present: Councilmembers Wyatt, Preston, Maroulis, and Emery; City Manager Snipes, City Attorney Iyamu, Deputy City Secretary Berglund, Assistant City Manager Atkinson, Interim Director of Finance Clarkson, and Director of Communications Walker. Absent: Mayor Pro Tem Ford, Councilmember Boney, and City Secretary Jackson.

2. DISCUSSION/POSSIBLE ACTION

- (a) First of two public hearings to receive comments regarding the City's proposed tax rate of up to \$0.63000.

Councilmember Wyatt moved to open the public hearing at 5:32 p.m. to receive comments regarding the City's proposed tax rate of up to \$0.63000. Councilmember Maroulis seconded. **MOTION PASSED UNANIMOUSLY.**

City Manager Snipes presented a brief report on the financial budget.

Councilmember Emery moved to close the hearing at 5:54 p.m. Councilmember Wyatt seconded. **MOTION PASSED UNANIMOUSLY.**

The Mayor stated the City Council of the City of Missouri City was scheduled to vote on the tax rate that will result in an increase of five percent at a public meeting to be held on Monday, October 1, 2018, in the City Council Chamber located at 1522 Texas Parkway, Missouri City, at 7:00 p.m.

5. ADJOURN

The special City Council meeting adjourned at 5:54 p.m.

ATTEST:

Allen Owen, Mayor

Maria Jackson, City Secretary

ALLEN OWEN
Mayor

JERRY WYATT
Councilmember at Large Position 1

CHRIS PRESTON
Councilmember at Large Position 2



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Councilmember District A

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Councilmember District C

FLOYD EMERY
Councilmember District D

CITY COUNCIL SPECIAL MEETING MINUTES

The City Council of the City of Missouri City, Texas, met in special session on **Monday, September 17, 2018**, at the City Hall, Council Conference Room, 2nd Floor, behind the Council Chamber, 1522 Texas Parkway, Missouri City, Texas, 77489, at **5:00 p.m.** to consider the following:

1. CALL TO ORDER

Councilmember Wyatt called the meeting to order at 5:02 p.m.

Those also present: Councilmembers Boney, Maroulis, and Emery; City Manager Snipes, City Attorney Iyamu, City Secretary Jackson, Assistant City Manager Atkinson, Assistant City Manager Elmer, Police Chief Berezin, Fire Chief Campbell, Director of Human Resources Williams, Director of Public Works Kumar, Director of Development Services Spriggs, Director of Communications Walker, Interim Director of Finance Clarkson, and Assistant Director of Public Works Brouhard. Also present: Lori Messer of Gallagher Benefits Services, Andrew Weegar, and Frank Hester. Mayor Owen arrived at 5:06 p.m. Councilmember Preston arrived at 5:32 p.m. Mayor Pro Tem Ford arrived at 5:55 p.m.

Councilmember Emery moved to take agenda item 2b out of order. Councilmember Boney seconded. **MOTION PASSED UNANIMOUSLY.**

See agenda item 2b for action taken.

2. DISCUSSION/POSSIBLE ACTION

(a) Presentation of Gallagher Benefits Services market salary and benefits compensation study.

Lori Messer of Gallagher Benefits Services presented on the market salary and benefits compensation study. Councilmember Wyatt clarified the City Manager, City Attorney, and City Secretary compensation information should be removed from the presentation. Andrew Weegar presented the 2018-19 Health and Benefits update.

(b) Discuss the request by Farmers Market Partners to host a farmers market on the first and third Saturday of each month at 2700 Lake Olympia Parkway.

Director of Development Services Spriggs presented on the request by Farmers Market Partners to continue holding events through November 2019, weather permitting. City Council spoke favorably of the request.

(c) Discuss the proposed Fiscal Year 2019 budget.

Assistant City Manager Elmer discussed the TxDOT Green Ribbon Grant for \$1.1 million dedicated to Texas Parkway and Cartwright Road improvements. City Council spoke in support of the grant.

3. ADJOURN

The special City Council meeting adjourned at 6:43 p.m.

ATTEST:

Allen Owen, Mayor

Maria Jackson, City Secretary

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CITY COUNCIL MEETING MINUTES

The City Council of the City of Missouri City, Texas, met in regular session on **Monday, September 17, 2018**, at the City Hall, Council Chamber, 2nd Floor, 1522 Texas Parkway, Missouri City, Texas, 77489, at **7:00 p.m.** to consider the following:

1. ROLL CALL

Mayor Owen called the meeting to order at 7:02 p.m.

Those also present: Mayor Pro Tem Ford, Councilmembers Wyatt, Preston, Boney, Maroulis, and Emery; City Manager Snipes, City Attorney Iyamu, and City Secretary Jackson.

2. The PLEDGE OF ALLEGIANCE was led by Fire Chief Eugene Campbell.

There were no **PRESENTATIONS AND RECOGNITIONS**.

4. PUBLIC COMMENTS

Brenda Clark, 3418 La Costa Road, presented animal shelter updates.

Bruce Zabovowski, 7915 Chancel, spoke in support of City Councilmember term limits.

William McMullen, 2103 Quail Valley East Drive, expressed concerns with StaMo Park.

5. STAFF REPORTS

City Manager Snipes announced Missouri City ranked as the 42nd Best Small City to open a business. He stated the Parks and Recreation Department would collaborate with the KaBOOM! team to design and build new playground for Missouri City's Roane Park on September 25. Snipes announced the following upcoming events: Community Connection Forum on September 18, the Second Annual Oktoberfest on September 22, the Second Annual Job Fair and Career Development Forum on September 28, and National Night Out on October 2 with a kickoff event on September 29. Snipes stated they hosted delegates from Zibo City, China earlier in the day. He thanked Jim McIngvale for speaking at the Second Annual Employee Conference as well as the Human Resources Department for a great event. Snipes noted FEMA would be conducting a nationwide test of the wireless emergency alert system and the EAS system on September 20. Fire Chief Campbell presented the Missouri City Fire and Rescue Services Department annual report.

Councilmember Boney stepped away at 7:31 p.m.

6. CONSENT AGENDA

- (a) Consider approving the minutes of the special and regular City Council meetings of September 4, 2018, and the special City Council meetings of September 5, 2018, and September 10, 2018.
- (b) Consider an ordinance amending the standards and regulations contained in the specific use permit for River Pointe Church to allow for the development of a fellowship pavilion and exterior sign; providing for an amendment to the Comprehensive Plan; providing a penalty;

and consider the ordinance on the second and final reading. The subject site is located north of Knights Court, south of Colony Lakes, east of Elkins High School and west of the center at Knights Court Shopping Center.

- (c) Consider an ordinance amending the regulations and restrictions of PD Planned Development District No. 88 pertaining to fence regulations for the Dry Creek Village residential subdivision; providing for an amendment to the Comprehensive Plan; providing a penalty; and consider the ordinance on the second and final reading. The subject site is located within PD No. 88, south of Lake Olympia Parkway, east of the Olympia Estates and Vicksburg residential subdivisions, and west of the Fort Bend Parkway.
- (d) Consider an ordinance amending Chapter 18, Businesses, of the Missouri City Code; amending regulations relating to mobile food units; providing a penalty; and consider the ordinance on the second and final reading.

Councilmember Maroulis moved to approve the Consent Agenda pursuant to recommendations by City Staff. Councilmember Emery seconded. **MOTION PASSED UNANIMOUSLY.**

There were no **Zoning Public Hearings and Ordinances.**

7. PUBLIC HEARINGS AND RELATED ACTIONS

(b) Public Hearings and related actions

- (1) Public hearing to receive comments for or against the proposed levy of assessments on certain residential lots within Section 8, Lake Shore Harbour subdivision, for public improvements in Public Improvement District No. 2; and consider an ordinance levying the same on the first of two readings.

Councilmember Boney returned at 7:35 p.m.

Councilmember Emery moved to open the public hearing at 7:36 p.m. Councilmember Boney seconded. **MOTION PASSED UNANIMOUSLY.**

Councilmember Wyatt moved to close the public hearing at 7:36 p.m. Councilmember Boney seconded. **MOTION PASSED UNANIMOUSLY.**

Councilmember Wyatt moved to adopt the ordinance. Councilmember Boney seconded. **MOTION PASSED UNANIMOUSLY.**

- (2) Public hearing to receive comments concerning the City of Missouri City, Texas budget for the fiscal year beginning October 1, 2018, and ending on September 30, 2019; making appropriations for the City for such fiscal year as reflected in said budget; adopting a projection for Capital Improvement Program spending beginning October 1, 2019, and ending September 30, 2023; adopting pay structures and an incentive and certification pay plan within such budget for non-exempt personnel, exempt personnel, fire personnel, and police personnel; making certain findings; containing certain provisions relating to the subject; and consider the ordinance on the first and final reading.

Councilmember Wyatt moved to open the public hearing at 7:38 p.m. Councilmember Maroulis seconded. **MOTION PASSED UNANIMOUSLY.**

Councilmember Emery moved to close the public hearing at 7:38 p.m. Mayor Pro Tem Ford seconded. **MOTION PASSED UNANIMOUSLY.**

Councilmember Boney moved to adopt the Fiscal Year 2019 budget. Councilmember Maroulis seconded. **MOTION PASSED UNANIMOUSLY.**

Ayes: Mayor Owen, Mayor Pro Tem Ford, Councilmembers Wyatt, Preston, Boney, Maroulis, and Emery

Nays: None

Councilmember Maroulis moved to adopt the increase in property tax revenues reflected in the adopted budget for Fiscal Year 2019. Councilmember Boney seconded. **MOTION PASSED UNANIMOUSLY.**

- (3) Second and final public hearing to receive comments regarding the City's proposed tax rate of up to \$0.63000.

Councilmember Boney moved to open the public hearing at 7:42 p.m. to receive comments regarding the City's proposed tax rate of up to \$0.63000. Councilmember Wyatt seconded. **MOTION PASSED UNANIMOUSLY.**

City Manager Snipes presented the Fiscal Year 2019 budget. Assistant City Manager Elmer presented the Capital Improvement Projects Fiscal Year 2019 budget.

Pat Hercules, 2406 Meadow Way, expressed her concerns with the tax increase for residents on fixed income.

Pastor Rudy White, expressed concerns regarding drainage and flooding as a result of Hurricane Harvey within Sienna Plantation and Riverstone.

William McMullen, 2103 Quail Valley East Drive, expressed concerns regarding the budget order and the tax rate increase.

Bruce Zabowski, 7915 Chancel, expressed concerns over the proposed tax rate increase.

Councilmember Boney moved to close the public hearing at 8:27 p.m. Councilmember Wyatt seconded. **MOTION PASSED UNANIMOUSLY.**

Mayor Owen stated the City Council of the City of Missouri City was scheduled to vote on the tax rate at a public meeting to be held on Monday, October 1, 2018, in the City Council Chamber located at 1522 Texas Parkway, Missouri City, at 7:00 P.M.

Councilmember Maroulis moved to take 9f out of order. Councilmember Emery seconded. **MOTION PASSED UNANIMOUSLY.**

See agenda item 9f for action taken.

- (4) Public hearing to receive comments regarding the proposed groundwater pumpage fee recommended by the Groundwater Reduction Plan (GRP) Oversight Committee; and consider a related resolution amending the schedule of fees for utility services.

Councilmember Boney moved to open the public hearing at 8:29 p.m. Councilmember Emery seconded. **MOTION PASSED UNANIMOUSLY.**

Director of Public Works Kumar presented the proposed groundwater pumpage fees. Elmer addressed ground subsidence rules and regulations in Texas and the Houston region. He noted the plan was to adopt a five-year groundwater user's fee.

Councilmember Wyatt moved to close the public hearing at 8:43 p.m. and approve the resolution effective November 1. Councilmember Boney seconded. **MOTION PASSED UNANIMOUSLY.**

8. APPOINTMENTS

- (a) Consider nominating and casting votes for candidates to the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) Board of Trustees.

Councilmember Boney moved to nominate and cast votes for the following candidates to the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) Board of Trustees: Randy Criswell for Place 11; Bert Lumbreras for Place 12; Byron Black for Place 13; and, David J. Harris for Place 14. Councilmember Emery seconded. **MOTION PASSED UNANIMOUSLY.**

9. AUTHORIZATIONS

- (a) Consider authorizing the execution of an interlocal agreement with the Fort Bend County Sheriff's Office for housing county officers in a City of Missouri City facility.

Councilmember Maroulis moved to authorize the proposed interlocal agreement. Councilmember Wyatt seconded. **MOTION PASSED UNANIMOUSLY.**

- (b) Consider authorizing the City Manager to execute a contract for sidewalk construction and repair services.

Councilmember Boney moved to authorize the City Manager to execute the proposed contract with Brooks Concrete. Councilmember Emery seconded. **MOTION PASSED UNANIMOUSLY.**

- (c) Consider authorizing the City Manager to execute a contract for pavement construction and repair services.

Councilmember Boney moved to authorize the City Manager to execute the proposed contract with Brooks Concrete. Councilmember Emery seconded. **MOTION PASSED UNANIMOUSLY.**

- (d) Consider authorizing the City Manager to execute a contract for concrete pavement lifting services.

Councilmember Boney moved to authorize the City Manager to execute the proposed contract with Concrete Raising Corporation (CRC). Councilmember Emery seconded. **MOTION PASSED UNANIMOUSLY.**

- (e) Consider authorizing an interlocal agreement with the City of Stafford for the use of the Missouri City Animal Shelter.

Director Kumar addressed the agreement to treat all animals under the same standard of care, including those from Stafford. He noted the City of Stafford was currently paying the City \$1,674 per month for the use of the facility. With the new increased level of service that the City would be providing, a new monthly fee of \$2,447 would be charged to the City of Stafford.

Councilmember Wyatt moved to authorize the proposed interlocal agreement. Councilmember Maroulis seconded. **MOTION PASSED UNANIMOUSLY.**

- (f) Consider authorizing the request by Farmers Market Partners to host a farmers market on the first and third Saturday of each month at 2700 Lake Olympia Parkway.

Councilmember Emery moved to authorize the proposed request by Farmers Market Partners. Councilmember Wyatt seconded. **MOTION PASSED UNANIMOUSLY.**

10. ORDINANCES

- (a) Consider an ordinance amending the general budget for the fiscal year beginning July 1, 2017, and ending September 30, 2018; transferring various appropriations among accounts; appropriating supplemental revenue to various fund accounts; authorizing the appropriate city official to take steps necessary to accomplish such transfers; making certain findings; containing certain provisions relating to the subject; and consider the ordinance on the first and final reading.

Councilmember Wyatt moved to adopt the ordinance. Councilmember Maroulis seconded. **MOTION PASSED UNANIMOUSLY.**

11. RESOLUTIONS

- (a) Consider a resolution amending the bylaws for the Missouri City Parks Foundation.

Councilmember Wyatt moved to approve the resolution. Councilmember Emery seconded. **MOTION PASSED UNANIMOUSLY.**

12. CITY COUNCIL ANNOUNCEMENTS

Mayor Owen stated the City hosted 31 delegates from the City of Zibo, China. He stated AccessHealth held a ribbon cutting for a new Missouri City facility and Holiday Inn & Express would also host a ribbon cutting this week.

13. ADJOURN

The regular City Council meeting adjourned at 8:58 p.m.

ATTEST:

Allen Owen, Mayor

Maria Jackson, City Secretary



CITY COUNCIL AGENDA ITEM COVER MEMO

October 1, 2018

To: Mayor and City Council
Agenda Item: 6(b) Consider an ordinance: PID No. 2 Special Assessment
Submitted by: Joseph Quintal, Assistant City Attorney

SYNOPSIS

This is the second and final reading relating to an ordinance levying special assessments.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Create a Great Place to Live
- Maintain A Financially Sound City Government
- Grow Business Investments In Missouri City
- Have Quality Development Through Buildout

BACKGROUND

Lake Shore Harbour subdivision is located in Public Improvement District Number Two (PID 2). City Council previously approved the Service and Assessment Plan for PID 2 and Assessment Rolls for Lake Shore Harbour Sections 1, 2, 3, 4, and 6 in 2004, 2006, 2007, 2012, 2013, and 2015, respectively. This Ordinance is for the approval of the Section 8 assessment roll. The assessment is determined as prescribed by the Service and Assessment Plan.

The cost of the infrastructure is \$1,483,582.07. The cost per lot is \$2,884.63, which includes interest. The annual assessment in Sections 1 and 2 was \$1,148.53, \$1,328.93 in Section 3 and \$1,400.00 in Sections 4 and 5. The annual assessment in Section 6 was \$781.00. The property owner has been given notice of the proposed assessments and supports the assessments.

BUDGET/FISCAL ANALYSIS

Funding Source	Account Number	Project Code/Name	FY18 Funds Budgeted	FY18 Funds Available	Amount Requested
N/A					\$0

Purchasing Review: N/A
Financial/Budget Review: N/A

SUPPORTING MATERIALS

1. Ordinance
2. Plat of Section 8 of Lakeshore Harbour residential subdivision

3. Copy of published notice

STAFF'S RECOMMENDATION

Consider adopting the ordinance levying special assessments for public improvements.

ORDINANCE NO. O-18-__

AN ORDINANCE OF THE CITY OF MISSOURI CITY, TEXAS, LEVYING AN ASSESSMENT AGAINST SECTION 8 PROPERTIES IN THE LAKESHORE HARBOUR SUBDIVISION LOCATED IN THE CITY OF MISSOURI CITY PUBLIC IMPROVEMENT DISTRICT NO. TWO (LAKESHORE HARBOUR RESIDENTIAL SUBDIVISION); AND MAKING CERTAIN FINDINGS RELATED THERETO.

* * * * *

WHEREAS, the City of Missouri City (the "City") is authorized pursuant to TEX. LOCAL GOV'T CODE, ch. 372, as amended ("Chapter 372") to create public improvement districts for the purposes described therein, and to levy and collect an assessment in furtherance of the purposes thereof; and

WHEREAS, the City has created City of Missouri City Public Improvement District No. Two (the "PID") and, pursuant to Ordinance No. O-07-31, adopted a Service and Assessment Plan (the "Plan") for the PID, all in accordance with the applicable provisions of Chapter 372; and

WHEREAS, the City Council of the City of Missouri City (the "City Council") filed a proposed assessment roll with the City Secretary which roll was available for public inspection, and following notice thereof by mail and publication as required by Chapter 372, the City Council held a public hearing at which written or oral objections to the proposed assessments were considered and passed on by the City Council; and

WHEREAS, the City Council has conducted, in the time and manner and after the notice required by law, a public hearing on such proposed assessment roll; and

WHEREAS, the City Council has determined that the levy of a special assessment in, for and on behalf of the PID is necessary and advisable, and that the proposed assessment roll apportions the cost of the subject improvements in the PID on the basis of special benefits accruing to the property because of the improvement; now therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MISSOURI CITY, TEXAS:

Section 1. The facts recited in the preamble hereto are found to be true and correct.

Section 2. The assessment roll attached hereto is hereby approved and the special assessments described therein are hereby levied on the subject property in accordance with the terms of the Plan, which Plan determines the method of payment of the assessments, and makes provision for the payment thereof in periodic installments, interest thereon and the collection thereof. The Mayor, City Secretary and any other appropriate officials of the City are hereby authorized to take all necessary actions on behalf of the City to implement the terms thereof in accordance therewith.

Section 3. There is hereby created a first and prior lien securing payment of the assessment levied, effective as of the date of this Ordinance as provided in the Plan and Chapter 372.

Section 4. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, TEX. GOV'T CODE, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

PASSED AND APPROVED on first reading this 17th day of September, 2018.

PASSED, APPROVED and ADOPTED on second and final reading this 1st day of October, 2018.

Allen Owen, Mayor

ATTEST:

APPROVED AS TO FORM:

Maria Jackson, City Secretary

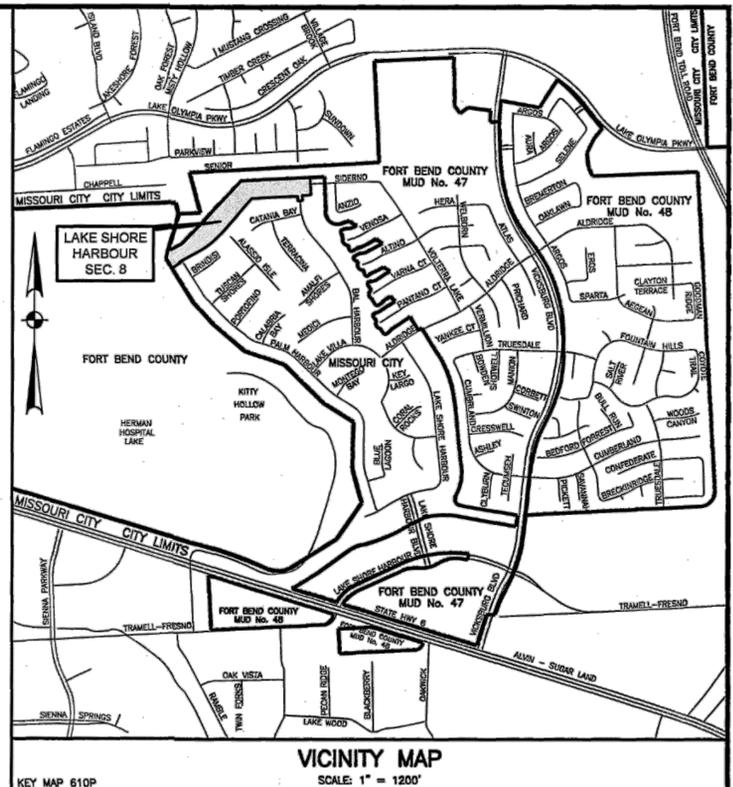
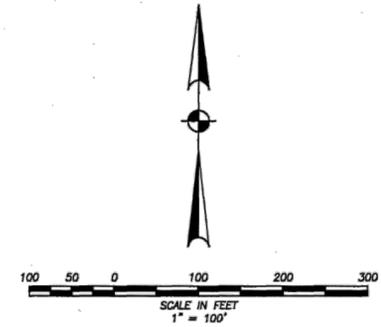
E. Joyce Iyamu, City Attorney

SYMBOL	DESCRIPTION	RESERVE USE	AREA
(A)	RESTRICTED RESERVE "A"	RESTRICTED TO DRAINAGE USE	0.035 AC. - 1,510 S.F.
(B)	RESTRICTED RESERVE "B"	RESTRICTED TO DRAINAGE USE	0.158 AC. - 6,875 S.F.
(C)	RESTRICTED RESERVE "C"	RESTRICTED TO DRAINAGE USE	4.155 AC. - 180,983 S.F.
(D)	RESTRICTED RESERVE "D"	RESTRICTED TO PRIVATE PARK USE	0.222 AC. - 9,656 S.F.
(E)	RESTRICTED RESERVE "E"	RESTRICTED TO PRIVATE PARK USE	0.058 AC. - 2,522 S.F.
TOTAL			4.628 AC. - 201,546 S.F.

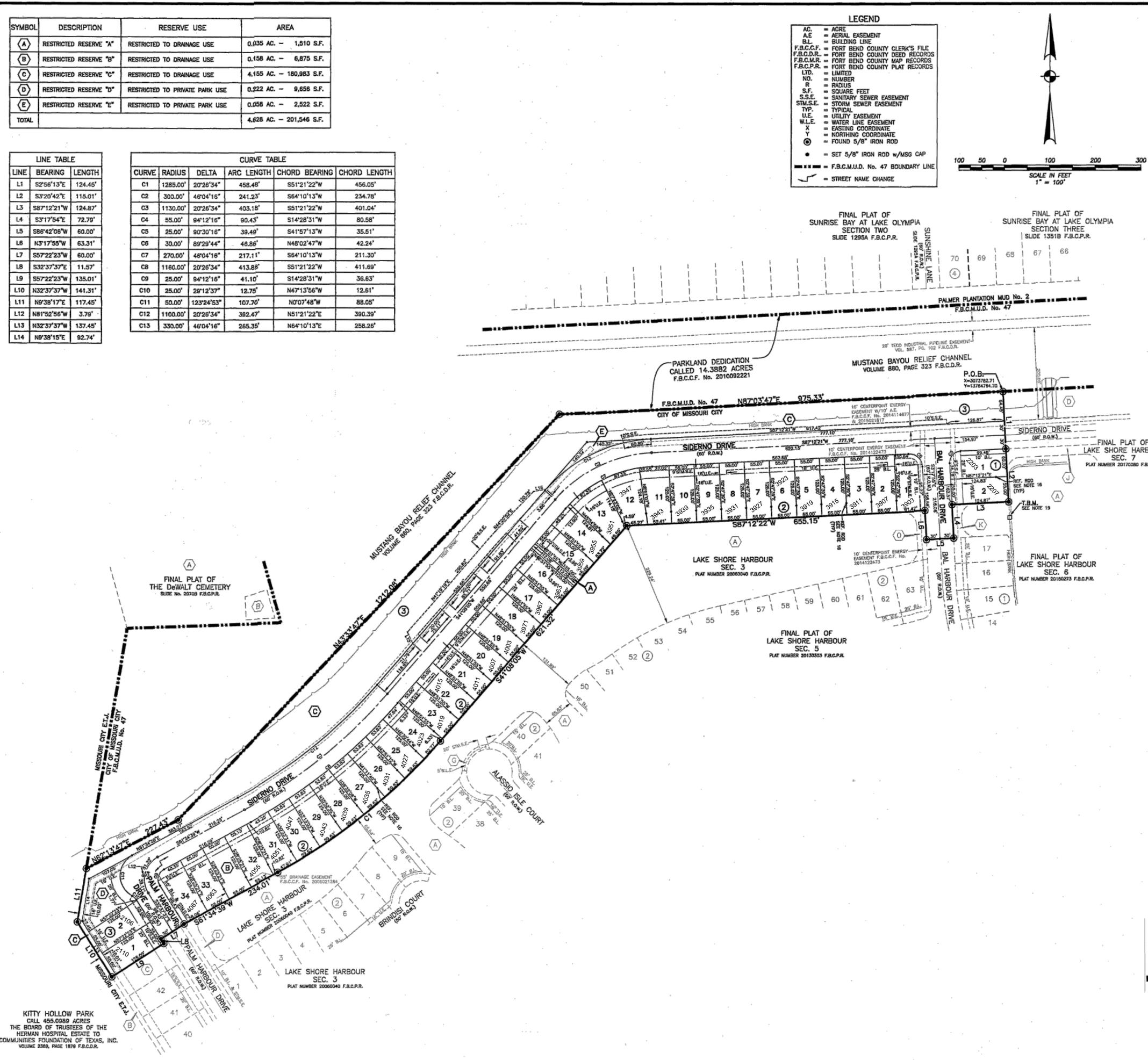
LINE	BEARING	LENGTH
L1	S2°58'13"E	124.45'
L2	S3°20'42"E	115.01'
L3	S87°12'21"W	124.87'
L4	S3°17'54"E	72.78'
L5	S86°42'08"W	60.00'
L6	N3°17'59"W	63.31'
L7	S57°22'23"W	60.00'
L8	S32°37'37"E	11.57'
L9	S57°22'23"W	135.01'
L10	N32°37'37"W	141.31'
L11	N9°38'17"E	117.45'
L12	N81°52'56"W	3.79'
L13	N32°37'37"W	137.45'
L14	N9°38'15"E	92.74'

CURVE	RADIUS	DELTA	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	1285.00'	20°28'34"	458.48'	S51°21'22"W	456.05'
C2	300.00'	48°04'16"	241.23'	S64°10'13"W	234.78'
C3	1130.00'	20°28'34"	403.18'	S51°21'22"W	401.04'
C4	55.00'	94°12'16"	90.43'	S14°28'31"W	80.58'
C5	25.00'	90°30'16"	39.49'	S41°57'13"W	35.51'
C6	30.00'	89°29'44"	46.86'	N48°02'47"W	42.24'
C7	270.00'	48°04'16"	217.11'	S64°10'13"W	211.30'
C8	1160.00'	20°28'34"	413.88'	S51°21'22"W	411.69'
C9	25.00'	94°12'16"	41.10'	S14°28'31"W	36.63'
C10	25.00'	28°12'37"	12.75'	N47°13'56"W	12.61'
C11	50.00'	123°24'53"	107.70'	N0°07'48"W	88.05'
C12	1100.00'	20°28'34"	362.47'	N51°21'22"E	390.39'
C13	330.00'	48°04'16"	265.35'	N64°10'13"E	258.28'

- LEGEND**
- AC. = ACRE
 - A.E. = AERIAL EASEMENT
 - B.L. = BUILDING LINE
 - F.B.C.C.F. = FORT BEND COUNTY CLERK'S FILE
 - F.B.C.D.R. = FORT BEND COUNTY DEED RECORDS
 - F.B.C.M.R. = FORT BEND COUNTY MAP RECORDS
 - F.B.C.P.R. = FORT BEND COUNTY PLAT RECORDS
 - LTD. = LIMITED
 - NO. = NUMBER
 - R. = RADIUS
 - S.F. = SQUARE FEET
 - S.S.E. = SANITARY SEWER EASEMENT
 - STM.S.E. = STORM SEWER EASEMENT
 - TYP. = TYPICAL
 - U.E. = UTILITY EASEMENT
 - W.L.E. = WATER LINE EASEMENT
 - X = EASTING COORDINATE
 - Y = NORTHING COORDINATE
 - = SET 5/8" IRON ROD w/MISG CAP
 - = F.B.C.M.U.D. No. 47 BOUNDARY LINE
 - - - = STREET NAME CHANGE



L:\2324_LAKE_SHORE_HARBOUR\2324-008_LAKE_SHORE_HARBOUR_SEC_8\CAD\PLAT\2324-008_PLAT_020118.DWG Jul. 3, 2018-5:20 AM TROY NIXON



5 pgs 201809681

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Laura Richard
Laura Richard, County Clerk
Fort Bend County Texas
August 08, 2018 02:42:37 PM
FEE: \$294.00 CR1 20180191

ADDRESS PLAT FINAL PLAT OF LAKE SHORE HARBOUR SEC. 8

BEING A SUBDIVISION CONTAINING 14.38 ACRES AND BEING A PORTION OF A CALLED 262.296 ACRE TRACT RECORDED IN THE NAME OF VICKSBURG ESTATES, LTD. IN F.B.C.C.F. NO. 1999082607, LOCATED IN THE ELIJAH ROARK LEAGUE, A-77 CITY OF MISSOURI CITY, FORT BEND COUNTY, TEXAS

38 LOTS 3 BLOCKS 5 RESERVES
DATE: JULY, 2018 SCALE: 1" = 100'
OWNER: OWNER:

VICKSBURG ESTATES, LTD.
A TEXAS LIMITED PARTNERSHIP
1616 VOSS, SUITE 618
HOUSTON, TEXAS 77057
CLINTON F. WONG
713-978-5900 (PH.)
713-978-5944 (FAX)

CITY OF MISSOURI CITY
1522 TEXAS PARKWAY
MISSOURI CITY, TEXAS 77489
ALLEN OWEN, MAYOR
281-403-8500 (PH.)

r.g.miller
engineers

MILLER
SURVEY GROUP

16340 Park Ten Place - Suite 350
Houston, Texas 77084
(713) 461-9800

1760 WEST SAM HOUSTON PARKWAY NORTH, HOUSTON TEXAS 77043
PHONE 713-413-1900 FAX 713-413-1944
TEXAS FIRM REGISTRATION NO. 10047100

TEXAS FIRM REGISTRATION NO. F-487
JACK P. MILLER, P.E.

BRIAN E. WILSON, R.P.L.S.

STATE OF TEXAS
COUNTY OF FORT BEND

WE, VICKSBURG ESTATES, LTD., A TEXAS LIMITED PARTNERSHIP ACTING BY AND THROUGH CLINTON F. WONG, PRESIDENT AND PHILLIP PEACOCK, SECRETARY, BOTH BEING OFFICERS OF GREATMARK INTERNATIONAL, INC. ITS GENERAL PARTNER, AND THE CITY OF MISSOURI CITY, ACTING BY AND THROUGH ALLEN OWEN, BEING MAYOR, OF THE CITY OF MISSOURI CITY, OWNERS HERINAFTER REFERRED TO AS OWNERS OF THE 14.38 ACRE TRACT DESCRIBED IN THE ABOVE AND FOREGOING PLAT OF FINAL PLAT OF LAKE SHORE HARBOUR SEC. 8, DO HEREBY MAKE AND ESTABLISH SAID SUBDIVISION OF SAID PROPERTY ACCORDING TO ALL LINES, DEDICATIONS, RESTRICTIONS AND NOTATIONS ON SAID PLAT AND HEREBY DEDICATE TO THE USE OF THE PUBLIC FOREVER, ALL STREETS, ALLEYS, PARKS, WATERCOURSES, DRAINS, EASEMENTS AND PUBLIC PLACES SHOWN THEREON FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND DO HEREBY BIND OURSELVES, OUR HEIRS, SUCCESSORS AND ASSIGNS TO WARRANT AND FOREVER DEFEND THE TITLE TO THE LAND SO DEDICATED.

WE FURTHER ACKNOWLEDGE THAT THE DEDICATIONS AND/OR EXACTIONS MADE HEREIN ARE PROPORTIONAL TO THE IMPACT OF THE SUBDIVISION UPON THE PUBLIC SERVICES REQUIRED IN ORDER THAT THE DEVELOPMENT WILL COMPORT WITH THE PRESENT AND FUTURE GROWTH NEEDS OF THE CITY. WE, OUR SUCCESSORS AND ASSIGNS HEREBY WAIVE ANY CLAIM, DAMAGE, OR CAUSE OF ACTION THAT WE MAY HAVE AS A RESULT OF THE DEDICATION OR EXACTIONS MADE HEREIN.

FURTHER, OWNERS HAVE DEDICATED AND BY THESE PRESENTS DO DEDICATE TO THE USE OF THE PUBLIC FOR PUBLIC UTILITY PURPOSES FOREVER UNOBSTRUCTED AERIAL EASEMENTS, THE AERIAL EASEMENTS SHALL EXTEND HORIZONTALLY AN ADDITIONAL ELEVEN FEET, SIX INCHES (11'6") FOR TEN FEET (10'0") PERIMETER GROUND EASEMENTS OR SEVEN FEET, SIX INCHES (7'6") FOR FOURTEEN FEET (14'0") PERIMETER GROUND EASEMENTS OR FIVE FEET, SIX INCHES (5'6") FOR SIXTEEN FEET (16'0") PERIMETER GROUND EASEMENTS, FROM A PLANE SIXTEEN FEET (16'0") ABOVE GROUND LEVEL UPWARD, LOCATED ADJACENT TO AND ADJOINING SAID PUBLIC UTILITY EASEMENTS THAT ARE DESIGNATED WITH AERIAL EASEMENTS (U.E. & A.E.) AS INDICATED AND DEPICTED HEREON, WHEREBY THE AERIAL EASEMENTS TOTAL TWENTY-ONE FEET, SIX INCHES (21'6") IN WIDTH.

FURTHER, OWNERS HAVE DEDICATED AND BY THESE PRESENTS DO DEDICATE TO THE USE OF THE PUBLIC FOR PUBLIC UTILITY PURPOSES FOREVER UNOBSTRUCTED AERIAL EASEMENTS, THE AERIAL EASEMENTS SHALL EXTEND HORIZONTALLY AN ADDITIONAL TEN FEET (10'0") FOR TEN FEET (10'0") BACK-TO-BACK GROUND EASEMENTS, OR EIGHT FEET (8'0") FOR FOURTEEN FEET (14'0") BACK-TO-BACK GROUND EASEMENTS OR SEVEN FEET (7'0") FOR SIXTEEN FEET (16'0") BACK-TO-BACK GROUND EASEMENTS, FROM A PLANE SIXTEEN FEET (16'0") ABOVE GROUND LEVEL UPWARD, LOCATED ADJACENT TO BOTH SIDES AND ADJOINING SAID PUBLIC UTILITY EASEMENTS THAT ARE DESIGNATED WITH AERIAL EASEMENTS (U.E. AND A.E.) AS INDICATED AND DEPICTED HEREON, WHEREBY THE AERIAL EASEMENT TOTALS THIRTY FEET (30'0") IN WIDTH.

IN TESTIMONY WHEREOF, THE VICKSBURG ESTATES, LTD., HAS CAUSED THESE PRESENTS TO BE SIGNED BY CLINTON F. WONG, ITS PRESIDENT, THEREUNTO AUTHORIZED, ATTESTED BY ITS SECRETARY, PHILLIP PEACOCK, BOTH BEING OFFICERS OF GREATMARK INTERNATIONAL, INC., ITS GENERAL PARTNER, AND ITS COMMON SEAL HERUNTO AFFIXED THIS 5TH DAY OF July, 2018.

VICKSBURG ESTATES, LTD.
BY: GREATMARK INTERNATIONAL, INC.,
ITS GENERAL PARTNER

BY: *Clinton F. Wong*
CLINTON F. WONG
PRESIDENT

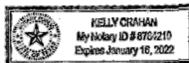
ATTEST: *Phillip Peacock*
PHILLIP PEACOCK
SECRETARY

STATE OF TEXAS
COUNTY OF FORT BEND

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED CLINTON F. WONG AND PHILLIP PEACOCK, KNOWN TO ME TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND IN THE CAPACITY THEREIN AND HEREIN STATED, AND AS THE ACT AND DEED OF SAID CORPORATION.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 5TH DAY OF July, 2018.

Kelly Graham
KELLY GRAHAM
NOTARY PUBLIC IN AND
FOR THE STATE OF TEXAS



MY COMMISSION EXPIRES: 01-16-2022

IN TESTIMONY WHEREOF, THE CITY OF MISSOURI CITY, HAS CAUSED THESE PRESENTS TO BE SIGNED BY ALLEN OWEN, ITS MAYOR, THEREUNTO AUTHORIZED, THIS 6TH DAY OF August, 2018.

CITY OF MISSOURI CITY

BY: *Allen Owen*
ALLEN OWEN
MAYOR

STATE OF TEXAS
COUNTY OF FORT BEND

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED ALLEN OWEN, MAYOR, OF THE CITY OF MISSOURI CITY, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND IN THE CAPACITY THEREIN AND HEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 6TH DAY OF August, 2018.

Margo Jackson
MARGO JACKSON
NOTARY PUBLIC IN AND
FOR THE STATE OF TEXAS



MY COMMISSION EXPIRES: 11/21/2019

I, CAROLYN J. QUINN, AM AUTHORIZED UNDER THE LAWS OF THE STATE OF TEXAS TO PRACTICE THE PROFESSION OF SURVEYING AND HEREBY CERTIFY THAT THE ABOVE SUBDIVISION IS TRUE AND CORRECT; WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE UNDER MY SUPERVISION ON THE GROUND; THAT ALL BOUNDARY CORNERS, ANGLE POINTS, POINTS OF CURVATURE AND OTHER POINTS OF REFERENCE HAVE BEEN MARKED WITH IRON RODS HAVING AN OUTSIDE DIAMETER OF NOT LESS THAN FIVE EIGHTHS (5/8) INCH AND A LENGTH OF NOT LESS THAN THREE (3) FEET; AND THAT THE PLAT BOUNDARY CORNERS HAVE BEEN TIED TO THE NEAREST SUBDIVISION CORNER.

Carolyn J. Quinn
CAROLYN J. QUINN
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NO. 6033



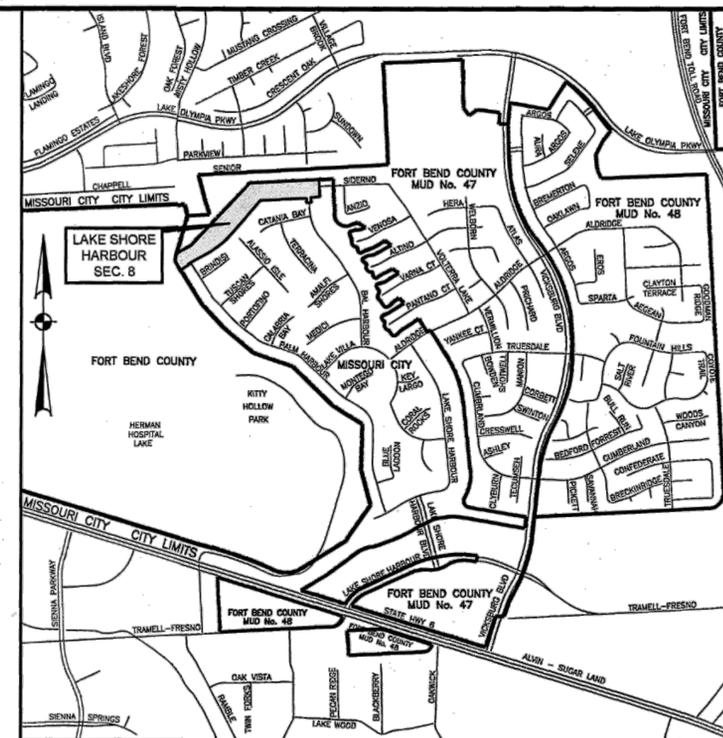
THIS IS TO CERTIFY THAT THE PLANNING AND ZONING COMMISSION OF THE CITY OF MISSOURI CITY, TEXAS, HAS APPROVED THIS PLAT AND SUBDIVISION OF FINAL PLAT OF LAKE SHORE HARBOUR SEC. 8 IN CONFORMANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE ORDINANCES OF THE CITY OF MISSOURI CITY AS SHOWN HEREON AND AUTHORIZED THE RECORDING OF THIS PLAT THIS 11TH DAY OF July, 2018.

BY: *Sonya Brown-Marshall*
SONYA BROWN-MARSHALL
CHAIRMAN

BY: *Timothy R. Haney*
TIMOTHY R. HANEY
VICE CHAIRMAN

NOTES:

1. ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP NUMBER 48157C0295L REVISED APRIL 2, 2014, THE SUBJECT PROPERTY LIES WITHIN ZONE "X" (UNSHADED). AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN.
2. ALL SLAB ELEVATIONS SHALL BE ONE FOOT ABOVE THE 100-YEAR FLOOD ELEVATION AS ESTABLISHED BY FEMA AS PER SECTION 3.C(11) OF THE ADMINISTRATIVE PLATTING MANUAL OF THE CITY OF MISSOURI CITY (JUNE 2014). THE MINIMUM SLAB ELEVATION SHALL BE 78.00'.
3. THERE ARE NO KNOWN PIPELINES OR PIPELINE EASEMENTS WITHIN THE LIMITS OF THIS SUBDIVISION.
4. ALL REQUIRED UTILITY COMPANIES HAVE BEEN CONTACTED AND ALL PUBLIC UTILITY EASEMENTS SHOWN HEREON CONSTITUTE ALL THE EASEMENTS REQUESTED BY THE UTILITY COMPANIES.
5. THE CITY OF MISSOURI CITY SHALL NOT BE RESPONSIBLE FOR MAINTENANCE OF DRIVEWAYS, EMERGENCY ACCESS EASEMENTS, RECREATIONAL AREAS, AND OPEN SPACES AND PRIVATE PARKLAND AREAS. THE LAKESHORE HARBOUR COMMUNITY ASSOCIATION, INC. SHALL BE RESPONSIBLE FOR SUCH MAINTENANCE OF DRIVEWAYS, EMERGENCY ACCESS EASEMENTS, RECREATIONAL AREAS, AND OPEN SPACES AND PRIVATE PARKLAND AREAS AS REQUIRED BY SECTION 3.C(12) OF THE ADMINISTRATIVE PLATTING MANUAL OF THE CITY OF MISSOURI CITY (JUNE 2014).
6. DRIVEWAY APPROACHES SHALL BE PROVIDED IN ACCORDANCE WITH THE MISSOURI CITY DRIVEWAY APPROACH POLICY AS REQUIRED UNDER THE PROVISIONS OF SUBSECTION 82-160 OF THE CODE OF ORDINANCES OF THE CITY OF MISSOURI CITY, TEXAS.
7. ALL OF THE PROPERTY SUBDIVIDED IN THE ABOVE AND FOREGOING PLAT IS WITHIN THE INCORPORATED BOUNDARIES OF THE CITY OF MISSOURI CITY, TEXAS.
8. IN ACCORDANCE WITH CENTERPOINT ENERGY ELECTRICAL SERVICE MANUAL, ARTICLE 421.2, ELECTRIC METERS SHALL BE LOCATED IN A LOCATION THAT IS ACCESSIBLE AT ALL TIMES WITHOUT CUSTOMER ASSISTANCE. ACCESS TO THE METER SHALL NOT BE BLOCKED BY GATES, WALLS OR FENCES.
9. THIS PLAT LIES ENTIRELY WITHIN THE CITY LIMITS OF MISSOURI CITY, TEXAS AND THE FOLLOWING TAXING ENTITIES: FORT BEND COUNTY AND FORT BEND I.S.D.
10. SIDEWALKS SHALL BE CONSTRUCTED AS REQUIRED BY SECTION 82-184 OF THE CODE OF ORDINANCES OF THE CITY OF MISSOURI CITY. PRIOR TO ACCEPTANCE OF STREETS WITHIN THIS SUBDIVISION BY THE CITY OF MISSOURI CITY INTO THE ONE YEAR MAINTENANCE PERIOD, SIDEWALKS SHALL BE CONSTRUCTED BY THE DEVELOPER ALONG ALL STREETS WHERE HOMES DO NOT FRONT OR SIDE. BEFORE CERTIFICATIONS OF OCCUPANCY SHALL BE ISSUED, BUILDERS OF HOMES SHALL CONSTRUCT SIDEWALKS ALONG STREETS ON WHICH HOMES FRONT AND ALONG STREETS ON WHICH HOMES SIDE.
11. NO BUILDING OR OTHER PERMIT, EXCEPT PERMITS FOR CONSTRUCTION OF PUBLIC IMPROVEMENTS, WILL BE ISSUED BY THE CITY OF MISSOURI CITY, TEXAS, FOR CONSTRUCTION WITHIN THIS SUBDIVISION UNTIL SUCH TIME THAT ALL PUBLIC IMPROVEMENTS OF THE SUBDIVISION HAVE BEEN CONSTRUCTED BY THE DEVELOPER AND ACCEPTED BY THE CITY OR THE GUARANTEE OF CONSTRUCTION OF PUBLIC IMPROVEMENTS REQUIRED BY SECTION 82-206 OF THE CODE OF ORDINANCES OF THE CITY OF MISSOURI CITY, TEXAS, IS SUBMITTED TO AND APPROVED BY THE CITY.
12. ALL PROPERTY TO DRAIN INTO THE FORT BEND COUNTY DRAINAGE EASEMENT ONLY THROUGH AN APPROVED DRAINAGE STRUCTURE.
13. THE DRAINAGE SYSTEM FOR THIS SUBDIVISION IS DESIGNED IN ACCORDANCE WITH THE FORT BEND COUNTY DRAINAGE CRITERIA MANUAL WHICH ALLOWS STREET PONDING WITH INTENSE RAINFALL EVENTS.
14. ANY DISTANCE SHOWN ALONG A RADIUS IS THE ARC LENGTH, UNLESS OTHERWISE NOTED.
15. THE COORDINATES AND BEARINGS SHOWN HEREON ARE TEXAS SOUTH CENTRAL ZONE NO. 4204 STATE PLANE GRID COORDINATES (NA83) AND MAY BE BROUGHT TO SURFACE BY APPLYING THE FOLLOWING COMBINED SCALE: 0.99987.
16. LOTS 1-2, BLOCK 1 AND LOTS 1-34, BLOCK 2 HAVE REFERENCE RODS SET ON SIDE PROPERTY LINES 100 FEET FROM RIGHT-OF WAY, UNLESS OTHERWISE NOTED.
17. DESIGN (3-YEAR) HYDRAULIC GRADE LINES REFLECT WATER SURFACE ELEVATIONS AT 25-YEAR W.S.E. IN RECEIVING CHANNEL AT POINTS OF OUTFALL TO CHANNEL.
18. BENCHMARK: MISSOURI CITY SURVEY MARKER No. PCM-003, A 4-INCH BRASS DISK SET IN CONCRETE AT THE SOUTHWEST INTERSECTION SIENNA PARKWAY AND TRAMMEL-FRESNO ROAD, 4.8' SOUTH OF A SIDEWALK AND 26 FEET NORTHWEST OF THE NORTHWEST CORNER OF AN AREA INLET. ELEVATION= 65.87', NAVD 88 (2001 ADJUSTMENT).
19. TEMPORARY BENCHMARK (T.B.M.): A "D" CUT ON HEADWALL 39 FEET NORTH OF LOT 17, BLOCK 1 OF LAKE SHORE HARBOUR SEC. 5. ELEVATION= 73.20', NAVD 88 (2001 ADJUSTMENT).
20. REQUIRED FIRE FLOWS SHALL BE PROVIDED BASED ON THE SIZE AND CONSTRUCTION OF ALL BUILDINGS AS REQUIRED BY THE INTERNATIONAL FIRE CODE AS ADOPTED BY THE CITY.
21. THE PLACEMENT OF FIRE HYDRANTS SHALL BE PROVIDED BASED ON THE MINIMUM DISTANCE REQUIREMENTS AS ESTABLISHED IN THE INTERNATIONAL FIRE CODE AS ADOPTED BY THE CITY (500FT. FOR RESIDENTIAL DEVELOPMENT AND 300FT. FOR COMMERCIAL DEVELOPMENT). ALL FIRE HYDRANTS SHALL BE INSTALLED ACCORDING TO THE INTERNATIONAL FIRE CODE AS ADOPTED BY THE CITY.
22. ALL DRAINAGE AND FLOODWAY EASEMENTS SHALL BE KEPT CLEAR OF FENCES, BUILDINGS, PLANTINGS AND OTHER OBSTRUCTIONS TO THE OPERATIONS AND MAINTENANCE OF THE DRAINAGE FACILITY AS REQUIRED BY SUBSECTION 82-168(d) OF THE CODE OR ORDINANCES OF THE CITY OF MISSOURI CITY, TEXAS.
23. THERE SHALL BE A REAR BUILDING LINE OF NOT LESS THAN 15 FEET. DETACHED GARAGES SHALL HAVE A REAR YARD SETBACK OF NOT LESS THAN EIGHT FEET.
24. THERE SHALL BE A SIDE BUILDING LINE OF NOT LESS THAN FIVE FEET EXCEPT AS PROVIDED BY THIS SUBDIVISION. THE COMBINED SIDE YARDS BETWEEN A BUILDING ON A LOT IN QUESTION AND A BUILDING ON AN ADJACENT LOT SHALL BE NOT LESS THAN TEN FEET. THERE SHALL BE A SIDE BUILDING LINE OF NOT LESS THAN THREE FEET FOR ACCESSORY BUILDINGS OR GARAGES ON INTERIOR LOTS.
25. GARAGES FACING A SIDE STREET MUST HAVE A SETBACK OF NOT LESS THAN 20 FEET.
26. DRIVEWAY LOCATION - FOR THE LOT ON THE INSIDE OF A KNUCKLE OR 90 DEGREE TURN, DRIVEWAY MUST BE PLACED ON THE LOT FRONTAGE ALONG THE INSIDE APPROACH LANE PRIOR TO THE RIGHT TURN, TO AVOID SIGHT OBSTRUCTION SAFETY HAZARDS.



VICINITY MAP
KEY MAP 610P
SCALE: 1" = 1200'

I, LAURA RICHARD, COUNTY CLERK IN AND FOR FORT BEND COUNTY, DO HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT WITH ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORDATION IN MY OFFICE ON August 8, 2018, AT 2:42 O'CLOCK P.M., IN PLAT NUMBER 20180191 OF THE PLAT RECORDS OF FORT BEND COUNTY, TEXAS.

WITNESS MY HAND AND SEAL OF OFFICE, AT RICHMOND, TEXAS, THE DAY AND DATE LAST ABOVE WRITTEN.

Laura Richard
LAURA RICHARD,
COUNTY CLERK
FORT BEND COUNTY, TEXAS

BY: *Catherine Riendeau*
CATHERINE RIENDEAU
DEPUTY

5 pgs 2018089681



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Laura Richard
Laura Richard, County Clerk
Fort Bend County Texas
August 08, 2018 02:42:37 PM
FEE: \$294.00 CR1 20180191

ADDRESS PLAT
FINAL PLAT OF
LAKE SHORE HARBOUR
SEC. 8

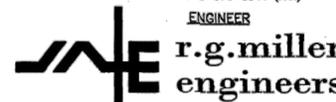
BEING A SUBDIVISION CONTAINING 14.38 ACRES AND BEING A PORTION OF A CALLED 262.296 ACRE TRACT RECORDED IN THE NAME OF VICKSBURG ESTATES, LTD. IN F.B.C.C.F. NO. 1999082607, LOCATED IN THE ELIJAH ROARK LEAGUE, A-77 CITY OF MISSOURI CITY FORT BEND COUNTY, TEXAS

38 LOTS 3 BLOCKS 5 RESERVES

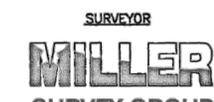
DATE: JULY, 2018 SCALE: 1" = 100'
OWNER: VICKSBURG ESTATES, LTD. OWNER: CITY OF MISSOURI CITY

VICKSBURG ESTATES, LTD.
A TEXAS LIMITED PARTNERSHIP
1618 VOSS, SUITE 618
HOUSTON, TEXAS 77057
CLINTON F. WONG
713-978-5900 (PH.)
713-978-5944 (FAX)

CITY OF MISSOURI CITY
1522 TEXAS PARKWAY
MISSOURI CITY, TEXAS 77489
ALLEN OWEN, MAYOR
281-403-8500 (PH.)



16340 Park Ten Place - Suite 350
Houston, Texas 77084
(713) 461-9800
TEXAS FIRM REGISTRATION NO. F-487



1760 WEST SAM HOUSTON PARKWAY NORTH, HOUSTON TEXAS 77043
PHONE 713-413-1900 FAX 713-413-1944
TEXAS FIRM REGISTRATION NO. 10047100
BRIAN E. WILSON, R.P.L.S.



Legal Department

Joseph N. Quintal
Assistant City Attorney
1522 Texas Parkway
Missouri City, Texas 77489

Phone: 281-403-8668
Fax: 281-403-8987
joseph.quintal@missouricitytx.gov
www.missouricitytx.gov

September 12, 2018

Certified Mail, Return Receipt Requested, No. 7018 0040 0000 4129 2286
Vicksburg Estates, Ltd.
1616 Voss, Suite 618
Houston, Texas 77057
Attn: Clinton Wong

Re: Notice of public hearing
Levy of assessments, PID 2, Lakeshore Harbour, Section 8, Block 1, Lots 1 and 2; Block 2, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33 and 34; and Block 3, Lots 1 & 2

Dear Mr. Wong:

Enclosed is a copy of the Notice of Public Hearing to be held on Monday, September 17, 2018, during the City Council meeting beginning at 7:00 p.m. The public hearing will consider written and oral comments relating to the levy of public improvement district assessments on residential lots 1 & 2 in Block 1; Lots 1, 2, 3, 4, 5, & 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33 & 34 in Block 2; and Lots 1 & 2 in Block 3 in Section 8 of Lakeshore Harbour subdivision.

I am also enclosing a copy of the proposed assessment levy for the thirty-eight lots in Section 8.

The cost of the improvements for Section 8 was \$1,483,582.07. The annual assessment is \$2,884.63 per lot. The assessments amortize at \$3,169,849.01 for the thirty-eight lots over thirty years with an annual interest rate of 6.25%.

If you have any questions, please contact me.

Sincerely,

Joseph N. Quintal
Assistant City Attorney

cc: Bill Atkinson, Assistant City Manager
Maria Jackson, City Secretary
E. Joyce Iyamu, City Attorney
Sandra Clarkson, Interim Director of Finance



CITY OF MISSOURI CITY

NOTICE OF PUBLIC HEARING

OF THE CITY COUNCIL OF THE CITY OF MISSOURI CITY TO CONSIDER
PROPOSED ASSESSMENTS AGAINST LAKESHORE HARBOUR SECTION 8
PROPERTIES LOCATED IN CITY OF MISSOURI CITY PUBIC IMPROVEMENT
DISTRICT NO. TWO

ESTABLISHED BY CITY COUNCIL RESOLUTION NO. R-01-38

In accordance with Chapter 372, Local Government Code, the proposed assessment roll for Section 8 of Lake Shore Harbour Subdivision (located within Pubic Improvement District No. Two) has been prepared and is on file and open for public inspection in the office of the City Secretary. A public hearing on the proposed assessment will be held by the City Council as follows:

DATE & TIME: Monday, September 17, 2018, 7:00 p.m.

PLACE: City Council Chamber, City Hall located at 1522 Texas Parkway, Missouri City, Texas 77489

COST OF IMPROVEMENTS: \$1,483,582.07

GENERAL NATURE OF IMPROVEMENTS: The proposed public improvements include the construction of street paving, water lines, sanitary sewer lines, and storm sewers, as well as engineering costs.

BOUNDARIES: The boundaries are described in the plat of Lakeshore Harbour, Section 8, being a subdivision of 14.38 acres and being a portion of a called 262.296 acre tract recorded in the name of Vicksburg Estates, Ltd., in FBCCF No. 1999082607, located in the Elijah Roark League, A-77, City of Missouri City, Fort Bend County, Texas.

Written and oral objections will be considered at the hearing. All interested person are hereby notified of the described hearing and of their right to appear and be heard on the manner.

City Secretary

City of Missouri City, Texas

For publication on August 29, 2018



**Council Agenda Item
October 1, 2018**

7. **PUBLIC HEARINGS AND RELATED ACTIONS**
 - (a) **Zoning Public Hearings and Ordinances** – *There are no Zoning Public Hearings and Ordinances on this agenda.*
 - (b) **Public Hearings and related actions** – *There are no Public Hearings and related actions on this agenda.*
 8. **APPOINTMENTS** – *There are no Appointments on this agenda.*
-



**CITY COUNCIL
AGENDA ITEM COVER MEMO**

October 1, 2018

To: Mayor and City Council
Agenda Item: 9(a) Authorize the City Manager to execute a contract for diesel fuel and gasoline purchase for the City's fleet vehicles
Submitted by: Michael Tubbs, Fleet Superintendent

SYNOPSIS

Fleet Services purchases diesel fuel and gasoline for the City's vehicles and equipment. The Purchasing Office seeks to award of a contract to make these purchases. The contract amount is expected to be over \$50,000.00 over the lifetime and therefore requires City Council action.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Create a great place to live

BACKGROUND

Staff prepared and advertised an invitation for Bid #19-308 for the purchase of different fuel grades used in the City. Fuel is bid as a plus or minus discount against the weekly OPIS (Oil Price Information Service, all fuel companies subscribe to this service for daily/weekly fuel costs) pad rack price for Houston. The IFB was formerly advertised. Two bids were received and opened on August 29, 2018. A bid tabulation/analysis was attached. The current incumbent, Houston Pasadena Apache Oil Company is the overall low bidder, a best value provider, and therefore the recommended vendor.

Staff recommends contracting with Houston Pasadena Apache Oil Company for the unit prices bid. The City has a positive history of over six years with this vendor and they are one of the only fuel operators that can deliver fuel during severe weather (such as hurricanes) conditions. A standard City agreement and/or Purchases Order will be used and the term will be for one year, with two (2) one-year options to renew for additional years.

BUDGET ANALYSIS

Funding Source	Account Number	Project Code/Name	FY19 Funds Budgeted	FY19 Funds Available	Amount Requested
General Fund	101-16551-00-000-	Fuel Inventory	\$0	\$0	\$398,000*

*This is an estimated amount staff predicts will be spent annually. Expense budget for fuel and gasoline is posted to the individual departments. Departments are charged based on usage.

Purchasing Review: Shannon Pleasant, CTPM - Procurement & Risk Manager
Financial/Budget Review: Bertha P. Alexander, MBA – Budget & Financial Reporting Manager

Note: Compliance with the conflict of interest questionnaire requirements, if applicable, and the interested party disclosure requirements (HB 1295) has been confirmed/is pending within 30-days of this Council action and prior to execution.

SUPPORTING MATERIALS

1. Bid tabulation

STAFF'S RECOMMENDATION

Authorize the City Manager to execute a contract with Houston Pasadena Apache Oil Company for purchasing diesel fuel and gasoline for the City's fleet vehicles and equipment.

Director Approval:

Shashi K. Kumar, P.E.

**Assistant City Manager/
City Manager Approval:**

Scott R. Elmer, P.E.



Purchasing

1522 Texas Parkway
Missouri City, Texas 77489-2170

Phone: (281) 403-8500
www.missouricitytx.gov

BID TABULATION SHEET

IFB Number: 19-308

Date: Wednesday, August 29, 2018

Bidder	HOUSTON-PASADENA APACHE OIL COMPANIES, INC.	RKA PETROLEUM COMPANIES, LLC.
Telephone Number	281-487-5400 Ext. 112	734-946-2233
E-Mail	tsmith@apacheoilcompany.com	ckilian@rkapetroleum.com
ITEM #1: Regular Unleaded Gasoline – 87 Octane Minimum	+0.0125	+0.0188
ITEM #2: Mid-Grade Unleaded Gasoline – 89 Octane Minimum	+0.0125	-0.0123
ITEM #3: Premium Grade Unleaded Gasoline – 93 Octane Minimum	-0.014	-0.0649
ITEM #4: Ultra-Low Sulphur Diesel Grade 2	+0.0325	+0.2522
ITEM #5: Off-Road Diesel Grade 2	+0.0325	+0.4533
EMERGENCY RESPONSE DELIVERY	YES	YES
PROVIDE PORTABLE FUELING TANKS WITH PUMPS	YES	NO
SIZE TANK AND PUMP	Calculated "per location"	N/A
CHARGE PER PUMP	\$150 per tank	N/A
ELECTRICAL REQUIREMENTS	12 volt or 115 volt pumps	N/A

Submissions reviewed by:

Ireyan J. Clark-Sam
Senior Contracts & Procurement Analyst



CITY COUNCIL AGENDA ITEM COVER MEMO

October 1, 2018

To: Mayor and City Council
Agenda Item: 9(b) Murphy Village Townhomes Parkland Dedication
Submitted by: Thomas K. White Jr., Planner II

SYNOPSIS

This is the first of two readings of a Parkland Dedication for Murphy Village Townhomes. This development is 9.65 acres, comprising of 66 dwelling units, located west of the intersection FM 1092 and Fifth St. In accordance with Section 82-174 of the City's Code of Ordinances, the developer is proposing to provide a cash payment in lieu of parkland.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Have quality development through buildout

BACKGROUND

Mr. Ryan Moeckel, of Texas Engineering And Mapping Co. and developer submitted a request for parkland dedication requirements to be met with a combination of private parkland and cash-in-lieu for the Murphy Village Townhomes Subdivision, a 9.65 acre development located along FM 1092, near 5th St. intersection (33) single family lots/66 dwelling units. A final plat was conditionally approved by the Commission on June 13, 2018.

The developer has proposed to pay cash in lieu of parkland in the amount of \$1,400 (\$1,400 x 33 dwelling units) plus 0.3314 acres of private parkland credit dedication, of which the Parks Board and the Planning & Zoning Commission have determined that amount to be insufficient.

PARKS BOARD ACTION:

The Parks and Recreation Board considered the applicant's proposal at their August 2, 2018 meeting and recommended by unanimous vote that the full cash in lieu of parkland be accepted. The Board expressed concern with the limited amount of open space throughout the subdivision plat within the encumbered and unencumbered reserve, resulting in only 14,434 square feet of private parkland. The Board recommended that the developer pay cash in lieu of parkland in the full amount, and not receive credit for a private parkland dedication.

PLANNING & ZONING COMMISSION ACTION:

On September 12, 2018, the Planning & Zoning Commission voted unanimously to accept the Parks Board's recommendation, and forwarded a positive recommendation to City Council for the cash payment in lieu of parkland for Park Zone 6 for the proposed townhome development.

BUDGET ANALYSIS

Funding Source	Account Number	Project Code/Name	FY2019 Funds Budgeted	FY2019 Funds Available	Amount Requested
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Parkland Revenues	276-48411-01-001	Parkland Zone 6	N/A	N/A	N/A
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The developer is proposing a cash payment in lieu of parkland. The payment would amount to a total of \$1,400.00 x 66 (dwelling units) = **\$92,400** to be funded to Park Zone 6 and recorded in the above noted revenue account.

Purchasing Review: N/A
Financial/Budget Review: N/A

Note: Compliance with the conflict of interest questionnaire requirements, if applicable, and the interested party disclosure requirements (HB 1295) has been confirmed/is pending within 30-days of this Council action and prior to execution.

SUPPORTING MATERIALS

1. Parks and Recreation Board meeting minutes (August 2, 2018)
2. Murphy Village Townhomes request letter & final plat
3. Draft Planning and Zoning Commission meeting minutes (September 12, 2018)
4. Park Zones map

STAFF'S RECOMMENDATION

Approve the parkland dedication, fee in lieu recommendation for Murphy Village Townhomes.

Director Approval: Otis T. Spriggs, AICP, Development Services Director

**Assistant City Manager/
City Manager Approval:** Scott Elmer, P.E., Assistant City Manager



Parks Board 2017-2018

Jason Mangum, Director of Parks & Recreation
Randy Troxell, Assistant Director of Parks & Recreation
Shane Mize, Recreation Superintendent
Barry Hamilton, Parks Superintendent
Pamela Andrews, Board Member
J.R. Atkins, Board Member
Diane Giltner, Board Member
Don Johnson, Board Member
Thomasine Johnson, Board Member

Adrian Matteucci, Board Member
Sharman McGilbert, Vice-Chair
Brian Merchant, Board Member
Loveless Mitchell, Board Member
Victoria Porter, Board Member
Rafik Sandford, Board Member
Buddy Snyder, Board Member
Llarance Turner, Chairman

PARKS BOARD MEETING MINUTES August 2, 2018 7:00 O'CLOCK P.M. CITY COUNCIL CHAMBER

ATTENDEES

Parks Board members in attendance: Pamela Andrews, J.R. Atkins, Alan Atwater, Diane Giltner, Don Johnson, Thomasine Johnson, Adrian Matteucci, Vice-Chair Sharman McGilbert, Brian Merchant, Victoria Porter, Buddy Snyder, and Chairman Llarance Turner. **Absent:** Loveless Mitchell.

Staff in attendance: Director of Parks & Recreation Jason Mangum, Recreation Superintendent Kevin Browne, Parks Superintendent Barry Hamilton, Facility Operations Manager Kyle Frye, Recreation Manager Julia Thompson, City Manager Anthony Snipes, First Assistant City Attorney James Santangelo, and Administrative Assistant Tricia Yurcak.

Others in attendance: Shotzie Price, Scotty Schmidt, Pei Pei Han, Guo Ping He, and Karen Rogers.

5. CONSIDER RECOMMENDATION FOR MURPHY VILLAGE PARKLAND DEDICATION

Chairman Turner assumed the chair upon his arrival. Director Mangum presented the agenda item. The developer has proposed half parkland and half fee in lieu of. Mr. Schmidt stated there were no amenities, but on the backside where the drainage is, there will be a paved trail that ties into sidewalks, which residents can use. The Board discussed concern about the limited amount of open space, which was not enough private parkland, nor for children or pets to use.

Chairman Turner recommended the developer to pay the full cash in lieu of, or lose some lots and come up with usable free space.

Board member Atkins made a motion to recommend the developer offer a full cash in lieu of for a full amount. Merchant seconded.

The motion passed.

AYES: Board members Atkins, Merchant, Andrews, Chairman Turner, and Giltner

NAYS: Adrian, Snyder, Sharman McGilbert, Porter

ABSTENTIONS: Alan Atwater, T. Johnson.



**Texas
Engineering
And
Mapping Co.**

July 24, 2018

City of Missouri City Parks Board
1522 Texas Parkway,
Missouri City, Texas 77489

RE: ***Murphy Village Townhomes - Parkland Dedication (66 dwelling units)***

The owner of the proposed subdivision of Murphy Village Townhomes requests that the Parks Board accept the parkland dedication for this development per Section 82-174(e) of the City of Missouri City Subdivision Ordinance through a combination of private parkland plus cash-in-lieu-of-land as follows:

1. Fifty percent of the parkland dedication can be met by private neighborhood parkland. In this case, 50% would be:
 - 1 Acre for every 100 dwelling units multiplied by 33 dwelling units = 0.33 acre. This part of the parkland requirement will be met by the dedication of the various reserves throughout the subdivision as shown below:

Unencumbered Parkland Reserves

Reserve "A" - 3,100 sq. ft.
Reserve "G" - 2,200 sq. ft.
Reserve "H" - 4,932 sq. ft.
Total - 10,232 sq. ft.

Parkland Reserves Encumbered w/ Easements (1/3 credit)

Reserve "A" - 3,140 sq. ft.
Reserve "B" - 1,460 sq. ft.
Reserve "C" - 2,000 sq. ft.
Reserve "D" - 2,426 sq. ft.
Reserve "E" - 1,580 sq. ft.
Reserve "F" - 2,000 sq. ft.
Total - 12,606 sq. ft.

T.E.A.M. Works For You!

12718 Century Drive Stafford, Texas 77477 (281) 491-2525 / 491-2535 - FAX

Total Parkland Credit Dedication:
10,232 sq. ft. + 12,606 sq. ft.(1/3) = 14,434 sq. ft.
14,434 sq. ft. / 43,560 sq. ft./acre = **0.3314 acre**

The dedication of these reserves with the construction of walkways will also open up substantial green space around the perimeter of the subdivision to be enjoyed by the residents. This green space will enhance this parkland dedication even more.

2. The remaining fifty percent of the parkland dedication is proposed to be made by cash-in-lieu-of-land. The amount of this cash payment is computed on the basis of \$1,400 per dwelling unit. This payment calculates to be:

33 Dwelling Units X \$1,400/unit = **\$46,200.00**

The above combination of private parkland and cash-in-lieu-of-land meets the city's requirements for parkland dedication for this proposed subdivision. The owner hereby requests that the Parks Board recommend approval of this offering combination.

If you have any questions, please feel free to contact me at 281-491-2525.

Sincerely,



Ryan Moeckel
Platting Manager

STATE OF TEXAS :
COUNTY OF FORT BEND :

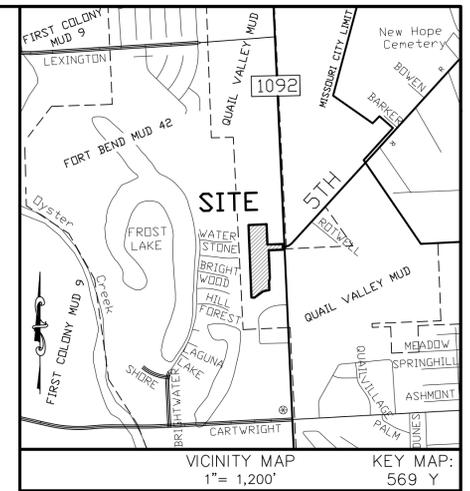
We, Wise Top, LLC, acting by and through hereinafter referred to as Owners of the 9.6500 acre tract described in the above and foregoing plat of **MURPHY VILLAGE TOWNHOMES**, do hereby make and establish said subdivision of said property according to all lines, dedications, restrictions and notations on said plat and hereby dedicate to the use of the public forever, all streets, alleys, parks, watercourses, drains, easements and public places shown thereon for the purposes and considerations therein expressed; and do hereby bind myself, my heirs, successors and assigns to warrant and forever defend the title to the land so dedicated. We further acknowledge that the dedications and/or exactions made herein are proportional to the impact of the subdivision upon the public services required in order that the development will comport with the present and future growth needs of the city. We, our successors and assigns hereby waive any claim, damage, or cause of action that we may have as a result of the dedication or exactions made herein.

FURTHER, Owners have dedicated and by these presents do dedicate to the use of the public for public utility purposes forever unobstructed aerial easements. The aerial easements shall extend horizontally an additional eleven feet, six inches (11' 6") for ten feet (10' 0") perimeter ground easements or seven feet, six inches (7' 6") for fourteen feet (14' 0") perimeter ground easements or five feet, six inches (5' 6") for sixteen feet (16' 0") perimeter ground easements, from a plane sixteen feet (16' 0") above ground level upward, located adjacent to and adjoining said public utility easements that are designated with aerial easements (U.E. and A.E.) as indicated and depicted hereon, whereby the aerial easement totals twenty one feet, six inches (21' 6") in width.

FURTHER, Owners have dedicated and by these presents do dedicate to the use of the public for public utility purposes forever unobstructed aerial easements. The aerial easements shall extend horizontally an additional ten feet (10' 0") for ten feet (10' 0") back-to-back ground easements or eight feet (8' 0") for fourteen feet (14' 0") back-to-back ground easements or seven feet (7' 0") for sixteen feet (16' 0") back-to-back ground easements, from a plane sixteen feet (16' 0") above ground level upward, located adjacent to both sides and adjoining said public utility easements that are designated with aerial easements (U.E. and A.E.) as indicated and depicted hereon, whereby the aerial easement totals thirty feet (30' 0") in width.

I, Greg Schmidt, do hereby certify that all existing encumbrances, such as various types of easements both public and private fee strips and all significant topographical features which would affect the physical development of the property illustrated on this plat are accurately identified and located and further certify that this plat represents all known contiguous land which the owner owns or has a legal interest in.

Greg Schmidt, R.P.L.S.



IN TESTIMONY WHEREOF, Wise Top, LLC, has caused these presents to be signed by _____, thereunto authorized, this ____ day of _____, 2018.

Wise Top, LLC
a Texas limited liability company

By: _____
NAME TITLE

STATE OF TEXAS:
COUNTY OF _____:

BEFORE ME, the undersigned authority, on this day personally appeared _____,

known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and considerations therein expressed and in the capacity therein stated and on behalf of such entity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this ____ day of _____, 2018.

Notary Public in and for the State of _____

My Commission Expires _____ Notary Public

This is to certify that the Planning and Zoning Commission of the City of Missouri City, Texas, has approved this final plat and subdivision of **MURPHY VILLAGE TOWNHOMES**, in conformance with the laws of the State of Texas and the ordinances of the City of Missouri City as shown hereon and authorized the recording of this plat this ____ day of _____, 2018.

By: SONYA BROWN-MARSHALL, CHAIRMAN By: TIMOTHY R. HANEY, VICE CHAIRMAN

I, Brian Nesvadba, am authorized under the laws of the State of Texas to practice the profession of surveying and hereby certify that the above subdivision is true and correct; was prepared from an actual survey of the property made under my supervision on the ground; that all boundary corners, angle points, points of curvature and other points of reference have been marked with iron rods having an outside diameter of five-eighths (5/8) inch and a length of not less than three (3) feet, or as shown hereon; and that the plat boundary corners have been tied to the nearest street intersection.

Brian Nesvadba, R.P.L.S.
Texas Registration No. 5776



- NOTES:
- 1.) BEARINGS SHOWN HEREON ARE BASED ON TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD83) USING NGS CONTINUOUSLY OPERATING REFERENCE STATIONS.
 - 2.) THE SURVEYOR HAS NOT ABSTRACTED THIS PROPERTY. DEED INFORMATION SHOWN HEREON WAS RESEARCHED AND PROVIDED BY FIRST AMERICAN TITLE INSURANCE COMPANY.
 - 3.) ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY'S FLOOD INSURANCE RATE MAP FOR FORT BEND COUNTY, TEXAS AND INCORPORATED AREAS, COMMUNITY PANEL NO. 48157-C-0280L EFFECTIVELY DATED APRIL 2, 2014, THIS PROPERTY LIES IN ZONE "X", AN AREA DETERMINED TO BE OUTSIDE OF THE 0.2% ANNUAL CHANCE FLOODPLAIN.
 - 4.) ALL OF THE PROPERTY SUBDIVIDED IN THE ABOVE AND FOREGOING PLAT IS WHOLLY WITHIN THE INCORPORATED BOUNDARIES OF THE CITY OF MISSOURI CITY AND FORT BEND COUNTY, TEXAS.
 - 5.) IN ACCORDANCE WITH CENTER POINT ENERGY ELECTRICAL SERVICE MANUAL, ARTICLE 421.2, ELECTRIC METERS SHALL BE LOCATED IN A POSITION THAT IS ACCESSIBLE AT ALL TIMES WITHOUT CUSTOMER ASSISTANCE. ACCESS TO THE METER SHALL NOT BE BLOCKED BY GATES, WALLS OR FENCES.
 - 6.) DRIVEWAY APPROACHES SHALL BE PROVIDED IN ACCORDANCE WITH THE MISSOURI CITY DRIVEWAY APPROACH POLICY AS REQUIRED UNDER THE PROVISIONS OF SUBSECTION 82-160 OF THE CODE OF ORDINANCES OF THE CITY OF MISSOURI CITY, TEXAS.
 - 7.) THE CITY OF MISSOURI CITY SHALL NOT BE RESPONSIBLE FOR MAINTENANCE OF DRIVEWAYS, SIDEWALKS, EMERGENCY ACCESS EASEMENTS, RECREATIONAL AREAS AND OPEN SPACE AS REQUIRED BY SECTION 3.0(12) OF THE ADMINISTRATIVE PLATTING MANUAL OF THE CITY OF MISSOURI CITY (JUNE 2014).
 - 8.) NO BUILDING OR OTHER PERMIT, EXCEPT PERMITS FOR CONSTRUCTION OF PUBLIC IMPROVEMENTS WILL BE ISSUED BY THE CITY OF MISSOURI CITY, TEXAS, FOR CONSTRUCTION WITHIN THIS SUBDIVISION UNTIL SUCH TIME AS ALL PUBLIC IMPROVEMENTS OF THE SUBDIVISION HAVE BEEN CONSTRUCTED BY THE DEVELOPER AND ACCEPTED BY THE CITY OR THE GUARANTEE OF CONSTRUCTION OF PUBLIC IMPROVEMENTS REQUIRED BY SECTION 82-206 OF THE CODE OF ORDINANCES OF THE CITY OF MISSOURI CITY, TEXAS, IS SUBMITTED TO AND APPROVED BY THE CITY.
 - 9.) THE MINIMUM SLAB ELEVATION (TOP OF FINISHED FLOOR) SHALL BE A MINIMUM OF 68.5 FEET ABOVE MEAN SEA LEVEL, THE TOP OF SLAB ELEVATION AT ANY POINT ON THE PERIMETER OF THE SLAB SHALL NOT BE LESS THAN EIGHTEEN (18) INCHES ABOVE NATURAL GROUND.
 - 10.) ALL SLAB ELEVATIONS SHALL BE ONE FOOT ABOVE THE 100-YEAR FLOOD ELEVATION AS ESTABLISHED BY FEMA AS PER SECTION 3.0(11) OF THE ADMINISTRATIVE PLATTING MANUAL OF THE CITY OF MISSOURI CITY (JUNE 2014).
 - 11.) REQUIRED FIRE FLOWS SHALL BE PROVIDED BASED ON THE SIZE AND CONSTRUCTION OF ALL NEW BUILDINGS AS REQUIRED BY THE INTERNATIONAL FIRE CODE AS ADOPTED BY THE CITY.
 - 12.) THE PLACEMENT OF FIRE HYDRANTS SHALL BE PROVIDED BASED ON THE MINIMUM DISTANCE REQUIREMENTS AS ESTABLISHED IN THE INTERNATIONAL FIRE CODE AS ADOPTED BY THE CITY (500 FT. FOR RESIDENTIAL DEVELOPMENT AND 300 FT. FOR COMMERCIAL DEVELOPMENT). ALL FIRE HYDRANTS SHALL BE INSTALLED ACCORDING TO THE INTERNATIONAL FIRE CODE AS ADOPTED BY THE CITY.
 - 13.) ALL REQUIRED UTILITY COMPANIES HAVE BEEN CONTACTED AND THE EASEMENTS SHOWN ON THE PLAT CONSTITUTE ALL OF THE EASEMENTS REQUESTED BY THE UTILITY COMPANIES.
 - 14.) ALL EXISTING OR PROPOSED PIPELINE EASEMENTS WITHIN THE LIMITS OF THE SUBDIVISION OF THE CITY OF MISSOURI CITY, TEXAS ARE SHOWN HEREON.
 - 15.) THE CONTOURS SHOWN HEREON ARE BASED ON MISSOURI CITY SURVEY MARKER NO. PGM-009: A 3 1/2 INCH BRASS DISC SOUTHWEST CORNER OF CARTWRIGHT RD. AND OYSTER CREEK IN FRONT OF MISSOURI CITY TRAIL SYSTEM WOODEN SIGN. ELEVATION = 69.54' (NAVD '88, 2001 ADJUSTMENT)
 - 16.) CONTOURS SHOWN HEREON ARE DERIVED FROM NATURAL GROUND ELEVATIONS TAKEN IN JULY 2014.
 - 17.) * -INDICATES A SET 5/8" IRON ROD WITH CAP STAMPED: T.E.A.M. - 281-491-2525, UNLESS OTHERWISE NOTED.
 - 18.) BUILDING LINES SHALL CONFORM TO THE CURRENT CITY OF MISSOURI CITY ZONING ORDINANCES. THE CURRENT ZONING OF THIS SITE IS PD, PLANNED DEVELOPMENT DISTRICT #97 (ORDINANCE 0-14-49).
 - 19.) SHARED ACCESS AND PARKING FACILITIES SHALL BE PROVIDED AS REQUIRED UNDER THE PROVISIONS OF SUBSECTION 82-159 OF THE CODE OF ORDINANCES OF THE CITY OF MISSOURI CITY.
 - 20.) SIDEWALKS SHALL BE CONSTRUCTED AS REQUIRED BY SECTION 82-164 OF THE CODE OF ORDINANCES OF THE CITY OF MISSOURI CITY, TEXAS.
 - 21.) BUILDINGS SHALL BE SET BACK A MINIMUM DISTANCE OF 30 FEET FROM ANY PIPELINE OR 15 FEET FROM ANY PIPELINE EASEMENT, WHICHEVER DISTANCE IS GREATER.
 - 22.) ALL DRAINAGE AND FLOODWAY EASEMENTS SHALL BE KEPT CLEAR OF FENCES, BUILDINGS, PLANTINGS AND OTHER OBSTRUCTIONS TO THE OPERATIONS AND MAINTENANCE OF THE DRAINAGE FACILITY AS REQUIRED BY SUBSECTION 82-168(d) OF THE CODE OF ORDINANCES OF THE CITY OF MISSOURI CITY, TEXAS.
 - 23.) THERE SHALL BE A REAR YARD NOT LESS THAN 20 FEET, PROVIDED, HOWEVER, WHEN THE REAR YARD IS ADJACENT TO A COMMONLY OWNED OPEN SPACE, THE REAR YARD SHALL BE NOT LESS THAN TEN FEET.
 - 24.) GARAGE FACING A SIDE STREET MUST HAVE A SETBACK OF NOT LESS THAN 20 FEET. WHERE TOWNHOUSE DWELLING UNITS ARE-NON ATTACHED, THERE SHALL BE AT LEAST A FIVE-FOOT SIDE YARD FROM INTERIOR LOT LINES.

I, LAURA RICHARD, COUNTY CLERK IN AND FOR FORT BEND COUNTY, DO HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT WITH ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORDATION IN MY OFFICE ON _____, 2018, AT _____ O'CLOCK ____M., IN PLAT NUMBER(S) _____ OF THE PLAT RECORDS OF SAID COUNTY.

WITNESS MY HAND AND SEAL OF OFFICE, AT RICHMOND, TEXAS, THE DAY AND DATE LAST ABOVE WRITTEN.

By: _____
LAURA RICHARD, COUNTY CLERK
FORT BEND COUNTY, TEXAS

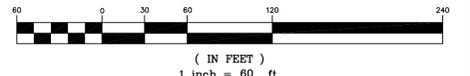
By: _____
DEPUTY

FINAL PLAT OF
**MURPHY VILLAGE
TOWNHOMES**
1 BLOCK - 6 RESERVES - 66 LOTS
A SUBDIVISION OF 9.6500 ACRES
IN THE WILLIAM STAFFORD SURVEY,
ABSTRACT NO. 89,
CITY OF MISSOURI CITY,
FORT BEND COUNTY, TEXAS

~ OWNER ~
WISE TOP, LLC
4023 Portofino Court
Missouri City, Texas 77459
PHONE: 361.851.0000

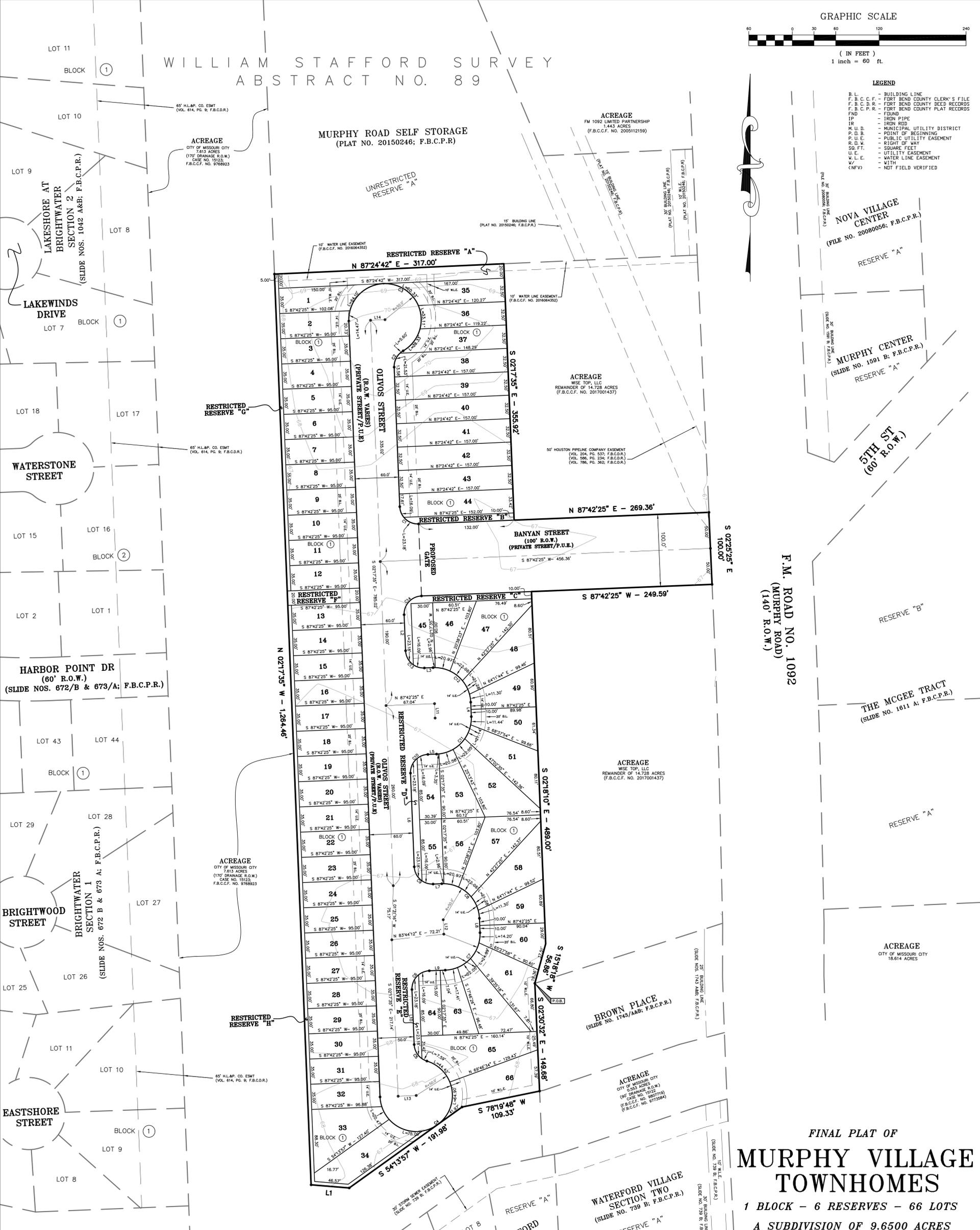
~ ENGINEER / SURVEYOR ~
TEXAS ENGINEERING AND MAPPING COMPANY
12718 Century Drive
Stafford, Texas 77477
PHONE: 281.491.2525 FAX: 281.491.2535
SURVEYING FIRM NO. 10119000 / ENGINEERING FIRM NO. F-2906
www.team-civil.com
Job No. 1314-1
JULY 24, 2018

DRAWING INFO: Z:\pbf\1314-1\wg\1314-1_P1_R1_Residentcd_Final.dwg JUL 24, 2018 9:07 AM



WILLIAM STAFFORD SURVEY
ABSTRACT NO. 89

MURPHY ROAD SELF STORAGE
(PLAT NO. 20150246; F.B.C.P.R.)



LEGEND

- B.L. - BUILDING LINE
- F.B.C.C.F. - FORT BEND COUNTY CLERK'S FILE
- F.B.C.C.P.R. - FORT BEND COUNTY DEED RECORDS
- F.B.C.P.R. - FORT BEND COUNTY PLAT RECORDS
- FND - FOUND
- IP - IRON PIPE
- IR - IRON ROD
- M.U.D. - MUNICIPAL UTILITY DISTRICT
- P.D.B. - POINT OF BEGINNING
- P.U.E. - PUBLIC UTILITY EASEMENT
- R.O.W. - RIGHT OF WAY
- SQ. FT. - SQUARE FEET
- U.E. - UTILITY EASEMENT
- W.L.E. - WATER LINE EASEMENT
- W/ - WITH
- (NFV) - NOT FIELD VERIFIED

NOVA VILLAGE CENTER
(FILE NO. 20080056; F.B.C.P.R.)
RESERVE "A"

MURPHY CENTER
(SLIDE NO. 1501 B; F.B.C.P.R.)
RESERVE "A"

5TH ST
(60' R.O.W.)

F.M. ROAD NO. 1092
(MURPHY ROAD)
(140' R.O.W.)

THE MCGEE TRACT
(SLIDE NO. 1611 A; F.B.C.P.R.)

RESERVE "A"

ACREAGE
CITY OF MISSOURI CITY
15414 ACRES

FINAL PLAT OF

MURPHY VILLAGE TOWNHOMES

1 BLOCK - 6 RESERVES - 66 LOTS
A SUBDIVISION OF 9.6500 ACRES
IN THE WILLIAM STAFFORD SURVEY,
ABSTRACT NO. 89,
CITY OF MISSOURI CITY,
FORT BEND COUNTY, TEXAS

~ OWNER ~

WISE TOP, LLC
4023 Portofino Court
Missouri City, Texas 77459
PHONE: 361.851.0000

~ ENGINEER / SURVEYOR ~

TEXAS ENGINEERING AND MAPPING COMPANY
12718 Century Drive
Stafford, Texas 77477

PHONE: 281.491.2525 FAX: 281.491.2535
SURVEYING FIRM NO. 10119000 / ENGINEERING FIRM NO. F-2906
www.team-civil.com
Job No. 1314-1

JULY 24, 2018

LINE TABLE

LINE	BEARING	DISTANCE
L1	N 85°19'04" W	52.84'
L2	S 02°17'35" W	50.00'
L3	N 87°42'25" E	12.04'
L4	S 02°17'35" E	20.00'
L5	S 87°42'25" W	12.04'
L6	S 02°17'35" E	130.00'
L7	N 87°42'25" E	12.04'
L8	S 02°17'35" E	20.00'
L9	S 87°42'25" W	22.04'
L10	S 02°17'35" E	76.42'
L11	S 02°17'35" E	20.00'
L12	N 02°17'35" W	20.00'
L13	N 87°42'25" E	25.00'
L14	N 87°42'25" E	20.00'

CURVE TABLE

CURVE	DELTA	RADIUS	LENGTH	CHORD
C1	90°00'00"	25.00'	39.27'	S 47°17'35" E - 35.36'
C2	62°10'55"	25.00'	27.13'	S 28°47'52" W - 25.82'
C3	242°10'54"	50.00'	211.34'	N 61°12'07" W - 85.63'
C4	250°31'43"	50.00'	218.63'	N 52°26'33" E - 81.65'
C5	70°31'44"	25.00'	30.77'	S 37°33'27" E - 28.87'
C6	90°00'00"	25.00'	39.27'	S 42°42'25" W - 35.36'
C7	90°00'00"	50.00'	78.54'	N 42°42'25" E - 70.71'
C8	90°00'00"	50.00'	78.54'	N 47°17'35" W - 70.71'
C9	90°00'00"	25.00'	39.27'	S 47°17'35" E - 35.36'
C10	90°00'00"	25.00'	39.27'	S 42°42'25" W - 35.36'
C11	90°00'00"	50.00'	78.54'	N 42°42'25" E - 70.71'
C12	90°00'00"	50.00'	78.54'	N 47°17'35" W - 70.71'
C13	90°00'01"	25.00'	39.27'	S 47°17'34" E - 35.36'
C14	90°00'00"	25.00'	39.27'	S 42°42'25" W - 35.36'

RESERVE TABLE

RESERVE	ACREAGE	(SQ. FT.)
A	0.1433 ACRE	(6,240 SQ. FT.)
USE: OPEN SPACE/LANDSCAPE/U.E.		
B	0.0335 ACRE	(1,460 SQ. FT.)
USE: LANDSCAPE/OPEN SPACE/U.E.		
C	0.0459 ACRE	(2,000 SQ. FT.)
USE: LANDSCAPE/OPEN SPACE/U.E.		
D	0.0557 ACRE	(2,426 SQ. FT.)
USE: LANDSCAPE/OPEN SPACE/U.E.		
E	0.0363 ACRE	(1,580 SQ. FT.)
USE: LANDSCAPE/OPEN SPACE/U.E.		
F	0.0459 ACRE	(2,000 SQ. FT.)
USE: OPEN SPACE/U.E./DRAINAGE		
G	0.0505 ACRE	(2,200 SQ. FT.)
USE: OPEN SPACE		
H	0.1132 ACRE	(4,932 SQ. FT.)
USE: OPEN SPACE		



**DRAFT MINUTES
PLANNING AND ZONING COMMISSION
CITY OF MISSOURI CITY, TEXAS**

September 12, 2018

1. CALL TO ORDER

The Notice of the Meeting and Agenda having been duly posted in accordance with the legal requirements and a quorum being present, the meeting was call to order by Chairman Brown-Marshall, at 7:00 PM.

2. ROLL CALL

Commissioners Present:

Sonya Brown-Marshall
Tim Haney
Hugh Brightwell
John O'Malley
Reginald Pearson
Douglas Parker
James G. Norcom III

Commissioners Absent: Ramesh Anand, Courtney Johnson Rose

Councilmembers Present: None

Staff Present:

Otis T. Spriggs, Director of Development Services
Gretchen Pyle, Development Review Coordinator
Jamilah Way, First Assistant City Attorney
Jennifer Hobbs, Assistant City Engineer
Thomas White, Planner II
Mason Garcia, Planner I
Egima Brown, Planning Technician

Others Present:

Marie Escue / Geoff Freeman; Kathryn Edwards

9. A. PARKLAND DEDICATION

(1) Consider approval of a parkland dedication for Murphy Village Townhomes.

Planner Thomas White presented this item. Mr. White informed that the Commission was presented with the item on a preliminary plat on October 11, 2017 and the final plat on June 13, 2018. The site is located at the intersection of FM 1092 and Fifth Street. The

zoning is R-5. Mr. White informed that on August 2, 2018, the Parks Board had a meeting and the motion passed with a 5 to 4 vote. The Parks Board meeting minutes provided comments asking that the developer pays the full cash in lieu of versus the private parkland. Staff recommends that the adoption of the follow as the final report and forward to the City Council with a positive recommendation of the consideration of the adoption there of and following the requirements of the Subdivision Ordinance Section 82- 174e regarding the dedication of the land for neighborhood parks; reservation of land for public purposes.

Commissioner Haney informed that the 50 / 50 percent proposed by the developer was rejected and the 100 percent cash in lieu motion passed.

Mr. White replied, correct.

Chair Brown-Marshall asked if the 50 / 50 percent was rejected due to the thought that the area would be too small.

Otis Spriggs informed that the park dedication proposed was a small area between an existing easement. The drainage of the particular area and the separation is on a small piece of land. It will be fenced.

Mr. Spriggs informed that a trail may be provided due to the situation. An amenity will not be provided.

Chair Brown-Marshall informed that it is tough when amenities are not provided.

Motion: The Planning and Zoning Commission grants conditional approval of the adoption by the Parks Board recommendation of the Parkland Dedication for Murphy Village Townhomes to Council.

Made By: Commissioner Haney
Second: Commissioner Norcom III

AYES: Commissioner Brown-Marshall, Commissioner Haney, Commissioner O'Malley, Commissioner Pearson, Commissioner Norcom III, Commissioner Parker, Commissioner Brightwell

NAYES: None
ABSTENTIONS: None

The motion passed.

10. CLOSED EXECUTIVE SESSION

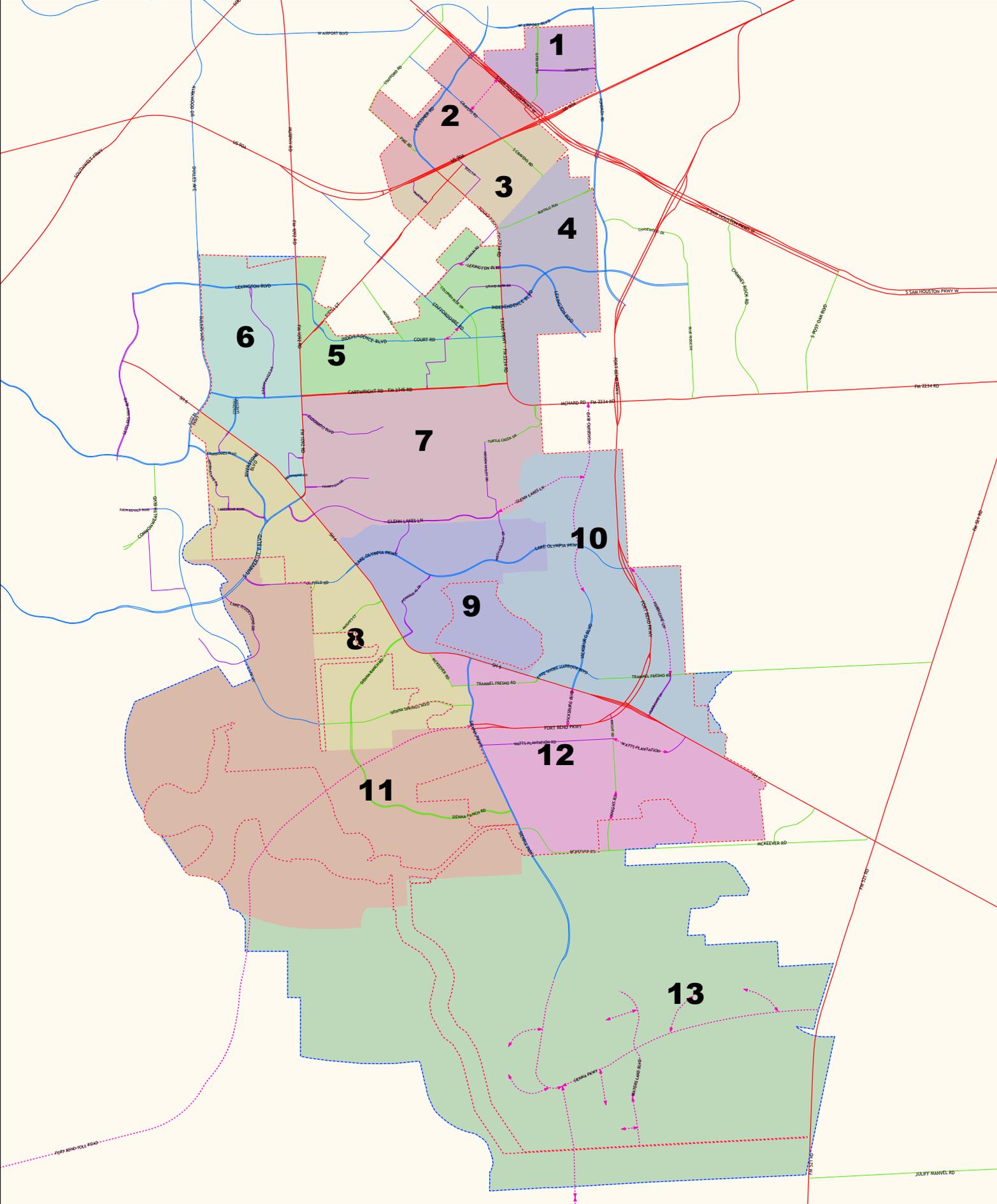
The Planning and Zoning Commission may go into Executive Session regarding any item posted on the Agenda as authorized by Chapter 551 of the Texas Government Code.

11. RECONVENE

Reconvene into Regular Session and Consider Action, if any, on items discussed in Executive Session.

12. ADJOURN

Egima Brown
Planning Technician

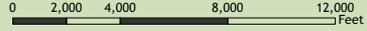


Map By:
GIS Division
December 2014



Park Zones

- Legend
-  Major Thoroughfare
 -  State
 -  Major Arterial
 -  Minor Arterial
 -  Major Collector
 -  Proposed Major Thoroughfare
 -  City Limits
 -  ETJ

Geographic Coordinate System North American Datum 1983 (NAD83)

The information on this map is provided and maintained by various agencies, including county departments, municipal governments, state and federal agencies. The map is designed to serve as a secondary representation of real property found within this jurisdiction, and is compiled from the recorded deeds, plats, and other public records, which are primary sources for this public information. The data layers do not take the place of a legal survey or other primary source documentation. The City and its vendors assume no legal responsibility for the information on this map.



**CITY COUNCIL SPECIAL MEETING
AGENDA ITEM COVER MEMO**

October 1, 2018

To: Mayor and City Council
Agenda Item: 10(a) Consider Adoption of Tax Rate Ordinance
Submitted by: Bertha P. Alexander, Budget & Financial Reporting Manager, Financial Services

SYNOPSIS

The City's budget is partially funded with property tax revenue generated from an annually adopted tax rate applied to certified taxable property values within the city limits. Certified taxable values from both the Fort Bend and Harris County Appraisal Districts (CADs) were received July 25, 2018 and August 21, 2018, respectively. The Effective Tax Rate and the Rollback Rate calculations were prepared and published in the official newspaper and posted to the City's website. Public Hearings were held as required by the Tax code.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Maintain a financially sound City

BACKGROUND

The "Current Tax Rate" is \$0.60000 per \$100 valuation. The "Effective Tax Rate" is \$0.58187 per \$100 valuation. The "Rollback Tax Rate" is \$0.63693 per \$100 valuation.

The **effective tax rate** is the tax rate that generates no additional revenue for the City and is sometimes referred to as the "no new taxes rate". The City is allowed to exclude new value to the tax roll from this calculation.

The **rollback rate** is the tax rate that generates the revenue needed to meet the City's debt service obligations, and a maximum 8% increase in revenue for operations and maintenance. If a tax rate is adopted that exceeds the rollback rate, voters may petition for an election to reduce the tax rate. If the election passes, then the rollback rate becomes the tax rate for that year.

Staff is recommending the adoption of a near rollback rate of \$0.63000 per \$100 valuation as the 2018 Tax Rate. The recommended rate exceeds the effective rate of \$.58187, and therefore two public hearings were required per the property tax code. The public hearings were held on September 13, 2018 and September 17, 2018.

It is proposed that the recommended rate be allocated to Maintenance & Operations (M&O) and to Debt Service (I&S) as follows:

Allocation	FY 2019	Compare FY 2018
M&O	\$.46000	\$.44023
I&S	\$.17000	\$.15977
Total Tax Rate	\$.63000	\$.60000

This proposed rate will result in a total estimated \$41,291,049 in tax revenue for the fiscal year. Of this amount, \$27,591,999 will be allocated to revenue for the General Fund, \$3,502,007 will be transferred to the Tax Increment Reinvestment Zones (TIRZs) Funds, and the remaining \$10,197,043 will be allocated to Debt Service Payments.

Revenues in the general fund will be used to fund high priority issues such as:

- ❖ The FY2019 Compensation & Benefits Study Implementation
- ❖ IT Committed and Critical Replacement Needs
- ❖ Fleet Critical Replacement Needs
- ❖ Funding for the Expiring COPS Police Officer
- ❖ Lake Maintenance and Herbicide Treatment

BUDGET ANALYSIS

The Proposed FY 2019 budget will be sustained by the adoption of this rate.

SUPPORTING MATERIALS

1. Property Tax Rate Ordinance

STAFF'S RECOMMENDATION

Staff recommends City Council adopt the tax rate ordinance that includes the total tax rate of \$0.63000 allocated as follows:

- Maintenance and Operation tax rate of \$0.46000, and
- Interest and Sinking Fund tax rate of \$ 0.17000.

Director Approval: Sandra Clarkson CPA, Interim Director of Financial Services

Assistant City Manager/

City Manager Approval: Anthony J. Snipes, City Manager

ORDINANCE NO. O-18-__

AN ORDINANCE OF THE CITY OF MISSOURI CITY, TEXAS, PROVIDING FOR THE ASSESSMENT, LEVY, AND COLLECTION OF AD VALOREM TAXES FOR THE CITY OF MISSOURI CITY, TEXAS, FOR THE TAX YEAR 2018 AND FOR EACH YEAR THEREAFTER UNTIL OTHERWISE PROVIDED; PROVIDING THE DATE ON WHICH SUCH TAXES SHALL BE DUE AND TIMELY PAID; AND AUTHORIZING AN ADDITIONAL PENALTY FOR THE COLLECTION OF DELINQUENT AD VALOREM TAXES IN LIEU OF RECOVERING ATTORNEYS' FEES.

* * * * *

WHEREAS, the Budget of the City of Missouri City, Texas, for the fiscal year period beginning October 1, 2018, and ending September 30, 2019 ("Fiscal Year 2019"), has been adopted; and

WHEREAS, certain revenues from sources other than ad valorem taxes will be available for a portion of the expenditures of such budget; and

WHEREAS, ad valorem taxes should be levied and collected to provide the additional revenues necessary to meet the remaining portion of such expenditures; now, therefore, in accordance with such Budget and pursuant hereto,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MISSOURI CITY, TEXAS:

Section 1. That the facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. All property subject to ad valorem taxation by the City of Missouri City, Texas, shall be equally and uniformly assessed for such purposes at one hundred percent (100%) of the full cash market value of such property.

Section 3. There is hereby levied for general purposes for use by the City of Missouri City, Texas, for tax year 2018, and for each year thereafter until otherwise provided, an annual ad valorem tax at the rate of \$0.460000 on each One Hundred Dollars (\$100.00) of assessed valuation on all property, real, personal, and mixed, within the corporate limits upon which an ad valorem tax is authorized by law to be levied by the City of Missouri City, Texas. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 7.76% (PERCENTAGE BY WHICH THE

TAX RATE EXCEEDS THE EFFECTIVE MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$30.00. The proceeds from such tax shall be applied to the payment of the general and current expenses of the government of the City, including payment of any obligations for which taxes are not levied by another section hereof and for the payment for which provision is not otherwise made. All such taxes shall be assessed and collected in current money of the United States of America.

Section 4. For the purpose of paying the interest on bonds, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness issued by the City of Missouri City, Texas, including the various installments of principal due on the serial bonds, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness issued by the City as such installments shall respectively mature, and for the purpose of repaying any sums borrowed in anticipation of current revenues for use in the payment of bonds and certificates of obligation and interest therein maturing in the Fiscal Year 2019, and for the purpose of paying interest and making provisions for the sinking fund on such other bond issues, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness as may be authorized, there is hereby levied for the tax year 2018 and for each year thereafter until otherwise provided, to be assessed and collected upon all property described in Section 3 of this Ordinance, an annual ad valorem tax rate at the rate of \$0.170000 on each One Hundred Dollars (\$100.00) of assessed valuation.

Section 5. All ad valorem taxes levied hereby in the total amount of \$0.63000 on each One Hundred Dollars (\$100.00) of assessed valuation, as reflected in Sections 3 and 4 hereof, shall be due and payable upon receipt of the tax bill. All ad valorem taxes due to the City of Missouri City, Texas, and not paid on or before February 1 following the year for which they were levied shall bear penalty and interest as prescribed in the Texas Tax Code Annotated, as such code may be amended.

Section 6. That on July 1, 2018, all tax accounts which are delinquent for the tax year 2018 will incur, in addition to the interest and penalties referenced in Section 5, above, additional penalties in the amount of fifteen percent (15%) of the sum of the tax, penalty and interest then due, and to be due, in order to help defray the cost of collection of the same.

Section 7. That the Tax Collector shall deliver a notice of delinquency and of this additional penalty to the property owner of each tax account, at least thirty (30) and not more than sixty (60) days before July 1, 2018.

PASSED, APPROVED and ADOPTED on first and final reading this 1st day of October, 2018.

Allen Owen, Mayor

ATTEST:

APPROVED AS TO FORM:

Maria Jackson, City Secretary

E. Joyce Iyamu, City Attorney



CITY COUNCIL AGENDA ITEM COVER MEMO

October 1, 2018

To: Mayor and City Council
Agenda Item: 10(b) Consideration and approval of an ordinance authorizing sale of Series 2018A Certificates of Obligation in the aggregate principal amount of \$21,000,000.
Submitted by: Sandra Clarkson, Interim Director of Financial Services

SYNOPSIS

The City has planned to sell Certificates of Obligation in the principal amount of \$21,000,000 for the purpose of constructing a regional surface water treatment plant. This debt issue will be known as City of Missouri City, Texas, Certificates of Obligation, Series 2018A.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Maintain a financially sound City
- Have quality development through buildout

BACKGROUND

In response to increasing demands for improved surface water management, the City is planning to expand the existing water treatment plant. The total principal amount of these Certificates of Obligation, \$21 million, will be used to construct the needed improvements and pay professional fees related to the sale of the certificates of obligation.

In addition, this ordinance prescribes the terms of the sale that are acceptable to the City and authorizes specified officers to act on behalf of the City in relation to the sale. The parameters of the sale are outlined in Section 7.01(a) of the ordinance.

The payment of the debt will primarily be from ad valorem taxes and was factored into the estimated interest and sinking requirements of the 2018 Tax Rate (fiscal year 2019),

BUDGET ANALYSIS

Funding Source	Account Number	Project Code/Name	FY19 Funds Budgeted	FY19 Funds Available	Amount Requested
See note, below					N/A

Note: The funding source for the C.O. will be ad valorem taxation and a limited (in an amount not to exceed \$10,000) subordinate pledge of certain revenues of the waterworks and sewer system of the City.

Purchasing Review: N/A

Financial/Budget Review: N/A

Note: Compliance with the conflict of interest questionnaire requirements, if applicable, and the interested party disclosure requirements (HB 1295) has been confirmed/is pending within 30-days of this Council action and prior to execution.

SUPPORTING MATERIALS

1. Ordinance

STAFF'S RECOMMENDATION

Approve the ordinance authorizing the sale of Issue 2018A Certificated of Obligation in a principal amount of \$21,000,000 through a parameter sale.

Director Approval:

Sandra Clarkson CPA, Interim Director of Financial Services

**Assistant City Manager/
City Manager Approval:**

Anthony J. Snipes, City Manager

ORDINANCE NO. O-___

AN ORDINANCE OF THE CITY OF MISSOURI CITY, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF MISSOURI CITY, TEXAS, CERTIFICATES OF OBLIGATION, SERIES 2018A IN THE AGGREGATE PRINCIPAL AMOUNT OF \$21,000,000; LEVYING A TAX IN PAYMENT THEREOF; AUTHORIZING THE ISSUANCE OF THE CERTIFICATES IN ACCORDANCE WITH SPECIFIED PARAMETERS; AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND A CERTIFICATE PURCHASE AGREEMENT; APPROVING THE OFFICIAL STATEMENT; CONFIRMING THE ENGAGEMENT OF PROFESSIONALS IN CONNECTION WITH THE ISSUANCE OF THE CERTIFICATES OF OBLIGATION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; AND ENACTING OTHER PROVISIONS RELATING THERETO.

* * * * *

WHEREAS, under the provisions of Subchapter C, Chapter 271, Texas Local Government Code, as amended (the "Act"), the City of Missouri City, Texas, is authorized to issue certificates of obligation for the purposes specified in this Ordinance and for the payment of all or a portion of the contractual obligations for professional services, including that of engineers, attorneys, and financial advisors in connection therewith, and to sell the same for cash as herein provided; and

WHEREAS, the City is authorized to provide that such obligations will be payable from and secured by the levy of a direct and continuing ad valorem tax, within the limits prescribed by law, against all taxable property within the City, in combination with a limited pledge of a subordinate lien on the net revenues of the City's waterworks and sewer system in an amount not to exceed \$10,000 as authorized by the Act and Chapter 1502, Texas Government Code; and

WHEREAS, the City Council has found and determined that it is necessary and in the best interests of the City and its citizens that it issue such certificates of obligation authorized by this Ordinance; and

WHEREAS, pursuant to a resolution heretofore passed by this governing body, notice of intention to issue certificates of obligation of the City payable as provided in this Ordinance was published in the *Fort Bend Independent*, a newspaper of general circulation of the City in accordance with the laws of the State of Texas; and

WHEREAS, no petition of any kind has been filed with the City Secretary, any member of the City Council or any other official of the City, protesting the issuance of such certificates of obligation; and

WHEREAS, the City is a home-rule municipality that has adopted a charter under Article XI, Section 5 of the Texas Constitution, has a population in excess of 50,000 and has a principal amount of at least \$100,000,000 in a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued, and some amount of such long-term indebtedness is rated in one of the four highest rating categories for long-term debt

instruments by a nationally recognized rating agency for municipal securities without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation, and therefore qualifies as an "Issuer" under Chapter 1371 of the Texas Government Code, as amended ("Chapter 1371"); and

WHEREAS, pursuant to Section 1371.053, Texas Government Code, as amended, the City desires to delegate the authority to effect the sale of the certificates of obligation to the Authorized Officer (hereinafter defined); and

WHEREAS, this City Council is now authorized and empowered to proceed with the issuance of said certificates of obligation and to sell the same for cash; and

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

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MISSOURI CITY, TEXAS:

ARTICLE I.

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions.

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

"Authorized Officer" means the Mayor, City Manager, or Interim Director of Finance of the City, who are authorized to act on behalf of the City in selling and delivering the Certificates, or such other officers of the City as designated in writing.

"Bond Counsel" means Bracewell LLP.

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

"Certificate" means any of the Certificates.

"Certificates" mean the certificates of obligation authorized to be issued by Section 3.01 of this Ordinance and designated as "City of Missouri City, Texas, Certificates of Obligation, Series 2018A."

"Certificate Date" means the date designated as the initial date of the Certificates by Section 3.02(a) of this Ordinance.

"City" means the City of Missouri City, Texas.

"Closing Date" means the date of the initial delivery of and payment for the Certificates.

"Code" means the Internal Revenue Code of 1986, as amended, and with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulation promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c).

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

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

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

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

"Initial Certificate" means the initial certificate authorized by Section 3.04 of this Ordinance.

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

"Interest Payment Date" means the date or dates on which interest on the Certificates is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being June 15 and December 15, commencing June 15, 2019.

"MSRB" means the Municipal Securities Rulemaking Board.

"Net Revenues" means the gross revenues of the System less the expenses of operation and maintenance as said expenses are defined in Chapter 1502, Texas Government Code, as amended.

"Ordinance" as used herein and in the Certificates means this ordinance authorizing the Certificates.

"Owner" means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

"Paying Agent/Registrar" means initially The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, or any successor thereto as provided in this Ordinance.

"Paying Agent/Registrar Agreement" means the Paying Agent/Registrar Agreement between the Paying Agent/Registrar and the City relating to the Certificates.

"Pricing Certificate" means a certificate or certificates to be signed by the Authorized

Officer, in substantially the form attached hereto as **Exhibit C** with such variations, omissions and insertions as are approved by the Authorized Officer as indicated by his/her signature.

"Prior Lien Certificates" means any and all certificates or other obligations of the City presently outstanding or that may be hereafter issued, payable from and secured by a first lien on and pledge of the Net Revenues or by a lien on and pledge of the Net Revenues subordinate to a first lien and pledge of such Net Revenues but superior to the lien on and pledge of the Surplus Revenues made for the Certificates.

"Project" means the purposes for which the Certificates are issued as set forth in Section 3.01(a).

"Record Date" means the last business day of the month preceding such interest payment date.

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

"Regulations" means the applicable, proposed, temporary or final Treasury Regulations promulgated under the Code, or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

"Representation Letter" means the Blanket Letter of Representations between the City and DTC.

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

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

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

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

"Surplus Revenues" means the revenues of the System in an amount not to exceed \$10,000 remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve, and other requirements in connection with the City's Prior Lien Certificates.

"System" as used in this Ordinance means the City's combined waterworks and sewer system, including all present and future additions, extensions, replacements, and improvements thereto.

"Unclaimed Payments" means money deposited with the Paying Agent/Registrar for the payment of principal of, redemption premium, if any, or interest on the Certificates as the same becomes due and payable or money set aside for the payment of Certificates duly called for redemption prior to maturity and remaining unclaimed by the Owners of such Certificates for 90 days after the applicable payment or redemption date.

"Underwriter" means, collectively, the underwriters of the Certificates identified in Section

8.03 of this Ordinance.

Section 1.02. Findings.

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

Section 1.03. Titles and Headings.

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

Section 1.04. Interpretation.

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

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

ARTICLE II.

SECURITY FOR THE CERTIFICATES; INTEREST AND SINKING FUND

Section 2.01. Tax Levy.

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

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

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

(d) The City hereby covenants and agrees that the Surplus Revenues are hereby irrevocably pledged equally and ratably to the payment of the principal of and interest on the Certificates, as the same become due. The Surplus Revenues shall be deposited to the Interest and Sinking Fund at such time as the Surplus Revenues are to be applied to the payment of the Certificates. The City reserves the right to issue Prior Lien Certificates for any lawful purpose at any time, in one or more installments.

(e) If the liens and provisions of this Ordinance shall be released in a manner permitted by Article XI hereof, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit. In determining the aggregate principal amount of outstanding Certificates, there shall be subtracted the amount of any Certificates that have been duly called for redemption and for which money has been deposited with the Paying Agent/Registrar for such redemption.

Section 2.02. Interest and Sinking Fund.

(a) The City hereby establishes special funds or accounts to be designated "City of Missouri City, Texas, Certificates of Obligation, Series 2018A" Interest and Sinking Fund" (the "Interest and Sinking Fund"), said funds to be maintained at an official depository bank of the City separate and apart from all other funds and accounts of the City.

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

Section 2.03. Pledge of Revenues.

The Net Revenues to be derived from the operation of the System in an amount not to exceed Ten Thousand Dollars (\$10,000) are hereby pledged to the payment of the principal of and interest on the Certificates as the same come due; provided, however, that such pledge is and shall be junior and subordinate in all respects to the pledge of the Net Revenues to the payment of all outstanding obligations of the City and any obligation of the City, whether authorized heretofore or hereafter, which the City designates as having a pledge senior to the pledge of the Net Revenues to the payment of the Certificates. The City also reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind payable in whole or in part from the Net Revenues, secured by a pledge of the Net Revenues that may be prior and superior in right to, on a parity with, or junior and subordinate to the pledge of Net Revenues securing the Certificates.

ARTICLE III.

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE CERTIFICATES

Section 3.01. Authorization.

The City's certificates of obligation to be designated "City of Missouri City, Texas, Certificates of Obligation, Series 2018A," are hereby authorized to be issued and delivered in

accordance with the Constitution and laws of the State of Texas, specifically §271.041-063, Local Government Code, V.T.C.A, as amended, and Chapter 1371, and issued in a principal amount not to exceed \$21,000,000 for the purpose of paying contractual obligations to be incurred for the following purposes, to wit: (1) construct public works, more specifically, the expansion of a surface water treatment plant, and any items related thereto, and (2) professional services rendered in connection with item (1). In addition, Certificate proceeds, which includes all of the premium generated from the sale of the Certificates, will be used to pay the costs incurred in connection with the issuance of the Certificates.

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

(a) The Certificates shall be dated the Dated Date. The Certificates shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof and shall be numbered separately from R-1 upward, except the Initial Certificate, which shall each be numbered T-1.

(b) The Certificates shall mature on the dates and in the principal amounts and shall bear interest at the per annum rates set forth in the Pricing Certificate.

(c) Interest shall accrue and be paid on each Certificate, respectively, until the principal amount thereof has been paid or provision for such payment has been made, from the later of (i) the Closing Date, or (ii) the most recent Interest Payment Date to which interest has been paid or provided for at the rate per annum for each respective maturity specified in the Pricing Certificate. Such interest shall be payable on each Interest Payment Date and shall be computed on the basis of a 360-day year of twelve 30-day months.

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

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

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

(c) Interest shall be paid by check, dated as of and mailed on the Interest Payment Date, and sent United States mail, first class, postage prepaid, by the Paying Agent/Registrar to each Owner, at the address thereof as it appears in the Register, or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, that the Owner shall bear all risk and expense of such alternative banking arrangement. At the option of an Owner of at least \$1,000,000 principal amount of Certificates, interest may

be paid by wire transfer to the bank account of such Owner on file with the Paying Agent/Registrar.

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

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

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

Section 3.04. Execution and Registration of Certificates.

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

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

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Certificates. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Certificate delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in the Form of Certificates, manually executed by the Comptroller of Public Accounts of the State of Texas (the "Comptroller"), or by his duly authorized agent, which certificate is evidence that such Initial Certificate has been duly

approved by the Attorney General of the State of Texas (the "Attorney General") and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

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

Section 3.05. Ownership.

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

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

Section 3.06. Registration, Transfer and Exchange.

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

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

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

(d) Each exchange Certificate delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the City and

shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such exchange Certificate is delivered.

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

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

Section 3.07. Cancellation.

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

Section 3.08. Replacement Certificates.

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

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

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

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

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

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

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

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

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

Section 3.09. Book-Entry Only System.

(a) The definitive Certificates shall be initially issued in the form of a separate single fully registered Certificate for each maturity. Upon initial issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.10 hereof, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Certificates. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute Owner of such Certificate for the purpose of payment of principal of, premium, if any, and interest on the Certificates, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Certificates only to or upon the order of the respective Owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Register, shall

receive a certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The Representation Letter previously executed and delivered by the City, and applicable to the City's obligations delivered in book entry only form to DTC as securities depository, is hereby ratified and approved for the Certificates.

Section 3.10. Successor Securities Depository; Transfer Outside Book-Entry-Only System.

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

Section 3.11. Payments to Cede & Co.

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

Section 3.12. Successor Securities Depository; Transfer Outside Book-Entry Only System.

In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC, and that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, or in the event DTC discontinues the services described herein, the City or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having

Certificates credited to their DTC accounts. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

Section 3.13. Payments to Cede & Co.

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

ARTICLE IV.

REDEMPTION OF CERTIFICATES BEFORE MATURITY

Section 4.01. Redemption Before Maturity.

The Certificates shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.02. Optional Redemption.

(a) The Certificates maturing on or after June 15, 2028 are subject to redemption at the option of the City on June 15, 2027 or on any date thereafter, in whole or in part, at a redemption price of par plus accrued interest to the date of redemption.

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

Section 4.03. Mandatory Sinking Fund Redemption.

(a) The Certificates designated as "Term Certificates" in the Pricing Certificate ("Term Certificates"), if any, are subject to scheduled mandatory redemption and will be redeemed by the City, in part, at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on the dates and in the respective principal amounts as set forth in the Pricing Certificate.

(b) Prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Certificates equal to the aggregate principal amount of such Term Certificates to be redeemed, shall call such Term Certificates for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 3.05.

(c) The principal amount of the Term Certificates required to be redeemed on any redemption date pursuant to Section 4.03(a) shall be reduced, at the option of the City, by the

principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.04. Partial Redemption.

(a) If less than all of the Certificates are to be redeemed pursuant to Section 4.02, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity or maturities and in such principal amounts for redemption at the close of business on the Business Day next preceding the date of mailing such notice.

(b) A portion of a single Certificate of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. If such a Certificate is to be partially redeemed, the Paying Agent/Registrar shall treat each \$5,000 portion of a Certificate as though it were a single certificate for purposes of selection for redemption.

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

Section 4.05. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Certificates by sending notice by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Certificate (or part thereof) to be redeemed, at the address shown in the Register at the close of business on the Business Day next preceding the date of mailing such notice.

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

(c) The City reserves the right to give notice of its election or direction to redeem Certificates under Section 4.02 conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt

notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default.

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

Section 4.06. Payment Upon Redemption.

(a) Before or on each redemption date, the City shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Certificates to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the City and shall use such funds solely for the purpose of paying the principal of, and accrued interest on the Certificates being redeemed.

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

Section 4.07. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.05 of this Ordinance and, subject, in the case of an optional redemption under Section 4.02, to any conditions or rights reserved by the City under Section 4.05(c), the Certificates or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City fails to make provision for the payment of the principal thereof, or accrued interest thereon, such Certificates or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Certificates are presented and surrendered for payment on such date.

(b) If the City shall fail to make provision for payment of all sums due on a redemption date, then any Certificate or portion thereof called for redemption shall continue to bear interest at the rate stated on the Certificate until due provision is made for the payment of same.

ARTICLE V.

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

The Bank of New York Mellon Trust Company, N.A. is hereby appointed the initial Paying Agent/Registrar for the Certificates.

The Paying Agent/Registrar Agreement submitted to this City Council, the form of which

is attached hereto as **Exhibit A**, is hereby approved. The Mayor is hereby authorized to amend, complete or modify such agreement as necessary and is further authorized to execute such agreement and the City Secretary is hereby authorized to attest such agreement.

Section 5.02. Qualifications.

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

Section 5.03. Maintaining Paying Agent/Registrar.

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

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement, provided, that no such resignation shall be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Certificates.

Section 5.04. Termination.

The City, upon not less than sixty (60) days notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided, that no such termination shall be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Certificates.

Section 5.05. Notice of Change to Owners.

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

Section 5.06. Agreement to Perform Duties and Functions.

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

Section 5.07. Delivery of Records to Successor.

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

ARTICLE VI.

FORM OF THE CERTIFICATES

Section 6.01. Form Generally.

(a) The Certificates, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Certificates, (i) shall be substantially in the form set forth below, with such appropriate insertions, omissions, substitutions, and other variations as may be necessary or desirable and not prohibited by this Ordinance and the Pricing Certificate, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the Authorized Officer or by the officers executing such Certificates, as evidenced by their execution thereof.

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

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

(d) The Initial Certificate submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 6.02. Form of the Certificates.

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

(a) Form of Certificates.

REGISTERED

REGISTERED

No. _____

\$ _____

United States of America
State of Texas

CITY OF MISSOURI CITY, TEXAS
CERTIFICATES OF OBLIGATION
SERIES 2018A

INTEREST RATE:

MATURITY DATE:

CLOSING DATE:

CUSIP NUMBER:

_____ %

June 15, _____

November 20, 2018

The City of Missouri City, Texas (the "City"), in Fort Bend and Harris Counties, State of Texas, for value received, hereby promises to pay to

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

unless this Certificate shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of Closing Date or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on June 15 and December 15 of each year, commencing June 15, 2019.

The principal of this Certificate shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Certificate at the corporate trust office in Dallas, Texas (the "Designated Payment/Transfer Office"), of The Bank of New York Mellon Trust Company, N.A., as Paying Agent/Registrar, or, with respect to a successor paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Certificate is payable by check dated as of the interest payment date, and will be mailed on or before such interest payment date, by United States mail, first class, postage prepaid, by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements. For the purpose of the payment of interest on this Certificate, the registered owner shall be the person in whose name this Certificate is

registered at the close of business on the "Record Date," which shall be the last business day of the month preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days (as hereinafter defined) prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day next preceding the date of mailing of such notice.

If the date for the payment of the principal of or interest on this Certificate is not a Business Day, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are generally authorized or obligated by law or executive order to close (a "Business Day"), and payment on such date shall for all purposes be deemed to have been made on the original date payment was due.

This Certificate is dated October 15, 2018 and is one of a series of fully registered Certificates specified in the title hereof issued in the aggregate principal amount of \$_____¹ (herein referred to as the "Certificates"), issued pursuant to a certain ordinance of the City (the "Certificate Ordinance") and the pricing certificate executed pursuant to the Certificate Ordinance (together with the Certificate Ordinance, the "Ordinance") for the purpose of providing funds for certain projects approved by the City and to pay the costs of issuing the Certificates.

The Certificates maturing on and after June 15, 2028 are subject to redemption at the option of the City on June 15, 2027 or on any date thereafter at a price of par plus interest accrued to the date of redemption. If less than all of the Certificates are to be redeemed pursuant to an optional redemption, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption.

[Certificates maturing on June 15, 20__ (the "Term Certificates") are subject to mandatory sinking fund redemption prior to their scheduled maturity, and will be redeemed by the City, in part at a redemption price equal to the principal amount thereof, without premium, plus interest accrued to the redemption date, on the dates and in the principal amounts shown in the following schedule:

¹ Insert from Pricing Certificate.

\$ Term Certificates Maturing June 15, 20

<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
_____ (maturity)	\$ _____
	\$ _____

The Paying Agent/Registrar will select by lot or by any other customary method that results in a random selection the specific Term Certificates (or with respect to Term Certificates having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Term Certificates required to be redeemed on any redemption date pursuant to the foregoing mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the City, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.]²

Notice of such redemption or redemptions shall be given by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the registered owner of each of the Certificates to be redeemed in whole or in part. In the Ordinance, the City reserves the right in the case of an optional redemption to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default.

Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the City in the notice, the Certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any Certificate or portion thereof has not been surrendered for payment, interest on such Certificate or portion thereof shall cease to accrue.

As provided in the Ordinance, and subject to certain limitations therein set forth, this

² Delete if Term Certificates are not issued.

Certificate is transferable upon surrender of this Certificate for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Certificates of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

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

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

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Certificate and the series of which it is a part is duly authorized by law; that all acts, conditions, and things required to be done precedent to and in the issuance of the Certificates have been properly done and performed and have happened in regular and due time, form, and manner as required by law; and that ad valorem taxes upon all taxable property in the City have been levied for and pledged to the payment of the debt service requirements of the Certificates within the limit prescribed by law; that, in addition to said taxes, further provisions have been made for the payment of the debt service requirements of the Certificates by pledging to such purpose Surplus Revenues, as defined in the Ordinance, derived by the City from the operation of its combined waterworks and sewer system in an amount limited to \$10,000; that when so collected, such taxes and Surplus Revenues shall be appropriated to such purposes; and that the total indebtedness of the City, including the Certificates, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City has caused this Certificate to be executed by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed or placed in facsimile on this Certificate.

City Secretary
City of Missouri City, Texas

Mayor
City of Missouri City, Texas

[SEAL]

(b) Form of Comptroller's Registration Certificate.

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

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

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Certificate has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of the City of Missouri City, Texas, and that this Certificate has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, _____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar.

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

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Certificate of this series of Certificates was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Certificates referred to in the within-mentioned Ordinance.

The Bank of New York Mellon Trust Company,
N.A., as Paying Agent/Registrar

Dated: _____

By: _____
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

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

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

Dated: _____

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

Signature Guaranteed:

Authorized Signatory

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

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

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

<u>Years</u>	<u>Principal Installment</u>	<u>Interest Rate</u>
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(Information to be inserted from the Officer's Pricing Certificate)

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence, or another entity that provides securities identification numbers for municipal securities, and may print such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Certificates or any errors or omissions in the

printing of such number shall be of no significance or effect in regard to the legality thereof and neither the City nor Bond Counsel to the City are to be held responsible for CUSIP numbers incorrectly printed on the Certificates.

Section 6.04. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on the reverse side of or attached to each Certificate over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 6.05. Statement of Insurance.

A statement relating to a municipal bond insurance policy, if any, to be issued for the Certificates may be printed on or attached to each Certificate.

ARTICLE VII.

**DELEGATION OF AUTHORITY,
SALE AND DELIVERY OF CERTIFICATE, DEPOSIT OF PROCEEDS**

Section 7.01. Sale of Certificates; Deposit of Proceeds.

(a) The Certificates shall be sold to the Underwriter in accordance with the terms of this Ordinance. As authorized by Chapter 1371, Texas Government Code, as amended, the Authorized Officer is authorized to act on behalf of the City from time to time in selling and delivering the Certificates and in carrying out the other procedures specified in this Ordinance, the price at which each of the Certificates will be sold, the number and designation of each series or subseries of Certificates to be issued, the form in which the Certificates shall be issued, the years and dates on which the Certificates will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each maturity of the Certificates, the dates, prices and terms upon and at which the Certificates shall be subject to redemption prior to maturity at the option of the City and shall be subject to mandatory sinking fund redemption, and all other matters relating to the issuance, sale and delivery of the Certificates, all of which shall be specified in the Pricing Certificate; provided that the following conditions can be satisfied:

(i) the price to be paid for the Certificates shall not be less than 90% of the aggregate original principal amount of the Certificates plus accrued interest thereon from their date to their delivery;

(ii) the true interest cost for the Certificates shall not be a rate greater than 5.00%;

(iii) the aggregate principal amount of the Certificates authorized to be issued for the purposes described in Section 3.01 shall not exceed the maximum par amount described in Section 3.01; and

(iv) no Certificate shall mature more than forty (40) years from the date of delivery thereof.

(b) The Authorized Officer is authorized to, in conformity with this Ordinance, approve the terms, conditions and specifications for the sale of the Certificates in the Pricing Certificate. The Authorized Officer is further authorized to enter into the Purchase Agreement with the Underwriters conforming to the specification set forth in herein. All officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Certificates. The Initial Bond shall initially be registered in the name of the Senior Underwriter, as applicable, or such other entity as may be specified in the Pricing Certificate.

(c) The authority granted to the Authorized Officer under Sections 7.01(a) and 7.01(c) shall expire on a date one year from the date of this Ordinance, unless otherwise extended by the City by separate action.

(d) The Authorized Officer and all other officers of the City are authorized to take such actions, to obtain such consents or approvals and to execute such documents, agreements, certificates and receipts as they may deem necessary and appropriate in order to consummate the delivery of the Certificates, pay the costs of issuance of the Certificates, and effectuate the terms and provisions of this Ordinance.

Section 7.02. Control and Delivery of Certificates.

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

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

(c) All officers of the City are authorized to execute such documents, certificates and receipts and to make such elections with respect to the tax-exempt status of the Certificates, as they may deem necessary to consummate the delivery of the Certificates.

Section 7.03. Deposit of Proceeds.

Proceeds from the sale of the Certificates, together with other funds of the City, if any, shall, promptly upon receipt by the City, be applied as set out in the Pricing Certificate.

Section 7.04. Official Statement.

The form and substance of the Preliminary Official Statement and any addenda, supplement or amendment thereto, is hereby ratified and approved, and is confirmed as deemed final within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934. The City hereby authorizes the preparation of a final Official Statement to add certain financial terms and other relevant information. The use of such final Official Statement in the reoffering of the Certificates by the Underwriter is hereby approved and authorized. The proper officials of the City are authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Certificates.

ARTICLE VIII.

INVESTMENTS

Section 8.01. Investments.

(a) Money in the Interest and Sinking Fund created by this Ordinance and any of the funds to be deposited pursuant to Section 7.03(b) hereof, at the option of the City, may be invested in such securities or obligations as permitted under applicable law as in effect on the date of the investment.

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

Section 8.02. Investment Income.

(a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such fund.

(b) Interest and income derived from investment of the funds to be deposited pursuant to Section 7.03(b) hereof shall be credited to the account where deposited until the acquisition or construction of the Projects is completed and thereafter, to the extent such interest and income are present, such interest and income shall be deposited to the Interest and Sinking Fund.

Section 8.03. Engagement of Professionals.

The City Council hereby confirms the prior engagement of (1) Bracewell LLP, as Bond Counsel to the City and (2) First Southwest, a division of Hilltop Securities Inc., as Financial Advisor to the City, in connection with the issuance and sale of the Certificates, and (3) the engagement of the RBC Capital Markets, LLC (the "Senior Underwriter") and Loop Capital Markets, LLC, as underwriters, in connection with the issuance and sale of the Certificates.

ARTICLE IX.

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Certificates.

On or before each Interest Payment Date or any redemption date for the Certificates and while any of the Certificates are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such interest on and principal of the Certificates as will accrue or mature on the applicable Interest Payment Date, maturity date or date of prior redemption. Such transfer of funds shall be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar not later than the close of business on the Business Day next preceding the date of payment for the Certificates.

Section 9.02. Other Representations and Covenants.

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

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

ARTICLE X.

PROVISIONS CONCERNING FEDERAL INCOME TAX EXCLUSION

Section 10.01. Provisions Concerning Federal Income Tax.

(a) General. The City intends that the interest on the Certificates be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150, inclusive, of the Code. The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would (i) cause the interest on the Certificates to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes or (ii) result in the violation of or failure to satisfy any provision of section 103 and 141 through 150, inclusive, of the Code. In particular, the City covenants and agrees to comply with each requirement of this Article X; provided, however, that the City will not be required to comply with any particular requirement of this Article X if the City has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that (i) such noncompliance will not adversely affect the excludability of interest on the Certificates from gross income for federal income tax purposes or (ii) compliance with some other requirement will satisfy the applicable requirements of the Code, in which case compliance with such other requirement specified in such Counsel's Opinion will constitute compliance with the corresponding requirement specified in this Article X.

(b) No Private Use or Payment and No Private Loan Financing. The City covenants and agrees that it will make such use of the proceeds of the Certificates, including interest or other investment income derived from Certificate proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Certificates will not be "private activity bonds" within the meaning of section 141 of the Code. Moreover, the City will certify, through an authorized officer, employee or agent that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Certificates are delivered, the proceeds of the Certificates will not be used in a manner that would cause the Certificates to be "private activity bonds" within the meaning of section 141 of the Code.

(c) No Federal Guarantee. The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would

cause the Certificates to be “federally guaranteed” within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

(d) No Hedge Bonds. The City covenants and agrees not to take any action, or knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Certificates to be “hedge bonds” within the meaning of section 149(g) of the Code.

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

(f) Arbitrage Rebate. If the City does not qualify for an exception to the requirements of section 148(f) of the Code relating to the required rebate to the United States, the City will take all steps necessary to comply with the requirement that certain amounts earned by the City on the investment of the “gross proceeds” of the Certificates (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the City will (i) maintain records regarding the investment of the gross proceeds of the Certificates as may be required to calculate the amount earned on the investment of the gross proceeds of the Certificates separately from records of amounts on deposit in the funds and accounts of the City allocable to other bond issues of the City or moneys that do not represent gross proceeds of any bonds of the City, (ii) calculate at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Certificates that is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Certificates or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Certificates that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm’s length and had the yield on the issue not been relevant to either party.

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

(h) Record Retention. The City will retain all pertinent and material records relating to the use and expenditure of the proceeds of the Certificates until three years after the last Certificate is redeemed or paid at maturity, or such shorter period as authorized by subsequent guidance issued by the Department of the Treasury, if applicable. All records will be kept in a manner that ensures their complete access throughout the retention period. For this purpose, it

is acceptable that such records are kept either as hardcopy books and records or in an electronic storage and retrieval system, provided that such electronic system includes reasonable controls and quality assurance programs that assure the ability of the City to retrieve and reproduce such books and records in the event of an examination of the Certificates by the Internal Revenue Service.

(i) Registration. The Certificates will be issued in registered form.

(j) Deliberate Actions. The City will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Certificates to fail to meet any requirement of section 141 of the Code after the issue date of the Certificates unless an appropriate remedial action is permitted by section 1.141-12 of the Regulations, the City takes such remedial action, and the City receives a Counsel's Opinion that such remedial action cures any failure to meet the requirements of section 141 of the Code.

(k) Continuing Obligation. Notwithstanding any other provision of this Order, the City's obligations under the covenants and provisions of this Article X will survive the defeasance and discharge of the Certificates for as long as such matters are relevant to the excludability of interest on the Certificates from gross income for federal income tax purposes.

ARTICLE XI.

DISCHARGE

Section 11.01. Discharge.

The Certificates may be defeased, refunded or discharged in any manner permitted by applicable law.

ARTICLE XII.

CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Annual Reports. The City shall provide annually to the MSRB, within six (6) months after the end of each Fiscal Year, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the information described in **Exhibit B** hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in **Exhibit B** hereto, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable Fiscal Year to the MSRB. Thereafter, when and if audited financial statements become available, the City shall provide such audited financial statements as required to the MSRB.

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

(b) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) that theretofore has been provided to the MSRB or filed with the SEC.

Section 12.02. Material Event Notices.

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

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

Note to paragraph (xii): For the purposes of the event identified in paragraph (xii) of this section, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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; and

(xiv) the appointment of a successor or additional paying agent/registrant or the change in the name of the paying agent/registrant, if material.

(b) The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 12.01 of this Ordinance by the time required by such Section.

(c) The City reserves the right to file all information and notices required under this Article through the facilities of DisclosureUSA or any other central post office approved by the SEC for such purpose.

Section 12.03. Limitations, Disclaimers and Amendments.

The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any redemption calls and any defeasances that cause the City to be no longer an "obligated person."

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

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

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

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

(c) The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (i) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (B) an entity or individual person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. The provisions of this Article may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Certificates from lawfully purchasing or selling Certificates in such offering. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 13.01 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

ARTICLE XIII.

MISCELLANEOUS

Section 13.01. Changes to Ordinance.

Bond Counsel is hereby authorized to make any changes to the terms of this Ordinance if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Certificates by the Attorney General of Texas.

Section 13.02. Partial Invalidity.

If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 13.03. Repealer.

All ordinances or resolutions, or parts thereof, heretofore adopted by the City and inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such conflict.

Section 13.04. Individuals Not Liable.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member of City Council or agent or employee of City Council or of the City in his or her individual capacity and neither the members of City Council nor any officer thereof, nor any agent or employee of City Council or of the City, shall be liable personally on the Certificates, or be subject to any personal liability or

accountability by reason of the issuance thereof.

Section 13.05. Related Matters.

To satisfy in a timely manner all of the City's obligations under this Ordinance, the Mayor or Mayor Pro Tem, the City Secretary and all other appropriate officers and agents of the City are hereby authorized and directed to do any and all things necessary and/or convenient in order to consummate the delivery of the Certificates, pay the costs of issuance on the Certificates, and effectuate the terms and purposes of this Ordinance.

Section 13.06. Force and Effect.

This Ordinance shall be in full force and effect from and after its final passage, and it is so ordained.

[Signature Page Follows]

PASSED, APPROVED and ADOPTED on first and final reading this 1st day of October, 2018, with ____ members voting yes, ____ members voting no, and ____ members abstaining.

Allen Owen, Mayor

ATTEST:

Maria Jackson, City Secretary

[SEAL]

APPROVED AS TO FORM:

E. Joyce Iyamu, City Attorney

Signature Page to Ordinance

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

[Attached]

PAYING AGENT/REGISTRAR AGREEMENT

between

CITY OF MISSOURI CITY, TEXAS

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

Pertaining to

City of Missouri City, Texas
General Obligation Bonds
Series 2018

City of Missouri City, Texas
Combination Tax and Revenue Certificates of Obligation
Series 2018A

City of Missouri City, Texas
Combination Tax and Revenue Certificates of Obligation
Series 2018A

Dated as of , 2018

Exhibit "A"

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Annex A - Schedule of Fees for Service as Paying Agent/Registrar

PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT (the or this "Agreement"), dated as of [], 2018, is by and between CITY OF MISSOURI CITY, TEXAS (the "Issuer") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (the "Bank"), a national banking association duly organized and existing under the laws of the United States of America.

WHEREAS, the Issuer has duly authorized and provided for the issuance of its General Obligation Bonds, Series 2018, dated [], 2018 (the "Bonds"), its Combination Tax and Revenue Certificates of Obligation, Series 2018A, dated [], 2018 (the "Series 2108A Certificates"), and its Combination Tax and Revenue Certificates of Obligation, Series 2018B, dated [], 2018 (the "Series 2018B Certificates, and together with the Bonds and Series 2018A Certificates, the "Obligations"), to be issued as registered securities without coupons;

WHEREAS, all things necessary to make the Obligations the valid obligations of the Issuer, in accordance with their terms, will be taken upon the issuance and delivery thereof;

WHEREAS, the Issuer desires that the Bank act as the Paying Agent of the Issuer in paying the principal, redemption premium, if any, and interest on the Obligations, in accordance with the terms thereof, and that the Bank act as Registrar for the Obligations; and

WHEREAS, the Issuer has duly authorized the execution and delivery of this Agreement, and all things necessary to make this Agreement the valid agreement of the Issuer, in accordance with its terms, have been done;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE I

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01. Appointment.

(a) The Issuer hereby appoints the Bank to act as Paying Agent with respect to the Obligations in paying to the Owners of the Obligations the principal, redemption premium, if any, and interest on all or any of the Obligations.

(b) The Issuer hereby appoints the Bank as Registrar with respect to the Obligations.

(c) The Bank hereby accepts its appointment, and agrees to act as, the Paying Agent and Registrar.

Section 1.02. Compensation.

(a) As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Annex A.

Exhibit "A"

(b) In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof, including the reasonable compensation and the expenses and disbursements of its agents and counsel.

ARTICLE II

DEFINITIONS

Section 2.01. Definitions.

The terms “Agreement,” “Bank,” “Bonds,” “Issuer,” “Obligations,” “Series 2018A Certificates” and “Series 2018B Certificates” have the meanings assigned them in the recitals hereto. Capitalized terms used herein and not defined herein shall have the meanings assigned in the Obligation Ordinances (as hereinafter defined). For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms have the following meanings when used in this Agreement:

“Bank Office” means the Bank’s office in Dallas, Texas. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Bond Ordinance” means, collectively, the ordinance of the City Council of the Issuer authorizing the issuance and delivery of the Bonds and the pricing certificate executed pursuant thereto.

“Financial Advisor” means Hilltop Securities Inc., and its successor in that capacity.

“Issuer Request” and “Issuer Order” means a written request or order signed in the name of the Mayor of the Issuer, or any other authorized representative of the Issuer and delivered to the Bank.

“Obligation Ordinances” means, collectively, the Bond Ordinance, the Series 2018A Certificate Ordinance and the Series 2018B Certificate Ordinance.

“Owner” means the Person in whose name an Obligation is registered in the Register.

“Paying Agent” means the Bank when it is performing the functions associated with the terms in this Agreement.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision of a government.

“Predecessor Obligations” of any particular Obligation means every previous Obligation evidencing all or a portion of the same obligation as that evidenced by such particular Obligation (and, for the purposes of this definition, any Obligation registered and delivered under Section 4.06 in lieu of a mutilated, lost, destroyed or stolen Obligation shall be deemed to evidence the same obligation as the mutilated, lost, destroyed or stolen Obligation).

Exhibit "A"

“Record Date” has the meaning assigned in the Obligation Ordinances.

“Register” means a register in which the Registrar shall provide for the registration and transfer of Obligations.

“Responsible Officer” means, when used with respect to the Bank, the officer or officers of the Bank with in the corporate trust department having direct responsibility for the administration of this Agreement.

“Series 2018A Certificate Ordinance” means, collectively, the ordinance of the City Council of the Issuer authorizing the issuance and delivery of the Series 2018A Certificates and the pricing certificate executed pursuant thereto.

“Series 2018B Certificate Ordinance” means, collectively, the ordinance of the City Council of the Issuer authorizing the issuance and delivery of the Series 2018B Certificates and the pricing certificate executed pursuant thereto.

“Stated Maturity” means the date or dates specified in the Obligation Ordinances as the fixed date on which the principal of the Obligations is due and payable or the date fixed in accordance with the terms of the Obligation Ordinances for redemption of the Obligations, or any portion thereof, prior to the fixed maturity date.

ARTICLE III

PAYING AGENT

Section 3.01. Duties of Paying Agent.

(a) The Bank, as Paying Agent and on behalf of the Issuer, shall pay to the Owner, at the Stated Maturity and upon the surrender of the Obligation or Obligations so maturing at the Bank Office, the principal amount of the Obligation or Obligations then maturing, and redemption premium, if any, provided that the Bank shall have been provided by or on behalf of the Issuer adequate funds to make such payment.

(b) The Bank, as Paying Agent and on behalf of the Issuer, shall pay interest when due on the Obligations to each Owner of the Obligations (or their Predecessor Obligations) as shown in the Register at the close of business on the Record Date, provided that the Bank shall have been provided by or on behalf of the Issuer adequate funds to make such payments. The Paying Agent/Registrar shall make such payments in accordance with the Obligation Ordinances by computing the amount of interest to be paid each Owner, preparing the checks, and mailing the checks (or other payment method allowed under the terms of the Obligation Ordinances) on each Interest Payment Date addressed to each Owner’s address as it appears in the Register at the close of business on the Record Date.

Section 3.02. Payment Dates.

The Issuer hereby instructs the Bank to pay the principal of, redemption premium, if any, and interest on the Obligations at the dates specified in the Obligation Ordinances.

ARTICLE IV

REGISTRAR

Section 4.01. Transfer and Exchange.

(a) The Bank is hereby appointed "Registrar" for the purpose of registering and transferring the Obligations as herein provided. The Bank agrees to maintain the Register while it is Registrar. The Bank shall keep the Register at the Bank Office, and subject to such reasonable written regulations as the Issuer may prescribe, which regulations shall be furnished to the Bank herewith or subsequent hereto by Issuer Order, the Bank shall provide for the registration and transfer of the Obligations.

(b) The Obligations shall be subject to transfer and exchange as set forth in the Obligation Ordinances.

Section 4.02. The Obligations.

The Issuer shall provide an adequate inventory of unregistered Obligations to facilitate transfers. The Bank covenants that it will maintain the unregistered Obligations in safekeeping and will use reasonable care in maintaining such unregistered Obligations in safekeeping, which shall be not less than the care it maintains for debt securities of other governments or corporations for which it serves as registrar, or which it maintains for its own securities.

Section 4.03. Form of Register.

(a) The Bank as Registrar will maintain the records of the Register in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Register in any form other than a form which the Bank has currently available and currently utilizes at the time.

(b) The Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04. List of Owners.

(a) The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the cost, if any, of reproduction, a copy of the information contained in the Register. The Issuer may also inspect the information in the Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

(b) The Bank will not release or disclose the content of the Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a subpoena or court order or as otherwise required by law. Upon receipt of a subpoena or court order the Bank will notify the Issuer so that the Issuer may contest the subpoena or court order.

Section 4.05. Cancellation of Obligations.

All Obligations surrendered to the Bank for payment, redemption, transfer, exchange, or replacement, shall be promptly cancelled by it upon the making of proper records regarding such payment, transfer, exchange or replacement. The Issuer may at any time deliver to the Bank for cancellation any Obligations previously certified or registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Obligations so delivered shall be promptly cancelled by the Bank. All cancelled Obligations held by the Bank shall be disposed of pursuant to the Securities Exchange Act of 1934.

Section 4.06. Mutilated, Destroyed, Lost, or Stolen Obligations.

(a) Subject to the provisions and conditions of this Section 4.06, Sections [] through [] of the Bond Ordinance, Sections [] through [] of the Series 2018A Certificate Ordinance, and Sections [] through [] of the Series 2018B Certificate Ordinance, the Issuer hereby instructs the Bank to deliver fully registered Obligations in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations as long as the same does not result in an overissuance.

(b) The Issuer hereby accepts the Bank's current blanket bond for lost, stolen, or destroyed Obligations and any future substitute blanket bond for lost, stolen, or destroyed Obligations that the Bank may arrange, and agrees that the coverage under any such blanket bond is acceptable to it and meets the Issuer's requirements as to security or indemnity. The Bank need not notify the Issuer of any changes in the security or other company giving such bond or the terms of any such bond, provided that the amount of such bond is not reduced below the amount of the bond on the date of execution of this Agreement. The blanket bond then utilized by the Bank for lost, stolen, or destroyed Obligations by the Bank is available for inspection by the Issuer on request.

Section 4.07. Transaction Information to Issuer.

The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Obligations it has paid pursuant to Section 3.01; Obligations it has delivered upon the transfer or exchange of any Obligations pursuant to Section 4.01; and Obligations it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations pursuant to Section 4.06 of this Agreement.

ARTICLE V

THE BANK

Section 5.01. Duties of Bank.

The Bank undertakes to perform the duties set forth herein and in accordance with the Obligation Ordinances and agrees to use reasonable care in the performance thereof. The Bank hereby agrees to use the funds deposited with it for payment of the principal of, redemption premium, if any, and interest on the Obligations to pay the Obligations as the same shall become due and further agrees to establish and maintain all accounts and funds as may be required for the

Exhibit "A"

Bank to function as Paying Agent.

Section 5.02. Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any ordinance, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Obligations, but is protected in acting upon receipt of Obligations containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Owner or an attorney-in-fact of the Owner. The Bank shall not be bound to make any investigation into the facts or matters stated in an ordinance, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document supplied by Issuer.

(e) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Obligations in the manner disclosed in the closing memorandum as prepared by the Issuer's Financial Advisor or other agents. The Bank may act on a facsimile or e-mail transmission of the closing memorandum acknowledged by the Financial Advisor or the Issuer as the final closing memorandum. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

(f) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(g) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

Section 5.03. Recitals of Issuer.

(a) The recitals contained herein and in the Obligation Ordinances shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

Exhibit "A"

(b) The Bank shall in no event be liable to the Issuer, any Owner or Owners, or any other Person for any amount due on any Obligation except as otherwise expressly provided herein with respect to the liability of the Bank for its duties under this Agreement.

Section 5.04. May Hold Obligations.

The Bank, in its individual or any other capacity, may become the Owner or pledgee of Obligations and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05. Money Held by Bank.

(a) Money held by the Bank hereunder need not be segregated from any other funds provided appropriate accounts are maintained.

(b) The Bank shall be under no liability for interest on any money received by it hereunder.

(c) Subject to the provisions of Title 6, Texas Property Code, any money deposited with the Bank for the payment of the principal, redemption premium, if any, or interest on any Obligation and remaining unclaimed for three years after final maturity of the Obligation has become due and payable will be paid by the Bank to the Issuer, and the Owner of such Obligation shall thereafter look only to the Issuer for payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease.

(d) The Bank will comply with the reporting requirements of Chapter 74 of the Texas Property Code.

(e) The Bank shall deposit any moneys received from the Issuer into a trust account to be held in a paying agent capacity for the payment of the Obligations, with such moneys in the account that exceed the deposit insurance, available to the Issuer, provided by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas and to the extent practicable under the laws of the United States of America to secure and be pledged as collateral for trust accounts until the principal and interest on the Obligations have been presented for payment and paid to the owner thereof. Payments made from such trust account shall be made by check drawn on such trust account unless the owner of such Obligations shall, at its own expense and risk, request such other medium of payment.

Section 5.06. Indemnification.

To the extent permitted by law, the Issuer agrees to indemnify the Bank and its officers, directors, employees, and agents and save and them harmless from and against, any and all actions or suits, whether groundless or otherwise, and from any and against any and all loss, liability, or expense incurred without negligence, bad faith or willful misconduct on their part arising out of or in connection with its acceptance or administration of the Bank's duties hereunder, and under Article [] of the Bond Ordinance, Article [] of the Series 2018A Certificate Ordinance, and Article [] of the Series 2018B Certificate Ordinance, including the cost and expense (including the reasonable counsel fees and expenses outside counsel engaged by the Bank; the

Exhibit "A"

Issuer shall not be responsible for the salary, expenses or any costs associated with counsel employed by the Bank or any affiliate, subsidiary or parent of the Bank) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07. Interpleader.

The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demands or controversy over its persons as well as funds on deposit in a court of competent jurisdiction within the State of Texas; waive personal service of any process; and agree that service of process by certified or registered mail, return receipt requested, to the address set forth in this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction within the State of Texas to determine the rights of any person claiming any interest herein.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.01. Amendment.

This Agreement may be amended only by an agreement in writing signed by both of the parties hereof.

Section 6.02. Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03. Notices.

Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown below:

- (a) if to the Issuer: City of Missouri City, Texas
1522 Texas Parkway
Missouri City, Texas 77489
Attention: Mayor

- (b) if to the Bank: The Bank of New York Mellon Trust Company
2001 Bryan Street, 10th Floor
Dallas, Texas 75201
Attention: Corporate Trust Department

Section 6.04. Bank to Give Notice of Change.

The Bank hereby agrees that it will give notice to the Issuer, the Owners and the Municipal

Securities Rulemaking Board of (a) any change in the name of the Bank after the date hereof, (b) any change in the location of the Bank Office or a change in the mailing address of the Bank, and (c) any merger or other change in the corporate structure affecting the name, location and address of the Bank, in each case within ten (10) business days of the effective date of such change.

Section 6.05. Anti-Boycott Verification.

The Bank represents that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law, neither the Bank nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank (i) boycotts Israel or (ii) will boycott Israel through the term of this Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

Section 6.06. Iran, Sudan and Foreign Terrorist Organizations.

The Bank represents that, as of the date of this Agreement, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Bank nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank is an entity listed by the Texas Comptroller of Public Accounts under Sections 2252.153 or 2270.0201 of the Texas Government Code.

Section 6.07. Effect of Headings.

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 6.08. Successors and Assigns.

All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.09. Separability.

If any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.10. Benefits of Agreement.

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.11. Entire Agreement.

This Agreement and the Obligation Ordinances constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar, and if any conflict exists between this Agreement and the Obligation Ordinances, the Obligation Ordinances shall govern.

Section 6.12. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.13. Termination.

(a) This Agreement will terminate on the date of final payment by the Bank issuing its checks for the final payment of principal, redemption premium, if any, and interest of the Obligations.

(b) This Agreement may be earlier terminated upon 60 days written notice by either party; provided, that, no termination shall be effective until a successor has been appointed by the Issuer and has accepted the duties imposed by this Agreement. A resigning Paying Agent/Registrar may petition any court of competent jurisdiction for the appointment of a successor Paying Agent/Registrar if an instrument of acceptance by a successor Paying Agent/Registrar has not been delivered to the resigning Paying Agent/Registrar within 60 days after the giving of notice of resignation.

(c) The provisions of Section 1.02 and of Article V shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.14. Merger, Conversion, Consolidation or Succession.

Any corporation into which the Bank may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank hereunder without the execution or filing of any paper or any further act on the part of either of the parties hereto; provided, however, that the resulting entity must qualify to serve as the Paying Agent/Registrar under the terms of the Ordinance and Texas law. In case any Obligation shall have been registered, but not delivered, by the Bank then in office, any successor by merger, conversion, or consolidation to such authenticating Bank may adopt such registration and deliver the Obligation so registered with the same effect as if such successor Bank had itself registered such Obligation. The Bank shall notify the Issuer of any changes described in this paragraph in accordance with Section 6.04.

Section 6.15. Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

Section 6.16. Electronic Means.

The Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Bank, or another method or system specified by the Bank as available for use in connection with its services hereunder.); provided, however, that the Issuer shall provide to the Bank an incumbency certificate listing officers with the Issuer to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Issuer, whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Bank Instructions using Electronic Means and the Bank in its discretion elects to act upon such Instructions, the Bank's understanding of such Instructions shall be deemed controlling. The Issuer understands and agrees that the Bank cannot determine the identity of the actual sender of such Instructions and that the Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Bank have been sent by such Authorized Officer. The Issuer shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Bank and that the Issuer and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Issuer. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. To the extent allowed by law, the Issuer agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Bank, including without limitation the risk of the Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Issuer; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 6.17. Resignation or Removal of the Bank.

Any time, other than on a day during the forty-five (45) day period preceding any payment date for the Issuer's Obligations, the Bank may resign by giving at least forty-five (45) days' prior written notice to the Issuer; and the Bank's agency shall be terminated and its duties shall cease upon expiration of such forty-five (45) days or such lesser period of time as shall be mutually agreeable to the Bank and the Issuer; provided, however, that no such termination shall be effective until a successor paying agent/registrar has assumed the duties of paying agent/registrar for the Obligations. The Issuer agrees that it will use commercially responsible efforts to engage a replacement paying agent/registrar following the receipt of such notice. At any time, following at least forty-five (45) days' prior written notice (or such lesser period of time as shall be mutually agreeable to the Bank and the Issuer) from the Issuer, the Bank may be removed from its agency. Such removal shall become effective upon the expiration of the forty-five (45) day or agreed upon

Exhibit "A"

lesser time period, and upon payment to the Bank of all amounts payable to it in connection with its agency, provided, however, that no such termination shall be effective unless a successor paying agent/registrar has assumed the duties of paying agent/registrar with respect to the Obligations. In such event, the Bank shall deliver to the Issuer, or to the Issuer's designated representative, all Obligations and cash belonging to the Issuer and shall furnish to the Issuer, or to the Issuer's designated representative, the register and all other pertinent books and records relating to the Obligations, including reasonably detailed information regarding the status of the Issuer's outstanding Obligations and copies of other pertinent records then in the Bank's possession, reasonably requested by the Issuer.

[Signature Pages to Follow]

Exhibit "A"

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

CITY OF MISSOURI CITY, TEXAS

By: _____
Mayor

ATTEST:

By: _____
City Secretary

Exhibit "A"

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
as Paying Agent/Registrar

By: _____

Title: _____

Signature Page to Paying Agent/Registrar Agreement

Exhibit "A"

ANNEX A

SCHEDULE OF FEES FOR SERVICE AS PAYING AGENT/REGISTRAR

[Attached]

EXHIBIT B

DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

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

Annual Financial Statements and Operating Data

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

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded Fiscal Year.
1. The quantitative financial information and operating data with respect to the City of the general type included in the main text of the Official Statement is numbered Tables 1 through 6 and 8 through 14, both inclusive.

Accounting Principles

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above, as such principles may be changed from time to time to comply with State law.

EXHIBIT C

FORM OF PRICING CERTIFICATE

PRICING CERTIFICATE

Re: City of Missouri City, Texas Certificates of Obligation, Series 2018A (the "Certificates")

I, the undersigned [City Manager/Mayor/Interim Director of Finance] of the City of Missouri City, Texas (the "City"), do hereby make and execute this Pricing Certificate pursuant to an ordinance adopted by the City Council of the City on October 1, 2018 (the "Ordinance") authorizing the issuance of the Certificates. Capitalized terms used in this Pricing Certificate shall have the meanings given such terms in the Ordinance.

A. The Certificates shall be designated as the "Missouri City, Texas Certificates of Obligation, Series 2018A" and shall be issued in the aggregate principal amount of \$_____.

C. The Closing Date of the Certificates is scheduled for November 20, 2018.

D. The sale of the Certificates at the purchase price plus accrued interest to the Closing Date stated below is hereby approved.

PRINCIPAL AMOUNT \$

Plus Original Issue Premium

Less Original Issue Discount

Less Underwriter's Discount

PURCHASE PRICE \$ _____

E. The Certificates shall bear interest from the Closing Date. The Certificates shall mature on June 15 in each of the years, in the principal installments and shall bear interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Installment</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
_____	\$ _____	_____ %	_____	\$ _____	_____ %
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

F. The Form of Certificate as set forth in Exhibit A hereto is hereby approved.

G. The Certificates are subject to optional [and mandatory] redemption as set forth in Exhibit A.

H. The undersigned does hereby find, certify and represent that the foregoing terms of the Certificates satisfy the parameters contained in Sections 3.01 and 7.01 of the Ordinance.

I. The proceeds of the Certificates shall be applied as follows:

(i) the amount of \$_____, consisting of \$_____ principal amount of Certificates proceeds, plus \$_____ premium received from the sale of the Certificates, shall be used to pay to (1) construct public works, more specifically, the expansion of a surface water treatment plant, and any items related thereto, and (2) professional services rendered in connection with item (1);

(ii) premium received from the sale of the Certificates in the amount of \$_____ shall be used to pay the costs of issuance; and

(iii) any amounts remaining after accomplishing the above described purposes shall be deposited to the Interest and Sinking Fund.

J. The undersigned hereby finds, determines and declares that the terms of sale of the Certificates to the Underwriter are in the City's best interests and are the most advantageous reasonable attainable by the City.

[Signature Page Follows]

This Pricing Certificate for the City of Missouri City, Texas Certificates of Obligation, Series 2018A, is executed on the _____ day of _____, 2018.

Authorized Officer
City of Missouri City, Texas

Signature Page to Pricing Certificate

EXHIBIT A TO PRICING CERTIFICATE

FORM OF CERTIFICATE

[To be Added at Pricing]



CITY COUNCIL AGENDA ITEM COVER MEMO

October 1, 2018

To: Mayor and City Council
Agenda Item: 10(c) Consideration and approval of an ordinance authorizing sale of Series 2018B Certificates of Obligation in the aggregate principal amount of \$1,230,000
Submitted by: Sandra Clarkson, Interim Director of Financial Services

SYNOPSIS

The City intends to issue Certificates of Obligation in a principal amount of \$1,230,000 for construction costs associated with the purchase of water, sewer, utilities, drainage and street improvements for Lake Shore Harbour Sections Four and Five.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Maintain a financially sound City
- Have quality development through buildout

BACKGROUND

This item is to authorize the sale of City of Missouri City Certificates of Obligation Series 2018B. The total principal amount, \$1.23 million, will be used to purchase water, sewer, utilities, drainage and street improvements in Lake Shore Harbour Sections Four and Five.

In addition, the ordinance prescribes the terms of the sale that are acceptable to the City and authorizes specified officers to act on behalf of the City in relation to the sale. The parameters of the sale are outlined in Section 7.01(a) of the ordinance.

The payment of the debt will be from ad valorem taxes and was factored into the estimated interest and sinking requirements of the 2018 Tax Rate (fiscal year 2019),

BUDGET ANALYSIS

Funding Source	Account Number	Project Code/Name	FY19 Funds Budgeted	FY19 Funds Available	Amount Requested
See note, below					N/A

Note: The funding source for the C.O. will be ad valorem taxation and a limited (in an amount not to exceed \$10,000) subordinate pledge of certain revenues of the waterworks and sewer system of the City.

Purchasing Review: N/A

Financial/Budget Review: N/A

Note: Compliance with the conflict of interest questionnaire requirements, if applicable, and the interested party disclosure requirements (HB 1295) has been confirmed/is pending within 30-days of this Council action and prior to execution.

SUPPORTING MATERIALS

1. Ordinance

STAFF'S RECOMMENDATION

Approve the ordinance authorizing the sale of Issue 2018B Certificated of Obligation in a principal amount of \$1,230,000 through at parameter sale.

Director Approval:

Sandra Clarkson CPA, Interim Director of Financial Services

**Assistant City Manager/
City Manager Approval:**

Anthony J. Snipes, City Manager

ORDINANCE NO. O-___

AN ORDINANCE OF THE CITY OF MISSOURI CITY, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF MISSOURI CITY, TEXAS, CERTIFICATES OF OBLIGATION, SERIES 2018B IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,230,000; LEVYING A TAX IN PAYMENT THEREOF; AUTHORIZING THE ISSUANCE OF THE CERTIFICATES IN ACCORDANCE WITH SPECIFIED PARAMETERS; AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND A CERTIFICATE PURCHASE AGREEMENT; APPROVING THE OFFICIAL STATEMENT; CONFIRMING THE ENGAGEMENT OF PROFESSIONALS IN CONNECTION WITH THE ISSUANCE OF THE CERTIFICATES OF OBLIGATION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; AND ENACTING OTHER PROVISIONS RELATING THERETO.

* * * * *

WHEREAS, under the provisions of Subchapter C, Chapter 271, Texas Local Government Code, as amended (the "Act"), the City of Missouri City, Texas, is authorized to issue certificates of obligation for the purposes specified in this Ordinance and for the payment of all or a portion of the contractual obligations for professional services, including that of engineers, attorneys, and financial advisors in connection therewith, and to sell the same for cash as herein provided; and

WHEREAS, the City is authorized to provide that such obligations will be payable from and secured by the levy of a direct and continuing ad valorem tax, within the limits prescribed by law, against all taxable property within the City, in combination with a limited pledge of a subordinate lien on the net revenues of the City's waterworks and sewer system in an amount not to exceed \$10,000 as authorized by the Act and Chapter 1502, Texas Government Code; and

WHEREAS, the City Council has found and determined that it is necessary and in the best interests of the City and its citizens that it issue such certificates of obligation authorized by this Ordinance; and

WHEREAS, pursuant to a resolution heretofore passed by this governing body, notice of intention to issue certificates of obligation of the City payable as provided in this Ordinance was published in the *Fort Bend Independent*, a newspaper of general circulation of the City in accordance with the laws of the State of Texas; and

WHEREAS, no petition of any kind has been filed with the City Secretary, any member of the City Council or any other official of the City, protesting the issuance of such certificates of obligation; and

WHEREAS, the City is a home-rule municipality that has adopted a charter under Article XI, Section 5 of the Texas Constitution, has a population in excess of 50,000 and has a principal amount of at least \$100,000,000 in a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued, and some amount of such long-term indebtedness is rated in one of the four highest rating categories for long-term debt

instruments by a nationally recognized rating agency for municipal securities without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation, and therefore qualifies as an "Issuer" under Chapter 1371 of the Texas Government Code, as amended ("Chapter 1371"); and

WHEREAS, pursuant to Section 1371.053, Texas Government Code, as amended, the City desires to delegate the authority to effect the sale of the certificates of obligation to the Authorized Officer (hereinafter defined); and

WHEREAS, this City Council is now authorized and empowered to proceed with the issuance of said certificates of obligation and to sell the same for cash; and

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

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MISSOURI CITY, TEXAS:

ARTICLE I.

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions.

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

"Authorized Officer" means the Mayor, City Manager, or Interim Director of Finance of the City, who are authorized to act on behalf of the City in selling and delivering the Certificates, or such other officers of the City as designated in writing.

"Bond Counsel" means Bracewell LLP.

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

"Certificate" means any of the Certificates.

"Certificates" mean the certificates of obligation authorized to be issued by Section 3.01 of this Ordinance and designated as "City of Missouri City, Texas, Certificates of Obligation, Series 2018B."

"Certificate Date" means the date designated as the initial date of the Certificates by Section 3.02(a) of this Ordinance.

"City" means the City of Missouri City, Texas.

"Closing Date" means the date of the initial delivery of and payment for the Certificates.

"Code" means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings, and court decisions.

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

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

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

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

"Initial Certificate" means the initial certificate authorized by Section 3.04 of this Ordinance.

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

"Interest Payment Date" means the date or dates on which interest on the Certificates is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being June 15 and December 15, commencing June 15, 2019.

"MSRB" means the Municipal Securities Rulemaking Board.

"Net Revenues" means the gross revenues of the System less the expenses of operation and maintenance as said expenses are defined in Chapter 1502, Texas Government Code, as amended.

"Ordinance" as used herein and in the Certificates means this ordinance authorizing the Certificates.

"Owner" means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

"Paying Agent/Registrar" means initially The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, or any successor thereto as provided in this Ordinance.

"Paying Agent/Registrar Agreement" means the Paying Agent/Registrar Agreement between the Paying Agent/Registrar and the City relating to the Certificates.

"Pricing Certificate" means a certificate or certificates to be signed an the Authorized Officer, in substantially the form attached hereto as **Exhibit C** with such variations, omissions and insertions as are approved by the Authorized Officer as indicated by his/her signature.

"Prior Lien Certificates" means any and all certificates or other obligations of the City presently outstanding or that may be hereafter issued, payable from and secured by a first lien on and pledge of the Net Revenues or by a lien on and pledge of the Net Revenues subordinate to a first lien and pledge of such Net Revenues but superior to the lien on and pledge of the Surplus Revenues made for the Certificates.

"Project" means the purposes for which the Certificates are issued as set forth in Section 3.01(a).

"Record Date" means the last business day of the month preceding such interest payment date.

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

"Regulations" means the applicable, proposed, temporary or final Treasury Regulations promulgated under the Code, or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

"Representation Letter" means the Blanket Letter of Representations between the City and DTC.

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

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

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

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

"Surplus Revenues" means the revenues of the System in an amount not to exceed \$10,000 remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve, and other requirements in connection with the City's Prior Lien Certificates.

"System" as used in this Ordinance means the City's combined waterworks and sewer system, including all present and future additions, extensions, replacements, and improvements thereto.

"Unclaimed Payments" means money deposited with the Paying Agent/Registrar for the payment of principal of, redemption premium, if any, or interest on the Certificates as the same becomes due and payable or money set aside for the payment of Certificates duly called for redemption prior to maturity and remaining unclaimed by the Owners of such Certificates for 90 days after the applicable payment or redemption date.

"Underwriter" means, collectively, the underwriters of the Certificates identified in Section 8.03 of this Ordinance.

Section 1.02. Findings.

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

Section 1.03. Titles and Headings.

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

Section 1.04. Interpretation.

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

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

ARTICLE II.

SECURITY FOR THE CERTIFICATES; INTEREST AND SINKING FUND

Section 2.01. Tax Levy.

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

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

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

(d) The City hereby covenants and agrees that the Surplus Revenues are hereby irrevocably pledged equally and ratably to the payment of the principal of and interest on the

Certificates, as the same become due. The Surplus Revenues shall be deposited to the Interest and Sinking Fund at such time as the Surplus Revenues are to be applied to the payment of the Certificates. The City reserves the right to issue Prior Lien Certificates for any lawful purpose at any time, in one or more installments.

(e) If the liens and provisions of this Ordinance shall be released in a manner permitted by Article XI hereof, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit. In determining the aggregate principal amount of outstanding Certificates, there shall be subtracted the amount of any Certificates that have been duly called for redemption and for which money has been deposited with the Paying Agent/Registrar for such redemption.

Section 2.02. Interest and Sinking Fund.

(a) The City hereby establishes special funds or accounts to be designated "City of Missouri City, Texas, Certificates of Obligation, Series 2018B" Interest and Sinking Fund" (the "Interest and Sinking Fund"), said funds to be maintained at an official depository bank of the City separate and apart from all other funds and accounts of the City.

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

Section 2.03. Pledge of Revenues.

The Net Revenues to be derived from the operation of the System in an amount not to exceed Ten Thousand Dollars (\$10,000) are hereby pledged to the payment of the principal of and interest on the Certificates as the same come due; provided, however, that such pledge is and shall be junior and subordinate in all respects to the pledge of the Net Revenues to the payment of all outstanding obligations of the City and any obligation of the City, whether authorized heretofore or hereafter, which the City designates as having a pledge senior to the pledge of the Net Revenues to the payment of the Certificates. The City also reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind payable in whole or in part from the Net Revenues, secured by a pledge of the Net Revenues that may be prior and superior in right to, on a parity with, or junior and subordinate to the pledge of Net Revenues securing the Certificates.

ARTICLE III.

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE CERTIFICATES

Section 3.01. Authorization.

The City's certificates of obligation to be designated "City of Missouri City, Texas, Certificates of Obligation, Series 2018B," are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, specifically §271.041-063, Local Government Code, V.T.C.A, as amended, and Chapter 1371, and issued in the principal amount not to exceed \$1,230,000 for the purpose of paying contractual obligations to be incurred

for the following purposes, to wit: (1) the construction of public works, more specifically, (i) the purchase of water, sewer, utilities, drainage and street improvements for Lake Shore Harbour Section Four; and (ii) the purchase of water, sewer, utilities, drainage and street improvements for Lake Shore Harbour Section Five; and any items related thereto, and (2) professional services rendered in connection with item (1). In addition, Certificate proceeds, which includes all of the premium generated from the sale of the Certificates, will be used to pay the costs incurred in connection with the issuance of the Certificates.

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

(a) The Certificates shall be dated the Dated Date. The Certificates shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof and shall be numbered separately from R-1 upward, except the Initial Certificate, which shall each be numbered T-1.

(b) The Certificates shall mature on the dates and in the principal amounts and shall bear interest at the per annum rates set forth in the Pricing Certificate.

(c) Interest shall accrue and be paid on each Certificate, respectively, until the principal amount thereof has been paid or provision for such payment has been made, from the later of (i) the Closing Date, or (ii) the most recent Interest Payment Date to which interest has been paid or provided for at the rate per annum for each respective maturity specified in the Pricing Certificate. Such interest shall be payable on each Interest Payment Date and shall be computed on the basis of a 360-day year of twelve 30-day months.

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

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

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

(c) Interest shall be paid by check, dated as of and mailed on the Interest Payment Date, and sent United States mail, first class, postage prepaid, by the Paying Agent/Registrar to each Owner, at the address thereof as it appears in the Register, or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, that the Owner shall bear all risk and expense of such alternative banking arrangement. At the option of an Owner of at least \$1,000,000 principal amount of Certificates, interest may be paid by wire transfer to the bank account of such Owner on file with the Paying Agent/Registrar.

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

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

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

Section 3.04. Execution and Registration of Certificates.

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

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

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

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

Section 3.05. Ownership.

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

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

Section 3.06. Registration, Transfer and Exchange.

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

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

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

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

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

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

Section 3.07. Cancellation.

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

Section 3.08. Replacement Certificates.

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

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

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

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

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

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

(c) If, after the delivery of such replacement Certificate, a bona fide purchaser of the original Certificate in lieu of which such replacement Certificate was issued presents for

payment such original Certificate, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Certificate from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

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

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

Section 3.09. Book-Entry Only System.

(a) The definitive Certificates shall be initially issued in the form of a separate single fully registered Certificate for each maturity. Upon initial issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.10 hereof, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Certificates. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute Owner of such Certificate for the purpose of payment of principal of, premium, if any, and interest on the Certificates, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Certificates only to or upon the order of the respective Owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Register, shall receive a certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede &

Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The Representation Letter previously executed and delivered by the City, and applicable to the City's obligations delivered in book entry only form to DTC as securities depository, is hereby ratified and approved for the Certificates.

Section 3.10. Successor Securities Depository; Transfer Outside Book-Entry-Only System.

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

Section 3.11. Payments to Cede & Co.

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

Section 3.12. Successor Securities Depository; Transfer Outside Book-Entry Only System.

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

accordance with the provisions of this Ordinance.

Section 3.13. Payments to Cede & Co.

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

ARTICLE IV.

REDEMPTION OF CERTIFICATES BEFORE MATURITY

Section 4.01. Redemption Before Maturity.

The Certificates shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.02. Optional Redemption.

(a) The Certificates maturing on or after June 15, 2028 are subject to redemption at the option of the City on June 15, 2027 or on any date thereafter, in whole or in part, at a redemption price of par plus accrued interest to the date of redemption.

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

Section 4.03. Mandatory Sinking Fund Redemption.

(a) The Certificates designated as "Term Certificates" in the Pricing Certificate ("Term Certificates"), if any, are subject to scheduled mandatory redemption and will be redeemed by the City, in part, at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on the dates and in the respective principal amounts as set forth in the Pricing Certificate.

(b) Prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Certificates equal to the aggregate principal amount of such Term Certificates to be redeemed, shall call such Term Certificates for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 3.05.

(c) The principal amount of the Term Certificates required to be redeemed on any redemption date pursuant to Section 4.03(a) shall be reduced, at the option of the City, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or shall have been redeemed pursuant

to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.04. Partial Redemption.

(a) If less than all of the Certificates are to be redeemed pursuant to Section 4.02, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity or maturities and in such principal amounts for redemption at the close of business on the Business Day next preceding the date of mailing such notice.

(b) A portion of a single Certificate of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. If such a Certificate is to be partially redeemed, the Paying Agent/Registrar shall treat each \$5,000 portion of a Certificate as though it were a single certificate for purposes of selection for redemption.

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

Section 4.05. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Certificates by sending notice by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Certificate (or part thereof) to be redeemed, at the address shown in the Register at the close of business on the Business Day next preceding the date of mailing such notice.

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

(c) The City reserves the right to give notice of its election or direction to redeem Certificates under Section 4.02 conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the City to make moneys and/or

authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default.

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

Section 4.06. Payment Upon Redemption.

(a) Before or on each redemption date, the City shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Certificates to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the City and shall use such funds solely for the purpose of paying the principal of, and accrued interest on the Certificates being redeemed.

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

Section 4.07. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.05 of this Ordinance and, subject, in the case of an optional redemption under Section 4.02, to any conditions or rights reserved by the City under Section 4.05(c), the Certificates or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City fails to make provision for the payment of the principal thereof, or accrued interest thereon, such Certificates or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Certificates are presented and surrendered for payment on such date.

(b) If the City shall fail to make provision for payment of all sums due on a redemption date, then any Certificate or portion thereof called for redemption shall continue to bear interest at the rate stated on the Certificate until due provision is made for the payment of same.

ARTICLE V.

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

The Bank of New York Mellon Trust Company, N.A. is hereby appointed the initial Paying Agent/Registrar for the Certificates.

The Paying Agent/Registrar Agreement submitted to this City Council, the form of which is attached hereto as **Exhibit A**, is hereby approved. The Mayor is hereby authorized to amend, complete or modify such agreement as necessary and is further authorized to execute such agreement and the City Secretary is hereby authorized to attest such agreement.

Section 5.02. Qualifications.

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

Section 5.03. Maintaining Paying Agent/Registrar.

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

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement, provided, that no such resignation shall be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Certificates.

Section 5.04. Termination.

The City, upon not less than sixty (60) days notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided, that no such termination shall be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Certificates.

Section 5.05. Notice of Change to Owners.

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

Section 5.06. Agreement to Perform Duties and Functions.

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

Section 5.07. Delivery of Records to Successor.

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

ARTICLE VI.

FORM OF THE CERTIFICATES

Section 6.01. Form Generally.

(a) The Certificates, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Certificates, (i) shall be substantially in the form set forth below, with such appropriate insertions, omissions, substitutions, and other variations as may be necessary or desirable and not prohibited by this Ordinance and the Pricing Certificate, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the Authorized Officer or by the officers executing such Certificates, as evidenced by their execution thereof.

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

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

(d) The Initial Certificate submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 6.02. Form of the Certificates.

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

(a) Form of Certificates.

REGISTERED

REGISTERED

No. _____

\$ _____

United States of America
State of Texas

CITY OF MISSOURI CITY, TEXAS
CERTIFICATES OF OBLIGATION
SERIES 2018B

INTEREST RATE:

MATURITY DATE:

CLOSING DATE:

CUSIP NUMBER:

_____ %

June 15, _____

November 15, 2018

The City of Missouri City, Texas (the "City"), in Harris & Fort Bend Counties, State of Texas, for value received, hereby promises to pay to

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

unless this Certificate shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of Closing Date or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on June 15 and December 15 of each year, commencing June 15, 2019.

The principal of this Certificate shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Certificate at the corporate trust office in Dallas, Texas (the "Designated Payment/Transfer Office"), of The Bank of New York Mellon Trust Company, N.A., as Paying Agent/Registrar, or, with respect to a successor paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Certificate is payable by check dated as of the interest payment date, and will be mailed on or before such interest payment date, by United States mail, first class, postage prepaid, by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements. For the purpose of the payment of interest on this Certificate, the registered owner shall be the person in whose name this Certificate is

registered at the close of business on the "Record Date," which shall be the last business day of the month preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days (as hereinafter defined) prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day next preceding the date of mailing of such notice.

If the date for the payment of the principal of or interest on this Certificate is not a Business Day, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are generally authorized or obligated by law or executive order to close (a "Business Day"), and payment on such date shall for all purposes be deemed to have been made on the original date payment was due.

This Certificate is dated October 15, 2018 and is one of a series of fully registered Certificates specified in the title hereof issued in the aggregate principal amount of \$_____¹ (herein referred to as the "Certificates"), issued pursuant to a certain ordinance of the City (the "Bond Ordinance") and a pricing certificate executed pursuant to the Bond Ordinance (together with the Bond Ordinance, the "Ordinance") for the purpose of providing funds for certain projects approved by the City and to pay the costs of issuing the Certificates.

The Certificates maturing on and after June 15, 2028 are subject to redemption at the option of the City on June 15, 2027 or on any date thereafter at a price of par plus interest accrued to the date of redemption. If less than all of the Certificates are to be redeemed pursuant to an optional redemption, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption.

[Certificates maturing on June 15, 20__ (the "Term Certificates") are subject to mandatory sinking fund redemption prior to their scheduled maturity, and will be redeemed by the City, in part at a redemption price equal to the principal amount thereof, without premium, plus interest accrued to the redemption date, on the dates and in the principal amounts shown in the following schedule:

¹ Insert from Pricing Certificate.

\$ Term Certificates Maturing June 15, 20

<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
_____ (maturity)	\$ _____
	\$ _____

The Paying Agent/Registrar will select by lot or by any other customary method that results in a random selection the specific Term Certificates (or with respect to Term Certificates having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Term Certificates required to be redeemed on any redemption date pursuant to the foregoing mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the City, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.]²

Notice of such redemption or redemptions shall be given by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the registered owner of each of the Certificates to be redeemed in whole or in part. In the Ordinance, the City reserves the right in the case of an optional redemption to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default.

Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the City in the notice, the Certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any Certificate or portion thereof has not been surrendered for payment, interest on such Certificate or portion thereof shall cease to accrue.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Certificate is transferable upon surrender of this Certificate for transfer at the Designated

² Delete if Term Certificates are not issued.

Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Certificates of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

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

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

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Certificate and the series of which it is a part is duly authorized by law; that all acts, conditions, and things required to be done precedent to and in the issuance of the Certificates have been properly done and performed and have happened in regular and due time, form, and manner as required by law; and that ad valorem taxes upon all taxable property in the City have been levied for and pledged to the payment of the debt service requirements of the Certificates within the limit prescribed by law; that, in addition to said taxes, further provisions have been made for the payment of the debt service requirements of the Certificates by pledging to such purpose Surplus Revenues, as defined in the Ordinance, derived by the City from the operation of its combined waterworks and sewer system in an amount limited to \$10,000; that when so collected, such taxes and Surplus Revenues shall be appropriated to such purposes; and that the total indebtedness of the City, including the Certificates, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City has caused this Certificate to be executed by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed or placed in facsimile on this Certificate.

City Secretary
City of Missouri City, Texas

Mayor
City of Missouri City, Texas

[SEAL]

(b) Form of Comptroller's Registration Certificate. The following Comptroller's Registration Certificate may be deleted from the definitive Certificates if such certificate on the Initial Certificate is fully executed.

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

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Certificate has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of the City of Missouri City, Texas, and that this Certificate has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, _____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar.

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

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Certificate of this series of Certificates was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Certificates referred to in the within-mentioned Ordinance.

The Bank of New York Mellon Trust Company,
N.A., as Paying Agent/Registrar

Dated: _____ By: _____
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

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

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

Dated: _____

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

Signature Guaranteed:

Authorized Signatory

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

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

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

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

(Information to be inserted from the Officer's Pricing Certificate)

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence, or another entity that provides securities identification numbers for municipal securities, and may print such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Certificates or any errors or omissions in the

printing of such number shall be of no significance or effect in regard to the legality thereof and neither the City nor Bond Counsel to the City are to be held responsible for CUSIP numbers incorrectly printed on the Certificates.

Section 6.04. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on the reverse side of or attached to each Certificate over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 6.05. Statement of Insurance.

A statement relating to a municipal bond insurance policy, if any, to be issued for the Certificates may be printed on or attached to each Certificate.

ARTICLE VII.

**DELEGATION OF AUTHORITY,
SALE AND DELIVERY OF CERTIFICATE, DEPOSIT OF PROCEEDS**

Section 7.01. Sale of Certificates; Deposit of Proceeds.

(a) The Certificates shall be sold to the Underwriter in accordance with the terms of this Ordinance. As authorized by Chapter 1371, Texas Government Code, as amended, the Authorized Officer is authorized to act on behalf of the City from time to time in selling and delivering the Certificates and in carrying out the other procedures specified in this Ordinance, the price at which each of the Certificates will be sold, the number and designation of each series or subseries of Certificates to be issued, the form in which the Certificates shall be issued, the years and dates on which the Certificates will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each maturity of the Certificates, the dates, prices and terms upon and at which the Certificates shall be subject to redemption prior to maturity at the option of the City and shall be subject to mandatory sinking fund redemption, and all other matters relating to the issuance, sale and delivery of the Certificates, all of which shall be specified in the Pricing Certificate; provided that the following conditions can be satisfied:

(i) the price to be paid for the Certificates shall not be less than 90% of the aggregate original principal amount of the Certificates plus accrued interest thereon from their date to their delivery;

(ii) the true interest cost for the Certificates shall not be a rate greater than 5.00%;

(iii) the aggregate principal amount of the Certificates authorized to be issued for the purposes described in Section 3.01 shall not exceed the maximum par amount described in Section 3.01; and

(iv) no Bond shall mature more than forty (40) years from the date of delivery thereof.

(b) The Authorized Officer is authorized to, in conformity with this Ordinance, approve the terms, conditions and specifications for the sale of the Certificates in the Pricing Certificate. The Authorized Officer is further authorized to enter into the Purchase Agreement with the Underwriters conforming to the specification set forth in herein. All officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Certificates. The Initial Bond shall initially be registered in the name of the Senior Underwriter, as applicable, or such other entity as may be specified in the Pricing Certificate.

(c) The authority granted to the Authorized Officer under Sections 7.01(a) and 7.01(c) shall expire on a date one year from the date of this Ordinance, unless otherwise extended by the City by separate action.

(d) The Authorized Officer and all other officers of the City are authorized to take such actions, to obtain such consents or approvals and to execute such documents, agreements, certificates and receipts as they may deem necessary and appropriate in order to consummate the delivery of the Certificates, pay the costs of issuance of the Certificates, and effectuate the terms and provisions of this Ordinance.

Section 7.02. Control and Delivery of Certificates.

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

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

(c) All officers of the City are authorized to execute such documents, certificates and receipts and to make such elections with respect to the tax-exempt status of the Certificates, as they may deem necessary to consummate the delivery of the Certificates.

Section 7.03. Deposit of Proceeds.

Proceeds from the sale of the Certificates, together with other funds of the City, if any, shall, promptly upon receipt by the City, be applied as set out in the Pricing Certificate.

Section 7.04. Official Statement.

The form and substance of the Preliminary Official Statement and any addenda, supplement or amendment thereto, is hereby ratified and approved, and is confirmed as deemed final within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934. The City hereby authorizes the preparation of a final Official Statement to add certain financial terms and other relevant information. The use of such final Official Statement in the reoffering of the Certificates by the Underwriter is hereby approved and authorized. The proper officials of the City are authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Certificates.

ARTICLE VIII.

INVESTMENTS

Section 8.01. Investments.

(a) Money in the Interest and Sinking Fund created by this Ordinance and any of the funds to be deposited pursuant to Section 7.03(b) hereof, at the option of the City, may be invested in such securities or obligations as permitted under applicable law as in effect on the date of the investment.

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

Section 8.02. Investment Income.

(a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such fund.

(b) Interest and income derived from investment of the funds to be deposited pursuant to Section 7.03(b) hereof shall be credited to the account where deposited until the acquisition or construction of the Projects is completed and thereafter, to the extent such interest and income are present, such interest and income shall be deposited to the Interest and Sinking Fund.

Section 8.03. Engagement of Professionals.

The City Council hereby confirms the prior engagement of (1) Bracewell LLP, as Bond Counsel to the City and (2) First Southwest, a division of Hilltop Securities Inc., as Financial Advisor to the City, in connection with the issuance and sale of the Certificates, and (3) the engagement of the RBC Capital Markets, LLC (the "Senior Underwriter") and Loop Capital Markets, LLC, as underwriters, in connection with the issuance and sale of the Certificates.

ARTICLE IX.

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Certificates.

On or before each Interest Payment Date or any redemption date for the Certificates and while any of the Certificates are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such interest on and principal of the Certificates as will accrue or mature on the applicable Interest Payment Date, maturity date or date of prior redemption. Such transfer of funds shall be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar not later than the close of business on the Business Day next preceding the date of payment for the Certificates.

Section 9.02. Other Representations and Covenants.

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

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

ARTICLE X.

PROVISIONS CONCERNING FEDERAL INCOME TAX EXCLUSION

Section 10.01. Provisions Concerning Federal Income Tax.

(a) General. The City intends that the interest on the Certificates be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150, inclusive, of the Code. The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would (i) cause the interest on the Certificates to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes or (ii) result in the violation of or failure to satisfy any provision of section 103 and 141 through 150, inclusive, of the Code. In particular, the City covenants and agrees to comply with each requirement of this Article X; provided, however, that the City will not be required to comply with any particular requirement of this Article X if the City has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that (i) such noncompliance will not adversely affect the excludability of interest on the Certificates from gross income for federal income tax purposes or (ii) compliance with some other requirement will satisfy the applicable requirements of the Code, in which case compliance with such other requirement specified in such Counsel's Opinion will constitute compliance with the corresponding requirement specified in this Article X.

(b) No Private Use or Payment and No Private Loan Financing. The City covenants and agrees that it will make such use of the proceeds of the Certificates, including interest or other investment income derived from Certificate proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Certificates will not be "private activity bonds" within the meaning of section 141 of the Code. Moreover, the City will certify, through an authorized officer, employee or agent that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Certificates are delivered, the proceeds of the Certificates will not be used in a manner that would cause the Certificates to be "private activity bonds" within the meaning of section 141 of the Code.

(c) No Federal Guarantee. The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Certificates to be "federally guaranteed" within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

(d) No Hedge Bonds. The City covenants and agrees not to take any action, or knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Certificates to be “hedge bonds” within the meaning of section 149(g) of the Code.

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

(f) Arbitrage Rebate. If the City does not qualify for an exception to the requirements of section 148(f) of the Code relating to the required rebate to the United States, the City will take all steps necessary to comply with the requirement that certain amounts earned by the City on the investment of the “gross proceeds” of the Certificates (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the City will (i) maintain records regarding the investment of the gross proceeds of the Certificates as may be required to calculate the amount earned on the investment of the gross proceeds of the Certificates separately from records of amounts on deposit in the funds and accounts of the City allocable to other bond issues of the City or moneys that do not represent gross proceeds of any bonds of the City, (ii) calculate at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Certificates that is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Certificates or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Certificates that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm’s length and had the yield on the issue not been relevant to either party.

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

(h) Record Retention. The City will retain all pertinent and material records relating to the use and expenditure of the proceeds of the Certificates until three years after the last Certificate is redeemed or paid at maturity, or such shorter period as authorized by subsequent guidance issued by the Department of the Treasury, if applicable. All records will be kept in a manner that ensures their complete access throughout the retention period. For this purpose, it is acceptable that such records are kept either as hardcopy books and records or in an electronic storage and retrieval system, provided that such electronic system includes reasonable controls and quality assurance programs that assure the ability of the City to retrieve

and reproduce such books and records in the event of an examination of the Certificates by the Internal Revenue Service.

(i) Registration. The Certificates will be issued in registered form.

(j) Deliberate Actions. The City will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Certificates to fail to meet any requirement of section 141 of the Code after the issue date of the Certificates unless an appropriate remedial action is permitted by section 1.141-12 of the Regulations, the City takes such remedial action, and the City receives a Counsel's Opinion that such remedial action cures any failure to meet the requirements of section 141 of the Code.

(k) Continuing Obligation. Notwithstanding any other provision of this Order, the City's obligations under the covenants and provisions of this Article X will survive the defeasance and discharge of the Certificates for as long as such matters are relevant to the excludability of interest on the Certificates from gross income for federal income tax purposes.

ARTICLE XI.

DISCHARGE

Section 11.01. Discharge.

The Certificates may be defeased, refunded or discharged in any manner permitted by applicable law.

ARTICLE XII.

CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Annual Reports. The City shall provide annually to the MSRB, within six (6) months after the end of each Fiscal Year, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the information described in **Exhibit B** hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in **Exhibit B** hereto, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable Fiscal Year to the MSRB. Thereafter, when and if audited financial statements become available, the City shall provide such audited financial statements as required to the MSRB.

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

(b) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other

offering document) that theretofore has been provided to the MSRB or filed with the SEC.

Section 12.02. Material Event Notices. (a) The City shall notify the MSRB, in a timely manner, of any of the following events with respect to the Certificates, if such event is material within the meaning of the federal securities laws:

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

Note to paragraph (xii): For the purposes of the event identified in paragraph (xii) of this section, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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; and

(xiv) the appointment of a successor or additional paying agent/registrant or the change in the name of the paying agent/registrant, if material.

(b) The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 12.01 of this Ordinance by the time required by such Section.

(c) The City reserves the right to file all information and notices required under this Article through the facilities of DisclosureUSA or any other central post office approved by the SEC for such purpose.

Section 12.03. Limitations, Disclaimers and Amendments.

The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any redemption calls and any defeasances that cause the City to be no longer an "obligated person."

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

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

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

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

(c) The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (i) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well

as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (B) an entity or individual person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. The provisions of this Article may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Certificates from lawfully purchasing or selling Certificates in such offering. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 13.01 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

ARTICLE XIII.

MISCELLANEOUS

Section 13.01. Changes to Ordinance.

Bond Counsel is hereby authorized to make any changes to the terms of this Ordinance if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Certificates by the Attorney General of Texas.

Section 13.02. Partial Invalidity.

If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 13.03. Repealer.

All ordinances or resolutions, or parts thereof, heretofore adopted by the City and inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such conflict.

Section 13.04. Individuals Not Liable.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member of City Council or agent or employee of City Council or of the City in his or her individual capacity and neither the members of City Council nor any officer thereof, nor any agent or employee of City Council or of the City, shall be liable personally on the Certificates, or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 13.05. Related Matters.

To satisfy in a timely manner all of the City's obligations under this Ordinance, the Mayor or Mayor Pro Tem, the City Secretary and all other appropriate officers and agents of the City are hereby authorized and directed to do any and all things necessary and/or convenient in

order to consummate the delivery of the Certificates, pay the costs of issuance on the Certificates, and effectuate the terms and purposes of this Ordinance.

Section 13.06. Force and Effect.

This Ordinance shall be in full force and effect from and after its final passage, and it is so ordained.

[Signature Page Follows]

PASSED, APPROVED and ADOPTED on first and final reading this 1st day of October, 2018, with ____ members voting yes, ____ members voting no, and ____ members abstaining.

Allen Owen, Mayor

ATTEST:

Maria Jackson, City Secretary

[SEAL]

APPROVED AS TO FORM:

E. Joyce Iyamu, City Attorney

Signature Page to Ordinance

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

[Attached]

PAYING AGENT/REGISTRAR AGREEMENT

between

CITY OF MISSOURI CITY, TEXAS

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

Pertaining to

City of Missouri City, Texas
General Obligation Bonds
Series 2018

City of Missouri City, Texas
Combination Tax and Revenue Certificates of Obligation
Series 2018A

City of Missouri City, Texas
Combination Tax and Revenue Certificates of Obligation
Series 2018A

Dated as of , 2018

Exhibit "A"

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PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT (the or this "Agreement"), dated as of [], 2018, is by and between CITY OF MISSOURI CITY, TEXAS (the "Issuer") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (the "Bank"), a national banking association duly organized and existing under the laws of the United States of America.

WHEREAS, the Issuer has duly authorized and provided for the issuance of its General Obligation Bonds, Series 2018, dated [], 2018 (the "Bonds"), its Combination Tax and Revenue Certificates of Obligation, Series 2018A, dated [], 2018 (the "Series 2108A Certificates"), and its Combination Tax and Revenue Certificates of Obligation, Series 2018B, dated [], 2018 (the "Series 2018B Certificates, and together with the Bonds and Series 2018A Certificates, the "Obligations"), to be issued as registered securities without coupons;

WHEREAS, all things necessary to make the Obligations the valid obligations of the Issuer, in accordance with their terms, will be taken upon the issuance and delivery thereof;

WHEREAS, the Issuer desires that the Bank act as the Paying Agent of the Issuer in paying the principal, redemption premium, if any, and interest on the Obligations, in accordance with the terms thereof, and that the Bank act as Registrar for the Obligations; and

WHEREAS, the Issuer has duly authorized the execution and delivery of this Agreement, and all things necessary to make this Agreement the valid agreement of the Issuer, in accordance with its terms, have been done;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE I

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01. Appointment.

(a) The Issuer hereby appoints the Bank to act as Paying Agent with respect to the Obligations in paying to the Owners of the Obligations the principal, redemption premium, if any, and interest on all or any of the Obligations.

(b) The Issuer hereby appoints the Bank as Registrar with respect to the Obligations.

(c) The Bank hereby accepts its appointment, and agrees to act as, the Paying Agent and Registrar.

Section 1.02. Compensation.

(a) As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Annex A.

Exhibit "A"

(b) In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof, including the reasonable compensation and the expenses and disbursements of its agents and counsel.

ARTICLE II

DEFINITIONS

Section 2.01. Definitions.

The terms “Agreement,” “Bank,” “Bonds,” “Issuer,” “Obligations,” “Series 2018A Certificates” and “Series 2018B Certificates” have the meanings assigned them in the recitals hereto. Capitalized terms used herein and not defined herein shall have the meanings assigned in the Obligation Ordinances (as hereinafter defined). For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms have the following meanings when used in this Agreement:

“Bank Office” means the Bank’s office in Dallas, Texas. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Bond Ordinance” means, collectively, the ordinance of the City Council of the Issuer authorizing the issuance and delivery of the Bonds and the pricing certificate executed pursuant thereto.

“Financial Advisor” means Hilltop Securities Inc., and its successor in that capacity.

“Issuer Request” and “Issuer Order” means a written request or order signed in the name of the Mayor of the Issuer, or any other authorized representative of the Issuer and delivered to the Bank.

“Obligation Ordinances” means, collectively, the Bond Ordinance, the Series 2018A Certificate Ordinance and the Series 2018B Certificate Ordinance.

“Owner” means the Person in whose name an Obligation is registered in the Register.

“Paying Agent” means the Bank when it is performing the functions associated with the terms in this Agreement.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision of a government.

“Predecessor Obligations” of any particular Obligation means every previous Obligation evidencing all or a portion of the same obligation as that evidenced by such particular Obligation (and, for the purposes of this definition, any Obligation registered and delivered under Section 4.06 in lieu of a mutilated, lost, destroyed or stolen Obligation shall be deemed to evidence the same obligation as the mutilated, lost, destroyed or stolen Obligation).

Exhibit "A"

“Record Date” has the meaning assigned in the Obligation Ordinances.

“Register” means a register in which the Registrar shall provide for the registration and transfer of Obligations.

“Responsible Officer” means, when used with respect to the Bank, the officer or officers of the Bank with in the corporate trust department having direct responsibility for the administration of this Agreement.

“Series 2018A Certificate Ordinance” means, collectively, the ordinance of the City Council of the Issuer authorizing the issuance and delivery of the Series 2018A Certificates and the pricing certificate executed pursuant thereto.

“Series 2018B Certificate Ordinance” means, collectively, the ordinance of the City Council of the Issuer authorizing the issuance and delivery of the Series 2018B Certificates and the pricing certificate executed pursuant thereto.

“Stated Maturity” means the date or dates specified in the Obligation Ordinances as the fixed date on which the principal of the Obligations is due and payable or the date fixed in accordance with the terms of the Obligation Ordinances for redemption of the Obligations, or any portion thereof, prior to the fixed maturity date.

ARTICLE III

PAYING AGENT

Section 3.01. Duties of Paying Agent.

(a) The Bank, as Paying Agent and on behalf of the Issuer, shall pay to the Owner, at the Stated Maturity and upon the surrender of the Obligation or Obligations so maturing at the Bank Office, the principal amount of the Obligation or Obligations then maturing, and redemption premium, if any, provided that the Bank shall have been provided by or on behalf of the Issuer adequate funds to make such payment.

(b) The Bank, as Paying Agent and on behalf of the Issuer, shall pay interest when due on the Obligations to each Owner of the Obligations (or their Predecessor Obligations) as shown in the Register at the close of business on the Record Date, provided that the Bank shall have been provided by or on behalf of the Issuer adequate funds to make such payments. The Paying Agent/Registrar shall make such payments in accordance with the Obligation Ordinances by computing the amount of interest to be paid each Owner, preparing the checks, and mailing the checks (or other payment method allowed under the terms of the Obligation Ordinances) on each Interest Payment Date addressed to each Owner’s address as it appears in the Register at the close of business on the Record Date.

Section 3.02. Payment Dates.

The Issuer hereby instructs the Bank to pay the principal of, redemption premium, if any, and interest on the Obligations at the dates specified in the Obligation Ordinances.

ARTICLE IV

REGISTRAR

Section 4.01. Transfer and Exchange.

(a) The Bank is hereby appointed "Registrar" for the purpose of registering and transferring the Obligations as herein provided. The Bank agrees to maintain the Register while it is Registrar. The Bank shall keep the Register at the Bank Office, and subject to such reasonable written regulations as the Issuer may prescribe, which regulations shall be furnished to the Bank herewith or subsequent hereto by Issuer Order, the Bank shall provide for the registration and transfer of the Obligations.

(b) The Obligations shall be subject to transfer and exchange as set forth in the Obligation Ordinances.

Section 4.02. The Obligations.

The Issuer shall provide an adequate inventory of unregistered Obligations to facilitate transfers. The Bank covenants that it will maintain the unregistered Obligations in safekeeping and will use reasonable care in maintaining such unregistered Obligations in safekeeping, which shall be not less than the care it maintains for debt securities of other governments or corporations for which it serves as registrar, or which it maintains for its own securities.

Section 4.03. Form of Register.

(a) The Bank as Registrar will maintain the records of the Register in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Register in any form other than a form which the Bank has currently available and currently utilizes at the time.

(b) The Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04. List of Owners.

(a) The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the cost, if any, of reproduction, a copy of the information contained in the Register. The Issuer may also inspect the information in the Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

(b) The Bank will not release or disclose the content of the Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a subpoena or court order or as otherwise required by law. Upon receipt of a subpoena or court order the Bank will notify the Issuer so that the Issuer may contest the subpoena or court order.

Section 4.05. Cancellation of Obligations.

All Obligations surrendered to the Bank for payment, redemption, transfer, exchange, or replacement, shall be promptly cancelled by it upon the making of proper records regarding such payment, transfer, exchange or replacement. The Issuer may at any time deliver to the Bank for cancellation any Obligations previously certified or registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Obligations so delivered shall be promptly cancelled by the Bank. All cancelled Obligations held by the Bank shall be disposed of pursuant to the Securities Exchange Act of 1934.

Section 4.06. Mutilated, Destroyed, Lost, or Stolen Obligations.

(a) Subject to the provisions and conditions of this Section 4.06, Sections [] through [] of the Bond Ordinance, Sections [] through [] of the Series 2018A Certificate Ordinance, and Sections [] through [] of the Series 2018B Certificate Ordinance, the Issuer hereby instructs the Bank to deliver fully registered Obligations in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations as long as the same does not result in an overissuance.

(b) The Issuer hereby accepts the Bank's current blanket bond for lost, stolen, or destroyed Obligations and any future substitute blanket bond for lost, stolen, or destroyed Obligations that the Bank may arrange, and agrees that the coverage under any such blanket bond is acceptable to it and meets the Issuer's requirements as to security or indemnity. The Bank need not notify the Issuer of any changes in the security or other company giving such bond or the terms of any such bond, provided that the amount of such bond is not reduced below the amount of the bond on the date of execution of this Agreement. The blanket bond then utilized by the Bank for lost, stolen, or destroyed Obligations by the Bank is available for inspection by the Issuer on request.

Section 4.07. Transaction Information to Issuer.

The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Obligations it has paid pursuant to Section 3.01; Obligations it has delivered upon the transfer or exchange of any Obligations pursuant to Section 4.01; and Obligations it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations pursuant to Section 4.06 of this Agreement.

ARTICLE V

THE BANK

Section 5.01. Duties of Bank.

The Bank undertakes to perform the duties set forth herein and in accordance with the Obligation Ordinances and agrees to use reasonable care in the performance thereof. The Bank hereby agrees to use the funds deposited with it for payment of the principal of, redemption premium, if any, and interest on the Obligations to pay the Obligations as the same shall become due and further agrees to establish and maintain all accounts and funds as may be required for the

Exhibit "A"

Bank to function as Paying Agent.

Section 5.02. Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any ordinance, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Obligations, but is protected in acting upon receipt of Obligations containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Owner or an attorney-in-fact of the Owner. The Bank shall not be bound to make any investigation into the facts or matters stated in an ordinance, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document supplied by Issuer.

(e) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Obligations in the manner disclosed in the closing memorandum as prepared by the Issuer's Financial Advisor or other agents. The Bank may act on a facsimile or e-mail transmission of the closing memorandum acknowledged by the Financial Advisor or the Issuer as the final closing memorandum. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

(f) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(g) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

Section 5.03. Recitals of Issuer.

(a) The recitals contained herein and in the Obligation Ordinances shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

Exhibit "A"

(b) The Bank shall in no event be liable to the Issuer, any Owner or Owners, or any other Person for any amount due on any Obligation except as otherwise expressly provided herein with respect to the liability of the Bank for its duties under this Agreement.

Section 5.04. May Hold Obligations.

The Bank, in its individual or any other capacity, may become the Owner or pledgee of Obligations and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05. Money Held by Bank.

(a) Money held by the Bank hereunder need not be segregated from any other funds provided appropriate accounts are maintained.

(b) The Bank shall be under no liability for interest on any money received by it hereunder.

(c) Subject to the provisions of Title 6, Texas Property Code, any money deposited with the Bank for the payment of the principal, redemption premium, if any, or interest on any Obligation and remaining unclaimed for three years after final maturity of the Obligation has become due and payable will be paid by the Bank to the Issuer, and the Owner of such Obligation shall thereafter look only to the Issuer for payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease.

(d) The Bank will comply with the reporting requirements of Chapter 74 of the Texas Property Code.

(e) The Bank shall deposit any moneys received from the Issuer into a trust account to be held in a paying agent capacity for the payment of the Obligations, with such moneys in the account that exceed the deposit insurance, available to the Issuer, provided by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas and to the extent practicable under the laws of the United States of America to secure and be pledged as collateral for trust accounts until the principal and interest on the Obligations have been presented for payment and paid to the owner thereof. Payments made from such trust account shall be made by check drawn on such trust account unless the owner of such Obligations shall, at its own expense and risk, request such other medium of payment.

Section 5.06. Indemnification.

To the extent permitted by law, the Issuer agrees to indemnify the Bank and its officers, directors, employees, and agents and save and them harmless from and against, any and all actions or suits, whether groundless or otherwise, and from any and against any and all loss, liability, or expense incurred without negligence, bad faith or willful misconduct on their part arising out of or in connection with its acceptance or administration of the Bank's duties hereunder, and under Article [] of the Bond Ordinance, Article [] of the Series 2018A Certificate Ordinance, and Article [] of the Series 2018B Certificate Ordinance, including the cost and expense (including the reasonable counsel fees and expenses outside counsel engaged by the Bank; the

Exhibit "A"

Issuer shall not be responsible for the salary, expenses or any costs associated with counsel employed by the Bank or any affiliate, subsidiary or parent of the Bank) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07. Interpleader.

The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demands or controversy over its persons as well as funds on deposit in a court of competent jurisdiction within the State of Texas; waive personal service of any process; and agree that service of process by certified or registered mail, return receipt requested, to the address set forth in this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction within the State of Texas to determine the rights of any person claiming any interest herein.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.01. Amendment.

This Agreement may be amended only by an agreement in writing signed by both of the parties hereof.

Section 6.02. Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03. Notices.

Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown below:

- (a) if to the Issuer: City of Missouri City, Texas
1522 Texas Parkway
Missouri City, Texas 77489
Attention: Mayor

- (b) if to the Bank: The Bank of New York Mellon Trust Company
2001 Bryan Street, 10th Floor
Dallas, Texas 75201
Attention: Corporate Trust Department

Section 6.04. Bank to Give Notice of Change.

The Bank hereby agrees that it will give notice to the Issuer, the Owners and the Municipal

Exhibit "A"

Securities Rulemaking Board of (a) any change in the name of the Bank after the date hereof, (b) any change in the location of the Bank Office or a change in the mailing address of the Bank, and (c) any merger or other change in the corporate structure affecting the name, location and address of the Bank, in each case within ten (10) business days of the effective date of such change.

Section 6.05. Anti-Boycott Verification.

The Bank represents that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law, neither the Bank nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank (i) boycotts Israel or (ii) will boycott Israel through the term of this Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

Section 6.06. Iran, Sudan and Foreign Terrorist Organizations.

The Bank represents that, as of the date of this Agreement, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Bank nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank is an entity listed by the Texas Comptroller of Public Accounts under Sections 2252.153 or 2270.0201 of the Texas Government Code.

Section 6.07. Effect of Headings.

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 6.08. Successors and Assigns.

All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.09. Separability.

If any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.10. Benefits of Agreement.

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.11. Entire Agreement.

This Agreement and the Obligation Ordinances constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar, and if any conflict exists between this Agreement and the Obligation Ordinances, the Obligation Ordinances shall govern.

Section 6.12. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.13. Termination.

(a) This Agreement will terminate on the date of final payment by the Bank issuing its checks for the final payment of principal, redemption premium, if any, and interest of the Obligations.

(b) This Agreement may be earlier terminated upon 60 days written notice by either party; provided, that, no termination shall be effective until a successor has been appointed by the Issuer and has accepted the duties imposed by this Agreement. A resigning Paying Agent/Registrar may petition any court of competent jurisdiction for the appointment of a successor Paying Agent/Registrar if an instrument of acceptance by a successor Paying Agent/Registrar has not been delivered to the resigning Paying Agent/Registrar within 60 days after the giving of notice of resignation.

(c) The provisions of Section 1.02 and of Article V shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.14. Merger, Conversion, Consolidation or Succession.

Any corporation into which the Bank may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank hereunder without the execution or filing of any paper or any further act on the part of either of the parties hereto; provided, however, that the resulting entity must qualify to serve as the Paying Agent/Registrar under the terms of the Ordinance and Texas law. In case any Obligation shall have been registered, but not delivered, by the Bank then in office, any successor by merger, conversion, or consolidation to such authenticating Bank may adopt such registration and deliver the Obligation so registered with the same effect as if such successor Bank had itself registered such Obligation. The Bank shall notify the Issuer of any changes described in this paragraph in accordance with Section 6.04.

Section 6.15. Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

Section 6.16. Electronic Means.

The Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Bank, or another method or system specified by the Bank as available for use in connection with its services hereunder.); provided, however, that the Issuer shall provide to the Bank an incumbency certificate listing officers with the Issuer to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Issuer, whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Bank Instructions using Electronic Means and the Bank in its discretion elects to act upon such Instructions, the Bank's understanding of such Instructions shall be deemed controlling. The Issuer understands and agrees that the Bank cannot determine the identity of the actual sender of such Instructions and that the Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Bank have been sent by such Authorized Officer. The Issuer shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Bank and that the Issuer and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Issuer. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. To the extent allowed by law, the Issuer agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Bank, including without limitation the risk of the Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Issuer; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 6.17. Resignation or Removal of the Bank.

Any time, other than on a day during the forty-five (45) day period preceding any payment date for the Issuer's Obligations, the Bank may resign by giving at least forty-five (45) days' prior written notice to the Issuer; and the Bank's agency shall be terminated and its duties shall cease upon expiration of such forty-five (45) days or such lesser period of time as shall be mutually agreeable to the Bank and the Issuer; provided, however, that no such termination shall be effective until a successor paying agent/registrar has assumed the duties of paying agent/registrar for the Obligations. The Issuer agrees that it will use commercially responsible efforts to engage a replacement paying agent/registrar following the receipt of such notice. At any time, following at least forty-five (45) days' prior written notice (or such lesser period of time as shall be mutually agreeable to the Bank and the Issuer) from the Issuer, the Bank may be removed from its agency. Such removal shall become effective upon the expiration of the forty-five (45) day or agreed upon

Exhibit "A"

lesser time period, and upon payment to the Bank of all amounts payable to it in connection with its agency, provided, however, that no such termination shall be effective unless a successor paying agent/registrar has assumed the duties of paying agent/registrar with respect to the Obligations. In such event, the Bank shall deliver to the Issuer, or to the Issuer's designated representative, all Obligations and cash belonging to the Issuer and shall furnish to the Issuer, or to the Issuer's designated representative, the register and all other pertinent books and records relating to the Obligations, including reasonably detailed information regarding the status of the Issuer's outstanding Obligations and copies of other pertinent records then in the Bank's possession, reasonably requested by the Issuer.

[Signature Pages to Follow]

Exhibit "A"

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

CITY OF MISSOURI CITY, TEXAS

By: _____
Mayor

ATTEST:

By: _____
City Secretary

Exhibit "A"

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
as Paying Agent/Registrar

By: _____

Title: _____

Signature Page to Paying Agent/Registrar Agreement

Exhibit "A"

ANNEX A

SCHEDULE OF FEES FOR SERVICE AS PAYING AGENT/REGISTRAR

[Attached]

EXHIBIT B

DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

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

Annual Financial Statements and Operating Data

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

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded Fiscal Year.
1. The quantitative financial information and operating data with respect to the City of the general type included in the main text of the Official Statement is numbered Tables 1 through 6 and 8 through 14, both inclusive.

Accounting Principles

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above, as such principles may be changed from time to time to comply with State law.

EXHIBIT C

FORM OF PRICING CERTIFICATE

PRICING CERTIFICATE

Re: City of Missouri City, Texas Certificates of Obligation, Series 2018B (the "Certificates")

I, the undersigned [City Manager/Mayor/Interim Director of Finance] of the City of Missouri City, Texas (the "City"), do hereby make and execute this Pricing Certificate pursuant to an ordinance adopted by the City Council of the City on October 1, 2018 (the "Ordinance") authorizing the issuance of the Certificates. Capitalized terms used in this Pricing Certificate shall have the meanings given such terms in the Ordinance.

A. The Certificates shall be designated as the "Missouri City, Texas Certificates of Obligation, Series 2018B" and shall be issued in the aggregate principal amount of \$_____.

C. The Closing Date of the Certificates is scheduled for November 20, 2018.

D. The sale of the Certificates at the purchase price plus accrued interest to the Closing Date stated below is hereby approved.

PRINCIPAL AMOUNT \$

Plus Original Issue Premium

Less Original Issue Discount

Less Underwriter's Discount

PURCHASE PRICE \$ _____

E. The Certificates shall bear interest from the Closing Date. The Certificates shall mature on June 15 in each of the years, in the principal installments and shall bear interest at the per annum rates set forth in the following schedule:

<u>Stated</u> <u>Maturity</u>	<u>Principal</u> <u>Installment</u>	<u>Interest</u> <u>Rate</u>	<u>Stated</u> <u>Maturity</u>	<u>Principal</u> <u>Installment</u>	<u>Interest</u> <u>Rate</u>
_____	\$ _____	_____ %	_____	\$ _____	_____ %
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

F. The Form of Certificate as set forth in Exhibit A hereto is hereby approved.

G. The Certificates are subject to optional [and mandatory] redemption as set forth in Exhibit A.

H. The undersigned does hereby find, certify and represent that the foregoing terms of the Certificates satisfy the parameters contained in Sections 3.01 and 7.01 of the Ordinance.

I. The proceeds of the Certificates shall be applied as follows:

(i) the amount of \$_____, consisting of \$_____ principal amount of Certificates proceeds, plus \$_____ premium received from the sale of the Certificates, shall be used to pay to (1) construct public works, more specifically, (i) the purchase of water, sewer, utilities, drainage and street improvements for Lake Shore Harbour Section Four; and (ii) the purchase of water, sewer, utilities, drainage and street improvements for Lake Shore Harbour Section Five; and any items related thereto, and (2) professional services rendered in connection with item (1);

(ii) premium received from the sale of the Certificates in the amount of \$_____ shall be used to pay the costs of issuance; and

(iii) any amounts remaining after accomplishing the above described purposes shall be deposited to the Interest and Sinking Fund.

J. The undersigned hereby finds, determines and declares that the terms of sale of the Certificates to the Underwriter are in the City's best interests and are the most advantageous reasonable attainable by the City.

[Signature Page Follows]

This Pricing Certificate for the City of Missouri City, Texas Certificates of Obligation, Series 2018B, is executed on the _____ day of _____, 2018.

Authorized Officer
City of Missouri City, Texas

Signature Page to Pricing Certificate

EXHIBIT A TO PRICING CERTIFICATE

FORM OF CERTIFICATE

[To be Added at Pricing]



**CITY COUNCIL
AGENDA ITEM COVER MEMO**

October 1, 2018

To: Mayor and City Council
Agenda Item: 10(d) Consideration and approval of an ordinance authorizing sale of General Obligation Bonds, Series 2018, in the aggregate principal not to exceed \$13,000,000
Submitted by: Sandra Clarkson, Interim Director of Financial Services

SYNOPSIS

The City's Fiscal Year 2019 Budget includes the sale of general obligation bonds in a principal amount of up to \$13,000,000 to fund a variety of critical public purposes and the costs of issuance.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Maintain a financially sound City
- Have quality development through buildout

BACKGROUND

In 2003, 2008 and 2014, the voters approved the sale of general obligation bonds in the amounts and for the purposes shown below. This sale is part of those previously authorized issues.

Authorized Debt			Previously Issued	Being Issued in G O Bonds, Series 2018	Unissued Balance
Year	Amount	Purpose			
2003	\$ 8,200,000	Public Safety	\$ 6,910,000	\$ 1,262,000	\$ 28,000
	\$ 20,000,000	Drainage Improvements	\$ 6,737,000		\$ 13,263,000
2008	\$ 17,500,000	Parks & Recreation Imp.	\$ 17,160,000	\$ 340,000	\$ -
2014	\$ 6,500,000	Drainage Improvements	\$ -	\$ 2,550,000	\$ 3,950,000
	\$ 22,800,000	Mobility Improvements	\$ 13,495,000	\$ 8,428,000	\$ 877,000
	\$ 5,000,000	Fire Station Construction	\$ -	\$ -	\$ 5,000,000
	\$ 5,700,000	Facilities Improvements	\$ 692,000	\$ 405,000	\$ 4,603,000
Total	<u>\$ 85,700,000</u>		<u>\$ 44,994,000</u>	<u>\$ 12,985,000</u>	<u>\$ 27,721,000</u>

As shown in the table above, the General Obligation Bonds, Series 2018, will fund improvements for Public Safety, Parks and Recreation, Drainage, Mobility and Facilities. All of the projects included in these areas were discussed as part of the FY2019-23 Capital Improvement Plan adopted with the Fiscal Year 2019 Budget at the September 17 meeting.

The method of the sale being described in the attached ordinance allows the City Council to give authority to certain officials to negotiate with the underwriter to finalize the transaction. This ordinance prescribes the terms of the sale that are acceptable to the City and authorizes specified officers to act on behalf of the City in relation to the sale. The parameters of the sale are outlined in Section 3.01(a) of the ordinance.

BUDGET ANALYSIS

Funding Source	Account Number	Project Code/Name	FY19 Funds Budgeted	FY19 Funds Available	Amount Requested
See note, below					N/A

Note: The funding source for 2018 G O Bonds will be ad valorem taxes.

Purchasing Review: N/A

Financial/Budget Review: N/A

Note: Compliance with the conflict of interest questionnaire requirements, if applicable, and the interested party disclosure requirements (HB 1295) has been confirmed/is pending within 30-days of this Council action and prior to execution.

SUPPORTING MATERIALS

1. Ordinance

STAFF'S RECOMMENDATION

Approve the ordinance authorizing the sale of Issue General Obligation Bonds, Series 2018, in a principal amount of \$13,000,000 through a parameter sale.

Director Approval:

Sandra Clarkson CPA, Interim Director of Financial Services

**Assistant City Manager/
City Manager Approval:**

Anthony J. Snipes, City Manager

ORDINANCE NO. O-18-___

AN ORDINANCE OF THE CITY OF MISSOURI CITY, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF MISSOURI CITY, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2018, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$13,000,000; LEVYING A TAX IN PAYMENT THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT, A PAYING AGENT/REGISTRAR AGREEMENT AND AN OFFICER'S PRICING CERTIFICATE; APPROVING THE OFFICIAL STATEMENT; APPROVING THE ENGAGEMENT OF CERTAIN PROFESSIONALS IN CONNECTION WITH THE ISSUANCE OF THE BONDS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; AND ENACTING OTHER PROVISIONS RELATING THERETO.

* * * * *

WHEREAS, the City of Missouri City, Texas (the "City") is authorized, pursuant to the general laws of the State of Texas, and particularly Chapter 1331, Texas Government Code, as amended, to issue its bonds for the purpose of making certain public facilities improvements, street improvements, drainage improvements, parks and recreation improvements, and to pay the costs in connection with the issuance of the Bonds; and

WHEREAS, the issuance of certain of the Bonds herein authorized was approved by the voters of the City at an election which was held for such purpose on September 13, 2003 ("2003 Election"), which was called by the City Council (the "City Council") pursuant to Ordinance No. O-03-21 adopted on July 21, 2003; and

WHEREAS, the issuance of certain of the Bonds herein authorized was approved by the voters of the City at an election which was held for such purpose on November 4, 2008 ("2008 Election"), which was called by the City Council pursuant to Ordinance No. O-08-48 adopted on August 18, 2008; and

WHEREAS, the issuance of certain of the Bonds herein authorized was approved by the voters of the City at an election which was held for such purpose on May 10, 2014 ("2014 Election"), which was called by the City Council pursuant to Ordinance No. O-14-09 adopted on February 17, 2014; and

WHEREAS, the voters approved the issuance of bonds in the aggregate principal amount of \$75,000,000 for the 2003 Election, \$8,200,000 which was for public safety (the "Public Safety Authorization") and \$20,000,000 of which was for drainage improvements (the "2003 Drainage Authorization"); and

WHEREAS, the voters approved the issuance of bonds in the aggregate principal amount of \$17,500,000 for the 2008 Election for parks and recreation improvements (the "Parks Authorization"); and

WHEREAS, the voters approved the issuance of bonds in the aggregate principal amount of \$40,000,000 for the 2014 Election, \$6,500,000 for drainage improvements ("2014 Drainage Authorization"), \$22,800,000 for mobility improvements ("Mobility Authorization"), \$5,000,000 for the construction of a fire station ("Fire Station Authorization"), and \$5,700,000 for facilities improvements ("2014 Facilities Authorization"); and

WHEREAS, the City has previously issued (1) \$6,737,000 from the 2003 Drainage Authorization, (2) \$6,910,000 from the Public Safety Authorization, (3) \$17,160,000 from the Parks Authorization, (4) \$13,495,000 from the Mobility Authorization, and (5) \$692,000 from the 2014 Facilities Authorization; and

WHEREAS, by this Ordinance the City Council is authorizing the issuance of its bonds in an amount not to exceed the aggregate principal amount of \$12,985,000, including any premium, which shall be counted against such voted authorizations, (1) \$1,262,000 to be allocated from the Public Safety Authorization, (2) \$340,000 to be allocated from the Parks Authorization, (3) \$2,550,000 to be allocated from the 2014 Drainage Authorization, (4) \$8,428,000 to be allocated from the Mobility Authorization, (5) \$405,000 to be allocated from the 2014 Facilities Authorization, and (6) to pay the costs in connection with the issuance of the Bonds; and

WHEREAS, the principal amount of bonds authorized by the 2003 Election, in connection with 2003 Drainage Authorization, remaining unissued after this issuance is \$13,263,000; and

WHEREAS, the principal amount of bonds authorized by the 2003 Election, in connection with Public Safety Authorization, remaining unissued after this issuance is \$28,000; and

WHEREAS, the principal amount of bonds authorized by the 2008 Election, in connection with Parks Authorization, remaining unissued after this issuance is \$0; and

WHEREAS, the principal amount of bonds authorized by the 2014 Election, in connection with 2014 Drainage Authorization, remaining unissued after this issuance is \$3,950,000; and

WHEREAS, the principal amount of bonds authorized by the 2014 Election, in connection with Mobility Authorization, remaining unissued after this issuance is \$877,000; and

WHEREAS, the principal amount of bonds authorized by the 2014 Election, in connection with Fire Station Authorization, remaining unissued after this issuance is \$5,000,000; and

WHEREAS, the principal amount of bonds authorized by the 2014 Election, in connection with 2014 Facilities Authorization, remaining unissued after this issuance is \$4,603,000; and

WHEREAS, the City is a home-rule municipality that has adopted a charter under Article XI, Section 5 of the Texas Constitution, has a population in excess of 50,000 and has a principal amount of at least \$100,000,000 in a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued, and some amount of such long-term indebtedness is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation, and therefore qualifies as an "Issuer" under Chapter 1371 of the Texas Government Code, as amended ("Chapter 1371"); and

WHEREAS, pursuant to Section 1371.053, Texas Government Code, as amended, the City desires to delegate the authority to effect the sale of the certificates to the Authorized Officer (hereinafter defined); and

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

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

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MISSOURI CITY, TEXAS:

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions.

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

"Authorized Officer" means the Mayor, City Manager, or Interim Director of Finance of the City, who are authorized to act on behalf of the City in selling and delivering the Bonds, or such other officers of the City as designated in writing.

"Bond" means any of the Bonds.

"Bond Counsel" means Bracewell LLP

"Bond Date" means the date designated as the date of the Bonds by Section 3.02 of this Ordinance.

"Bonds" means any of the City's bonds authorized by this Ordinance and designated as "City of Missouri City, Texas, General Obligation Bonds, Series 2018."

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

"City" means the City of Missouri City, Texas.

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

"Code" means the Internal Revenue Code of 1986, as amended, and with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulation promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the

regulations promulgated under the provisions described in (b) and (c).

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

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

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

"Event of Default" means any event of default as set forth in Section 9.01 of this Ordinance.

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

"Initial Bond" means the Initial Bond authorized by Section 3.01 of this Ordinance.

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

"Interest Payment Date" means the date or dates on which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being June 15 and December 15, commencing June 15, 2019.

"MSRB" means the Municipal Securities Rulemaking Board.

"Officer's Pricing Certificate" means a certificate or certificates to be signed by the Authorized Officer in connection with the issuance of Bonds under this Ordinance.

"Ordinance" as used herein and in the Bonds means this ordinance authorizing the Bonds.

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

"Paying Agent/Registrar" means initially The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, or any successor thereto as provided in this Ordinance.

"Paying Agent/Registrar Agreement" means the Paying Agent/Registrar Agreement between the Paying Agent/Registrar and the City relating to the Bonds.

"Project" means the purposes for which the Bonds are issued as set forth in Section 3.01.

"Record Date" means the close of business on the last business day of the month preceding the applicable Interest Payment Date.

"Register" means the bond register specified in Section 3.09(a) of this Ordinance.

"Regulations" means the applicable, proposed, temporary or final Treasury Regulations promulgated under the Code, or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

"Representation Letter" means the Blanket Letter of Representations between the City and DTC.

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

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

"Special Payment Date" means the Special Payment Date prescribed by Section 3.06(b) of this Ordinance.

"Special Record Date" means the Special Record Date prescribed by Section 3.06(b) of this Ordinance.

"Unclaimed Payments" means money deposited with the Paying Agent/Registrar for the payment of principal of, redemption premium, if any, or interest on the Bonds as the same becomes due and payable or money set aside for the payment of Bonds duly called for redemption prior to maturity and remaining unclaimed by the Owners of such Bonds for 90 days after the applicable payment or redemption date.

"Underwriters" mean RBC Capital Markets, LLC and Loop Capital Markets, LLC are hereby engaged to serve as the senior underwriter and co-senior underwriter, respectively, in connection with the issuance and sale of the Bonds.

Section 1.02. Findings.

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

Section 1.03. Titles and Headings.

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

Section 1.04. Interpretation.

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

words of the singular number shall be construed to include correlative words of the plural number and vice versa.

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

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

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

ARTICLE II

SECURITY FOR THE BONDS; INTEREST AND SINKING FUND

Section 2.01. Tax Levy.

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

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

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

Section 2.02. Interest and Sinking Fund.

(a) The City hereby establishes a special fund or account, to be designated the "City of Missouri City, Texas, General Obligation Bonds, Series 2018, Interest and Sinking Fund," said fund to be maintained at an official depository bank of the City separate and apart from all other funds and accounts of the City.

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

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.01. Amount, Purpose and Authorization.

The City's bonds to be designated "City of Missouri City, Texas General Obligation Bonds, Series 2018" are hereby authorized to be issued and delivered in accordance with the Constitution and the laws of the State of Texas, including particularly Chapter 1331 and Chapter 1371. Bonds shall be issued in fully registered form, without coupons, under and pursuant to the authority of the Ordinance in the total authorized aggregate principal amount not to exceed \$13,000,000 as set forth in the Officer's Pricing Certificate (form of which is attached hereto as **EXHIBIT B**) for the purpose of (1) funding certain drainage improvement needs of the City; (2) funding public safety improvement needs of the City; (3) funding parks and recreation improvement needs of the City; (4) funding certain mobility improvement needs of the City, (5) funding certain facilities needs of the City and (6) paying certain costs related to the issuance of the Bonds. Premium from the sale of the Bonds used for (1)-(5) above, if any, will be counted against the amount of bonds authorized by the voters.

Section 3.01A. Sale, Execution and Delivery of the Bonds.

As authorized by Chapter 1371, Texas Government Code, as amended, Authorized Officer is hereby authorized to act on behalf of the City in selling and delivering the Bonds and carrying out other procedures specified herein, including agreeing to and stipulating the price at which the Bonds will be sold, the date or dates on which the Bonds will be sold, the years in which the Bonds will mature, the total principal amount of the Bonds and the principal amount to mature in each of such years of maturity, the rate of interest to be borne by each such maturity, the dates, prices and terms, if any, upon which the Bonds will be subject to optional redemption, if applicable, prior to maturity, the purchase of a bond insurance policy or policies, if any, for all or any portion of the Bonds, and all other matters relating to the issuance, sale and delivery of the Bonds, all of which shall be specified in the Officer's Pricing Certificate, provided that:

- (1) the price to be paid for the Bonds shall be not be less than 90% of the aggregate original principal amount of the Bonds;
- (2) none of the Bonds shall bear interest at a rate greater than 15% per annum or in excess of the maximum rate allowed by Chapter 1204, Texas Government Code, as amended; and
- (3) prior to delivery, the Bonds to be issued must have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long-term obligations.

The authority granted to the Authorized Officer in this Section shall expire on a date one year from the date of this Ordinance, unless otherwise extended by the City by separate action.

The issuance of the Bonds is hereby authorized under and in accordance with the Officer's Pricing Certificate, the officers of the City are each hereby authorized to execute, attest, and affix the City's seal to the Bonds and to deliver the Bonds to the Attorney General of

the State of Texas for approval, the Comptroller of Public Accounts for registration and the Paying Agent/Registrar for authentication, and thereafter to deliver such Bonds to the Underwriters pursuant to the Bond Purchase Contract authorized in Section 6.01 herein.

Section 3.02. Designation, Date and Interest Payment Dates.

Bonds shall be designated as the "City of Missouri City, Texas, General Obligation Bonds, Series 2018," and shall be dated October 15, 2018. The Bonds shall bear interest at the rates set forth herein, from the later of the Closing Date or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, payable on each June 15 and December 15, beginning June 15, 2019, until maturity or prior redemption.

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

Section 3.03. Numbers Denomination Interest Rates and Maturities.

The Bonds shall be initially issued bearing the numbers, in the principal amounts and bearing interest at the rates set forth below and may be transferred and exchanged as set out in this Ordinance. The Bonds shall mature on June 15 in each of the years and in the amounts as set forth in the Officer's Pricing Certificate. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of \$5,000 or integral multiples thereof and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered. The Bonds shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered T-1.

Section 3.04. Redemption Prior to Maturity.

The Bonds are subject to optional redemption and mandatory redemption as set forth herein.

(a) *Optional Redemption.* The Bonds maturing on or after June 15, 2028 are subject to redemption at the option of the City on June 15, 2027 or on any date thereafter, in whole or in part, at a redemption price of par plus accrued interest to the date of redemption.

The City, at least 45 days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Bonds to be redeemed.

(b) *Mandatory Sinking Fund Redemption.*

(i) The Bonds designated as “Term Bonds” in the Officer’s Pricing Certificate (“Term Bonds”), if any, are subject to scheduled mandatory redemption and will be redeemed by the City, in part, at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on the dates and in the respective principal amounts as set forth in the Officer’s Pricing Certificate.

(ii) Prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 3.04(d).

(iii) The principal amount of the Term Bonds required to be redeemed on any redemption date pursuant to Section 3.04(b)(i) shall be reduced, at the option of the City, by the principal amount of any Term Bonds which, at least 45 days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

(c) *Partial Redemption.* If less than all of the Bonds are to be redeemed pursuant to this Section, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Bonds, or portions thereof, within such maturity or maturities and in such principal amounts for redemption at the close of business on the Business Day next preceding the date of mailing such notice.

A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. If such a Bond is to be partially redeemed, the Paying Agent/Registrar shall treat each \$5,000 portion of a Bond as though it were a single Bond for purposes of selection for redemption.

Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.10 of this Ordinance, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge, notwithstanding any provision of Section 3.10 to the contrary.

(d) *Notice of Redemption.* Notice of any redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption, to the registered owner of each Bond, or portion thereof to be redeemed, at its address as it appeared on the Register on the close of business on the business day next preceding the date of mailing such notice; provided, however, that the failure to send, mail, or 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 by the City with the

Paying Agent/Registrar for the payment of the required redemption price for this Bond or the portion hereof which is to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, this Bond, or the portion thereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/ Registrar shall record in the Register all such redemptions of principal of this Bond or any portion hereof. 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 principal 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 City, all as provided in the Ordinance.

(e) *Conditional Redemption.* The City reserves the right in the case of an optional redemption to give notice of its election or direction to redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected owners. Any Bonds subject to conditional redemption where redemption has been rescinded shall remain outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

Section 3.05. This section intentionally deleted.

Section 3.06. Medium, Method and Place of Payment.

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

(b) Interest on the Bonds shall be payable to the Owners as shown in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Bond

appearing in the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

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

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

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

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

Section 3.07. Execution and Registration of Bonds.

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

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

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

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

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

Section 3.08. Ownership.

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

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

Section 3.09. Registration, Transfer and Exchange.

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

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

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office for a Bond or Bonds of the same maturity and interest rate and in any denomination or denominations of any integral multiple of \$5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Bonds presented for

exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

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

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

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

Section 3.10. Cancellation.

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

Section 3.11. Temporary Bonds.

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

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

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

Section 3.12. Replacement Bonds.

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

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

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

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

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

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

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

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

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

Section 3.13. Book-Entry Only System.

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

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Bondholder, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption or (iii) the payment to any DTC Participant or any other person, other than a Bondholder, as shown in the Register of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of and interest on the Bonds, for the purpose of all matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an owner, as shown in the Register, shall receive a certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

Section 3.14. Successor Securities Depository; Transfer Outside Book-Entry Only System.

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

securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.15. Payments to Cede & Co.

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

ARTICLE IV

PAYING AGENT/REGISTRAR

Section 4.01. Appointment of Initial Paying Agent/Registrar.

The Bank of New York Mellon Trust Company, N.A. is hereby appointed as the initial Paying Agent/Registrar for the Bonds.

The Paying Agent/Registrar Agreement submitted to this City Council, the form of which is attached hereto as Exhibit C, is hereby approved. The Mayor is hereby authorized to amend, complete or modify such agreement as necessary and is further authorized to execute such agreement and the City Secretary is hereby authorized to attest such agreement.

Section 4.02. Qualifications.

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

Section 4.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Bonds are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 4.02 of this Ordinance. The Mayor is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar in substantially the form presented at this meeting, the form, terms and provisions of which are hereby approved. The signature of the Mayor shall be attested by the City Secretary.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement, provided no such resignation shall be effective until a successor Paying Agent/Registrar has accepted the duties of Paying Agent/Registrar for the Bonds.

Section 4.04. Termination.

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

duties of Paying Agent/Registrar for the Bonds.

Section 4.05. Notice of Change to Owners.

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

Section 4.06. Agreement to Perform Duties and Functions.

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

Section 4.07. Delivery of Records to Successor.

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

ARTICLE V

FORM OF THE BONDS

Section 5.01. Form Generally.

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

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

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

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

Section 5.02. Form of the Bonds.

The form of the Bonds, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, to accompany the Initial Bond, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows:

(a) The form of the Bonds, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, to accompany the Initial Bond, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows:

(a) Form of Bonds.

REGISTERED

REGISTERED

No. _____

\$ _____

United States of America
State of Texas

CITY OF MISSOURI CITY, TEXAS
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2018

INTEREST RATE:

MATURITY DATE:

CLOSING DATE:

CUSIP NUMBER:

_____%

June 15, ____

November 20, 2018

The City of Missouri City, Texas (the "City"), in Fort Bend and Harris Counties, State of Texas, for value received, hereby promises to pay to

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

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of the Closing Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on June 15 and December 15 of each year, commencing June 15, 2019.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at

the designated office in Dallas, Texas, of The Bank of New York Mellon Trust Company, N.A., as Paying Agent/Registrar (the "Designated Payment/Transfer Office"), or, with respect to a successor paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the interest payment date, and will be mailed on or before such interest payment date, by United States mail, first class, postage prepaid, by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the last business day of the month preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days (as hereinafter defined) prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day next preceding the date of mailing of such notice.

If the date for the payment of the principal of or interest on this Bond is not a Business Day, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are generally authorized or obligated by law or executive order to close (a "Business Day"), and payment on such date shall for all purposes be deemed to have been made on the original date payment was due.

This Bond is dated October 15, 2018 and is one of a series of fully registered bonds specified in the title hereof issued in the aggregate principal amount of \$_____¹ (herein referred to as the "Bonds"), issued pursuant to a certain ordinance of the City (the "Bond Ordinance") and an officer's pricing certificate executed pursuant to the Bond Ordinance (together with the Bond Ordinance, the "Ordinance") for the purpose of funding certain drainage improvement needs of the City, funding public safety improvement needs of the City, funding parks and recreation improvement needs of the City, funding certain mobility improvement needs of the City, funding certain facilities needs of the City and to pay the costs of issuing the Bonds.

The Bonds of this series scheduled to mature on and after June 15, 20__ may be redeemed prior to their scheduled maturities, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, at the option of the City, on June 15, 20__, or on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

¹ Insert from Officer's Pricing Certificate.

[Bonds maturing on June 15, 20__ (the "Term Bonds") are subject to mandatory sinking fund redemption prior to their scheduled maturity, and will be redeemed by the City, in part at a redemption price equal to the principal amount thereof, without premium, plus interest accrued to the redemption date, on the dates and in the principal amounts shown in the following schedule:

<u>\$ Term Bonds Maturing June 15, 20</u>	
<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
_____ (maturity)	\$ _____
	\$ _____

The Paying Agent/Registrar will select by lot or by any other customary method that results in a random selection the specific Term Bonds (or with respect to Term Bonds having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Term Bonds required to be redeemed on any redemption date pursuant to the foregoing mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the City, by the principal amount of any Term Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.]²

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

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

² Delete if Term Bonds are not issued.

General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of the City of Missouri City, Texas, and that this Bond has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, _____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar.

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

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Bond of this series of bonds was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Bonds referred to in the within-mentioned Ordinance.

The Bank of New York Mellon Trust Company,
N.A., as Paying Agent/Registrar

Dated: _____ By: _____
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

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

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

Dated: _____

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

Signature Guaranteed:

Authorized Signatory

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

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

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

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

(Information to be inserted from the Officer's Pricing Certificate)

Section 5.04. CUSIP Registration.

The City may secure identification numbers through the CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence, or another entity that provides securities identification numbers for municipal securities, and may print such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds or any errors or omissions in the printing of such number shall be of no significance or effect in regard to the legality thereof and neither the City nor Bond Counsel to the City are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

Section 5.05. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on the reverse side of or attached to each Bond over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 5.06. Statement of Insurance.

A statement relating to a municipal bond insurance policy, if any, to be issued for the Bonds may be printed on or attached to each Bond.

ARTICLE VI

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

Section 6.01. Sale of Bonds and Official Statement.

(a) The Bonds are hereby officially sold and awarded to and shall be delivered to the Underwriters at the price and on the terms specified in the Bond Purchase Contract and for the price set out in the Officer's Pricing Certificate. The form, terms and provisions of the Bond Purchase Contract are hereby approved and the City Manager is hereby authorized and directed to execute and deliver such Bond Purchase Contract upon completion of the terms thereof in accordance with the Officer's Pricing Certificate. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable. The Bonds shall initially be registered in the name of the representative of the Underwriters, or its designee. The Mayor and all other officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions to and to provide for the issuance and delivery of the Bonds.

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

(c) All officers of the City are authorized to execute such documents, certificates and receipts, and to make such elections with respect to the tax-exempt status of the Bonds, as they may deem appropriate in order to consummate the delivery of the Bonds.

(d) The obligation of the Underwriters to accept delivery of the Bonds is subject to the Underwriters being furnished with the final, approving opinion of Bond Counsel for the City, which opinion shall be dated and delivered the Closing Date.

Section 6.02. Control and Delivery of Bonds.

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

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

(c) All officers of the City are authorized to execute such documents, certificates and receipts and to make such elections with respect to the tax-exempt status of the Bonds, as they may deem necessary to consummate the delivery of the Bonds.

Section 6.03. Deposit of Proceeds.

Proceeds from the sale of the Bonds shall, promptly upon receipt by the City, be applied as set out in the Officer's Pricing Certificate.

ARTICLE VII

INVESTMENTS

Section 7.01. Investments.

(a) Money in the Interest and Sinking Fund created by this Ordinance, at the option of the City, may be invested in such securities or obligations as permitted under applicable law as in effect on the date of the investment.

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

Section 7.02. Investment Income.

(a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such Fund.

(b) Interest and income derived from investment of the funds to be deposited pursuant to Section 6.03(b) hereof shall be credited to the account where deposited until the acquisition or construction of the Projects is completed and thereafter, to the extent such interest and income are present, such interest and income shall be deposited to the Interest and Sinking Fund.

ARTICLE VIII

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 8.01. Payment of the Bonds.

On or before each Interest Payment Date for the Bonds and while any of the Bonds are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such interest on and principal of the Bonds as will accrue or mature on the applicable Interest Payment Date, maturity date or date of prior redemption. Such transfer of funds shall be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar not later than the close of business on the Business Day next preceding the date of payment for the Bonds.

Section 8.02. Other Representations and Covenants.

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

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

Section 8.03. Provisions Concerning Federal Income Tax Exclusion.

(a) General. The City intends that the interest on the Bonds be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150, inclusive, of the Code. The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would (i) cause the interest on the Bonds to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes or (ii) result in the violation of or failure to satisfy any provision of Section 103 and 141 through 150, inclusive, of the Code. In particular, the City covenants and agrees to comply with each requirement of this Section 8.03; provided, however, that the City will not be required to comply with any particular requirement of this Section 8.03 if the City has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that (i) such noncompliance will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes or (ii) compliance with some other requirement set forth in such Counsel's Opinion will satisfy the applicable requirements of the Code, in which case compliance with such other requirement will constitute compliance with the corresponding requirement specified in this Section 8.03.

(b) No Private Use or Payment and No Private Loan Financing. The City covenants and agrees that it will make such use of the proceeds of the Bonds including interest or other investment income derived from Bond proceeds, regulate the use of property financed or refinanced, directly or indirectly, with such proceeds, and take such other and further action as

may be required so that the Bonds will not be “private activity bonds” within the meaning of section 141 of the Code. Moreover, the City will certify, through an authorized officer, employee or agent that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be “private activity bonds” within the meaning of section 141 of the Code.

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

(d) No Hedge Bonds. The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Bonds to be “hedge bonds” within the meaning of section 149(g) of the Code.

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

(f) Arbitrage Rebate. If the City does not qualify for an exception to the requirements of section 148(f) of the Code relating to the required rebate to the United States, the City will take all steps necessary to comply with the requirement that certain amounts earned by the City on the investment of the “gross proceeds” of the Bonds (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the City will (i) maintain records regarding the investment of the gross proceeds of the Bonds as may be required to calculate the amount earned on the investment of the gross proceeds of the Bonds separately from records of amounts on deposit in the funds and accounts of the City allocable to other bond issues of the City or moneys that do not represent gross proceeds of any bonds of the City, (ii) determine at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Bonds that is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Bonds or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm’s length and had the yield on the issue not been relevant to either party.

(g) Information Reporting. The City covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month

after the close of the calendar quarter in which the Bonds are issued, an information statement concerning the Bonds, all under and in accordance with section 149(e) of the Code.

(h) Record Retention. The City will retain all pertinent and material records relating to the use and expenditure of the proceeds of the Bonds until three years after the last Bond is redeemed or paid at maturity, or such shorter period as authorized by subsequent guidance issued by the Department of the Treasury, if applicable. All records will be kept in a manner that ensures their complete access throughout the retention period. For this purpose, it is acceptable that such records are kept either as hardcopy books and records or in an electronic storage and retrieval system, provided that such electronic system includes reasonable controls and quality assurance programs that assure the ability of the City to retrieve and reproduce such books and records in the event of an examination of the Bonds by the Internal Revenue Service.

(i) Registration. The Bonds will be issued in registered form.

(j) Deliberate Actions. The City will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Bonds to fail to meet any requirement of section 141 of the Code after the issue date of the Bonds unless an appropriate remedial action is permitted by section 1.141-12 of the Regulations, the City takes such remedial action and the City receives a Counsel's Opinion that such remedial action cures any failure to meet the requirements of section 141 of the Code.

(k) Continuing Obligation. Notwithstanding any other provision of this Order, the City's obligations under the covenants and provisions of this Section 8.03 will survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the excludability of interest on the Bonds exclusion from gross income for federal income tax purposes.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default.

Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(a) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(b) default in the performance or observance of any other covenant, agreement or obligation of the City, which default materially and adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of sixty (60) days after notice of such default is given by any Owner to the City.

Section 9.02. Remedies for Default.

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

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

Section 9.03. Remedies Not Exclusive.

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

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

ARTICLE X

DISCHARGE

Section 10.01. Discharge.

The Bonds may be refunded, discharged or defeased in any manner permitted by applicable law.

ARTICLE XI

CONTINUING DISCLOSURE UNDERTAKING

Section 11.01. Annual Reports.

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

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

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

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) that theretofore has been provided to the MSRB or filed with the SEC.

Section 11.02. Material Event Notices.

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

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

Note to paragraph xii: For the purposes of the event identified in paragraph xii of this section, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the

supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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; and
- (xiv) the appointment of a successor or additional paying agent/registrars or the change in the name of the paying agent/registrars, if material.

(b) The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 11.01 of this Ordinance by the time required by such Section.

(c) The City reserves the right to file all information and notices required under this Article through the facilities of DisclosureUSA or any other central post office approved by the SEC for such purpose.

Section 11.03. Limitations, Disclaimers and Amendments.

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

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

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

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

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

(e) The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (i) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (B) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Bonds. The provisions of this Article may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent Underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 11.01 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

ARTICLE XII ENGAGEMENT OF PROFESSIONALS

Section 12.01. Engagement of Professionals.

The City Council hereby confirms the prior engagement of (1) Bracewell LLP, as Bond Counsel to the City and (2) First Southwest, a division of Hilltop Securities Inc., as Financial Advisor to the City, in connection with the issuance and sale of the Bonds and (3) the engagement of RBC Capital Markets, LLC and Loop Capital Markets, LLC are hereby engaged to serve as the senior underwriter and co-senior underwriter, respectively, in connection with the issuance and sale of the Bonds.

ARTICLE XIII MISCELLANEOUS

Section 13.01. Changes to Ordinance.

Bond Counsel is hereby authorized to make any changes to the terms of this Ordinance if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Bonds by the Attorney General of Texas.

Section 13.02. Partial Invalidity.

If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 13.03. Repealer.

All ordinances or resolutions, or parts thereof, heretofore adopted by the City and inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such conflict.

Section 13.04. Individuals Not Liable.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member of City Council or agent or employee of City Council or of the City in his or her individual capacity and neither the members of City Council nor any officer thereof, nor any agent or employee of City Council or of the City, shall be liable personally on the Bonds, or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 13.05. Related Matters.

To satisfy in a timely manner all of the City's obligations under this Ordinance, the Mayor or Mayor Pro Tem, the City Secretary and all other appropriate officers and agents of the City are hereby authorized and directed to do any and all things necessary and/or convenient in order to consummate the delivery of the Bonds, pay the costs of issuance on the Bonds, and effectuate the terms and purposes of this Ordinance.

Section 13.06. Force and Effect.

This Ordinance shall be in full force and effect from and after its final passage, and it is so ordained.

[Signature Page Follows]

PASSED, APPROVED and ADOPTED on first and final reading this 1st day of October, 2018, with ____ members voting yes, ____ members voting no, and ____ members abstaining.

Allen Owen, Mayor

ATTEST:

Maria Jackson, City Secretary

[SEAL]

APPROVED AS TO FORM:

E. Joyce Iyamu, City Attorney

Signature Page to Ordinance

#5786873.2

EXHIBIT A

DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

The following information is referred to in Article XI of this Ordinance.

Annual Financial Statements and Operating Data

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

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded Fiscal Year.
2. The quantitative financial information and operating data with respect to the City of the general type included in the main text of the Official Statement is numbered Tables 1 through 6 and 8 through 14, both inclusive.

Accounting Principles

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above, as such principles may be changed from time to time to comply with State law.

EXHIBIT B

**FORM OF
OFFICER'S PRICING CERTIFICATE**

CITY OF MISSOURI CITY, TEXAS

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2018

THIS OFFICER'S PRICING CERTIFICATE is executed as of _____, 2018 by the _____, Missouri City Texas (the "City") pursuant to the authorization contained in Ordinance of the City Council of the City adopted on October 1, 2018 (the "Ordinance"), authorizing the issuance of the captioned series of bonds and delegating to the undersigned the authority to agree to and stipulate certain terms and provisions thereof, all of which are set forth herein.

Capitalized terms used in this Officer's Pricing Certificate shall have the meanings assigned to them in the Ordinance.

1. Principal Amount, Numbers, Interest Rates and Maturities. The Bonds shall be issued in the total authorized principal amount of \$_____. The Bonds shall bear interest from November 20, 2018 (the "Closing Date") and mature on June 15 in each of the years, in the principal installments and shall bear interest at the per annum rates set out in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
_____	\$_____	_____ %	_____	\$_____	_____ %
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

2. Form of Bond. The Form of Bond as set forth in Exhibit A hereto is hereby approved.

3. Redemption Prior to Maturity. The Bonds are subject to optional [and mandatory] redemption as set forth in Exhibit A.

4. Purchase Price. The sale of the Bonds is authorized pursuant to the form of Bond Purchase Contract approved in the Ordinance at the following price:

PRINCIPAL AMOUNT \$
 Plus Original Issue Premium
 Less Original Issue Discount
 Less Underwriter's Discount
 PURCHASE PRICE \$

5. The undersigned hereby finds, determines and declares, that in accordance with the requirements of the Ordinance, this Officer's Pricing Certificate complies with and satisfies the terms and provisions of Sections 3.01 and 3.01A the Ordinance in accordance with the delegation contained therein.

6. Deposit of Proceeds.

a. All amounts received on the Closing Date as accrued interest on the Bonds from the Bond Date to the Closing Date, shall be deposited to the Interest and Sinking Fund.

b. \$_____ shall be deposited in the funds for the purposes as described in Section 3.01 of the Ordinance.

c. The remaining balance shall be used to pay the costs of issuing the Bonds; provided that any amount representing a rounding or contingency amount shall be applied solely to pay costs of issuance of the Bonds. Amounts remaining after payment of costs of issuance shall be deposited to the Interest and Sinking Fund and applied to the payment of debt service on the Bonds.

6. The undersigned hereby finds, determines and declares that the terms of sale of the Bonds are in the City's best interests and are the most advantageous reasonable attainable by the City.

<EXECUTION PAGE FOLLOWS>

EXECUTED as of this _____, 2018.

[Title]

EXHIBIT A TO OFFICER'S PRICING CERTIFICATE

FORM OF BOND

[To be Added at Pricing]

EXHIBIT C

PAYING AGENT/REGISTRAR AGREEMENT

[Attached]

PAYING AGENT/REGISTRAR AGREEMENT

between

CITY OF MISSOURI CITY, TEXAS

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

Pertaining to

City of Missouri City, Texas
General Obligation Bonds
Series 2018

City of Missouri City, Texas
Combination Tax and Revenue Certificates of Obligation
Series 2018A

City of Missouri City, Texas
Combination Tax and Revenue Certificates of Obligation
Series 2018A

Dated as of , 2018

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PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT (the or this "Agreement"), dated as of [], 2018, is by and between CITY OF MISSOURI CITY, TEXAS (the "Issuer") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (the "Bank"), a national banking association duly organized and existing under the laws of the United States of America.

WHEREAS, the Issuer has duly authorized and provided for the issuance of its General Obligation Bonds, Series 2018, dated [], 2018 (the "Bonds"), its Combination Tax and Revenue Certificates of Obligation, Series 2018A, dated [], 2018 (the "Series 2108A Certificates"), and its Combination Tax and Revenue Certificates of Obligation, Series 2018B, dated [], 2018 (the "Series 2018B Certificates, and together with the Bonds and Series 2018A Certificates, the "Obligations"), to be issued as registered securities without coupons;

WHEREAS, all things necessary to make the Obligations the valid obligations of the Issuer, in accordance with their terms, will be taken upon the issuance and delivery thereof;

WHEREAS, the Issuer desires that the Bank act as the Paying Agent of the Issuer in paying the principal, redemption premium, if any, and interest on the Obligations, in accordance with the terms thereof, and that the Bank act as Registrar for the Obligations; and

WHEREAS, the Issuer has duly authorized the execution and delivery of this Agreement, and all things necessary to make this Agreement the valid agreement of the Issuer, in accordance with its terms, have been done;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE I

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01. Appointment.

(a) The Issuer hereby appoints the Bank to act as Paying Agent with respect to the Obligations in paying to the Owners of the Obligations the principal, redemption premium, if any, and interest on all or any of the Obligations.

(b) The Issuer hereby appoints the Bank as Registrar with respect to the Obligations.

(c) The Bank hereby accepts its appointment, and agrees to act as, the Paying Agent and Registrar.

Section 1.02. Compensation.

(a) As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Annex A.

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(b) In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof, including the reasonable compensation and the expenses and disbursements of its agents and counsel.

ARTICLE II

DEFINITIONS

Section 2.01. Definitions.

The terms "Agreement," "Bank," "Bonds," "Issuer," "Obligations," "Series 2018A Certificates" and "Series 2018B Certificates" have the meanings assigned them in the recitals hereto. Capitalized terms used herein and not defined herein shall have the meanings assigned in the Obligation Ordinances (as hereinafter defined). For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms have the following meanings when used in this Agreement:

"Bank Office" means the Bank's office in Dallas, Texas. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Bond Ordinance" means, collectively, the ordinance of the City Council of the Issuer authorizing the issuance and delivery of the Bonds and the pricing certificate executed pursuant thereto.

"Financial Advisor" means Hilltop Securities Inc., and its successor in that capacity.

"Issuer Request" and "Issuer Order" means a written request or order signed in the name of the Mayor of the Issuer, or any other authorized representative of the Issuer and delivered to the Bank.

"Obligation Ordinances" means, collectively, the Bond Ordinance, the Series 2018A Certificate Ordinance and the Series 2018B Certificate Ordinance.

"Owner" means the Person in whose name an Obligation is registered in the Register.

"Paying Agent" means the Bank when it is performing the functions associated with the terms in this Agreement.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision of a government.

"Predecessor Obligations" of any particular Obligation means every previous Obligation evidencing all or a portion of the same obligation as that evidenced by such particular Obligation (and, for the purposes of this definition, any Obligation registered and delivered under Section 4.06 in lieu of a mutilated, lost, destroyed or stolen Obligation shall be deemed to evidence the same obligation as the mutilated, lost, destroyed or stolen Obligation).

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“Record Date” has the meaning assigned in the Obligation Ordinances.

“Register” means a register in which the Registrar shall provide for the registration and transfer of Obligations.

“Responsible Officer” means, when used with respect to the Bank, the officer or officers of the Bank with in the corporate trust department having direct responsibility for the administration of this Agreement.

“Series 2018A Certificate Ordinance” means, collectively, the ordinance of the City Council of the Issuer authorizing the issuance and delivery of the Series 2018A Certificates and the pricing certificate executed pursuant thereto.

“Series 2018B Certificate Ordinance” means, collectively, the ordinance of the City Council of the Issuer authorizing the issuance and delivery of the Series 2018B Certificates and the pricing certificate executed pursuant thereto.

“Stated Maturity” means the date or dates specified in the Obligation Ordinances as the fixed date on which the principal of the Obligations is due and payable or the date fixed in accordance with the terms of the Obligation Ordinances for redemption of the Obligations, or any portion thereof, prior to the fixed maturity date.

ARTICLE III

PAYING AGENT

Section 3.01. Duties of Paying Agent.

(a) The Bank, as Paying Agent and on behalf of the Issuer, shall pay to the Owner, at the Stated Maturity and upon the surrender of the Obligation or Obligations so maturing at the Bank Office, the principal amount of the Obligation or Obligations then maturing, and redemption premium, if any, provided that the Bank shall have been provided by or on behalf of the Issuer adequate funds to make such payment.

(b) The Bank, as Paying Agent and on behalf of the Issuer, shall pay interest when due on the Obligations to each Owner of the Obligations (or their Predecessor Obligations) as shown in the Register at the close of business on the Record Date, provided that the Bank shall have been provided by or on behalf of the Issuer adequate funds to make such payments. The Paying Agent/Registrar shall make such payments in accordance with the Obligation Ordinances by computing the amount of interest to be paid each Owner, preparing the checks, and mailing the checks (or other payment method allowed under the terms of the Obligation Ordinances) on each Interest Payment Date addressed to each Owner’s address as it appears in the Register at the close of business on the Record Date.

Section 3.02. Payment Dates.

The Issuer hereby instructs the Bank to pay the principal of, redemption premium, if any, and interest on the Obligations at the dates specified in the Obligation Ordinances.

ARTICLE IV

REGISTRAR

Section 4.01. Transfer and Exchange.

(a) The Bank is hereby appointed "Registrar" for the purpose of registering and transferring the Obligations as herein provided. The Bank agrees to maintain the Register while it is Registrar. The Bank shall keep the Register at the Bank Office, and subject to such reasonable written regulations as the Issuer may prescribe, which regulations shall be furnished to the Bank herewith or subsequent hereto by Issuer Order, the Bank shall provide for the registration and transfer of the Obligations.

(b) The Obligations shall be subject to transfer and exchange as set forth in the Obligation Ordinances.

Section 4.02. The Obligations.

The Issuer shall provide an adequate inventory of unregistered Obligations to facilitate transfers. The Bank covenants that it will maintain the unregistered Obligations in safekeeping and will use reasonable care in maintaining such unregistered Obligations in safekeeping, which shall be not less than the care it maintains for debt securities of other governments or corporations for which it serves as registrar, or which it maintains for its own securities.

Section 4.03. Form of Register.

(a) The Bank as Registrar will maintain the records of the Register in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Register in any form other than a form which the Bank has currently available and currently utilizes at the time.

(b) The Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04. List of Owners.

(a) The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the cost, if any, of reproduction, a copy of the information contained in the Register. The Issuer may also inspect the information in the Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

(b) The Bank will not release or disclose the content of the Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a subpoena or court order or as otherwise required by law. Upon receipt of a subpoena or court order the Bank will notify the Issuer so that the Issuer may contest the subpoena or court order.

Section 4.05. Cancellation of Obligations.

All Obligations surrendered to the Bank for payment, redemption, transfer, exchange, or replacement, shall be promptly cancelled by it upon the making of proper records regarding such payment, transfer, exchange or replacement. The Issuer may at any time deliver to the Bank for cancellation any Obligations previously certified or registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Obligations so delivered shall be promptly cancelled by the Bank. All cancelled Obligations held by the Bank shall be disposed of pursuant to the Securities Exchange Act of 1934.

Section 4.06. Mutilated, Destroyed, Lost, or Stolen Obligations.

(a) Subject to the provisions and conditions of this Section 4.06, Sections [] through [] of the Bond Ordinance, Sections [] through [] of the Series 2018A Certificate Ordinance, and Sections [] through [] of the Series 2018B Certificate Ordinance, the Issuer hereby instructs the Bank to deliver fully registered Obligations in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations as long as the same does not result in an overissuance.

(b) The Issuer hereby accepts the Bank's current blanket bond for lost, stolen, or destroyed Obligations and any future substitute blanket bond for lost, stolen, or destroyed Obligations that the Bank may arrange, and agrees that the coverage under any such blanket bond is acceptable to it and meets the Issuer's requirements as to security or indemnity. The Bank need not notify the Issuer of any changes in the security or other company giving such bond or the terms of any such bond, provided that the amount of such bond is not reduced below the amount of the bond on the date of execution of this Agreement. The blanket bond then utilized by the Bank for lost, stolen, or destroyed Obligations by the Bank is available for inspection by the Issuer on request.

Section 4.07. Transaction Information to Issuer.

The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Obligations it has paid pursuant to Section 3.01; Obligations it has delivered upon the transfer or exchange of any Obligations pursuant to Section 4.01; and Obligations it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations pursuant to Section 4.06 of this Agreement.

ARTICLE V

THE BANK

Section 5.01. Duties of Bank.

The Bank undertakes to perform the duties set forth herein and in accordance with the Obligation Ordinances and agrees to use reasonable care in the performance thereof. The Bank hereby agrees to use the funds deposited with it for payment of the principal of, redemption premium, if any, and interest on the Obligations to pay the Obligations as the same shall become due and further agrees to establish and maintain all accounts and funds as may be required for the

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Bank to function as Paying Agent.

Section 5.02. Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any ordinance, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Obligations, but is protected in acting upon receipt of Obligations containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Owner or an attorney-in-fact of the Owner. The Bank shall not be bound to make any investigation into the facts or matters stated in an ordinance, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document supplied by Issuer.

(e) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Obligations in the manner disclosed in the closing memorandum as prepared by the Issuer's Financial Advisor or other agents. The Bank may act on a facsimile or e-mail transmission of the closing memorandum acknowledged by the Financial Advisor or the Issuer as the final closing memorandum. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

(f) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(g) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

Section 5.03. Recitals of Issuer.

(a) The recitals contained herein and in the Obligation Ordinances shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

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(b) The Bank shall in no event be liable to the Issuer, any Owner or Owners, or any other Person for any amount due on any Obligation except as otherwise expressly provided herein with respect to the liability of the Bank for its duties under this Agreement.

Section 5.04. May Hold Obligations.

The Bank, in its individual or any other capacity, may become the Owner or pledgee of Obligations and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05. Money Held by Bank.

(a) Money held by the Bank hereunder need not be segregated from any other funds provided appropriate accounts are maintained.

(b) The Bank shall be under no liability for interest on any money received by it hereunder.

(c) Subject to the provisions of Title 6, Texas Property Code, any money deposited with the Bank for the payment of the principal, redemption premium, if any, or interest on any Obligation and remaining unclaimed for three years after final maturity of the Obligation has become due and payable will be paid by the Bank to the Issuer, and the Owner of such Obligation shall thereafter look only to the Issuer for payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease.

(d) The Bank will comply with the reporting requirements of Chapter 74 of the Texas Property Code.

(e) The Bank shall deposit any moneys received from the Issuer into a trust account to be held in a paying agent capacity for the payment of the Obligations, with such moneys in the account that exceed the deposit insurance, available to the Issuer, provided by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas and to the extent practicable under the laws of the United States of America to secure and be pledged as collateral for trust accounts until the principal and interest on the Obligations have been presented for payment and paid to the owner thereof. Payments made from such trust account shall be made by check drawn on such trust account unless the owner of such Obligations shall, at its own expense and risk, request such other medium of payment.

Section 5.06. Indemnification.

To the extent permitted by law, the Issuer agrees to indemnify the Bank and its officers, directors, employees, and agents and save and them harmless from and against, any and all actions or suits, whether groundless or otherwise, and from any and against any and all loss, liability, or expense incurred without negligence, bad faith or willful misconduct on their part arising out of or in connection with its acceptance or administration of the Bank's duties hereunder, and under Article [] of the Bond Ordinance, Article [] of the Series 2018A Certificate Ordinance, and Article [] of the Series 2018B Certificate Ordinance, including the cost and expense (including the reasonable counsel fees and expenses outside counsel engaged by the Bank; the

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Issuer shall not be responsible for the salary, expenses or any costs associated with counsel employed by the Bank or any affiliate, subsidiary or parent of the Bank) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07. Interpleader.

The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demands or controversy over its persons as well as funds on deposit in a court of competent jurisdiction within the State of Texas; waive personal service of any process; and agree that service of process by certified or registered mail, return receipt requested, to the address set forth in this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction within the State of Texas to determine the rights of any person claiming any interest herein.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.01. Amendment.

This Agreement may be amended only by an agreement in writing signed by both of the parties hereof.

Section 6.02. Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03. Notices.

Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown below:

- (a) if to the Issuer: City of Missouri City, Texas
1522 Texas Parkway
Missouri City, Texas 77489
Attention: Mayor

- (b) if to the Bank: The Bank of New York Mellon Trust Company
2001 Bryan Street, 10th Floor
Dallas, Texas 75201
Attention: Corporate Trust Department

Section 6.04. Bank to Give Notice of Change.

The Bank hereby agrees that it will give notice to the Issuer, the Owners and the Municipal

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Securities Rulemaking Board of (a) any change in the name of the Bank after the date hereof, (b) any change in the location of the Bank Office or a change in the mailing address of the Bank, and (c) any merger or other change in the corporate structure affecting the name, location and address of the Bank, in each case within ten (10) business days of the effective date of such change.

Section 6.05. Anti-Boycott Verification.

The Bank represents that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law, neither the Bank nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank (i) boycotts Israel or (ii) will boycott Israel through the term of this Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

Section 6.06. Iran, Sudan and Foreign Terrorist Organizations.

The Bank represents that, as of the date of this Agreement, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Bank nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank is an entity listed by the Texas Comptroller of Public Accounts under Sections 2252.153 or 2270.0201 of the Texas Government Code.

Section 6.07. Effect of Headings.

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 6.08. Successors and Assigns.

All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.09. Separability.

If any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.10. Benefits of Agreement.

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.11. Entire Agreement.

This Agreement and the Obligation Ordinances constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar, and if any conflict exists between this Agreement and the Obligation Ordinances, the Obligation Ordinances shall govern.

Section 6.12. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.13. Termination.

(a) This Agreement will terminate on the date of final payment by the Bank issuing its checks for the final payment of principal, redemption premium, if any, and interest of the Obligations.

(b) This Agreement may be earlier terminated upon 60 days written notice by either party; provided, that, no termination shall be effective until a successor has been appointed by the Issuer and has accepted the duties imposed by this Agreement. A resigning Paying Agent/Registrar may petition any court of competent jurisdiction for the appointment of a successor Paying Agent/Registrar if an instrument of acceptance by a successor Paying Agent/Registrar has not been delivered to the resigning Paying Agent/Registrar within 60 days after the giving of notice of resignation.

(c) The provisions of Section 1.02 and of Article V shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.14. Merger, Conversion, Consolidation or Succession.

Any corporation into which the Bank may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank hereunder without the execution or filing of any paper or any further act on the part of either of the parties hereto; provided, however, that the resulting entity must qualify to serve as the Paying Agent/Registrar under the terms of the Ordinance and Texas law. In case any Obligation shall have been registered, but not delivered, by the Bank then in office, any successor by merger, conversion, or consolidation to such authenticating Bank may adopt such registration and deliver the Obligation so registered with the same effect as if such successor Bank had itself registered such Obligation. The Bank shall notify the Issuer of any changes described in this paragraph in accordance with Section 6.04.

Section 6.15. Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

Section 6.16. Electronic Means.

The Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Bank, or another method or system specified by the Bank as available for use in connection with its services hereunder.); provided, however, that the Issuer shall provide to the Bank an incumbency certificate listing officers with the Issuer to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Issuer, whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Bank Instructions using Electronic Means and the Bank in its discretion elects to act upon such Instructions, the Bank's understanding of such Instructions shall be deemed controlling. The Issuer understands and agrees that the Bank cannot determine the identity of the actual sender of such Instructions and that the Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Bank have been sent by such Authorized Officer. The Issuer shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Bank and that the Issuer and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Issuer. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. To the extent allowed by law, the Issuer agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Bank, including without limitation the risk of the Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Issuer; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 6.17. Resignation or Removal of the Bank.

Any time, other than on a day during the forty-five (45) day period preceding any payment date for the Issuer's Obligations, the Bank may resign by giving at least forty-five (45) days' prior written notice to the Issuer; and the Bank's agency shall be terminated and its duties shall cease upon expiration of such forty-five (45) days or such lesser period of time as shall be mutually agreeable to the Bank and the Issuer; provided, however, that no such termination shall be effective until a successor paying agent/registrar has assumed the duties of paying agent/registrar for the Obligations. The Issuer agrees that it will use commercially responsible efforts to engage a replacement paying agent/registrar following the receipt of such notice. At any time, following at least forty-five (45) days' prior written notice (or such lesser period of time as shall be mutually agreeable to the Bank and the Issuer) from the Issuer, the Bank may be removed from its agency. Such removal shall become effective upon the expiration of the forty-five (45) day or agreed upon

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lesser time period, and upon payment to the Bank of all amounts payable to it in connection with its agency, provided, however, that no such termination shall be effective unless a successor paying agent/registrar has assumed the duties of paying agent/registrar with respect to the Obligations. In such event, the Bank shall deliver to the Issuer, or to the Issuer's designated representative, all Obligations and cash belonging to the Issuer and shall furnish to the Issuer, or to the Issuer's designated representative, the register and all other pertinent books and records relating to the Obligations, including reasonably detailed information regarding the status of the Issuer's outstanding Obligations and copies of other pertinent records then in the Bank's possession, reasonably requested by the Issuer.

[Signature Pages to Follow]

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

CITY OF MISSOURI CITY, TEXAS

By: _____
Mayor

ATTEST:

By: _____
City Secretary

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THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
as Paying Agent/Registrar

By: _____

Title: _____

Signature Page to Paying Agent/Registrar Agreement

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ANNEX A

SCHEDULE OF FEES FOR SERVICE AS PAYING AGENT/REGISTRAR

[Attached]



**Council Agenda Item
October 1, 2018**

11. RESOLUTIONS – *There are no Resolutions on this agenda.*

12. CITY COUNCIL ANNOUNCEMENTS

Discussion, review, and possible action regarding a meeting or activity of one or more of the following entities (each entity refers to a City of Missouri City entity unless otherwise indicated):

Charter Review Commission, Community Development Advisory Committee, Construction Board of Adjustments, Electrical Board, Parks Board, Planning and Zoning Commission, Tax Increment Reinvestment Zone Boards, Fort Bend Chamber of Commerce, Houston-Galveston Area Council, Fort Bend Regional Council, Texas Municipal League, Fort Bend County, Harris County, Gulf Coast Building and Construction Trades Council, Mayor's Youth Commission, Finances and Services Committee, Fort Bend Leadership Forum, Fort Bend County Drainage District, Economic Development Committee, Missouri City Parks Foundation, Missouri City Police and Fire Auxiliary, Livable Community Committee, Texas Parkway Alliance, High Performance Organization Committee, Missouri City Juneteenth Celebration Foundation, Fort Bend County Mayor and Council Association, METRO, Planning, Development and Infrastructure Committee, Fort Bend Independent School District, Greater Fort Bend Economic Development Coalition, Transportation Policy Council, Community Development Advisory Committee, Veterans Memorial Committee, Missouri City Recreation and Leisure Local Government Corporation, Missouri City Development Authority, and the Greater Houston Partnership and Emergency Management updates.

13. CLOSED EXECUTIVE SESSION

The City Council may go into Executive Session regarding any item posted on the Agenda as authorized by Chapter 551 of the Texas Government Code.

14. RECONVENE

Reconvene into Regular Session and Consider Action, if any, on items discussed in Executive Session.

15. ADJOURN
