



Melody Paradise, Mayor
Russell Brewster, Mayor Pro Tem

AGENDA

TOWN COUNCIL

June 22, 2015

COUNCIL MEMBERS:

Fred Adair
Don Funderlic
Jane Barrett
Don Surratt

Matthew Fielder, City Manager

Work Session 6:30 p.m.
Regular Session 7:30 p.m.
Council Chamber
1614 South Bowen Road

WORK SESSION 6:30 P.M.

REVIEW AND DISCUSS ITEMS ON THE REGULAR AGENDA, AND CONSIDER PLACING APPROVED ITEMS ON CONSENT AGENDA.

All consent agenda items are considered to be routine by the Council and will be enacted with one motion. There will be no separate discussion of items unless a Council Member so requests, in which event, the item will be removed from the general order of business and considered in its normal sequence.

1. City Manager Report
 - Bicentennial Park Vandalism
 - Park Row Construction
 - Personnel Vacancies
2. Approval of Bills Payable and Purchase Orders in excess of \$1,000.
A summary of invoices, purchase orders, and applicable copies are included in the agenda packet.
3. Approval and Acceptance of Minutes
Approval of Town Council Minutes:
 - Town Council minutes from June 8, 2015
 Acceptance of Minutes of Boards and Commissions:
 - PEDC minutes from May 27, 2015
 - PEDC minutes from June 3, 2015
4. Discussion on a presentation by Coble Cravens Financial Services, Inc. for options on comparable quotes for group health, dental, life, disability, and supplemental insurance plans related to the current employee benefits plan offered and provided to town employees.

REGULAR SESSION 7:30 P. M.

CALL TO ORDER/WELCOME

INVOCATION BY: Mayor Pro-Tem Russell Brewster

PLEDGE OF ALLEGIANCE

MAYOR/COUNCIL/STAFF COMMENTS OF COMMUNITY INTERESTS

HONORS/RECOGNITION

- Oath of Office and Badge Pinning of Officer Tyler Bonner, Pantego Police Department.
- Honor outgoing Pantego Economic Development Corporation President Bill Brown for his years of dedication and service to the Town of Pantego.
- Community Relations Board Memorial Day Essay Contest Winners Presentation.

RECEPTION

COUNCIL LIAISON TO BOARD REPORT

- Community Relations Board
- Pantego Youth Leadership Council

PEDC REPORT

CITIZENS OPEN FORUM

This is a time for the public to address the Town Council on any subject not on this agenda. However, in accordance with the Open Meetings Act Section 551.042, the Town Council cannot discuss issues raised or make any decisions on that subject at this time. The Town Council or an appropriate

Town official may make a statement of factual information or policy on the subject in response to an inquiry by a member of the public. Issues raised may be referred to Town Staff for research and possible future action.

APPROVAL OF CONSENT AGENDA ITEMS

Approval of the Consent Agenda authorizes the City Manager to implement each item in accordance with staff recommendations and all votes on final reading will be recorded as reflected on first reading unless otherwise indicated. Public comment will be accepted on items, with the exception of those items on which a public hearing has been held and closed by Council.

RESOLUTION

5. Discuss, direct, and consider action on Resolution 15-19 a resolution of the Town Council of the Town of Pantego, Texas, authorizing the City Manager to enter into a contract with the Texas Municipal League Multistate Intergovernmental Employee Benefits Pool for the renewal of employee health insurance coverage to include long-term disability, and to continue the Town's participation as a risk member in the employee benefits pool; and providing for an effective date.
6. Discuss, direct, and consider action on Resolution 15-20 a resolution of the Town Council of the Town of Pantego, Texas, authorizing the Town's participation in TexPool and TexPool Prime Texas Local Government Investment Pools with an authorized list of representatives.
7. Discuss, direct, and consider action on Resolution 15-21 a resolution of the Town Council of the Town of Pantego, Texas, authorizing the City Manager to enter into contracts for children entertainment and logistics for PantegoFest 2015, and providing for an effective date.

ORDINANCE

8. Discuss, direct, and consider action on a second and final reading of Ordinance 15-766 an ordinance of the Town Council of the Town of Pantego, Texas, amending the Municipal Code Chapter 13 Utilities by adopting a new Article 13.07 Storm Water Pollution Control; Containing findings and other Provisions relating to foregoing subject; containing a savings clause, repealing all ordinances in conflict herewith; and declaring an effective date
9. Discuss, direct, and consider action on a second and final reading of Ordinance 15-767 an ordinance of the Town Council of the Town of Pantego, Texas, amending Municipal Code Chapter 13 Utilities, Article 13.03 Water and Sewers, Division 1 Generally, Section 13.03.002 Definitions; Section 13.03.006 Computation of Charges; Estimated Meter Readings; Section 13.03.007 Billing – Delinquency; and Section 13.03.066 Groundwater District Production Fees; and Establishing Appendix A Fee Schedule, Article A10.000, Section A10.013 Groundwater Conservation District Fees; Containing a Savings Clause; Repealing all Ordinances in Conflict Herewith; and Declaring an Effective Date.

NEW BUSINESS FOR DISCUSSION, REVIEW, APPROVAL, AND/OR DIRECT STAFF.

10. Discuss, direct, and consider action on a presentation by the City Secretary regarding an upgrade of the Electronic Record Management System.

SCHEDULED EXECUTIVE SESSION ITEMS

- The Council will convene in the City Manager's Office pursuant to the Texas Government Code for an executive session on the following items:
 1. Pursuant to Government Code Section 551.074, to deliberate the appointment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee - Discussion of Board and Commissions appointments.

Following the Scheduled Executive Session, the Council will reconvene in public session and may take any and all action necessary concerning the Executive Session agenda item.

COUNCIL INQUIRY

If a member of the Council makes a spontaneous inquiry about a subject not on this agenda, then the Town Council or an appropriate Town official may make a statement of factual information or policy in response to such an inquiry. However, in accordance with Open Meetings Act Section 551.042, the Town Council cannot discuss issues raised or make any decisions on that subject at this time. Issues raised may be referred to Town Staff for research and possible future action.

ADJOURNMENT

CERTIFICATION

Prepared and posted in accordance with Chapter 551 of the Texas Government Code. I, the undersigned authority, do hereby certify that this Notice of Meeting was posted on the outside window of a display cabinet at the Town Hall of the Town of Pantego, Texas, a place of convenience and readily accessible to the general public at all times, and said Notice was posted by the following date and time: Friday, June 19th, 2015 at 5:00 p.m., and remained so posted at least 72 hours before said meeting convened.


Julie Arrington, City Secretary

Auxiliary aids and services are available to a person when necessary to afford an equal opportunity to participate in Town functions and activities. Auxiliary aids and services or accommodations should be requested forty-eight (48) hours prior to the scheduled starting time by calling the City Secretary's Office at (817) 548-5852.

Complete Council Agenda and background information are available for review at the City Secretary's Office and on the Town's website: www.townofpantego.com.





City Manager's Report

To: Mayor Paradise and Members of the Town Council

From: Matt Fielder, City Manager

Date: June 22, 2015

Bicentennial Park Vandalism

The evening of June 16th between 5 and 8p.m. and unknown individual(s) entered the park and damaged several statutes and the awning over the workout area was torn in several areas. Some of the statutes were overturned and are broken. Public Works is working on obtaining a quote for repairs.

Park Row Update

Staff will provide an update on the most recent progress of the project at the meeting.

Personnel Vacancies

Public Works Maintenance Worker Simon McCurley has resigned to attend graduate school in another part of the state. Efforts to fill the position are underway.



AGENDA BACKGROUND

AGENDA ITEM: Approval of Bills Payable and Purchase Orders over \$1,000.

DATE: June 22, 2015

PRESENTER: Matthew Fielder, City Manager

BACKGROUND:

This agenda item includes a listing of bills payable over \$1,000. Included are copies of invoices for professional services and purchase orders over \$1,000, their attached memo, and invoice copies, if available.

FISCAL IMPACT:

Please review report for individual account number.

RECOMMENDATION:

Staff recommends the following motion:

Approval of the listing of bills payable over \$1,000 and purchase orders as submitted.

ATTACHMENTS:

Expenditure Summary of approval list over \$1,000 and purchase orders for June 22, 2015:

Professional Services:

- Bill Lane, Attorney
- Alan Plummer Associates, Inc., Engineering
- SYB Construction, Contractor
- Flair Event, Pantego Fest Planner

Purchase Order:

- 1749 – George, Morgan & Sneed
- 1751 – Tarrant County College

<p>Summary of Bills Payable over \$1,000.00 and Purchase Orders Requiring Council Approval 6/22/2015</p>

<u>PROFESSIONAL SERVICES</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
Bill Lane, Attorney	\$1,837.50	June 2015 Legal Services
Alan Plummer Associates, Inc.	\$11,130.03	May 2015 Engineering Services
SYB Construction	\$82,621.35	May 2015 Contractor Services
Flair Events	\$1,090.78	May 2015 Panto Fest Planner Services
<u>PURCHASE ORDERS</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
1749-George, Morgan & Sneed	\$5,750.00	2013 - 2014 Audit Services
1751-Tarrant County College	\$2,160.00	Annual Medical Services Training
<u>GENERAL BILLS</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
Time Warner Cable	\$2,237.68	Telephone Bill Thru 7/16/15
City of Arlington	\$1,131.00	June 2015 Radio Lease Payment
Verizon Wireless	\$1,408.67	June 2015 Cell Phone Bill

BILL LANE

1110 Tennison Road
Azle, Texas 76020
Phone 817-276-4709

DATE: May 10, 2015

Bill To:
VIA FACSIMILE 817-261-4538
Matt Fielder
City Manager
Town of Pantego
1614 S Bowen Road
Pantego, Texas 76013

DESCRIPTION	AMOUNT
Court Services for June 2015	\$1,837.50
TOTAL	\$ 1,837.50

Make all checks payable to **BILL LANE**
If you have any questions concerning this invoice, contact **Alma Roden 817-276-4710**

RECEIVED
6/9/15

1-10581



1320 South University Drive, Suite 300
Fort Worth, Texas 76107

Mr. Matt Fielder
Town of Pantego
Accounts Payable
1614 South Bowen Road
Pantego, TX 76013

May 22, 2015
Project No: 1329-004-04
Invoice No: 000000037374
Project Manager: Brian Wright
Total Contract: 43,124.00

Project 1329-004-04 Pantego Park Row Pipeline Construction Administration

Professional Services through May 22, 2015

Phase A Construction Phase Services
Task 01 Conform Plans & Specs

Conform Plans & Specs

Professional Personnel

	Hours	Rate	Amount
Designer/Technician III Bauman, Brian	.50	115.00	57.50
Totals	.50		57.50
Total Labor			57.50
Total this Task			\$57.50

Task 02 Pre-Con Meeting

Pre-Con Meeting

Professional Personnel

	Hours	Rate	Amount
Senior Project Manager Wright, Brian	5.50	218.00	1,199.00
Engineer/Scientist in Training II Houseman, Heather	41.00	115.00	4,715.00
Totals	46.50		5,914.00
Total Labor			5,914.00
Total this Task			\$5,914.00

Task 05 Review Submittals RFI

Review Submittals RFI

Professional Personnel

	Hours	Rate	Amount
Senior Project Manager Wright, Brian	16.00	218.00	3,488.00
Project Manager II Farah, George	4.25	175.00	743.75
Totals	20.25		4,231.75
Total Labor			4,231.75

Project	1329-004-04	Pantego Park Row Pipeline Construction A	Invoice	000000037374
			Total this Task	\$4,231.75
			Total this Phase	\$10,203.25

Phase	PM	Administrative/QC Tasks
Task	01	Project Management

Project Management

Professional Personnel

	Hours	Rate	Amount	
Engineer/Scientist in Training II				
Houseman, Heather	5.50	115.00	632.50	
Sr. Admin Staff				
Wakeland, Vickie	2.25	102.00	229.50	
Totals	7.75		862.00	
Total Labor				862.00
			Total this Task	\$862.00
			Total this Phase	\$862.00

Phase	RE	Reimbursable Expenses
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Reimbursable Expenses

Reproduction & Print			64.78	
Total Reimbursables			64.78	64.78
			Total this Phase	\$64.78
			Total this Invoice	\$11,130.03

Billings to Date	Current	Prior	Total	Payments	A/R Balance
	11,130.03	3,488.00	14,618.03	3,488.00	11,130.03

Authorized By: Brian Wright Date: 6/4/15
 Brian Wright

Acct# 550-5-000-476.40
6-9-15

MONTHLY PAY REQUEST

PROJECT NAME:
PARK ROW DRIVE
WATER LINE REPLACEMENT

ESTIMATE NUMBER: 1 (Revision R-1)
PERIOD: 5/13/15 thru 5/31/15
INVOICE DATE: 5/31/2015
INVOICE NUMBER: 7318
SYB JOB # 766

OWNER:
TOWN OF PANTEGO

INSPECTOR:
JUNIOR MARQUEZ

CONTRACTOR: SYB CONSTRUCTION COMPANY, INC.
421 COMPTON AVENUE
IRVING, TEXAS 75061

ITEM NO.	DESCRIPTION OF ITEM	UNIT OF MEAS	APPROVED CONTRACT QUANTITY	QUANTITY COMPLETED PREVIOUSLY	QUANTITY COMPL. THIS MONTH	QUANTITY COMPLETED TO DATE	UNIT PRICE	VALUE OF COMPLETED WORK	THIS MONTH'S TOTAL
1	MOBILIZATION & DEMOBILIZATION	LS	1		0.50	0.50	\$ 23,000.00	\$ 11,500.00	\$ 11,500.00
2	BONDS & INSURANCE	LS	1		1.00	1.00	\$ 11,500.00	\$ 11,500.00	\$ 11,500.00
3	DEVELOPMENT, DESIGN, & IMPLEMENTATION OF TRAFFIC CONTROL PLAN	LS	1		0.50	0.50	\$ 13,225.00	\$ 6,612.50	\$ 6,612.50
4	DEVELOPMENT, DESIGN, & IMPLEMENTATION OF STORM WATER POLLUTION PREVENTION PLAN	LS	1		0.25	0.25	\$ 6,000.00	\$ 1,500.00	\$ 1,500.00
5	FURNISH & INSTALL TEMPORARY WATER LINES TO EXISTING CUSTOMERS, INCL. LINES TO EXISTING TAPS FEEDING SHOPPING CENTERS	LS	1		0.00	0.00	\$ 30,000.00	\$ -	\$ -
6	ALL CONNECTIONS & FITTINGS NOT LISTED ELSEWHERE	LS	1		0.00	0.00	\$ 36,000.00	\$ -	\$ -
7	DEVELOPMENT, DESIGN, & IMPLEMENTATION OF TRENCH SAFETY PLAN	LF	2,670		693.00	693.00	\$ 1.00	\$ 693.00	\$ 693.00
8	8" THICK, 4,500-PSI REINFORCED CONCRETE PAVING FOR TRENCH REPAIR, INCLUDING EXCAVATION & SURFACE PREPARATION	LF	2,585		0.00	0.00	\$ 48.10	\$ -	\$ -
9	10" C-900 PVC PIPE, INCL. PIGGING, DISINFECTION, TESTING, & INSPECTION PRIOR TO PLACING IN SERVICE	LF	2,500		693.00	693.00	\$ 72.00	\$ 49,896.00	\$ 49,896.00
10	FURNISH & INSTALL 18-INCH STEEL CASING PIPE BY BORE	LF	70		0.00	0.00	\$ 258.00	\$ -	\$ -
11	6" C-900 PVC PIPE, INCL. PIGGING, DISINFECTION, TESTING, & INSPECTION PRIOR TO PLACING IN SERVICE	LF	280		0.00	0.00	\$ 68.00	\$ -	\$ -
12	FURNISH & INSTALL 12-INCH STEEL CASING PIPE BY OPEN CUT	LF	20		0.00	0.00	\$ 100.00	\$ -	\$ -

ITEM NO.	DESCRIPTION OF ITEM	UNIT OF MEAS	APPROVED CONTRACT QUANTITY	QUANTITY COMPLETED PREVIOUSLY	QUANTITY COMPL. THIS MONTH	QUANTITY COMPLETED TO DATE	UNIT PRICE	VALUE OF COMPLETED WORK	THIS MONTH'S TOTAL
13	8" THICK, 4,500-PSI REINFORCED CONCRETE PAVING PANELS AT THE INTERSECTION OF PARK ROW DR. & BOWEN RD., INCLUDING EXCAVATION & SURFACE PREPARATION	SY	250			0.00	\$ 81.00	\$ -	\$ -
14	SUBSURFACE UTILITY ENGINEERING (SUE) PERFORMED BY A REGISTERED PROFESSIONAL LAND SURVEYOR OR PROFESSIONAL ENGINEER IN THE STATE OF TEXAS	EA	21		6.00	6.00	\$ 125.00	\$ 750.00	\$ 750.00
15	FURNISH & INSTALL PIPE COLLAR AS SHOWN ON THE PLANS	EA	4		1.00	1.00	\$ 800.00	\$ 800.00	\$ 800.00
16	FURNISH, INSTALLING & TESTING NEW 1-INCH WATER METERS WITH CONNECTIONS	EA	11		0.00	0.00	\$ 1,150.00	\$ -	\$ -
17	FURNISH, INSTALLING & TESTING NEW 1.5-INCH WATER METERS WITH CONNECTIONS	EA	1		0.00	0.00	\$ 2,750.00	\$ -	\$ -
18	FURNISH, INSTALLING & TESTING NEW 2-INCH WATER METERS WITH CONNECTIONS	EA	2		0.00	0.00	\$ 2,950.00	\$ -	\$ -
19	FURNISH & INSTALLING NEW FIRE HYDRANT	EA	6		0.00	0.00	\$ 3,100.00	\$ -	\$ -
20	FURNISH & INSTALLING 6-INCH GATE VALVES	EA	17		3.00	3.00	\$ 900.00	\$ 2,700.00	\$ 2,700.00
21	FURNISH & INSTALLING 10-INCH GATE VALVES	EA	9		3.00	3.00	\$ 1,950.00	\$ 5,850.00	\$ 5,850.00
22	FURNISH & INSTALLING 1-INCH COMBINATION AIR/VACUUM RELEASE VALVES INCL. VAULT & VENT PIPE	EA	2		0.00	0.00	\$ 5,400.00	\$ -	\$ -
	CONTINGENCY ITEMS								
23	FURNISH & INSTALLING NEW 2-INCH WATER METERS FOR FUTURE USE & CONNECTING THEM TO THE NEW WATER LINE, IF NEEDED & AS DIRECTED	EA	2		0.00	0.00	\$ 2,950.00	\$ -	\$ -
24	FURNISHING & INSTALLING ADDITIONAL DUCTILE IRON FITTINGS & PIPE RESTRAINTS, NOT SHOWN OR DESCRIBED ON THE PLANS, IF NEEDED & AS DIRECTED	TN	1		0.00	0.00	\$ 5,000.00	\$ -	\$ -
25	FURNISHING & INSTALLING EXTRA FLOWABLE FILL, INCL. EXCAVATION & FORMS, IF NEEDED & AS DIRECTED	CY	50		0.00	0.00	\$ 100.00	\$ -	\$ -
26	FURNISHING & PLACING EXTRA CRUSHED STONE EMBEDMENT FOR TRENCH STABILIZATION OR FOUNDATION MATERIAL (COARSE AGGREGATE GRADATION NO. 67), IF NEEDED & AS DIRECTED	CY	100		0.00	0.00	\$ 30.00	\$ -	\$ -
27	FURNISHING & INSTALLING EXTRA SELECT FILL, AS DIRECTED	CY	50		0.00	0.00	\$ 12.00	\$ -	\$ -
28	FURNISHING & INSTALLING 3000-PSI CONCRETE FOR ADDITIONAL BLOCKING, ENCASEMENT, ETC., AS DIRECTED	CY	100		0.00	0.00	\$ 110.00	\$ -	\$ -

ITEM NO.	DESCRIPTION OF ITEM	UNIT OF MEAS	APPROVED CONTRACT QUANTITY	QUANTITY COMPLETED PREVIOUSLY	QUANTITY COMPL. THIS MONTH	QUANTITY COMPLETED TO DATE	UNIT PRICE	VALUE OF COMPLETED WORK	THIS MONTH'S TOTAL
29	FURNISHING & INSTALLING 4500-PSI REINFORCED CONCRETE CURB & GUTTER, AS DIRECTED	LF	50			0.00	\$ 45.00	\$ -	\$ -
30	FURNISHING & INSTALLING 3000-PSI CONCRETE SIDEWALK, MOW STRIP, OR PADS, INCL. EXCAVATION & SURFACE PREPARATION, AS DIRECTED	SF	50			0.00	\$ 6.00	\$ -	\$ -
31	CONSTRUCTION CONTINGENCY ALLOWANCE AS DIRECTED BY THE OWNER	LS	1			0.00	\$ 50,000.00	\$ -	\$ -

TOTAL CONTRACT

\$ 688,508.50
\$ 91,801.50

TOTAL VALUE OF WORK TO DATE
LESS 10% RETAINAGE
AMOUNT PAYABLE ON CONTRACT
LESS AMOUNT OF PREVIOUS PAYMENTS

\$ 91,801.50
\$ 9,180.15
\$ 82,621.35

BALANCE DUE THIS STATEMENT (Please make checks payable to SYB Construction Co., Inc.)

\$ 82,621.35

CERTIFIED: Brian Wood 8/5/2018
BRIAN WOOD, VP (CONTRACTOR) DATE

CERTIFIED: [Signature] 6/8/15
4 JUNIOR MANAGER (PANTEGO) DATE

CERTIFIED: [Signature] 6/8/15
SCOTT WILLIAMS (PANTEGO) DATE

ACT # 550-5-000-476.10

[Signature] 6/9/15



Flair Events
 1040 Falcon Creek Dr.
 Kennedale, TX 76060

Business Phone: 817-614-5530
 E-mail: aprika@flairftworth.com
www.flairftworth.com

Invoice #: 53115-P

Client: Town of Pantego

Date: June 3, 2015

Balance Due: \$1090.78

Due Date: 6/30/15

Description: Meetings (not included in max hours)

- None this month

Total Meetings:

Description: Festival Management billed at \$32/hour

• 05/05/15	4.5 hours	\$144.00
• 05/06/15	1.5 hours	\$48.00
• 05/08/15	.5 hours	\$16.00
• 05/11/15	1.25 hour	\$40.00
• 05/18/14	.5 hours	\$16.00
• 05/19/15	2 hours	\$64.00
• 05/21/15	1.75 hours	\$56.00
• 05/22/15	.5 hours	\$16.00
• 05/26/15	1 hour	\$32.00
• 05/28/15	3.5 hours	\$112.00

Total Festival Management:

\$544.00

Description: Festival Resource Management billed at \$27/hour

• 05/08/15	3 hours	\$81.00
• 05/12/15	2.5 hours	\$67.50
• 05/13/15	1.75 hours	\$47.25
• 05/14/15	2.75 hours	\$74.25
• 05/19/15	1 hours	\$27.00
• 5/21/15	1.5 hours	\$40.50
• 5/22/15	1.5 hours	\$40.50
• 5/26/15	2 hours	\$54.00
• 5/27/15	3.25 hours	\$87.75

Total Festival Resource Management:

\$519.75

Description: Festival Marketing billed at \$27.00/hour

- N/A for the month \$0.00

Total Festival Marketing:

\$0

Grand Total Festival Management/Resource Management and Marketing: **\$1063.75**



Flair Events
 1040 Falcon Creek Dr.
 Kennedale, TX 76060

Business Phone: 817-614-5530
 E-mail: aprila@flairfiworth.com
www.flairfiworth.com

Mileage:

05/19/15	26.0 miles x \$.575	\$14.95	
05/28/15	21.0 miles x \$.575	\$12.08	
Total Mileage:			<u>\$27.03</u>

Balance Due for May: **\$1090.78**

Progression of Project Planning Budget:

- Contracted max hourly amount: \$20,343
 - Contracted max hourly previously Billed: (\$2054.75)
 - Contracted max hourly amount this Bill: (\$1063.75)
- **Contracted max hourly remaining balance: \$17,224.50**

- **Meetings billed outside of max hours: \$148.50**
- **Expenses:**
 - Mileage: \$108.34



MEMORANDUM

To: Matthew Fielder, City Manager

From: Ariel Carmona, Finance Director

Subject: Billing for the 2013-2014 Fiscal Year Audit – Remaining Balance Due

Date: June 22, 2015

This is the final payment due to George, Morgan & Sneed, P.C. for audit services rendered for the Fiscal Year ended September 30, 2014.



RECEIVED
05/29/15

Town Of Pantego
P O Box 13210
Pantego, TX 76094

Client ID: 76037
Date: 05/31/2015

Billing Statement

For Professional Services Rendered:

Prior Balance	\$5,750.00
Invoices	0.00
Receipts	0.00
Adjustments	0.00
Service Charges	0.00
Amount Due	<u>\$5,750.00</u>

<u>05/31/2015</u>	<u>04/30/2015</u>	<u>03/31/2015</u>	<u>02/28/2015</u>	<u>01/31/2015+</u>	<u>Total</u>
0.00	5,750.00	0.00	0.00	0.00	\$5,750.00

Please return this portion with payment.

Date: 05/31/2015

Client ID: 76037

Town Of Pantego
817-548-5853

Amount Due: \$5,750.00
Amount Enclosed: \$ 5,750.

Balance is due and payable upon receipt.
All invoices more than 30 days old will be assessed a service charge.
There will be a \$25.00 fee for all returned checks.
Thank you for your continued patronage.

George, Morgan & Sneed, P.C.

1849 Wall Street | Weatherford, TX 76086-6298 | Phone 817.594.2704 | Fax 817.599.7389

www.gms-cpa.com

TOWN OF PANTEGO

1614 S. BOWEN
PANTEGO, TEXAS 76013

No. 1749

17

INSTRUCTIONS TO VENDOR

1. PURCHASE ORDER NUMBER. Vendor must show purchase order number on all packages, shipping papers, invoices and relative correspondence.
2. INVOICING. Send invoices in duplicate to:
TOWN OF PANTEGO
PURCHASING DEPARTMENT
CITY HALL
PANTEGO, TEXAS 76013
3. TAXES. Municipality Tax Exempt
Entity I.D. #75-1291097

TO George, Morgan Sneed, P.C.
1849 Wall Street
Weatherford, TX 76086

SHIP
TO

DATE		ACCT #		DEPT.			
QUANTITY		STOCK NUMBER / DESCRIPTION		PRICE		PER	AMOUNT
ORDERED	RECEIVED						
6/9/15		100-5-101-201-00		G/A			
		2013-14 Audit Services					\$5,750.00
						TOTAL	\$5,750.00

[Signature]

[Signature]

APPROVED BY



Pantego Fire Department

To: City Manager, Matt Fielder
From: Assistant Fire Chief, Robert Coker
Through: Public Safety Chief, Tom Griffith
Subject: Purchase Order.

Release Date: 06-12-2015

I am requesting approval to expend \$2,160.00 to Tarrant County College. The request is for the annual cost for Emergency Medical Services (EMS) training. The contract runs from October 1, 2014 to September 30, 2015. The contract provides the members of the department 4 hours of EMS training each month. The training is conducted at the fire department in the training room.

This is an approved budgeted amount in the 2014/2015 budget.

Cc: R. A. Carmona

**Tarrant
County
College**



NORTHEAST CAMPUS

828 W. Harwood Road • Hurst, Texas 76054-3299 • 817-515-6100

**Tarrant County College ~ NE
YEARLY INVOICE**

June 3, 2015

Pantego Fire Rescue
Fire Chief Thomas Griffith
Robert Coker
1614 S. Bowen Rd.
Pantego, TX 76013

Community and Industry Education Services - EMS training per agreement
October 1, 2014 – September 30, 2015.
EMSX-2001-23397 \$2,160.00

Total Amount Due: \$2,160.00

Jessica R Payne

Administrative Accounting

Business Services NE

Please remit payment to:

Tarrant County College NE
828 W. Harwood Rd. NADM 1103
Hurst, TX 76054-3299
817-515-6322, FAX 817-515-6446

**Tarrant
County
College**



Attachment: Class roster

TOWN OF PANTEGO

1614 S. BOWEN
 PANTEGO, TEXAS 76013

No. 1751

20

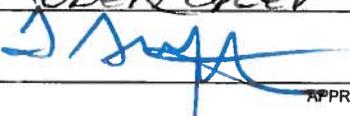
INSTRUCTIONS TO VENDOR

1. PURCHASE ORDER NUMBER. Vendor must show purchase order number on all packages, shipping papers, invoices and relative correspondence.
2. INVOICING. Send invoices in duplicate to:
 TOWN OF PANTEGO
 PURCHASING DEPARTMENT
 CITY HALL
 PANTEGO, TEXAS 76013
3. TAXES. Municipality Tax Exempt Entity I.D. #75-1291097

TO Tarrant County College - N.E.

SHIP TO Pantego Fire.

DATE 6-12-15		ACCT # 100-5-150-724.00		DEPT. Fire.	
QUANTITY		STOCK NUMBER / DESCRIPTION	PRICE	PER	AMOUNT
ORDERED	RECEIVED				
		EMS training per agreement, 10-1-14-9-30-15			2,160.00
		* Budgeted *			

Robert Baker

 APPROVED BY

TOTAL 2,160.00



AGENDA BACKGROUND

AGENDA ITEM: Approval of the Town Council minutes and acceptance of Minutes of the various Boards and Commissions.

Date: June 22, 2015

PRESENTER:

Julie Arrington, City Secretary

BACKGROUND:

Minutes from Town Council and Pantego's various Boards and Commissions.

FISCAL IMPACT:

None.

RECOMMENDATION:

Staff recommends the approval of the minutes as presented.

ATTACHMENTS:

Town Council minutes from June 8, 2015

PEDC minutes from May 27, 2015

PEDC minutes from June 3, 2015

Town Council Minutes
June 8, 2015

STATE OF TEXAS §

COUNTY OF TARRANT §

TOWN OF PANTEGO §

The Town Council of the Town of Pantego, Texas, met in regular session at 6:30 p.m. in the Council Chamber of Town Hall, 1614 South Bowen Road, Pantego, on the 8th day of June 2015 with the following members present:

Russ Brewster	Mayor Pro-Tem
Fred Adair	Council Member
Jane Barrett	Council Member
Don Funderlic	Council Member
Don Surratt	Council Member

Members absent:

Melody Paradise	Mayor
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Constituting a quorum. The following staff members were present:

Matt Fielder	City Manager
Julie Arrington	City Secretary
Chad Joyce	Community Development Director
Scott Williams	Public Works Director
Tom Griffith	Chief of Public Safety
Barry Reeves	Assistant Police Chief
Robert Coker	Assistant Fire Chief
Thressa Householder	Court Administrator

Also in attendance:

None.

WORK SESSION 6:30 P.M.

Mayor Pro-Tem Brewster called the work session to order at 6:32 p.m.

Mayor, Council, and Staff discussed the following consent agenda items:

1. City Manager Report

Mr. Fielder informed the Council the 1 police officer and 2 dispatcher positions have been filled. The Town is currently at full staff. There are two employees leaving in July to go back to school.

Mr. Fielder presented a Power Point showing the bounce house options from Bouncing Stars explaining they require an outright rental situation and requested to have the mechanical bull at PantegoFest with their employees operating it. The Town would receive 15% of the profits for the mechanical bull, 20% profit for the bubble runner, and 100% profit after the cost of the rental for all other bounce houses. He spoke to Pantego Bay regarding handling the beer sales. They want to utilize a ticket system stating Pantego Bay would handle the distribution of the tickets and sales. They agreed to the sale of craft beers if the Town is able to obtain sponsorship from St. Arnolds Brewery. Ms. Coltharp is in discussions with concession companies as an alternative option. There is a winery that is interested in selling glasses of wine.

Town Council Minutes
June 8, 2015

Mr. Fielder informed Council the construction on Park Row is ongoing and has reach 1,000 feet of pipe taking them to the creek. They have connected some service lines to the meter boxes and are ahead of schedule.

2. Monthly Staff Reports

There was discussion on the purpose for the back log in fire inspections, mosquito trap placement, and the effects of the spraying. There was clarification on the permission to transfer the medic license and on the collection fees presented by Court. Council thanked the Public Works Department and the Public Safety Department for their hard work.

3. Approval of Bills Payable and Purchase Orders in excess of \$1,000.

Council inquired if the malfunction of the Quint was a result of the recent transmission repair and the hourly rate versus a flat fee rate.

4. Approval and Acceptance of Minutes

Approval of Town Council Minutes:

- Town Council minutes from May 11, 2015
- Town Council minutes from May 18, 2015

Council confirmed the Verizon representative stated the generator was electric when in fact it is a diesel generator and the direction by Council was to execute the contracts for PantegoFest 2015.

Acceptance of Minutes of Boards and Commissions:

- PEDC minutes from May 13, 2015
- P & Z Minutes from May 4, 2015

RESOLUTIONS

5. Discuss, direct, and consider action on Resolution 15-17 a resolution of the Town Council of the Town of Pantego, Texas, authorizing the City Manager to enter into an agreement with Tarrant County Tax Assessor/Collector to provide assessment and collection services of Ad Valorem taxes levied by the Town; declaring an effective date.

Mr. Fielder informed Council this is a routine ordinance. The question that comes up each year is why the number of accounts increases. The Finance Department has attempted to answer this question but has not been able to determine a cause or reason. Council inquired on other options and was informed the only other option is for the Town to collect their own taxes, which is not cost effective.

6. Discuss, direct, and consider action on Resolution 15-18 a resolution of the Town Council of the Town of Pantego, Texas, authorizing the City Manager to enter into contracts for entertainment and logistics for PantegoFest 2015.

Mr. Fielder reminded Council this item was discussed at the last meeting but some of the contracts had not been received. There was discussion on the procedures for resolutions to include the expenses within the resolution. It was determined to include all expenses within the resolution.

12. Discuss, direct, and consider action on the approval of the Budget Work Session Calendar for Fiscal Year 2015/2016.

Mr. Fielder reviewed the proposed budget calendar with Council. Councilmember Surratt announced he will not be available on August 3, 2015.

Mayor Pro-Tem adjourned the Work Session at 7:20 p.m.

Town Council Minutes
June 8, 2015

REGULAR SESSION 7:30 P. M.
CALL TO ORDER/WELCOME

Mayor Pro-Tem Brewster called the regular session to order at 7:35 p.m. and welcomed the audience.

Councilmember Adair led the invocation which was immediately followed by the Pledge of Allegiance.

MAYOR/COUNCIL/STAFF COMMENTS OF COMMUNITY INTERESTS

Councilmember Adair welcomed the audience and thanked staff for their hard work and congratulated the staff for all the awards, certificates, and recommendations they have received.

Councilmember Barrett welcomed the audience, appreciates staff's hard work, enjoys reading their accomplishments in the council packet, and appreciates the volunteers in our Town; such as Cal Kost for helping the Public Work staff at the Park.

Councilmember Funderlic welcomed the audience and appreciates their input. He also thanked the Lions Club for their volunteer efforts, the staff, and particularly the Police; they have a very tough job to do and sometimes they do not get the credit they deserve.

Councilmember Surratt welcomed the audience and congratulated the Fire Department on their care given to a patient that was transported to an Arlington Hospital. He recognized the Lion's Club for their volunteer efforts at the park and working with the Public Works staff. He thanked the Police Department for their treatment of a person in jail that prompted him to send a thank you note.

Mayor Pro-Tem Brewster welcomed the audience, agreed with the other council members, thanked staff and council for working together, and the Lions Club for their donation of four flags. The accolades for the Police Department, Fire Department, and Public Works in getting the projects around town done and hope everyone sees the benefits of that.

HONORS/RECOGNITION

- **Community Relations Board Memorial Day Essay Contest Winners Presentation**

Mayor Pro-Tem Brewster and Councilmember Barrett invited Aubrey Holland and Devin Rossman to the front of the Dias. Aubrey and Devin read their essays to the audience. Mayor Pro-Tem Brewster and Councilmember Barrett presented Aubrey and Devin with a certificate and monetary award.

COUNCIL LIAISON TO BOARD REPORT

Community Relations Board

Councilmember Barrett informed Council the last CRB meeting was June 6th. The Board has a new President, Chuck White. She appealed to the audience for board applications for the upcoming appointments. The first movie night this year will be on June 13th at 7:30 p.m. and the movie will be Alexander and the Terrible, Horrible, No Good, Very Bad Day. On July 11th the Board will show Maleficent. On August 8th the movie will be Big Hero 6. On September 12th the movie will be Guardians of the Galaxy. The next CRB meeting will be July 7th at 7:00 p.m. at Town Hall.

Pantego Youth Leadership Council

Mayor Pro-Tem Brewster announced the PYLC group is off for the summer.

PEDC REPORT

Town Council Minutes
June 8, 2015

Councilmember Adair informed Council the PEDC Board has conducted two meetings since the last Council meeting. The meeting on May 27, 2015 the Board discussed promotional activities for PantegoFest. They authorized the order of 1,250 shopping bags and discussed obtaining coupons from the businesses to stuff in the bags. The Board also authorized the City Manager to execute option one of the Star Telegram Digital Advertising proposal. There was discussion of a Meet and Greet at the end of the month.

The meeting on June 3, 2015 was a special meeting to discuss the grant obligation of the Cookie Machine. The business was sold and the grant was transferred to the new owner. She is keeping the Cookie Machine and will be serving Cajun food.

CITIZENS OPEN FORUM

Cal Kost, 2806 Whispering Trail, Pantego, Texas 76013, informed the Board the Lions Club performed 20 volunteer service hours at Bicentennial Park last month. They are here to help but would like to see the Town promote more volunteer activities; such as, a community work day. They have also donated four flags; 2- 5X8 Flags and 2 -3X5 Flags. Finally, Camp Thurman's entry on Smith Barry Road was originally to be used as an exit only or for employees. There are signs placed around Town stating the entrance to Camp Thurman is on Smith Barry Road. He is requesting the Town to look into this matter and review the original SUP. Mr. Joyce will follow up on this.

APPROVAL OF CONSENT AGENDA ITEMS

Mayor Pro-Tem Brewster suggested moving items 5 and 6 to the consent agenda. Councilmember Surratt made a motion to approve Consent Agenda items 1 thru 4 with the addition of 5 and 6 as part of the consent agenda. Councilmember Funderlic seconded the motion.

The vote was as follows:

Ayes: Surratt, Funderlic, Barrett, Adair, and Brewster.

Nays: None.

Abstentions: None.

Mayor Pro-Tem Brewster declared the vote passed unanimously.

RESOLUTION

- 5. Discuss, direct, and consider action on Resolution 15-17 a resolution of the Town Council of the Town of Pantego, Texas, authorizing the City Manager to enter into an agreement with Tarrant County Tax Assessor/Collector to provide assessment and collection services of Ad Valorem taxes levied by the Town; declaring an effective date.**

This item was discussed during the work session and voted in the consent agenda items.

- 6. Discuss, direct, and consider action on Resolution 15-18 a resolution of the Town Council of the Town of Pantego, Texas, authorizing the City Manager to enter into contracts for entertainment and logistics for PantegoFest 2015.**

This item was discussed during the work session and voted in the consent agenda items.

ORDINANCE

- 7. Public Hearing, discuss, direct, and consider action on Ordinance 15-764 an ordinance of the Town Council of the Town of Pantego, Texas, for Zoning Case Z-212, a proposed Special Use Permit as issued to Brad Stroup (The Prayer Room) to establish a nonprofit parachurch organization located at 1503 Nora Drive, Tract 4Q of the Nathan Smith Survey, Pantego,**

Town Council Minutes
June 8, 2015

Tarrant County, Texas; and declaring an effective date. The property is generally located in the east side of Nora Drive between West Park Row Drive and Whispering Trail Circle.

Ms. Arrington read the caption for the record.

Public Hearing was opened at 8:07 p.m.

Brad Stroup, 5507 Gessner Ct., Arlington, Texas 76018, introduced the Prayer Room's organization and planned operations. They are a Christian based organization with a purpose to create an environment conducive for prayer seven days a week. He is a member of the Pastor Group of Arlington and has been in business for ten years. Most of the meetings are two hours long with 3-5 people during the day. The evenings are heavier in attendance. Saturday night is the largest attended time with 40-60 people in attendance.

There were no other speakers in support of this item.

Jim Brown, 2735 Whispering Trail, Pantego, Texas 76013, is against the Prayer Room due to his dogs bark at any activity behind his home. He would like to be able to entertain in the backyard without having his dogs barking constantly. He would like to see a screen placed on the balcony to obstruct the view of the balcony to his property. The property has been vacant for one and a half years and is curious why now someone wants to purchase it.

Public Hearing closed at 8:26 p.m.

Mr. Joyce introduced this item confirming with Council the parking allows for an attendance not to exceed 100 people and the area is currently zoned a C-2. There was discussion on the demographics of the attendees, hours of operation, and if the requestor has budgeted enough revenue for the changes recommended. Council clarified there will be live contemporary/praise bands in the evenings and the green room is more for speakers and not bands. There was discussion on the noise levels of the parking lot when people mingle before leaving, the duration of the SUP, and the ability to terminate the SUP. Council confirmed there will be sound proofing on the walls prior to receiving the Certificate of Occupancy.

Councilmember Surratt made a motion to approve Ordinance 15-764 with stipulations regarding sound dampening installed prior to the issuance of the Certificate of Occupancy and the SUP terminates upon change of ownership. Councilmember Adair seconded the motion.

The vote was as follows:

Ayes: Surratt, Barrett, Adair, and Brewster.

Nays: Funderlic.

Abstentions: None.

Mayor Pro-Tem Brewster declared the vote passed 4-1.

8. **Public Hearing, discuss, direct, and consider action on Ordinance 15-765 an ordinance of the Town Council of the Town of Pantego, Texas, for Zoning Case Z-213, a proposed Special Use Permit issued to Philip E. Parker (Church of Hope, Inc.) to establish a church located at 2401 West Pioneer Parkway, Suite 151, Lot 1R of the Pecan Park Shopping Center, Pantego, Tarrant County, Texas and declaring an effective date. The property is generally located on the north side of West Pioneer Parkway between S. Bowen Road and Duluth Drive.**

Mayor Pro-Tem Brewster read the caption of the ordinance for the record.

The public hearing was opened at 9:01 p.m.

Town Council Minutes
June 8, 2015

Philip E. Parker, 2401 West Pioneer Parkway, Suite 151, Pantego, Texas 76013, introduced himself and the Church of Hope, Inc. The hours of operation for the church are Sundays 9:00 a.m. to 12:30 p.m. and Wednesdays 7:00 p.m. to 9:00 p.m. They have signed a two year lease for a 1,250 square foot space next door to the Thrift Shop. They have seating for up to 60 people but only have approximately 25 in the congregation. They do not plan to renovate the space. In the future, the Church hopes to start up a food pantry and a home for displaced citizens.

The public hearing closed 9:05 p.m.

Council clarified there is adequate parking for the Church of Hope and the current church in the same shopping center, and the food pantry and home for displaced citizens will not be operated out of this location.

Councilmember Adair made a motion to approve Ordinance 15-765, Zoning Case Z-213, for a time period of two years. Councilmember Funderlic seconded the motion.

The vote was as follows:

Ayes: Surratt, Funderlic, Barrett, Adair, and Brewster.

Nays: None.

Abstentions: None.

Mayor Pro-Tem Brewster declared the vote passed unanimously.

- 9. Public Hearing, discuss, direct, and consider action on Ordinance 15-766 an ordinance of the Town Council of the Town of Pantego, Texas, amending the Municipal Code Chapter 13 Utilities by adopting a new Article 13.07 Storm Water Pollution Control; containing findings and other provisions relating to foregoing subject; containing a savings clause; repealing all ordinance in conflict herewith; and declaring an effective date.**

Mayor Pro-Tem Brewster read the caption of the ordinance for the record.

The public hearing was open at 9:15p.m.

No comments.

The Public Hearing closed at 9:15 p.m.

Mr. Joyce informed Council the Town's first MS4 permit filed with the Texas Commission on Environmental Quality (TCEQ) was issued in 2008. At that time this ordinance should have been in place. TCEQ was running behind on their renewals in 2013; therefore, the Town's renewal permit was performed in 2014 but backdated to December 2013. This ordinance is tied to the MS4 permit and the Storm Water Pollution Prevention Plan. There is mandated state requirements outlined within the ordinance. There is a \$25,000 daily fine for non-compliance. The Erosion and Sediment Control Manual was included in the packet because it is referenced within the ordinance. Council does not like all the legalese language and requested to change the "affirmative defense" to "allowed". There was discussion on filtered backwash, draining of the pools, and allowable practices. Council requested a fact sheet with definitions to be given to the residents. There was discussion on the meaning of the term harmful quantities.

Councilmember Adair made a motion to approve the first reading of Ordinance 15-766 with changes as discussed. Councilmember Barrett seconded the motion.

The vote was as follows:

Ayes: Surratt, Funderlic, Barrett, Adair, and Brewster.

Nays: None.

Abstentions: None.

Town Council Minutes
June 8, 2015

Mayor Pro-Tem Brewster declared the vote passed unanimously.

- 10. Public Hearing, discuss, direct, and consider action on Ordinance 15-767 an ordinance of the Town Council of the Town of Pantego, Texas, amending Municipal Code Chapter 13 Utilities, Article 13.03 Water and Sewers, Division 1 Generally, Section 13.03.002 Definitions; Section 13.03.006 Computation of Charges; Estimated Meter Readings; Section 13.030074 Billing – Delinquency; and Section 13.03.066 Groundwater District Production Fees; and establishing Appendix A Fee Schedule, Article A10.000, Section A10.013 Groundwater Conservation District Fees; containing a savings clause; repealing all ordinances in conflict herewith; and declaring an effective date.**

Mayor Pro-Tem Brewster read the caption of the ordinance for the record. Mr. Fielder informed Council there are two purposes for this ordinance; to obtain reimbursement for the money already spent and all future expenses of the Groundwater District fees and to address billing issues that have come up. Mr. Fielder was informed by the Town Attorney the Town must do a rate study each time the rates are increased to protect the Town should the rates be challenged with the Public Utility Commission (PUC). Mrs. Carmona has set up a way to track the fees and balance the original amount and current owed amounts. Section 2 addresses the residence ability to challenge their bills. Currently, there are not provisions that allow the City Manger to investigate and determine if an adjustment is needed. This will give the City Manager the ability to do so and require them to notify Council within 30 days that they have done so. Section 3 addresses delinquent payments. Currently, we require partial payments; this will enforce payment in full. Council clarified the two days is actually two business days, enforceability of the two day door hanger, and requested to add the words “up to 180 days” in section 2. There was discussion on the ability to have a water payment plan.

Councilmember Surratt made a motion to approved ordinance 15-767 for the first reading with changes as discussed. Councilmember Funderlic seconded the motion.

The vote was as follows:

Ayes: Surratt, Funderlic, Barrett, Adair, and Brewster.

Nayes: None.

Abstentions: None.

Mayor Pro-Tem Brewster declared the vote passed unanimously.

- 11. Public Hearing, discuss, direct, and consider action on Ordinance 15-768 an ordinance of the Town Council of the Town of Pantego, Texas, authorizing amendments to the adopted Budget for Fiscal Year 2014/2015; and declaring an effective date.**

Mayor Pro-Tem Brewster read the caption of the ordinance for the record. Mr. Fielder advised Council this is a mid-year budget adjustment that cleans up the revenue actuals. This will allow the Finance Department to start working on the 2015-2016 Budget with base budget amounts reflecting current numbers. Mr. Fielder reviewed the changes in amendment.

Council discussed the purpose for amending the budget, the revenue increase, and raising the utility billing rates. They clarified the breathing apparatus’ for the Fire Department was discussed during the budget discussions last year and all expenses approved tonight for PantegoFest 2015 were included in the amendment.

The public hearing was opened at 10:17 p.m.

None.

The public hearing closed at 10:18 p.m.

Town Council Minutes
June 8, 2015

There was discussion on the programming and maintenance amendment and moving it to the budget for next year. There was discussion on the robotic sewer camera and some items were not cut but moved to next year, due to the work load of staff.

Councilmember Funderlic made a motion to adopt Ordinance 15-768 authorizing amendments to the budget for Fiscal Year 2014-2015. Councilmember Adair seconded the motion.

The vote was as follows:

Ayes: Funderlic, Barrett, Adair, and Brewster.

Nays: Surratt.

Abstentions: None.

Mayor Pro-Tem Brewster declared the vote passed 4-1.

NEW BUSINESS FOR DISCUSSION, REVIEW, APPROVAL, AND/OR DIRECT STAFF.

12. Discuss, direct, and consider action on the approval of the Budget Work Session Calendar for Fiscal Year 2015/2016.

Council directed staff to use the Budget Calendar and post the necessary meetings.

Mayor Pro-Tem Brewster did not conduct the Executive session due to Mayor Paradise's absence.

SCHEDULED EXECUTIVE SESSION ITEMS

- The Council will convene in the City Manager's Office pursuant to the Texas Government Code for an executive session on the following items:
 1. Pursuant to Government Code Section 551.074, to deliberate the appointment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee - Discussion of Board and Commissions appointments.

Following the Scheduled Executive Session, the Council will reconvene in public session and may take any and all action necessary concerning the Executive Session agenda item.

COUNCIL INQUIRY

Councilmember Surratt stated he was contacted by a commercial property owner located next to a greenbelt that he waters and maintains and inquired on why commercial property owners do not get the winter averaging of the water rates like the residents. Mr. Williams explained the owner can set up an irrigation meter that would only charge for the water he uses and not the additional rates; such as garbage and recycling.

ADJOURNMENT

Mayor Pro-Tem Brewster adjourned the regular session at 10:49 p.m.

APPROVED:

Russell Brewster, Mayor Pro-Tem

ATTEST:

Julie Arrington, City Secretary

STATE OF TEXAS §

COUNTY OF TARRANT §

TOWN OF PANTEGO §

The Pantego Economic Development Corporation of the Town of Pantego, Texas, met in regular session at 7:00 p.m. in the Council Chamber, 1614 South Bowen Road, Pantego, on the 27th day of May 2015 with the following members present:

Bill Brown	President
Danny Lakey	Vice President
Fred Adair	Secretary
Don Surratt	Director
Gloria Van Zandt	Director
Arsalan Gittiban	Director

Members Absent:

Stephanie Springer	Director
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Constituting a quorum. Staff present was:

Matt Fielder	City Manager
Julie Arrington	City Secretary

Also in attendance:

Pam Mundo	Economic Development Coordinator
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REGULAR SESSION 7:00 P.M.
CALL TO ORDER AND GENERAL COMMENTS

President Bill Brown called the meeting to order at 7:01 p.m.

INVOCATION

Secretary Adair led the invocation which was followed by the Pledge of Allegiance.

PRESIDENT'S COMMENTS

President Brown thanked the City Manger for his rapid response to the sewer problem that occurred at Dairy Queen and taking care of the local businesses.

PEDC MEMBER REPORTS/COMMENTS OF COMMUNITY INTEREST

Director Van Zandt thanked the Police Department for providing traffic control at the Dairy Queen.

REGULAR BUSINESS

1. Executive Director Report

Mr. Fielder informed the Board he has received two quotes on the park improvements and is expected a third quote on Monday. He should be ready to present the quotes at the next meeting.

On May 20th he attended a foundation board meeting with the Arlington Chamber of Commerce. They were going to try and organize a meeting regarding the Pantego Business Council.

The ribbon cutting for Timeless Treasures was scheduled for this Saturday but it has been re-scheduled to June 20th at Noon.

2. Approval of PEDC Minutes

- **May 13, 2015**

Secretary Adair made a motion to approve the PEDC minutes as submitted. Director Van Zandt seconded the motion.

The Vote was as follows:

Ayes: Surratt, Adair, Lakey, Brown, Van Zandt, and Gittiban

Nays: None.

Abstentions: None.

President Brown declared the vote passed unanimously.

CITIZENS OPEN FORUM

None.

DISCUSSION, REVIEW, AND CONSIDER ANY ACTION AND/OR DIRECT STAFF ON THE FOLLOWING ITEMS OF BUSINESS:

3. Discuss, direct and consider action on marketing for Shop Pantego and PantegoFest.

Mr. Fielder reminded the Board last year the board authorized marketing expenses of \$500 to the Arlington Proud Facebook page, \$500 to Arlington Voice, and \$500 to the Star Telegram Newspaper. He informed them Council discussed the proposal from the Star Telegram for digital advertising for this year and has agreed to split the cost with the PEDC for option one. The Board discussed the differences between option one and the landing page ideas for Shop Pantego.

Director Surratt made a motion to authorize the City Manger to purchase option one in the amount of \$3,000 for an online campaign with the Star Telegram. Vice President Lakey seconded the motion.

The vote was as follows:

Ayes: Surratt, Adair, Lakey, Brown, Van Zandt, and Gittiban.

Nays: None.

Abstentions: None.

President Brown declared the vote passed unanimously.

There was discussion on the information needed and who will work with the Star Telegram to ensure the proper information. The Board agreed on one creative with a hyperlink to Shop Pantego on the PantegoFest webpage.

Mrs. Mundo discussed estimates she had received in regards to the shopping bags for PantegoFest, table clothes for the tables, and the coupons for the businesses to place inside the bags. The Board discussed the quantity of bags to order and the quantity and size of the table clothes for the booth tables. The Board directed Mr. Fielder to obtain two more quotes for the shopping bags at a quantity of 1250.

Director Van Zandt made a motion to purchase two table clothes. Treasurer Gittiban seconded the motion.

The vote was as follows:

Ayes: Surratt, Adair, Lakey, Brown, Van Zandt, and Gittiban.

Nays: None.

Abstentions: None.

President Brown declared the vote passed unanimously.

4. Discuss, direct, and consider action on scheduling a June Meet & Greet for Pantego Businesses

Mrs. Mundo presented the idea to hold a June Breakfast Meet & Greet for the local businesses explaining the main issue with the low turnout is the business owners cannot make an evening Meet & Greet without first closing the business. There was discussion on the day, time, and location of the Meet & Greet. The Board would like the Mayor to attend. The topic of the Meet & Greet will be the Park Row Project and PantegoFest 2015. President Brown stated he will work on finding a location.

President Brown recessed the meeting for the Executive Session at 8:16 p.m.

President Brown reconvened the meeting at 8:32 p.m.

SCHEDULES EXECUTIVE SESSION

The PEDC will convene in the City Manager's Office pursuant to the Texas Government Code for an executive session as follows:

- Pursuant to Government Code Section 551.071 Litigation Matters, to discuss pending or contemplating litigation, settlement offers, and other legal matters that implicates the attorney-client privilege – Loan Defaults.

Following the Scheduled Executive Session, the PEDC will reconvene in public session and may take any and all action necessary concerning the Executive Session.

President Brown declared no action was taken on the executive session.

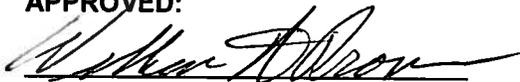
PEDC MEMBER INQUIRY

None.

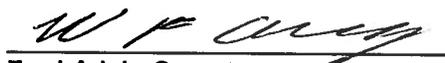
ADJOURNMENT

President Brown adjourned the regular session at 8:33 p.m.

APPROVED:


Bill Brown, President

ATTEST:


Fred Adair, Secretary



STATE OF TEXAS §
COUNTY OF TARRANT §
TOWN OF PANTEGO §

The Pantego Economic Development Corporation of the Town of Pantego, Texas, met in special session at 7:00 p.m. in the Council Chamber, 1614 South Bowen Road, Pantego, on the 3rd day of June 2015 with the following members present:

Bill Brown	President
Danny Lakey	Vice President
Fred Adair	Secretary
Don Surratt	Director
Gloria Van Zandt	Director
Arsalan Gittiban	Director

Members Absent:

Stephanie Springer	Director
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Constituting a quorum. Staff present was:

Matt Fielder	City Manager
Julie Arrington	City Secretary

Also in attendance:

None.

SPECIAL SESSION 7:00 P.M.
CALL TO ORDER

President Bill Brown called the meeting to order at 7:00 p.m.

1. Discuss, direct, and consider action on an assignment of the Performance Agreement with Tanya Terrell Weidemen, dba Cookie Machine, to Perna Johnson.

Mr. Fielder reminded the Boards this item was discussed in the Executive Session item at last week's meeting. The grant requires the business to remain open for five years. The Cookie Machine has lasted three years. The owner is requesting to assign the grant to Perna Johnson. The Community Development Certificate of Occupancy inspection was conducted today and passed. Ms. Terrell's attorney has drawn up the documents and the PEDC Attorney, Jeff Moore, has approved them. This is a time sensitive issues; therefore, in order to expedite this special meeting was called.

The Board clarified Perna Johnson is actually purchasing the Cookie Machine business and who the responsible person will be if they cannot meet the terms of the remaining two years. There was discussion on the reasons for the assignment, the allowance of a change of address, and the business name transfer.

Treasurer Gittiban made a motion to approve the assignment as submitted. Director Van Zandt seconded the motion.

The vote was as follows:

Ayes: Surratt, Adair, Lakey, Brown, Van Zandt, and Gittiban.

Nays: None.
Abstentions: None.

President Brown declared the vote passed unanimously.

The below Executive Session was not held.

SCHEDULES EXECUTIVE SESSION

The PEDC will convene in the City Manager's Office pursuant to the Texas Government Code for an executive session as follows:

- Pursuant to Government Code Section 551.087 to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body with which the governmental body is conducting economic development negotiations. Cookie Machine.

Following the Scheduled Executive Session, the PEDC will reconvene in public session and may take any and all action necessary concerning the Executive Session.

PEDC MEMBER INQUIRY

None.

ADJOURNMENT

President Brown adjourned the regular session at 7:09 p.m.

APPROVED:


Bill Brown, President

ATTEST:


Fred Adair, Secretary





AGENDA BACKGROUND

AGENDA ITEM: Discussion on a presentation by Coble Cravens Financial Services, Inc. for options on comparable quotes for group health, dental, life, disability, and supplemental insurance plans related to the current employee benefits plan offered and provided to town employees.

DATE: June 22, 2015

PRESENTER: Don Dukes, Coble Cravens Financial/Benefits Consultant

BACKGROUND:

The Town has contracted with TML for employee medical benefits as a risk participating member for the past nine years. The attached re-rate schedule reflects the changes made to health insurance plans for the upcoming fiscal year. The Town allocates a \$396 allowance per month per employee to help cover some of the insurance cost passed down onto the employee.

During the month of April, the Town contracted with Coble Cravens Financial Service, Inc. to find a more cost effective/affordable employee health care coverage plan than the currently provided through TML. With the increasing cost of health care, the goal was to 1) find better health care coverage, premiums and deductibles for employees and their dependents and/or 2) make sure TML's rates were reasonable and/or comparable to the market. Mr. Dukes will present his findings to Council.

FISCAL IMPACT:

The fiscal impact will depend on Council's decision on agenda item 5.

RECOMMENDATION:

Council to make final approval in regards to the TML contract based on the benefits consultant presentation.

ATTACHMENTS:

None.

City Manager's Review: _____



AGENDA BACKGROUND

AGENDA ITEM: Oath of Office and Badge Pinning of Officer Tyler Bonner, Pantego Police Department.

Date: June 22, 2015

PRESENTER:

Mayor Paradise

BACKGROUND:

Mayor Paradise will deliver the Oath of Office to Officer Tyler Bonner of the Pantego Police Department.

FISCAL IMPACT:

N/A

RECOMMENDATION:

N/A

ATTACHMENTS:

N/A

Director's Review: _____
City Manager's Review: _____



AGENDA BACKGROUND

AGENDA ITEM: Honor outgoing Pantego Economic Development Corporation President Bill Brown for his years of dedication and service to the Town of Pantego.

Date: June 22, 2015

PRESENTER:

Mayor Paradise

BACKGROUND:

Mayor Paradise will honor Bill Brown, President of PEDC.

FISCAL IMPACT:

N/A

RECOMMENDATION:

N/A

ATTACHMENTS:

N/A

Director's Review: _____
City Manager's Review: _____



AGENDA BACKGROUND

AGENDA ITEM: Community Relations Board Memorial Day Essay Contest Winners Presentation

Date: June 22, 2015

PRESENTER:

Julie Arrington, City Secretary

BACKGROUND:

Each year, the Community Relations Board holds a Memorial Day essay contest open to select local High schools and Jr. High schools. The winners are invited to read their essays at the Memorial Day ceremony. The ceremony this year was cancelled due to inclement weather; therefore, the winners were invited to be recognized at the next Town Council meeting. The Jr. High School students read their essays at the last council meeting. The High School students will present theirs tonight.

FISCAL IMPACT:

None.

RECOMMENDATION:

None.

ATTACHMENTS:

Certificate of Award - Thierry Doda, 2nd place, High School
Certificate of Award – Taryn Cates, 1st place, High School

CERTIFICATE OF AWARD

This Certificate is Presented to

Thierry Doda

2nd Place Memorial Day High School Essay Contest

Community Relations Board

2015

Thank you for your outstanding performance and written essay.



Chuck White

Chuck White, CRB Chairman

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CERTIFICATE OF AWARD

This Certificate is Presented to

Taryn Cates

1st Place Memorial Day High School Essay Contest

Community Relations Board

2015

Thank you for your outstanding performance and written essay.



Chuck White

Chuck White, CRB Chairman



AGENDA BACKGROUND

AGENDA ITEM: Discuss, direct and consider action on Resolution 15-19 a Resolution authorizing the City Manager to enter into a Contract with the Texas Municipal League (TML) MultiState Intergovernmental Employee Benefits Pool (IEBP) for the renewal of employee benefits and health insurance coverage, and to continue the Town's participation as a risk member in the Employee Benefits Pool.

DATE: June 22, 2015

PRESENTER: Matt Fielder, City Manager
Ariel Carmona, Finance Director
Don Dukes, Coble Cravens Financial/Benefits Consultant

BACKGROUND:

The Town has contracted with TML for employee medical benefits as a risk participating member for the past nine years. The attached re-rate schedule reflects the changes made to health insurance plans for the upcoming fiscal year. The Town allocates a \$396 allowance per month per employee to help cover some of the insurance cost passed down onto the employee.

During the month of April, the Town contracted an Employee Benefits Consultant to find a more cost effective/affordable employee health care coverage plan than the currently provided through TML. With the increasing cost of health care, the goal was to 1) find better health care coverage, premiums and deductibles for employees and their dependents and/or 2) make sure TML's rates were reasonable and/or comparable to the market.

The revised re-rate attachment is due to TML by no later than June 30th for the change to be effective October 1st, 2015 and therefore, it is hereby presented for approval.

FISCAL IMPACT:

The total employee benefit cost to the Town, which includes basic life, AD&D, long-term disability and employee allowance for health care coverage is estimated to be \$228,759 in Fiscal Year 2015-2016.

RECOMMENDATION:

Council to make final approval in regards to the TML contract based on the benefits consultant presentation.

ATTACHMENTS:

Resolution
Re-rate Notice and Benefit Verification Form

City Manager's Review: _____

RESOLUTION NO. 15-19

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PANTEGO AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE TEXAS MUNICIPAL LEAGUE MULTISTATE INTERGOVERNMENTAL EMPLOYEE BENEFITS POOL FOR THE RENEWAL OF EMPLOYEE HEALTH INSURANCE COVERAGE TO INCLUDE LONG-TERM DISABILITY, AND TO CONTINUE THE TOWN'S PARTICIPATION AS A RISK MEMBER IN THE EMPLOYEE BENEFITS POOL.

WHEREAS, The Town of Pantego and Tarrant County mutually desire to enter into a contract with the Texas Municipal League MultiState Intergovernmental Employee Benefits Pool to provide employee health insurance coverage to include Long-Term Disability and to continue the Town's participation as a risk member in the Employee Benefit Pool; and

WHEREAS, the Town Council of the Town of Pantego has determined the necessity to continue being members of the MultiState Intergovernmental Employee Benefits Pool to represent and provide certain benefits and related services for the Town's employees.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PANTEGO, TEXAS THAT:

Section 1: The Town Council hereby authorizes the City Manager to enter into the Contract with the Texas Municipal League MultiState Intergovernmental Employee Benefits Pool.

Section 2: The rates are based on May census information. If the census changes by more than 10%, TML MultiState IEBP reserves the right to revise the rate due to census change and underwriting impact.

Section 3: Rates are subject to change if there is any legislation passed during the plan year affecting benefits.

Section 4: This resolution is effective immediately upon passage.

PASSED AND APPROVED this the 22nd day of June 2015, at a regular meeting of the Town Council of the Town of Pantego, Texas, by a vote of __ ayes, __ nays and __ abstentions.

Melody Paradise, Mayor

ATTEST:

Julie Arrington, City Secretary

APPROVED AS TO FORM:

Jim Jeffrey, City Attorney



TML MultiState Intergovernmental Employee Benefits Pool Rerate Notice and Benefit Verification Form

Pantego

Plan Year 2015-2016 (12 Months)

Original

Rates are subject to change if there is any legislation passed during the plan year affecting benefits.
Supplemental benefits cannot be accessed without accessing the TML MultiState IEBP Medical Benefit Plan

Medical

Consumer Centered Pool Plans/Restat Card Program Mac A

Plan	Benefit Percent	In Net Ded	Out Net Ded	In Net OOP	Office Visit	XRay & Lab in OV	Rates	Current	New
P85-20-25	80/50	\$200	\$450	\$2500	\$30	No	Employee:	\$532.74	\$461.30
							Spouse:	\$548.00	\$474.52
							Child(ren):	\$404.42	\$350.20
							Family:	\$1,064.14	\$921.44
P75-0-30	70/50	N/A	\$250	\$3000	N/A	No	Employee:	\$462.00	\$406.52
							Spouse:	\$475.22	\$418.16
							Child(ren):	\$350.72	\$308.60
							Family:	\$922.82	\$812.00
P85-50-20	80/50	\$500	\$750	\$2000	N/A	No	Employee:	\$433.52	\$384.36
							Spouse:	\$445.92	\$395.36
							Child(ren):	\$329.06	\$291.76
							Family:	\$865.90	\$767.72
P85-50-30	80/50	\$500	\$750	\$3000	N/A	No	Employee:	\$395.90	\$358.86
							Spouse:	\$407.26	\$369.16
							Child(ren):	\$300.54	\$272.42
							Family:	\$790.80	\$716.82
P85-75-30	80/50	\$750	\$1000	\$3000	N/A	No	Employee:	\$388.28	\$339.82
							Spouse:	\$399.38	\$349.52
							Child(ren):	\$294.74	\$257.96
							Family:	\$775.54	\$678.74
P85-100-30	80/50	\$1000	\$1250	\$3000	N/A	No	Employee:	\$318.18	\$327.74
							Spouse:	\$327.30	\$337.12
							Child(ren):	\$241.54	\$248.80
							Family:	\$635.56	\$654.64
H85-150-40	80/50	\$1500	\$1750	\$4000	N/A	No	Employee:	\$263.50	\$293.08
							Spouse:	\$271.06	\$301.50
							Child(ren):	\$200.04	\$222.50
							Family:	\$526.34	\$585.44
H85-250-30	80/50	\$2500	\$2750	\$3000	N/A	No	Employee:	\$226.06	\$263.84
							Spouse:	\$232.54	\$271.40
							Child(ren):	\$171.62	\$200.30
							Family:	\$451.56	\$527.04

Vol Dental IV

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	<u>Current Rate</u>	<u>New Rate</u>
Employee:	\$29.24	\$32.16
Spouse:	\$39.50	\$43.46
Child(ren):	\$33.64	\$37.00
Family:	\$58.50	\$64.36

Vol Vision B

	<u>Current Rate</u>	<u>New Rate</u>
Employee:	\$12.50	\$12.50
Family:	\$25.00	\$25.00

Calendar Year Pre-65 Retiree Medical

No Pre-65 Retiree Medical Coverage

Calendar Year Pre-65 Retiree Dental

No Pre-65 Retiree Dental Coverage

Calendar Year Pre-65 Retiree Vision

No Pre-65 Retiree Vision Coverage

LTD

<u>Current Rate</u>	<u>New Rate</u>
\$0.490	\$0.490

Benefit: 60%

Maximum Benefit: \$4000

Benefit Period: To Age 65

Elimination Period: 45 days

STD

No STD Coverage

Basic Life and AD&D: Plan 31 (2xBAE, Max \$200,000)

	<u>Current Rate</u>	<u>New Rate</u>
Life:	\$0.190	\$0.190
AD&D:	\$0.035	\$0.035

<u>Current Rate</u>	<u>New Rate</u>
\$2.76 per dependent unit	\$2.76 per dependent unit

Voluntary AD&D

No Voluntary AD&D Coverage

Additional Employee Life and AD&D

<u>Age of Employee</u>	<u>Current Rate per \$1000</u>	<u>New Rate per \$1000</u>
Under 30	0.061	0.061
30 - 34	0.069	0.069
35 - 39	0.100	0.100
40 - 44	0.130	0.130
45 - 49	0.198	0.198
50 - 54	0.332	0.332
55 - 59	0.595	0.595
60 - 64	0.913	0.913
65 - 69	1.513	1.513
70 and over	2.431	2.431

Basic & Additional Retiree Life

No Basic & Additional Retiree Life Coverage

Continuation of Coverage (COC)

Yes

Benefit Waiting Period

Medical: 30 days after date of hire

Life: 30 days after date of hire

Medical Network

Choice Plus

Flex, HRA, HSA & RRA

<u>Flex Admin</u>	<u>HRA Admin</u>	<u>HSA Admin</u>	<u>RRA Admin</u>
Yes	Yes	Yes	No

Select one of the following options for Flex:

- Debit Card Flex (\$3.70 per participant per month)
- Paper Flex (\$5 per participant per month)

Select one or all of the following options for HRA, HSA & RRA:

- HRA (\$3.70 per participant per month - debit card only)
- HSA (\$3.70 per participant per month - debit card only)
- RRA (\$3.70 per participant per month - debit card only)

If employer accesses Debit Card Flex and/or HRA, HSA or RRA, only one charge of \$3.70 per participant per month will be incurred.

Medication Therapy Management Program

MAC A Plan: If a brand name drug is dispensed and a generic alternate drug exists, the **Covered Individual pays the difference between the brand name and generic price** in addition to the appropriate copayment for the brand name. The **cost difference between the brand name and generic price does not apply to any individual deductibles or out of pocket amounts**. The MAC differential applies to all prescriptions purchased through this program when a generic alternate is available.

MAC C Plan: If a brand name drug is dispensed and a generic alternate drug exists, the Covered Individual pays the appropriate brand copay.

Covered Individual Out of Pocket (OOP)			
Prescribed (Doctor Ordered) Over the Counter Alternates and Prescription Networks	Retail: (up to 34 day supply max unless noted otherwise)	Mail/Maintenance: (up to 90 day dispensement)	SpecialtyRx/Biotech/Biosimilar: (up to 34 day dispensement)
<ul style="list-style-type: none"> Smoking Cessation (Nicorette Gum), Quantity Limit - 3 months per plan year Aspirin, Folic Acid, Fluoride Chemoprevention Supplements, Iron Deficiency Supplements, and Vitamin D supplementation to prevent falls in community-dwelling adults age 65 years and older who are at an increased risk for falls; per prescription 	\$0.00	N/A	N/A
Network Retail: 34 day Non-Cost Share most Generic Dispensement	\$0.00 (up to 34 day supply)	N/A	N/A
Network Retail: 90 day Non-Cost Share most Generic Dispensement	\$9.00 (35 up to 90 day supply)	\$25.00	
OptumRx Network Non-Cost Share Best Brand/Formulary List	\$38.00	\$95.00	
OptumRx Network Non-Cost Share Non-Best Brand/Non-Formulary List	\$60.00	\$150.00	
OptumRx Network Cost Share	\$120.00	\$300.00	
OptumRx Specialty/Biotech Prescriptions	N/A	N/A	\$100.00 (up to 34 day supply)
OptumRx Biosimilar Generic Prescriptions	N/A	N/A	\$75.00 (up to 34 day supply)
Prescription Refill Control Standards	75%	70%	

Women's Preventive Health Services Covered Individual Out of Pocket (OOP)			
Benefit	Retail Rx Medical Plan	Prescription Plan	Plan Ineligible
Oral Contraceptives Generic (<i>no cost share</i>)		X	
IUD Device (<i>no cost share</i>)	X	X	
Implant Device (<i>no cost share</i>)	X	X	
Permanent Implantable Contraceptive Coil (<i>subject to the appropriate deductible and benefit percentages</i>)	X		
Insertion and/or Removal of Devices (<i>no cost share</i>)	X		
Sonogram to Detect Placement of Device (<i>no cost share</i>)	X		
Injectable Contraceptives (<i>no cost share</i>)	X	X	
Injectable Administration Fee (<i>no cost share</i>)	X		
Diaphragm (cervical), Hormone Vaginal Ring, Hormone Patch, Cervical Cap, Spermicides, Sponges (<i>no cost share</i>)		X	
Diaphragm Instruction and Fitting Fee (<i>no cost share</i>)	X		
Emergency Birth Control			X
Over-The-Counter (OTC) Birth Control			X
Contraceptive Management/Urinalysis/Pregnancy Test (<i>no cost share</i>)	X		
Female Condoms (<i>no cost share</i>)		X	
Medications for risk reduction of breast cancer in women who are at increased risk for breast cancer and at low risk for adverse medication effects: Tamoxifen or Raloxifene		X	

Due to the employer customization regarding defined contribution amount for employees, part-time employees that meet the definition of an active employee (an Employee who works at least twenty (20) hours per week or is accessing vacation, sick or paid/unpaid Family Medical Leave Act of 1993 (FMLA) and is receiving the same benefits as all other employees) and/or dependents, TML MultiState Intergovernmental Employee Benefits Pool requests the below information to ensure accurate information is maintained in the enrollment, eligibility and billing adjudication system.

Employer Funded Defined Contribution

Dependent Additional Employer Subsidy or Defined Contribution

	<u>Employee</u>		<u>Spouse</u>		<u>Child</u>		<u>Family</u>	
	Amount	% of Rate						
Active Employees								
Employer Subsidy	\$ _____ or _____ %							
Employer Defined Contribution	\$ _____		\$ _____		\$ _____		\$ _____	
Retirees	\$ _____ or _____ %							

Additional Employer Funding for HRA, FSA or HSA (Example criteria: 100% participation in Employer Fair; Receipt of Healthy Initiative Payment)

HRA \$ _____ Criteria: _____

Employer Contribution to FSA \$ _____ Criteria: _____

Employer Contribution to HSA \$ _____ Criteria: _____

NOTE: If you have funding requirements that cannot be specified in the above form, please contact your Billing & Eligibility Representative.

Signature Section

The entity named on this Rerate and Benefit Verification Form desires large claim information as specified in Article 21.49-15 of the Insurance Code in Section 2.(2), to be for individual claims that reach or exceed \$35,000 during the plan year. This information is considered confidential for purposes of Chapter 552 of the Local Government Code.

The rates are based on May census information. If the census changes by more than 10%, TML MultiState IEBP reserves the right to revise rates due to census change and underwriting impact.

Tax ID Number

Authorized Signature

Date



AGENDA BACKGROUND

AGENDA ITEM: Review, discuss and consider action on Resolution 15-20 a Resolution Authorizing the Town's participation in TexPool and TexPoolPrime Texas Local Government Investment Pools with authorized list of representatives.

DATE: June 22, 2015

PRESENTER: Ariel Carmona, Finance Director

BACKGROUND:

The TexPool Portfolios are comprised of two investment alternatives: TexPoolPrime and TexPool. Unlike TexPool, TexPool Prime may invest in commercial paper and certificates of deposit, as well as obligations of the United States Government or its agencies and instrumentalities, and repurchase agreements; all of which are currently suitable, authorized investment types under the Town's Investment Policy.

Like TexPool, the primary objectives of TexPool Prime are preservation and safety of principal; liquidity; and yield. There is no sales charge and no investment minimum. TexPool Prime will invest only in investments that are authorized under both the Public Funds Investment Act and the TexPool Prime Investment Policy.

The Town of Pantego has been a TexPool participant for several years. However, prior resolutions passed have authorized participation in TexPool and not TexPool Prime. This resolution updates the participation information to include both local investment pools.

FISCAL IMPACT:

Diversification of available funds.

RECOMMENDATION:

Staff recommends approval of attached resolution.

ATTACHMENTS:

Resolution
Town of Pantego – Investment Policy

RESOLUTION NO. 15-20

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PANTEGO, TEXAS, AUTHORIZING THE TOWN’S PARTICIPATION IN TEXPOOL AND TEXPOOL PRIME TEXAS LOCAL GOVERNMENT INVESTMENT POOLS WITH AN AUTHORIZED LIST OF REPRESENTATIVES.

WHEREAS, the Town of Pantego is a local government or state agency of the State of Texas and is empowered to delegate to the public funds investment pools the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pools (“TexPool” and “TexPool Prime”), public funds investment pools, were created on behalf of entities whose investment objectives in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PANTEGO, TEXAS THAT:

Section 1: that Participant shall enter into a Participation Agreement to establish an account in its name in TexPool and TexPool Prime, for the purpose of transmitting local funds for investment in TexPool and TexPool Prime.

Section 2: that the individuals, whose signatures appear in this Resolution, are authorized representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool and TexPool Prime and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

List the authorized representatives of the Participant. These individuals will be issued Personal Identification Numbers (PIN's) to transact business via the phone with a Participant Services Representative.

1) Matthew Fielder, City Manager
(817) 617-3705 Office
(817) 617-3726 Fax
mfielder@townofpantego.com Email

2) Ariel Carmona, Finance Director
(817) 617-3707 Office
(817) 617-3726 Fax
acarmona@townofpantego.com Email

Signature

Signature

3) Cherie’ Charboneau, Payroll-A/P
(817) 617-3708-1381 Office
(817) 617-3726 Fax
ccharboneau@townofpantego.com Email

Signature

List the name the Authorized Representative provided above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Ariel Carmona, Finance Director

Section 3: that this resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool/TexPool Prime receives a copy of any such amendment or revocation.

PRESENTED AND PASSED this 22nd day of June 2015, by a vote of ___ ayes, ___ nays, and ___ abstentions, at a regular meeting of the Town Council of the Town of Pantego, Texas.

Melody Paradise, Mayor

ATTEST:

Julie Arrington, City Secretary

APPROVED AS TO FORM:

Jim Jeffrey, City Attorney



INVESTMENT POLICY
AND
INVESTMENT STRATEGIES

Revised April 28, 2014

Prepared by the Finance Department

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I. POLICY STATEMENT

It is the Policy of the Town of Pantego (the "Town") that the administration of its funds and the investment of those funds shall be handled at its highest public trust. Investments shall be made in a manner which will provide the maximum security of the principal through established limitations and diversification while meeting the daily cash flow needs of the Town and conforming to all applicable state statutes governing the investment of public funds.

This Policy serves to satisfy the statutory requirements of defining and adopting a formal investment policy. The Policy and investment strategies shall be reviewed annually by the Town Council who will formally approve any modifications. This Investment Policy, as approved, is in compliance with all state laws and statutes which govern the investments of public funds, including but not by way of limitation, the Public Funds Investment Act (PFIA), Chapter 2256, Government Code.

II. SCOPE

- A. This investment policy applies to all the financial assets and funds of the Town of Pantego and the Pantego Economic Development Corporation. The Town commingles its funds into one pooled investment portfolio for efficiency and maximum investment opportunity. These funds are defined in the Town's Annual Financial Report and include any new funds created by the Town unless specifically exempted by the Town Council and this Policy.

In addition to this Policy, the investment of bond proceeds and other bond funds (including debt service and reserve funds) shall be governed by and controlled by their governing ordinance and by the provisions of the Tax Reform Act of 1986, including all regulations and ruling promulgated there under applicable to the issuance of tax-exempt obligations.

- B. Funds covered by this Policy and managed as a pooled fund group:
1. General Fund – used to account for resources traditionally associated with government, which are not required to be accounted for in another fund.
 2. Special Revenue Funds – used to account for the proceeds from specific revenue sources which are restricted to expenditures for specific purposes.
 3. Debt Service Funds – including reserves and sinking funds to the extent not required by law or existing contract to be kept segregated and managed separately - and used to account for resources to be used for the payment of principal, interest and related costs on general obligation debt.
 4. Capital Projects Funds – used to account for resources to enable the acquisition or construction of major capital facilities which are not financed by enterprise funds, internal service funds, or trust funds.
 5. Enterprise Funds – used to account for operations that are financed and operated in a manner similar to private business enterprises.

6. Trust and Agency Funds – used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.
 7. Any new fund created by the Town unless specifically exempted from this policy by the Town or the law.
- C. Funds covered by this Policy and managed as separately invested assets as defined in PFIA 2256.002(9):
1. Bond Funds – funds established with the proceeds from specific bond issues when it is determined that segregating these funds from the pooled fund's portfolio will result in maximum interest earning retention under the provisions of the Tax Reform Act of 1986.
 2. Endowment funds – funds given to the Town with the instructions that the principal is to remain intact, unless otherwise agreed to, and the income generated by the investments will be used for specific purposes.
 3. Trust of Escrowed Funds – funds held outside the Town by a trust or escrow agent but belonging to the Town.

This Policy shall not govern funds, which are managed under separate investment programs in accordance with the PFIA 2256.004.

III. GENERAL OBJECTIVES

It is the policy of the Town that, giving due regard to the safety and risk investments, all available funds shall be invested in conformance with State and Federal Regulations, applicable Bond Ordinance requirements, adopted Investment Policy and adopted Investment Strategies. In accordance with the Public Funds Investment Act Section 2256.005(d), the following prioritized objectives (in order of importance) apply to each of the Town's investment strategies:

- A. Suitability – Understanding the suitability of the investment to the financial requirements of the Town is important. Any investment eligible in the Investment Policy is suitable for all Town funds.
- B. Safety of Principal – Preservation and safety of principal are the foremost objective of the Town. Investments of the Town shall be undertaken in a manner that seeks to insure preservation of capital in the overall portfolio.
- C. Liquidity – The Town's investment portfolio will be based on a cash flow analysis of cash needs and will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated. Liquidity shall be achieved by matching investment maturities with estimated cash flow requirements and by investing in securities with active secondary markets.
- D. Marketability – Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash requirement. Historical market "spreads" between the bid and offer prices of a particular security type or less than a quarter of a percentage point shall define an efficient secondary market.

Diversification – Diversification of the portfolio will include diversification by maturity and market sector to protect against credit and market risk. The Town will diversify its investments in an effort to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

- F. Yield – Attaining a competitive market yield, commensurate with the Town’s investment risk constraints and the cash flow characteristics of the portfolio, is the desired objective. The goal of the Town’s investment portfolio is to regularly meet or exceed the average rate of return on U.S. Treasury Bills at a maturity level comparable to the portfolio’s weighted average in days. The yield of an equally weighted, six month Treasury Bill portfolio shall be the minimum yield objective or “benchmark”. A secondary objective will be to obtain a yield equal to or in excess of a local government investment pool or money market mutual fund.

Applicable tax exempt debt proceeds shall attempt to achieve a return equal to the above unless that return exceeds applicable arbitrage yield limit on the debt. In certain interest rate environments the Town may need to restrict yields in order not to exceed arbitrage limits.

IV. STANDARDS OF CARE

- A. Prudent Person Rule. The Town’s staff will follow the “Prudent Person” statement relating to the standard of care that must be exercised when investing public funds as expressed in PFIA Sec. 2256.006(a-b):

“Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived”.

Investment of funds shall be governed by the following investment objectives, in order of priority:

1. Preservation and safety of principal;
2. Liquidity; and
3. Yield.

The Investment Officers and those delegated investment authority under this Policy shall seek to act responsibly as custodians of the public trust. Investment participants shall avoid any transactions that might impair public confidence in the Town’s ability to govern effectively. The governing body recognizes that in a diversified portfolio, occasional measured losses due to market volatility are inevitable and must be considered within the context of the overall portfolio’s investment rate of return, provided that adequate diversification has been implemented.

In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

1. The investment of all funds, or funds under the entity's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
2. Whether the investment decision was consistent with the written investment policy of the Town.

The Investment Officers, when acting in accordance with the written procedures and due diligence, shall not be held personally responsible for market price changes, provided that deviations from expectations are reported in a timely manner and that appropriate action is taken to control adverse market effects. The governing body of the investing entity retains ultimate responsibility as fiduciaries of the assets of the entity.

B. Delegation of Investment Authority

The Town Manager and Finance Director, acting on behalf of the Town, are designated as the Investment Officers of the Town and are responsible for management decisions and activities. The Investment Officers are also responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures.

The Investment Officers shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy. The Investment Officers shall also designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officers are not available.

The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff. No officer or designee, shall engage in an investment transaction except as provided under the terms of this policy, the procedures established by the Finance Director and the explicit authorization by the Town Manager to withdraw, transfer, deposit and invest the Town's funds.

C. Internal Controls

The Investment Officers shall establish a system of written internal controls which will be reviewed annually with the independent auditors of the Town. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the Town. Controls deemed most important include: control of collusion, separation of duties, third party custodial safekeeping, avoidance of bearer-form securities, clear delegation of authority, specific limitations regarding securities losses and remedial action, written confirmation of telephone transactions,

minimizing the number of authorized investment officials, and documentation and rationale for investment transactions.

D. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. Investment Officers involved shall disclose in writing to the Town Council any financial interest in financial institutions that conduct business with the Town or any personal financial/investment position that could be related to the performance of the Town.

The Investment policy requires the investment officers to file a disclosure statement with the Texas Ethics Commission and the governing body if the investment officer has a personal business relationship or is related within the second degree of affinity or consanguinity to an individual or organization seeking to sell an investment to the Town. For purposes of this section, an investment officer has a personal relationship with a business organization if and as defined in PFIA 2256.005(i)(1-3):

1. The Investment officer owns 10% or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. Funds received by the investment officer from the business organization exceed 10% of the investment officer's gross income for the previous year; or
3. The Investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

E. Investment Training Requirements

Town of Pantego shall provide periodic training in investments for the investment personnel through courses and seminars offered by professional organizations and associations in order to insure the quality and capability of the Town's investment personnel making investment decisions in compliance with the PFIA 2256.005(b)(3).

All Investment Officers shall attend ten (10) hours of training within twelve (12) months of taking office or assuming duties and ten (10) hours in each succeeding two year period as defined in PFIA 2256.008. The training provider must be an independent source approved by Town Council or investment committee.

For purposes of this policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institute or higher learning or any other sponsor other than a business organization with whom the Town of Pantego may engage in an investment transaction. Such training shall include education in investment controls, credit risk, market risk, investment

strategies, and compliance with investment laws, including the Texas State Public Funds Investment Act.

F. Investment Committee

The Finance/Audit Committee shall function as the Town's Investment Committee. This Committee shall recommend strategies and guidelines for the percentage of the total portfolio that may be invested in securities other than U.S. Treasury Bills, U.S. Treasury Notes and Investment Pool(s). The recommendations of the Investment Committee will be presented to the Town Council for final approval.

V. **AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

All investments made by the Town will be made through either the Town's banking services or an authorized broker/dealer.

- A. Depository – The Town Council shall, by ordinance, “select and designate one or more banking institutions as the depository for the monies and funds of the Town” in accordance with PFIA. At least every five years a depository shall be selected through the Town's banking services procurement process, which shall include a formal request for proposal (RFP). The selection of the depository will be determined by a competitive process and evaluated on the following criteria:
1. Qualified as a depository for public funds in accordance with state and local laws.
 2. Provided requested information or financial statements for the periods specified.
 3. Complied with all requirements in the banking RFP.
 4. Completed responses to all required items on the proposal form.
 5. Offered lowest net banking service cost, consistent with the ability to provide an appropriate level of service.
 6. Met credit worthiness and financial standards.
- B. Investment Broker/Dealers – If the Town has not retained an investment advisor, then the Investment Committee shall be responsible for adopting the list of qualified brokers/dealers and financial institutions authorized to engage in investment transactions with the Town. The Town Council will, at least annually, review, revise and approve a list of authorized/qualified broker/dealers along with this investment policy. These firms may include:
1. All primary government securities dealers; and
 2. Those regional broker/dealers who qualify under Securities and Exchange Commission rule 15C3 (Uniform Net Capital Rule), and who meet other financial criteria standards in the industry.

A list of no less than three (3) and no more than five (5) authorized brokers/dealers will be established and maintained. These firms will be selected based on their competitiveness, participation in agency selling groups, and experience and background of the salesperson handling the account.

- C. Signed Investment Policy Certification Form. Investments shall only be made with those business organizations, including money market mutual funds and local government investment pools, that have provided the Town with a written instrument, executed by a qualified representative of the firm, acknowledging that the business organization has:
1. Received and reviewed the Town's Investment Policy; and
 2. Implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Town and the organization that are not authorized by the Town's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the Town's entire portfolio or requires an interpretation of subjective investment standards. PFIA 256.005(k-l).
- D. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the investment officers with the following:
1. Audited financial statements;
 2. Proof of National Association of Securities Dealers (NASD) certification, unless it is a bank;
 3. Resumes of all sales representatives who will represent the financial institution or broker/dealer firm in dealings with the Town, and
 4. Any other document that should help evaluate the financial institution's and broker/dealers' soundness such as rating agency reports, review of call reports and analysis of management profitability, capitalization and assets quality.
- E. Financial/Investment Advisor – The Town may retain the services of an investment advisory firm registered under the Investment Advisers Act of 1940 or with the State Securities Board to assist in the review of cash flow requirements, the formulation of investment strategies, and the execution of security purchases, sales and deliveries. The investment advisory contract with the Town may not be for a term longer than two years and its renewal or extension must be approved by the Town Council by ordinance or resolution as required by PFIA 2256.003(b). If the Town has contracted with an investment advisor, the advisor shall be responsible for performing financial due diligence on the Town's behalf. On an annual basis, the advisor will provide the Town with a list of its authorized broker/dealers as well as the written instrument above.

VI. SAFEKEEPING AND CUSTODY OF INVESTMENT ASSETS

- A. As specified in PFIA 2256.005(b)(4)(E), the laws of the State of Texas and prudent treasury management require that all purchased securities be bought on a delivery versus payment (DVP) basis and be held in safekeeping by an independent third party financial institution, or the Town's designated banking services depository. Funds shall not be wired or paid until verification has been made that the correct security was received by the safekeeping bank. The only exception to DVP settlement shall be wire transactions for money market funds and government

- investment pools. The safekeeping or custody bank is responsible for matching up instructions from the Town's investment officers or an investment settlement with what is wired from the broker/dealer, prior to releasing the Town's designated fund for a given purchase.
- B. All safekeeping arrangements shall be approved by the Investment Officers and an agreement of the terms executed in writing. The third party custodian shall be required to issue safekeeping receipts to the Town or its agent a listing of each specific security, rate, description, maturity, par amount, CUSIP number and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for the Town or pledge to the Town.
 - C. All securities pledged to the Town for certificates of deposit or demand deposits shall be held by an independent third party bank doing business in the State of Texas. The safekeeping bank may not be within the same holding company as the bank from whom the securities are pledged.

VII. SUITABLE AND AUTHORIZED INVESTMENTS

- A. Acceptable investments under this policy shall be limited to the investments authorized by PFIA listed in Sections 2256.009-2256.016 and 2256.019-2256.0201 and as shown below:
 1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities;
 2. Direct obligations of the State of Texas or its agencies and instrumentalities;
 3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States;
 4. Obligations fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States;
 5. Obligations of states, agencies, counties, cities and other political subdivisions of any state rated not less than A or its equivalent;
 6. Bonds issued, assumed, or guaranteed by the State of Israel.

If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the Town until this policy has been amended and the amended version approved by the Town Council.

- B. Investment instruments **not** authorized for purchase by the Town of Pantego, including those specifically prohibited by PFIA 2256.009(b)(1-4), include:
 1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and bears no interest, such as banker's acceptances;

2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest, such as mutual funds;
3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in the market index.

C. **Authorized Investments:**

1. Certificates of Deposit and Share Certificates – authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in the State of Texas and is (1) guaranteed or insured, (2) collateralized, or (3) secured in any other manner provided by law. (PFIA 2256.010)
2. Repurchase agreements – is an authorized investment if (1) has a defined termination date, (2) is secured by obligations in Section 2256.009(a)(1) and (3) requires third-party safekeeping and (4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State of Texas.
 - Repurchase agreement means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date.
 - Reverse security repurchase agreement may not exceed 90 days.
 - Investments acquired must mature no later than the expiration in the reverse security repurchase agreement.
3. Securities Lending Program – to qualify as an authorized investment under PFIA 2256-0115:
 - The value of the securities loaned under the program must not be less than 100% collateralized, including accrued income;
 - A loan under this program must allow for termination at any time;
 - Must be secured by cash, letters of credit or securities described in PFIA 2256.009;
 - Collateral must be (1) pledge, (2) held in the Town's name and (3) be deposited with a third party.
 - A loan made under this program must be placed through a primary dealer or a financial institution doing business in the State of Texas.
 - An agreement to lend securities executed under this section must have a term of one (1) year or less.
4. Bankers' Acceptances – authorized investment under PFIA 2256.012 if it has a stated maturity of 270 days or fewer; will be liquidated in full at maturity; is eligible for collateral for borrowing from a Federal Reserve Bank; and is accepted by a U.S. bank rated no less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating.

5. Commercial Paper – authorized investment under PFIA 2256.013 if the commercial paper has a stated maturity of 270 days or fewer and is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies, or one credit rating agency and an irrevocable bank letter of credit.
6. Mutual Funds
 - a. A *no-load money market mutual fund* is an authorized investment under PFIA 2256.014 **if**:
 1. Is registered with and regulated by the Securities Exchange Commission (SEC);
 2. Has a dollar-weighted average stated maturity of 90 days or fewer; and
 3. Includes in its investment objectives the maintenance of a stable net asset value of one dollar for each share.
 - b. A *no-load mutual fund* is an authorized investment under this section **if**:
 1. Is registered with the SEC;
 2. Has an average weighted maturity of less than two years;
 3. Is invested exclusively in approved obligations;
 4. Is continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and
 5. Conforms to the requirement set forth in PFIA 2256.016(b-c) relating to the eligibility of investment pools to receive and invest funds of investing entities.
 - c. An entity is **not** authorized by this section to:
 1. Invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described above;
 2. Invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described above; or
 3. Investing entity may not own more than 10 percent of the mutual fund's total net assets.
7. Guaranteed Investment Contracts – authorized investment for bond proceeds under PFIA 2256.015 if the guaranteed investment contract:
 - Has a defined termination date;
 - Is secured by obligations described in PFIA 2256.009(a)(1);
 - Is pledged to the entity and deposited with the entity or with a third-party selected and approved by the entity;
 - Term may not exceed 5 years from date of bond issuance, excluding reserves and debt service funds;
 - To be eligible as an authorized investment: (1) it must be specifically authorized when authorizing bond, (2) requires at least 3 bids from separate providers, (3) the entity must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received, (4) must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested, and (5) must have reasonable administrative costs expected to be paid to third parties in connection with the guaranteed investment contract.

8. Investment Pools – An entity may invest its funds and funds under its control through an eligible investment pool if the governing body of the entity by rule, order, ordinance, or resolution, as appropriate, authorizes investment in that particular pool. A pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service. A public funds investment pool created to function as a money market mutual fund must mark to market daily and stabilize at a \$1 net asset value.

To be eligible to receive fund from an invest funds on behalf of the Town, an investment pool must furnish to the Investment Officer or other authorized representative an offering circular or other similar disclosure instrument that contains information required by PFIA 2256.016. Investments will be made in a local government investment pool only after a thorough investigation of the pool and approval by the Town Council which shall at least annually review, revise and adopt the local government investment pool(s) list.

The Town shall take all prudent measures consistent with this Investment Policy to liquidate an investment that no longer meets the required minimum rating standards, as per PFIA 2256.021. However, if it is determined by the Investment Committee that the Town will benefit from holding the securities to maturity to recapture its initial investment then the Investment Officers may act accordingly. The Town is not required to liquidate investments that were authorized investments at the time of purchase. (PFIA 2256.017)

VIII. COLLATERALIZATION

A. Market Value

In order to anticipate market changes and provide a level of additional security for all funds, the market value of collateral will be maintained at 102% of total principal and accrued interest for cash balances in excess of the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Share Insurance Fund (NCUSIF) insurance coverage. The Town's depository will be contractually liable for monitoring and maintaining the collateral and margins at all times. The depository or custodian will also provide monthly reports to the Town detailing the collateral and including current market values. Only an authorized Town representative will approve and release all pledged collateral.

Collateral will be pledged under the terms of a written third-party depository agreement executed under the terms of the Financial Institutions Resource and Recovery Enforcement Act (if the custodian is the Federal Reserve the Town will execute a Circular 7 form). The agreement will be approved by resolution of the bank's board or loan committee.

B. Collateral Substitution

Collateralized investments often require substitution of collateral. The safekeeping bank must contact the City for approval and settlement. The substitution will be approved if its value is equal to or greater than the required collateral value.

C. Collateral Reduction

Should the collateral's market value exceed the required amount, the Safekeeping bank may request approval from the Town to reduce collateral. Collateral reductions may be permitted only if the collateral's market value exceeds the required amount.

D. Letters of Credit

Letters of credit are acceptable collateral for Certificates of Deposit. Upon the discretion of the Town, a letter of credit can be acceptable collateral for Town funds held by the Town's bank depository.

E. Subject to Audit – All collateral shall be subject to inspection and audit by the Town Manager, or designee, as well as the Town's independent auditors.

IX. INVESTMENT PARAMETERS

A. Bidding Process for Investments

It is the Policy of the Town of Pantego to require at least 3 competitive bids or offers for all investment transactions (securities and CD's) except for:

1. Transactions with money market mutual funds and local government investment pools (which are deemed to be made at prevailing market rates); and
2. Treasury and agency securities purchased at issue through an approved broker/dealer.

B. Maximum Maturities

The maximum maturity for each fund group and instrument is set forth in the investment strategies under the Investment Strategies section of this Policy.

C. Maximum Dollar-Weighted Average Maturity

Under most market conditions, the composite portfolio will be managed to achieve a one (1) year or less dollar-weighted average maturity. However, under certain market conditions investment officers may need to shorten or lengthen the average life or duration of the portfolio to protect the Town. The maximum dollar-weighted average maturity based on the stated final maturity, authorized by this investment policy for the composite portfolio of the Town is two (2) years.

D. Diversification

It is the policy of the Town to diversify its investment portfolio. Invested funds shall be diversified to minimize risk or loss resulting from over-concentration of assets in a specific maturity, specific issuers, or specific class of securities. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

<u>Security Type</u>	<u>Max % of Portfolio</u>
U.S. Treasury obligations	100%
U.S. Government agencies and instrumentalities	not to exceed 75%
Fully insured or collateralized CDs	not to exceed 30%
Limitation by individual bank	not to exceed 15%
Repurchase agreements	100%
Money market funds	not to exceed 75%
Local government Investment Pools	100%
Maximum percent ownership of pool	10%

The Investment Officer shall be required to diversify maturities. The Investment Officer, to the extent possible, will attempt to match investment with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk.

Investments in eligible investment pools are “diversified” by the very nature of their inclusion in a very large and active pool of investments. Consequently, concentrations of investment pools represent a lower risk than concentrations in such individual instrument as agency discount notes or certificates of deposit.

The Investment officers shall review diversification strategies and establish or confirm guidelines on at least an annual basis regarding the percentages of the total portfolio that may be invested in securities other than U.S. Government obligations.

X. INVESTMENT STRATEGIES

- A. General. The Town will group investment instruments into a number of “pool investment groups”. These groups will reflect characteristics of maturity limits, diversity and liquidity, commensurate with the underlying purpose for which investments are intended to ultimately fund. Under this approach various individual investment instruments will comprise the total pool type. Individual funds will share equity interest in the assets and earnings of each pool (or pools), equal to their proportionate contributions to the pool (or pools). A pooled investment approach should provide several advantages including yield enhancement, improved diversity and improved liquidity, over a system that seeks to procure specific investment instruments for specific fund types and financial resources.
- B. Basic Pool Requirements. The Town requires the following basic types of pools:
- a. Short Term/Operating Funds – Most of the Town’s fund types contain operating capital required to finance the particular activities for which the fund is responsible. Cash flows are reasonably predictable but occasional circumstances may require unforeseen or unpredicted cash requirements. Financial resources for this category should be maintained at relatively short levels. The weighted average maturity of operating funds may not exceed one (1) year.

This pooled investment group includes the total of cash and investment available for current operations plus all required operating reserves of the following fund types:

- General Fund
- Debt Service Funds
- Special Revenue Funds
- Enterprise Funds

A key investment strategy for operating funds is to assure that anticipated cash flows are matched with adequate investment liquidity. Diversification among authorized investment options is not restricted and will be determined and approved by the Investment Committee and Town Council in light of existing market conditions.

- b. Long term/Non Operating Funds – Various fund types may contain financial assets in excess of the amounts necessary to fund the sum of operating costs and operating reserves. Other financial assets may be designated for projects schedule to be implemented beyond the current operating period. The pool structured to invest these assets will require longer maximum maturity limit than the operating pool. The size of the pool may vary widely over time. The pool will expand rapidly with the receipt of bond fund proceeds and contract as the capital is used for project construction.

The primary revenue source of this pooled investment group is bond proceeds (which are typically subject to arbitrage yield limitations). This category also includes any amount of cash and investments in excess of the estimated required operating reserves in the general fund, enterprise funds or debt service funds. The maximum weighted average maturity of the portfolio shall not exceed two (2) years. Diversification among authorized investment options is not restricted and will be determined and approved by the Investment Committee and Town Council in light of existing market conditions.

- c. Yield/Restricted Funds – Proceeds from bond issuances subject to arbitrage restrictions may necessitate yield restrictions under some market conditions. Length of investment maturity may be dependent on market conditions as well as cash flow needs.

The Investment strategy for these funds is to limit investment yields to arbitrage ceilings. The maximum weighted average maturity of an individual investment shall not exceed two (2) years. Diversification among authorized investment options is not restricted and will be determined and approved by the Investment Committee and Town Council in light of existing market conditions.

- d. Debt Service Reserve Funds – These reserves are usually specifically defined in terms of amount and size. Bond covenants typically require that reserve balances be maintained with a third party financial institution or paying agent. These institutions invest deposited reserves on behalf of the Town and indirectly

on the behalf of investors in whose interest the reserves are established. In such instances, the Town may contract with such parties who will operate in the capacity of an investment advisor. These relationships will be approved by the Town Council. The Investment advisors will be confined to the particular instruments and parameters specified as appropriate for this pool of funds.

A primary investment strategy for debt service funds is to provide income to the reserve portions of revenue bonds. Because investments may be subject to arbitrage yield restrictions, the secondary investment strategy is to attempt to invest at a yield equal to the arbitrage limit applicable to the reserves. The maximum maturity of an individual investment may not exceed ten (10) years. Diversification among authorized investment options is not restricted and will be determined and approved by the Investment Committee and Town Council in light of existing market conditions.

- e. Interest and Sinking Fund Reserve – These funds are usually specifically defined in terms of amount and size. The primary investment strategy for debt service sinking funds is to match investment maturities with debt service payment requirements. The maximum maturity of an individual investment shall not exceed five (5) years unless a specific longer maturity is legally required. Diversification among authorized investment options is not restricted and will be determined and approved by the Investment Committee and Town Council in light of existing market conditions.

XI. PERFORMANCE EVALUATION AND REPORTING

- A. Reporting. The Investment Officers shall submit an investment report at least quarterly to the Town Council (PFIA 2256.023) containing sufficient information to permit and informed outside reader to evaluate the performance of the investment program and consistent with the Act's statutory requirements. All reports shall be in compliance with the Act. At a minimum the report shall include:
 1. Description of each investment and depository position,
 2. Book and market values at the end of the reporting period,
 3. Be signed by all investment officers of the entity,
 4. Changes to the market value and accrued interest during the period,
 4. The maturity date of each separately invested asset,
 5. The account, fund, or pooled group fund for which investment was acquired,
 6. The earnings for the period and
 7. The overall yield for the portfolio in comparison to its benchmark yield for the period.
- B. Marking to Market. The market value of the portfolio must be determined at least quarterly and included in the quarterly investment reports. Market prices for all public fund investments will be obtained and monitored through the use of a third party independent pricing source or by meand oa an on-line financial data service.

- C. Annual Compliance Audit. If the Town invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the Investment Officers under this section shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

The Town shall, in conjunction with its annual financial audit, perform a compliance audit of management controls on investments and adherence to the Town's Investment Policy.

- D. Monitoring. The Investment officer shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency and/or approved broker/dealer. If any security falls below the minimum rating required by Policy, the investment officer shall immediately solicit bids for and sell the security, if possible, regardless of a loss of principal.
- E. Policy Considerations. The Town's Investment Policy and investment strategies shall be reviewed, revised and adopted annually by the Town Council. A written resolution approving that review will be passed and recorded by the Town Council.

GLOSSARY OF INVESTMENT POLICY TERMS

Accrued Interest – The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency – A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government.

Arbitrage – The simultaneous purchase and sale of an asset in order to profit from a difference in the price (profiting from the mispricing in the market). Arbitrage exists as a result of market inefficiencies; it provides a mechanism to ensure prices do not deviate substantially from fair value for long periods of time.

Banker's Acceptance – A short-term debt instrument issued by a firm that is guaranteed by a commercial bank. Banker's acceptances are issued by firms as part of a commercial transaction. These instruments are similar to T-Bills and are frequently used in money market funds. Banker's acceptances are traded at a discount from face value on a secondary market, which can be an advantage because the banker's acceptance does not need to be held until maturity. The date of maturity typically ranges from between 30 and 180 days from the date of issue. Banker's acceptances are considered to be relatively safe investments, since the bank and the borrower are liable for the amount that is due when the instrument matures.

Bid – The anticipated price at which a buyer is willing to purchase a security or commodity.

Bond covenant – A legally binding term of an agreement between a bond issuer and a bond holder. Bond covenants are designed to protect the interest of both parties. Bond covenants may include restrictions on the issuer's ability to take on additional debt, requirements that the issuer provide audited financial statement to bond holders and limitations on the issuer's ability to make new capital investments. A common penalty for violating a bond covenant is the downgrading of a bond's rating, which could make it less attractive to investors and increase the issuer's borrowing costs.

Book value – The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Certificate of Deposit (CD) – A savings certificate entitling the bearer to receive interest; a promissory note issued by a bank. It is a time deposit that restricts holders from withdrawing funds on demand. Although it is still possible to withdraw the money, this action will often incur a penalty. A CD bears a maturity date, a specified fixed interest rate and can be issued in any denomination. CDs are generally issued by commercial banks and are insured by the FDIC. The term of a CD generally ranges from one month to five years.

Collateralization – Process by which a borrower pledges securities, property or other deposits for the purpose of securing the repayment of a loan and/or security.

Collateralized Mortgage Obligations (CMO's) – A type of mortgage backed security in which principal repayments are organized according to their maturities and into different classes based on risk. A collateralized mortgage obligation is a special purpose entity that receives the mortgage repayments and owns the mortgages it receives cash flows from (called a pool). The mortgages serve as collateral, and are organized into classes based on their risk profile. Income

received from the mortgages is passed to investors based on a predetermined set of rules, and investors receive money based on the specified slice of mortgages invested in.

Commercial paper – An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

Coupon rate – The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the “interest rate.”

Delivery Versus Payment (DVP) – A type of securities transaction in which the purchaser pays for the securities when they delivered either to the purchaser or his/her custodian.

Discount – The amount by which the par value of a security exceeds the price paid for the security.

Diversification – A process of investing assets among a range of security types by sector, maturity, and quality rating.

Fair value – The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds) – Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Government Securities – An obligation of the U.S. government backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See “Treasury Bills, Notes and Bonds.”

Guaranteed Investment Contract – Insurance contract that guarantees the owner principal repayment and a fixed or floating interest rate for a predetermined period of time. Guaranteed investment contracts are typically issued by insurance companies and marketed to institutions that qualify for favorable tax status under federal laws. These products provide institutions with guaranteed returns.

Interest rate – See “Coupon Rate.”

Internal Controls – An internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgment by management. Internal controls should address the following points:

1. Control of collusion – Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. Separation of duties – By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. Custodial safekeeping – Securities purchased by any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.

4. Avoidance of physical delivery securities – Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. Clear delegation of authority to subordinate staff members – Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. Written confirmation of transactions for investments and wire transfers – Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. Development of a wire transfer agreement with the lead bank and third party custodian – The designated official should ensure that an agreement will be entered into and will address the following points: control, security provisions, and responsibilities of each party making and receiving wire transfers.

Investment Policy – A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Letter of Credit – A letter from a bank guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount. In the event that the buyer is unable to make payment on the purchase, the bank will be required to cover the full or remaining amount of the purchase.

Liquidity – An asset that can be converted easily and quickly into cash.

Local Government Investment Pool (LGIP) – An investment by local governments in which their money is pooled as a method for managing local funds.

Mark-to-market – The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market risk – The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market value – Current market price of a security.

Maturity – The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Money Market Mutual Fund – Mutual funds that invest solely in money market instruments (short-term instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos, and federal funds).

Mutual Fund – An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.

2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator, or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.
6. Have all individuals who sells SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

National Association of Securities Dealers (NASD) – A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Net Asset Value – The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued interest earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price of each security in the fund's portfolio. (Total assets – liabilities/Number of shares outstanding)

No Load Fund – A mutual fund which does not levy a sales charge on the purchase of its shares.

Nominal Yield – The states rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

Offer – An indicated price at which market participants are willing to sell a security or commodity. Also refer to as the "Ask price."

Par – Face value or principal value of a bond, typically \$1,000 per bond.

Premium – The amount by which the price paid for a security exceeds the security's par value.

Primary Market – A market that issues new securities on an exchange. Companies, governments and other groups obtain financing through debt or equity based securities. Primary markets are facilitated by underwriting groups, which consists of investment banks that will set a beginning price range for a given security and then oversee its sale directly to investors. Also known as "New Issue Market" (NIM).

Prime rate – A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal – The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prospectus – A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed used of proceeds, the experience of the issuer's management and certain certified financial statements.

Prudent Person Rule – An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Repurchase Agreement (Repo) – An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse Repo) - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Safekeeping – Holding of assets, such as securities, by a financial institution.

Secondary Market – A market where investors purchase securities or assets from other investors, rather than from issuing companies themselves. The national exchanges, such as the New York Exchange and the NASDAQ are secondary markets. In any secondary market trade, the cash proceeds go to an investor rather than to the underlying company/entity directly. In the primary market prices are often set beforehand, whereas in the secondary market only basic forces like supply and demand determine the price of the security.

Security – A financial instrument that represents: an ownership position in a publicly traded corporation (stock), a creditor relationship with a governmental body or a corporation (bond), or rights to ownership as represented by an option. A security is a fungible, negotiable instrument that represents some type of financial value.

Securities Lending – The act of loaning a stock, derivative, other security to an investor firm. Securities lending requires the borrower to put up collateral, whether cash, security or a letter of credit. When a security is loaned, the title and the ownership is also transferred to the borrower. The borrower hopes to profit by selling the security and buying it back at a lower price. Since ownership has been transferred temporarily to the borrower, the borrower is liable to pay any dividends out to the lender.

Serial Bond – A bond issue, usually a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Share Certificates – A share certificate is a written document signed on behalf of a corporation, and serves a legal proof of ownership of the number of share indicated. Also refer to as “stock certificate.”

Sinking Fund – Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Treasury Bills – Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Notes – Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from \$1,000 to \$1 million or more.

Treasury Bonds (T-bills) – Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of \$1,000. Currently the longest outstanding maturity for such securities is 30 years.

Uniform Net Capital Rule – SEC Rule 15C3-1 outlining capital requirements for broker/dealers.

Weighted Average Maturity (WAM) – The average maturity of all the securities that comprise a portfolio. According to the SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

Yield – The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield-to-call (YTC) – The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Yield-to-maturity – The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-coupon Securities – Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

Government Treasurers' Organization of Texas

March 13, 2014

Ms. Ariel Carmona
 Director of Finance
 Town of Pantego
 1614 S. Bowen Rd.
 Pantego, TX 76013

Dear Ms. Carmona:

On behalf of the Investment Policy Review Committee, I am pleased to inform you that the Government Treasurers' Organization of Texas (GTOT) has awarded the **Certificate of Distinction** to the Town of Pantego for its Investment Policy. Members of the Review Committee congratulate the Town of Pantego for its commitment to maintaining a comprehensive written investment policy that meets the criteria set forth in the GTOT Investment Policy Review Checklist.

As we reviewed your City's Investment Policy, we noted a few areas that would benefit from an additional clarification as detailed in the Public Funds Investment Act. Enclosed is a copy of our Checklist that provides our recommended Policy revision. Your certificate is being mailed under separate cover and is good for a two-year period ending March 31, 2016.

Congratulations once again on an excellent policy and thank you for participating in our certification program.

Sincerely,

Myra Conklin

Myra Conklin, Co-Chair
 GTOT Investment Policy Review Committee



Government Treasurers' Organization of Texas Certification of Investment Policy

Presented to

Town of Pantego

for developing an investment policy that meets the requirements of the Public Funds Investment Act and the standards for prudent public investing established by the Government Treasurers' Organization of Texas.



Government Treasurers' Organization of Texas
President



Investment Policy Review Committee
Chairperson

For the two-year period ending March 31, 2016

GOVERNMENT CODE

TITLE 10. GENERAL GOVERNMENT

SUBTITLE F. STATE AND LOCAL CONTRACTS AND FUND MANAGEMENT

CHAPTER 2256. PUBLIC FUNDS INVESTMENT

SUBCHAPTER A. AUTHORIZED INVESTMENTS FOR GOVERNMENTAL ENTITIES

Sec. 2256.001. SHORT TITLE. This chapter may be cited as the Public Funds Investment Act.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.002. DEFINITIONS. In this chapter:

(1) "Bond proceeds" means the proceeds from the sale of bonds, notes, and other obligations issued by an entity, and reserves and funds maintained by an entity for debt service purposes.

(2) "Book value" means the original acquisition cost of an investment plus or minus the accrued amortization or accretion.

(3) "Funds" means public funds in the custody of a state agency or local government that:

- (A) are not required by law to be deposited in the state treasury; and
- (B) the investing entity has authority to invest.

(4) "Institution of higher education" has the meaning assigned by Section 61.003, Education Code.

(5) "Investing entity" and "entity" mean an entity subject to this chapter and described by Section 2256.003.

(6) "Investment pool" means an entity created under this code to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are:

- (A) preservation and safety of principal;
- (B) liquidity; and
- (C) yield.

(7) "Local government" means a municipality, a county, a school district, a district or authority created under Section 52(b)(1) or (2), Article III, or Section 59, Article XVI, Texas Constitution, a fresh water supply district, a hospital district, and any political subdivision, authority, public corporation, body politic, or instrumentality of the State of Texas, and any nonprofit corporation acting on behalf of any of those entities.

(8) "Market value" means the current face or par value of an investment multiplied by the net selling price of the security as quoted by a recognized market pricing source quoted on the valuation date.

(9) "Pooled fund group" means an internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested.

(10) "Qualified representative" means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:

(A) for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the

National Association of Securities Dealers;

(B) for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution;

(C) for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool; or

(D) for an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or, if not subject to registration under that Act, registered with the State Securities Board, a person who is an officer or principal of the investment management firm.

(11) "School district" means a public school district.

(12) "Separately invested asset" means an account or fund of a state agency or local government that is not invested in a pooled fund group.

(13) "State agency" means an office, department, commission, board, or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 1, eff. Sept. 1, 1999.

Sec. 2256.003. AUTHORITY TO INVEST FUNDS; ENTITIES SUBJECT TO THIS CHAPTER. (a) Each governing body of the following entities may purchase, sell, and invest its funds and funds under its control in investments authorized under this subchapter in compliance with investment policies approved by the governing body and according to the standard of care prescribed by Section 2256.006:

(1) a local government;

(2) a state agency;

(3) a nonprofit corporation acting on behalf of a local government or a state agency; or

(4) an investment pool acting on behalf of two or more local governments, state agencies, or a combination of those entities.

(b) In the exercise of its powers under Subsection (a), the governing body of an investing entity may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made under authority of this subsection may not be for a term longer than two years. A renewal or extension of the contract must be made by the governing body of the investing entity by order, ordinance, or resolution.

(c) This chapter does not prohibit an investing entity or investment officer from using the entity's employees or the services of a contractor of the entity to aid the investment officer in the execution of the officer's duties under this chapter.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1454, Sec. 2, eff. Sept. 1, 1999.

Sec. 2256.004. APPLICABILITY. (a) This subchapter does not apply to:

(1) a public retirement system as defined by Section 802.001;

(2) state funds invested as authorized by Section 404.024;

(3) an institution of higher education having total endowments of at least \$95 million in book value on May 1, 1995;

(4) funds invested by the Veterans' Land Board as authorized by Chapter 161, 162, or 164, Natural Resources Code;

(5) registry funds deposited with the county or district clerk under Chapter 117, Local Government Code; or

(6) a deferred compensation plan that qualifies under either Section 401(k) or 457 of the Internal Revenue Code of 1986 (26 U.S.C. Section 1 et seq.), as amended.

(b) This subchapter does not apply to an investment donated to an investing entity for a particular purpose or under terms of use specified by the donor.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 505, Sec. 24, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 2, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 62, Sec. 8.21, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1454, Sec. 3, eff. Sept. 1, 1999.

Sec. 2256.005. INVESTMENT POLICIES; INVESTMENT STRATEGIES; INVESTMENT OFFICER. (a) The governing body of an investing entity shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control.

(b) The investment policies must:

(1) be written;

(2) primarily emphasize safety of principal and liquidity;

(3) address investment diversification, yield, and maturity and the quality and capability of investment management; and

(4) include:

(A) a list of the types of authorized investments in which the investing entity's funds may be invested;

(B) the maximum allowable stated maturity of any individual investment owned by the entity;

(C) for pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date for the portfolio;

(D) methods to monitor the market price of investments acquired with public funds;

(E) a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and

(F) procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Section 2256.021.

(c) The investment policies may provide that bids for certificates of deposit be solicited:

(1) orally;

(2) in writing;

(3) electronically; or

(4) in any combination of those methods.

(d) As an integral part of an investment policy, the governing body shall adopt a separate written investment strategy for each of the funds or group of funds under its control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance:

(1) understanding of the suitability of the investment to the financial

requirements of the entity;

(2) preservation and safety of principal;

(3) liquidity;

(4) marketability of the investment if the need arises to liquidate the investment before maturity;

(5) diversification of the investment portfolio; and

(6) yield.

(e) The governing body of an investing entity shall review its investment policy and investment strategies not less than annually. The governing body shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.

(f) Each investing entity shall designate, by rule, order, ordinance, or resolution, as appropriate, one or more officers or employees of the state agency, local government, or investment pool as investment officer to be responsible for the investment of its funds consistent with the investment policy adopted by the entity. If the governing body of an investing entity has contracted with another investing entity to invest its funds, the investment officer of the other investing entity is considered to be the investment officer of the first investing entity for purposes of this chapter. Authority granted to a person to invest an entity's funds is effective until rescinded by the investing entity, until the expiration of the officer's term or the termination of the person's employment by the investing entity, or if an investment management firm, until the expiration of the contract with the investing entity. In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the governing body of the investing entity retains ultimate responsibility as fiduciaries of the assets of the entity. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the investing entity.

(g) Subsection (f) does not apply to a state agency, local government, or investment pool for which an officer of the entity is assigned by law the function of investing its funds.

Text of subsec. (h) as amended by Acts 1997, 75th Leg., ch. 685, Sec. 1

(h) An officer or employee of a commission created under Chapter 391, Local Government Code, is ineligible to be an investment officer for the commission under Subsection (f) if the officer or employee is an investment officer designated under Subsection (f) for another local government.

Text of subsec. (h) as amended by Acts 1997, 75th Leg., ch. 1421, Sec. 3

(h) An officer or employee of a commission created under Chapter 391, Local Government Code, is ineligible to be designated as an investment officer under Subsection (f) for any investing entity other than for that commission.

(i) An investment officer of an entity who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. An investment officer who is

related within the second degree by affinity or consanguinity, as determined under Chapter 573, to an individual seeking to sell an investment to the investment officer's entity shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the governing body of the entity. For purposes of this subsection, an investment officer has a personal business relationship with a business organization if:

(1) the investment officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;

(2) funds received by the investment officer from the business organization exceed 10 percent of the investment officer's gross income for the previous year; or

(3) the investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

(j) The governing body of an investing entity may specify in its investment policy that any investment authorized by this chapter is not suitable.

(k) A written copy of the investment policy shall be presented to any person offering to engage in an investment transaction with an investing entity or to an investment management firm under contract with an investing entity to invest or manage the entity's investment portfolio. For purposes of this subsection, a business organization includes investment pools and an investment management firm under contract with an investing entity to invest or manage the entity's investment portfolio. Nothing in this subsection relieves the investing entity of the responsibility for monitoring the investments made by the investing entity to determine that they are in compliance with the investment policy. The qualified representative of the business organization offering to engage in an investment transaction with an investing entity shall execute a written instrument in a form acceptable to the investing entity and the business organization substantially to the effect that the business organization has:

(1) received and reviewed the investment policy of the entity; and

(2) acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards.

(l) The investment officer of an entity may not acquire or otherwise obtain any authorized investment described in the investment policy of the investing entity from a person who has not delivered to the entity the instrument required by Subsection (k).

(m) An investing entity other than a state agency, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the entity's established investment policies.

(n) Except as provided by Subsection (o), at least once every two years a state agency shall arrange for a compliance audit of management controls on investments and adherence to the agency's established investment policies. The compliance audit shall be performed by the agency's internal auditor or by a private auditor employed in the manner provided by Section 321.020. Not later than January 1 of each even-numbered year a state agency shall report the results of the most recent audit performed under this subsection to the state auditor.

Subject to a risk assessment and to the legislative audit committee's approval of including a review by the state auditor in the audit plan under Section 321.013, the state auditor may review information provided under this section. If review by the state auditor is approved by the legislative audit committee, the state auditor may, based on its review, require a

state agency to also report to the state auditor other information the state auditor determines necessary to assess compliance with laws and policies applicable to state agency investments. A report under this subsection shall be prepared in a manner the state auditor prescribes.

(o) The audit requirements of Subsection (n) do not apply to assets of a state agency that are invested by the comptroller under Section 404.024.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 685, Sec. 1, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 3, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 4, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 785, Sec. 41, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. 2226), Sec. 1, eff. June 17, 2011.

Sec. 2256.006. STANDARD OF CARE. (a) Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority:

- (1) preservation and safety of principal;
- (2) liquidity; and
- (3) yield.

(b) In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

(1) the investment of all funds, or funds under the entity's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and

(2) whether the investment decision was consistent with the written investment policy of the entity.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.007. INVESTMENT TRAINING; STATE AGENCY BOARD MEMBERS AND OFFICERS. (a) Each member of the governing board of a state agency and its investment officer shall attend at least one training session relating to the person's responsibilities under this chapter within six months after taking office or assuming duties.

(b) The Texas Higher Education Coordinating Board shall provide the training under this section.

(c) Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with this chapter.

(d) An investment officer shall attend a training session not less than once each state fiscal biennium and may receive training from any independent source approved by the governing body of the state agency. The investment officer shall prepare a report on this subchapter and deliver the report to the governing body of the state agency not later than the 180th day after the last day of each regular session of the legislature.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 73, Sec. 1, eff. May 9, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 4, eff. Sept. 1,

1997; Acts 1999, 76th Leg., ch. 1454, Sec. 5, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 2, eff. June 17, 2011.

Sec. 2256.008. INVESTMENT TRAINING; LOCAL GOVERNMENTS. (a) Except as provided by Subsections (b) and (e), the treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a local government shall:

(1) attend at least one training session from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government and containing at least 10 hours of instruction relating to the treasurer's or officer's responsibilities under this subchapter within 12 months after taking office or assuming duties; and

(2) except as provided by Subsections (b) and (e), attend an investment training session not less than once in a two-year period that begins on the first day of that local government's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than 10 hours of instruction relating to investment responsibilities under this subchapter from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government.

(b) An investing entity created under authority of Section 52(b), Article III, or Section 59, Article XVI, Texas Constitution, that has contracted with an investment management firm under Section 2256.003(b) and has fewer than five full-time employees or an investing entity that has contracted with another investing entity to invest the entity's funds may satisfy the training requirement provided by Subsection (a)(2) by having an officer of the governing body attend four hours of appropriate instruction in a two-year period that begins on the first day of that local government's fiscal year and consists of the two consecutive fiscal years after that date. The treasurer or chief financial officer of an investing entity created under authority of Section 52(b), Article III, or Section 59, Article XVI, Texas Constitution, and that has fewer than five full-time employees is not required to attend training required by this section unless the person is also the investment officer of the entity.

(c) Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with this chapter.

(d) Not later than December 31 each year, each individual, association, business, organization, governmental entity, or other person that provides training under this section shall report to the comptroller a list of the governmental entities for which the person provided required training under this section during that calendar year. An individual's reporting requirements under this subsection are satisfied by a report of the individual's employer or the sponsoring or organizing entity of a training program or seminar.

(e) This section does not apply to a district governed by Chapter 36 or 49, Water Code.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 5, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 6, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 69, Sec. 4, eff. May 14, 2001.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 3, eff. June 17, 2011.

Sec. 2256.009. AUTHORIZED INVESTMENTS: OBLIGATIONS OF, OR GUARANTEED BY GOVERNMENTAL ENTITIES. (a) Except as provided by Subsection (b), the following are authorized investments under this subchapter:

- (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities;
- (2) direct obligations of this state or its agencies and instrumentalities;
- (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
- (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;
- (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; and
- (6) bonds issued, assumed, or guaranteed by the State of Israel.

(b) The following are not authorized investments under this section:

- (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- (3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
- (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1454, Sec. 7, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 558, Sec. 1, eff. Sept. 1, 2001.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. 2226), Sec. 4, eff. June 17, 2011.

Sec. 2256.010. AUTHORIZED INVESTMENTS: CERTIFICATES OF DEPOSIT AND SHARE CERTIFICATES. (a) A certificate of deposit or share certificate is an authorized investment under this subchapter if the certificate is issued by a depository institution that has its main office or a branch office in this state and is:

- (1) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;
- (2) secured by obligations that are described by Section 2256.009(a), including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described by Section 2256.009(b); or
- (3) secured in any other manner and amount provided by law for deposits of the investing entity.

(b) In addition to the authority to invest funds in certificates of deposit under Subsection (a), an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under this subchapter:

- (1) the funds are invested by an investing entity through:

(A) a broker that has its main office or a branch office in this state and is selected from a list adopted by the investing entity as required by Section 2256.025; or

(B) a depository institution that has its main office or a branch office in this state and that is selected by the investing entity;

(2) the broker or the depository institution selected by the investing entity under Subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the investing entity;

(3) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and

(4) the investing entity appoints the depository institution selected by the investing entity under Subdivision (1), an entity described by Section 2257.041(d), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.

Amended by Acts 1995, 74th Leg., ch. 32, Sec. 1, eff. April 28, 1995; Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 6, eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 128 (H.B. [256](#)), Sec. 1, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 5, eff. June 17, 2011.

Sec. 2256.011. AUTHORIZED INVESTMENTS: REPURCHASE AGREEMENTS. (a) A fully collateralized repurchase agreement is an authorized investment under this subchapter if the repurchase agreement:

(1) has a defined termination date;

(2) is secured by a combination of cash and obligations described by Section 2256.009(a)(1); and

(3) requires the securities being purchased by the entity or cash held by the entity to be pledged to the entity, held in the entity's name, and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity; and

(4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.

(b) In this section, "repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described by Section 2256.009(a)(1), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement.

(c) Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered.

(d) Money received by an entity under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. 2226), Sec. 6, eff. June 17, 2011.

Sec. 2256.0115. AUTHORIZED INVESTMENTS: SECURITIES LENDING PROGRAM. (a) A securities lending program is an authorized investment under this subchapter if it meets the conditions provided by this section.

(b) To qualify as an authorized investment under this subchapter:

- (1) the value of securities loaned under the program must be not less than 100 percent collateralized, including accrued income;
- (2) a loan made under the program must allow for termination at any time;
- (3) a loan made under the program must be secured by:
 - (A) pledged securities described by Section 2256.009;
 - (B) pledged irrevocable letters of credit issued by a bank that is:
 - (i) organized and existing under the laws of the United States or any other state; and
 - (ii) continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or
 - (C) cash invested in accordance with Section:
 - (i) 2256.009;
 - (ii) 2256.013;
 - (iii) 2256.014; or
 - (iv) 2256.016;
- (4) the terms of a loan made under the program must require that the securities being held as collateral be:
 - (A) pledged to the investing entity;
 - (B) held in the investing entity's name; and
 - (C) deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity;
- (5) a loan made under the program must be placed through:
 - (A) a primary government securities dealer, as defined by 5 C.F.R. Section 6801.102(f), as that regulation existed on September 1, 2003; or
 - (B) a financial institution doing business in this state; and
- (6) an agreement to lend securities that is executed under this section must have a term of one year or less.

Added by Acts 2003, 78th Leg., ch. 1227, Sec. 1, eff. Sept. 1, 2003.

Sec. 2256.012. AUTHORIZED INVESTMENTS: BANKER'S ACCEPTANCES. A bankers' acceptance is an authorized investment under this subchapter if the bankers' acceptance:

- (1) has a stated maturity of 270 days or fewer from the date of its issuance;
- (2) will be, in accordance with its terms, liquidated in full at maturity;
- (3) is eligible for collateral for borrowing from a Federal Reserve Bank; and
- (4) is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.013. AUTHORIZED INVESTMENTS: COMMERCIAL PAPER. Commercial paper is an authorized investment under this subchapter if the commercial paper:

- (1) has a stated maturity of 270 days or fewer from the date of its issuance; and
- (2) is rated not less than A-1 or P-1 or an equivalent rating by at least:
 - (A) two nationally recognized credit rating agencies; or
 - (B) one nationally recognized credit rating agency and is fully secured by an

irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.014. AUTHORIZED INVESTMENTS: MUTUAL FUNDS. (a) A no-load money market mutual fund is an authorized investment under this subchapter if the mutual fund:

- (1) is registered with and regulated by the Securities and Exchange Commission;
- (2) provides the investing entity with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.);
- (3) has a dollar-weighted average stated maturity of 90 days or fewer; and
- (4) includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share.

(b) In addition to a no-load money market mutual fund permitted as an authorized investment in Subsection (a), a no-load mutual fund is an authorized investment under this subchapter if the mutual fund:

- (1) is registered with the Securities and Exchange Commission;
- (2) has an average weighted maturity of less than two years;
- (3) is invested exclusively in obligations approved by this subchapter;
- (4) is continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and
- (5) conforms to the requirements set forth in Sections 2256.016(b) and (c)

relating to the eligibility of investment pools to receive and invest funds of investing entities.

(c) An entity is not authorized by this section to:

- (1) invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in Subsection (b);
- (2) invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in Subsection (b); or
- (3) invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in Subsection (a) or (b) in an amount that exceeds 10 percent of the total assets of the mutual fund.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 7, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 8, eff. Sept. 1, 1999.

Sec. 2256.015. AUTHORIZED INVESTMENTS: GUARANTEED INVESTMENT CONTRACTS. (a) A guaranteed investment contract is an authorized investment for bond proceeds under this subchapter if the guaranteed investment contract:

- (1) has a defined termination date;

(2) is secured by obligations described by Section 2256.009(a)(1), excluding those obligations described by Section 2256.009(b), in an amount at least equal to the amount of bond proceeds invested under the contract; and

(3) is pledged to the entity and deposited with the entity or with a third party selected and approved by the entity.

(b) Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested under this subchapter in a guaranteed investment contract with a term of longer than five years from the date of issuance of the bonds.

(c) To be eligible as an authorized investment:

(1) the governing body of the entity must specifically authorize guaranteed investment contracts as an eligible investment in the order, ordinance, or resolution authorizing the issuance of bonds;

(2) the entity must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;

(3) the entity must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;

(4) the price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and

(5) the provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 8, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 9, 10, eff. Sept. 1, 1999.

Sec. 2256.016. AUTHORIZED INVESTMENTS: INVESTMENT POOLS. (a) An entity may invest its funds and funds under its control through an eligible investment pool if the governing body of the entity by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by this subchapter. An investment pool may invest its funds in money market mutual funds to the extent permitted by and consistent with this subchapter and the investment policies and objectives adopted by the investment pool.

(b) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:

(1) the types of investments in which money is allowed to be invested;

(2) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;

(3) the maximum stated maturity date any investment security within the portfolio has;

(4) the objectives of the pool;

(5) the size of the pool;

(6) the names of the members of the advisory board of the pool and the dates their terms expire;

(7) the custodian bank that will safekeep the pool's assets;

(8) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;

(9) whether the only source of payment is the assets of the pool at market value

or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;

(10) the name and address of the independent auditor of the pool;

(11) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and

(12) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

(c) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity:

(1) investment transaction confirmations; and

(2) a monthly report that contains, at a minimum, the following information:

(A) the types and percentage breakdown of securities in which the pool is invested;

(B) the current average dollar-weighted maturity, based on the stated maturity date, of the pool;

(C) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;

(D) the book value versus the market value of the pool's portfolio, using amortized cost valuation;

(E) the size of the pool;

(F) the number of participants in the pool;

(G) the custodian bank that is safekeeping the assets of the pool;

(H) a listing of daily transaction activity of the entity participating in the pool;

(I) the yield and expense ratio of the pool, including a statement regarding how yield is calculated;

(J) the portfolio managers of the pool; and

(K) any changes or addenda to the offering circular.

(d) An entity by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

(e) In this section, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.

(f) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005. In addition to the requirements of its investment policy and any other forms of reporting, a public funds investment pool created to function as a money market mutual fund shall report yield to its investors in accordance with regulations of the federal Securities and Exchange Commission applicable to reporting by money market funds.

(g) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool must have an advisory board composed:

(1) equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds

investment pool created under Chapter 791 and managed by a state agency; or

(2) of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

(h) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

(i) If the investment pool operates an Internet website, the information in a disclosure instrument or report described in Subsections (b), (c)(2), and (f) must be posted on the website.

(j) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must make available to the entity an annual audited financial statement of the investment pool in which the entity has funds invested.

(k) If an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include either all levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 9, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 7, eff. June 17, 2011.

Sec. 2256.017. EXISTING INVESTMENTS. An entity is not required to liquidate investments that were authorized investments at the time of purchase.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.46(a), eff. Sept. 1, 1995; Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 10, eff. Sept. 1, 1997.

Sec. 2256.019. RATING OF CERTAIN INVESTMENT POOLS. A public funds investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 11, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 8, eff. June 17, 2011.

Sec. 2256.020. AUTHORIZED INVESTMENTS: INSTITUTIONS OF HIGHER EDUCATION. In addition to the authorized investments permitted by this subchapter, an institution of higher education may purchase, sell, and invest its funds and funds under its control in the following:

(1) cash management and fixed income funds sponsored by organizations exempt from federal income taxation under Section 501(f), Internal Revenue Code of 1986 (26 U.S.C. Section 501(f));

(2) negotiable certificates of deposit issued by a bank that has a certificate of deposit rating of at least 1 or the equivalent by a nationally recognized credit rating agency or that is associated with a holding company having a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency; and

(3) corporate bonds, debentures, or similar debt obligations rated by a nationally

recognized investment rating firm in one of the two highest long-term rating categories, without regard to gradations within those categories.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.0201. AUTHORIZED INVESTMENTS; MUNICIPAL UTILITY. (a) A municipality that owns a municipal electric utility that is engaged in the distribution and sale of electric energy or natural gas to the public may enter into a hedging contract and related security and insurance agreements in relation to fuel oil, natural gas, coal, nuclear fuel, and electric energy to protect against loss due to price fluctuations. A hedging transaction must comply with the regulations of the Commodity Futures Trading Commission and the Securities and Exchange Commission. If there is a conflict between the municipal charter of the municipality and this chapter, this chapter prevails.

(b) A payment by a municipally owned electric or gas utility under a hedging contract or related agreement in relation to fuel supplies or fuel reserves is a fuel expense, and the utility may credit any amounts it receives under the contract or agreement against fuel expenses.

(c) The governing body of a municipally owned electric or gas utility or the body vested with power to manage and operate the municipally owned electric or gas utility may set policy regarding hedging transactions.

(d) In this section, "hedging" means the buying and selling of fuel oil, natural gas, coal, nuclear fuel, and electric energy futures or options or similar contracts on those commodities and related transportation costs as a protection against loss due to price fluctuation.

Added by Acts 1999, 76th Leg., ch. 405, Sec. 48, eff. Sept. 1, 1999.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 7 (S.B. 495), Sec. 1, eff. April 13, 2007.

Sec. 2256.0202. AUTHORIZED INVESTMENTS: MUNICIPAL FUNDS FROM MANAGEMENT AND DEVELOPMENT OF MINERAL RIGHTS. (a) In addition to other investments authorized under this subchapter, a municipality may invest funds received by the municipality from a lease or contract for the management and development of land owned by the municipality and leased for oil, gas, or other mineral development in any investment authorized to be made by a trustee under Subtitle B, Title 9, Property Code (Texas Trust Code).

(b) Funds invested by a municipality under this section shall be segregated and accounted for separately from other funds of the municipality.

Added by Acts 2009, 81st Leg., R.S., Ch. 1371 (S.B. 894), Sec. 1, eff. September 1, 2009.

Sec. 2256.0203. AUTHORIZED INVESTMENTS: PORTS AND NAVIGATION DISTRICTS. (a) In this section, "district" means a navigation district organized under Section 52, Article III, or Section 59, Article XVI, Texas Constitution.

(b) In addition to the authorized investments permitted by this subchapter, a port or district may purchase, sell, and invest its funds and funds under its control in negotiable certificates of deposit issued by a bank that has a certificate of deposit rating of at least 1 or the equivalent by a nationally recognized credit rating agency or that is associated with a holding company having a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency.

Added by Acts 2011, 82nd Leg., R.S., Ch. 804 (H.B. 2346), Sec. 1, eff. September 1, 2011.

Sec. 2256.0204. AUTHORIZED INVESTMENTS: INDEPENDENT SCHOOL DISTRICTS. (a) In this section, "corporate bond" means a senior secured debt obligation issued by a domestic business entity and rated not lower than "AA-" or the equivalent by a nationally recognized investment rating firm. The term does not include a debt obligation that:

(1) on conversion, would result in the holder becoming a stockholder or shareholder in the entity, or any affiliate or subsidiary of the entity, that issued the debt obligation; or

(2) is an unsecured debt obligation.

(b) This section applies only to an independent school district that qualifies as an issuer as defined by Section 1371.001.

(c) In addition to authorized investments permitted by this subchapter, an independent school district subject to this section may purchase, sell, and invest its funds and funds under its control in corporate bonds that, at the time of purchase, are rated by a nationally recognized investment rating firm "AA-" or the equivalent and have a stated final maturity that is not later than the third anniversary of the date the corporate bonds were purchased.

(d) An independent school district subject to this section is not authorized by this section to:

(1) invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, reserves, and other funds held for the payment of debt service, in corporate bonds; or

(2) invest more than 25 percent of the funds invested in corporate bonds in any one domestic business entity, including subsidiaries and affiliates of the entity.

(e) An independent school district subject to this section may purchase, sell, and invest its funds and funds under its control in corporate bonds if the governing body of the district:

(1) amends its investment policy to authorize corporate bonds as an eligible investment;

(2) adopts procedures to provide for:

(A) monitoring rating changes in corporate bonds acquired with public funds;

and

(B) liquidating the investment in corporate bonds; and

(3) identifies the funds eligible to be invested in corporate bonds.

(f) The investment officer of an independent school district, acting on behalf of the district, shall sell corporate bonds in which the district has invested its funds not later than the seventh day after the date a nationally recognized investment rating firm:

(1) issues a release that places the corporate bonds or the domestic business entity that issued the corporate bonds on negative credit watch or the equivalent, if the corporate bonds are rated "AA-" or the equivalent at the time the release is issued; or

(2) changes the rating on the corporate bonds to a rating lower than "AA-" or the equivalent.

(g) Corporate bonds are not an eligible investment for a public funds investment pool.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1347 (S.B. 1543), Sec. 1, eff. June 17, 2011.

Sec. 2256.0205. AUTHORIZED INVESTMENTS; DECOMMISSIONING TRUST. (a) In this section:

(1) "Decommissioning trust" means a trust created to provide the Nuclear Regulatory Commission assurance that funds will be available for decommissioning purposes as

required under 10 C.F.R. Part 50 or other similar regulation.

(2) "Funds" includes any money held in a decommissioning trust regardless of whether the money is considered to be public funds under this subchapter.

(b) In addition to other investments authorized under this subchapter, a municipality that owns a municipal electric utility that is engaged in the distribution and sale of electric energy or natural gas to the public may invest funds held in a decommissioning trust in any investment authorized by Subtitle B, Title 9, Property Code.

Added by Acts 2005, 79th Leg., Ch. 121 (S.B. 1464), Sec. 1, eff. September 1, 2005.

Sec. 2256.021. EFFECT OF LOSS OF REQUIRED RATING. An investment that requires a minimum rating under this subchapter does not qualify as an authorized investment during the period the investment does not have the minimum rating. An entity shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.022. EXPANSION OF INVESTMENT AUTHORITY. Expansion of investment authority granted by this chapter shall require a risk assessment by the state auditor or performed at the direction of the state auditor, subject to the legislative audit committee's approval of including the review in the audit plan under Section 321.013.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 785, Sec. 42, eff. Sept. 1, 2003.

Sec. 2256.023. INTERNAL MANAGEMENT REPORTS. (a) Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by this chapter for the preceding reporting period.

(b) The report must:

- (1) describe in detail the investment position of the entity on the date of the report;
- (2) be prepared jointly by all investment officers of the entity;
- (3) be signed by each investment officer of the entity;
- (4) contain a summary statement of each pooled fund group that states the:
 - (A) beginning market value for the reporting period;
 - (B) ending market value for the period; and
 - (C) fully accrued interest for the reporting period;
- (5) state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
- (6) state the maturity date of each separately invested asset that has a maturity date;
- (7) state the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired; and
- (8) state the compliance of the investment portfolio of the state agency or local government as it relates to:
 - (A) the investment strategy expressed in the agency's or local government's investment policy; and
 - (B) relevant provisions of this chapter.

(c) The report shall be presented not less than quarterly to the governing body and the chief executive officer of the entity within a reasonable time after the end of the period.

(d) If an entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers under this section shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 12, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. 2226), Sec. 9, eff. June 17, 2011.

Sec. 2256.024. SUBCHAPTER CUMULATIVE. (a) The authority granted by this subchapter is in addition to that granted by other law. Except as provided by Subsection (b), this subchapter does not:

- (1) prohibit an investment specifically authorized by other law; or
- (2) authorize an investment specifically prohibited by other law.

(b) Except with respect to those investing entities described in Subsection (c), a security described in Section 2256.009(b) is not an authorized investment for a state agency, a local government, or another investing entity, notwithstanding any other provision of this chapter or other law to the contrary.

(c) Mortgage pass-through certificates and individual mortgage loans that may constitute an investment described in Section 2256.009(b) are authorized investments with respect to the housing bond programs operated by:

- (1) the Texas Department of Housing and Community Affairs or a nonprofit corporation created to act on its behalf;
- (2) an entity created under Chapter 392, Local Government Code; or
- (3) an entity created under Chapter 394, Local Government Code.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.025. SELECTION OF AUTHORIZED BROKERS. The governing body of an entity subject to this subchapter or the designated investment committee of the entity shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the entity.

Added by Acts 1997, 75th Leg., ch. 1421, Sec. 13, eff. Sept. 1, 1997.

Sec. 2256.026. STATUTORY COMPLIANCE. All investments made by entities must comply with this subchapter and all federal, state, and local statutes, rules, or regulations.

Added by Acts 1997, 75th Leg., ch. 1421, Sec. 13, eff. Sept. 1, 1997.

SUBCHAPTER B. MISCELLANEOUS PROVISIONS

Sec. 2256.051. ELECTRONIC FUNDS TRANSFER. Any local government may use electronic means to transfer or invest all funds collected or controlled by the local government.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.052. PRIVATE AUDITOR. Notwithstanding any other law, a state agency shall employ a private auditor if authorized by the legislative audit committee either on the committee's initiative or on request of the governing body of the agency.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.053. PAYMENT FOR SECURITIES PURCHASED BY STATE. The comptroller or the disbursing officer of an agency that has the power to invest assets directly may pay for authorized securities purchased from or through a member in good standing of the National Association of Securities Dealers or from or through a national or state bank on receiving an invoice from the seller of the securities showing that the securities have been purchased by the board or agency and that the amount to be paid for the securities is just, due, and unpaid. A purchase of securities may not be made at a price that exceeds the existing market value of the securities.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 8.67, eff. Sept. 1, 1997.

Sec. 2256.054. DELIVERY OF SECURITIES PURCHASED BY STATE. A security purchased under this chapter may be delivered to the comptroller, a bank, or the board or agency investing its funds. The delivery shall be made under normal and recognized practices in the securities and banking industries, including the book entry procedure of the Federal Reserve Bank.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 8.68, eff. Sept. 1, 1997.

Sec. 2256.055. DEPOSIT OF SECURITIES PURCHASED BY STATE. At the direction of the comptroller or the agency, a security purchased under this chapter may be deposited in trust with a bank or federal reserve bank or branch designated by the comptroller, whether in or outside the state. The deposit shall be held in the entity's name as evidenced by a trust receipt of the bank with which the securities are deposited.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 8.69, eff. Sept. 1, 1997.



AGENDA BACKGROUND

AGENDA ITEM: Discuss, direct, and consider action on Resolution 15-21 a resolution of the Town Council of the Town of Pantego, Texas, authorizing the City Manager to enter into contracts for providing children's entertainment and logistics at PantegoFest 2015; and providing for an effective date.

Date: June 22, 2015

PRESENTER:

Matt Fielder, City Manager

BACKGROUND:

Resolution 15-21 authorized the City Manager to approve a contract that was previously discussed with Council on June 8, 2015 with Bouncing Stars for bounce houses at PantegoFest and to approve contracts to provide electricity, generators, tents, tables, and chairs for the booths.

FISCAL IMPACT:

Bouncing Stars \$ 1,600.00
Taylor Rentals \$15,687.00

RECOMMENDATION:

Staff recommends the approval of Resolution 15-21 as presented.

ATTACHMENTS:

Resolution 15-21
Bouncing Stars Invoice
Rental and Electric Summary
Dallas Tent Rentals estimate
Moore Rental electric estimate
Moore Rental estimate
Rental stop estimate
Taylor Rentals estimate

Director's Review: lea
City Manager's Review: MDF

RESOLUTION NO. 15-21

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PANTEGO, TEXAS, AUTHORIZING THE CITY MANAGER TO ENTER INTO CONTRACTS FOR PROVIDING CHILDREN'S ENTERTAINMENT AND LOGISTICS AT THE 2015 PANTEGOFEST; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town Council sees the need to furnish children entertainment and logistics at the 2015 PantegoFest for the enjoyment of the festival by the attendees and vendors; and

WHEREAS, the Town Council believes the contracts outlined within this resolution are to the best benefit of the festival attendees and vendors.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PANTEGO, TEXAS:

Section 1: the Town Council authorizes the City Manager to enter into a contract with Bouncing Stars for providing bounce houses and children activities at a cost of \$1,600 as outlined in Exhibit A.

Section 2: the Town Council authorizes the City Manager to enter into a contract with Taylor Rental Equipment Company to provide adequate electricity, generators, lighting, tents, tables, chairs, and any and all accessories as needed with these items for a cost of \$15,687 outlined in Exhibit B.

Section 3: this resolution is effective immediately upon passage.

PASSED AND APPROVED this the 22nd day of June 2015, at a regular meeting of the Town Council of the Town of Pantego, Texas, by a vote of __ ayes, __ nays and abstentions.

Melody Paradise, Mayor

ATTEST:

Julie Arrington, City Secretary

APPROVED AS TO FORM:

James T. Jeffrey, Jr., City Attorney



1005 E. First ST
 Weatherford, TX 76086
 Tel: 817-613-6779
 Web: www.BouncingStarsRentals.com

Bill To: Pantego Fest

DELIVER DATE	Deliver time	Pick-up time	TERMS
09-25-27-2015	10:00 am	10:00 pm	Due upon delivery

QTY	DESCRIPTION	UNIT PRICE	SALE PRICE	TOTAL
3 days	BASKETBALL THROW	\$357.00	\$200.00	\$200.00
3 days	GAINT SLIDE 25ft.	\$897.00	\$400.00	\$400.00
3 days	SPONGEBOB BOUNCER	\$357.00	\$200.00	\$200.00
3 days	30ft Obstacle Course	\$600.00	\$400.00	\$400.00
3 Days	56 ft Obstacle Course	\$657.00	\$400.00	\$400.00

SALES TAX	
EXEMPT TAX	
TOTAL	\$1600.00

Rentals and Electric:

Budgeted: \$9700

Rentals and Electric Combined*

Rental Stop \$14,684**

Taylor Rentals \$15,687

*Does not include fuel for generators

**On call electrician is billed \$15/hour once called

Rentals Only

Moore Rentals \$5013

Dallas Tent \$4077^

^Does not include light towers (could add \$1000)

Electric Only

Moore Rentals \$8250~

~Turnkey, no fuel charges



3301 E. Randol Mill Road
 Arlington, TX 76011
 DPTAE.com OR WTPTAE.com
 972-602-3303 Phone
 972-767-0566 Fax

Status: Quote 100
 Quote #: q31134-1

Event Beg: Fri 9/25/2015
 Event End: Sun 9/27/2015
 Operator: Matt

Customer #: 11279

Town of Pantego
 1614 S. Bowen Road
 Arlington, TX 76013

817-617-3705 Phone

Job Descr: Pantego Fest

Ordered By: April

Salesman: David Rockey Phone: 214-564-9537 E-Mail: david@dallaspartytentandevent.com

Qty	Items	Each	Price	Pickup	Unload
6	TENT, 10X20 TENSION 1PC Customer responsible for all applicable tent permits as required by local city ordinance (call your city inspections department at least 2-weeks prior to tent installation). Customer responsible for DIGS Test between 4-14 days prior to tent installation (800) 245-4545. DPTE not responsible for any damage to subsurface water, gas or electric lines.	\$185.25	\$1,111.50	<input type="checkbox"/>	<input type="checkbox"/>
6	TENT ACCESSORIES FRAME	\$0.00	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>
60	1/2" ANCHORS Anchor holes can be filled for a nominal fee, please request this service with your salesperson.	\$4.75	\$285.00	<input type="checkbox"/>	<input type="checkbox"/>
6	LIGHTING KIT 10x20 Lighting Kit includes lights for tent and an extension cord that reaches the ground. Customer responsible for running power to outlet.	\$15.20	\$91.20	<input type="checkbox"/>	<input type="checkbox"/>
3	TENT SIDE WALL SOLID 8' x 20' Sidewalls are made of vinyl and will "flap" in blowing winds. DPTE cannot be responsible for sidewall "flap".	\$19.00	\$57.00	<input type="checkbox"/>	<input type="checkbox"/>
1	FIRE PACKAGE	\$0.00	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>
10	FIRE EXTINGUISHER Must be returned with full charge to avoid \$125.00 charge.	\$33.25	\$332.50	<input type="checkbox"/>	<input type="checkbox"/>
32	1/2" ANCHORS Anchor holes can be filled for a nominal fee, please request this service with your salesperson.	\$4.75	\$152.00	<input type="checkbox"/>	<input type="checkbox"/>
4	TENT, FRAME 10X10 Customer responsible for all applicable tent permits as required by local city ordinance (call your city inspections department at least 2-weeks prior to tent installation). Customer responsible for DIGS Test between 4-14 days prior to tent installation (800) 245-4545. DPTE not responsible for any damage to subsurface water, gas or electric lines.	\$118.75	\$475.00	<input type="checkbox"/>	<input type="checkbox"/>
4	LIGHTING KIT 10x10 Lighting Kit includes lights for tent and an extension cord that reaches the ground. Customer responsible for running power to outlet.	\$7.60	\$30.40	<input type="checkbox"/>	<input type="checkbox"/>
20	6' RECTANGLE TABLE Use of staples on surface of tables prohibited and will result in damage charges (not covered by damage waiver). Any staples used on bottom of table must be removed to avoid a \$25/table fee.	\$7.98	\$159.60	<input type="checkbox"/>	<input type="checkbox"/>
12	UMBRELLA & BASE (YELLOW & WHIT) MUST BE USED WITH A 48" TABLE. TABLE RENTS SEPARATELY	\$19.95	\$239.40	<input type="checkbox"/>	<input type="checkbox"/>
12	48" ROUND TABLE UMBRELLA Use of staples on surface of tables prohibited and will result in damage charges (not covered by damage waiver). Any staples used on bottom of table must be removed to avoid a \$25/table fee.	\$7.98	\$95.76	<input type="checkbox"/>	<input type="checkbox"/>
12	KWIK COVER WHITE 48 RD	\$5.50	\$66.00	<input type="checkbox"/>	<input type="checkbox"/>
6	COCKTAIL HIGH TABLE 36"R. Cocktail Table is 36" Round & 42" Tall Use of staples on surface of tables prohibited and will result in damage charges (not covered by damage waiver). Any staples used on bottom of table must be removed to avoid a \$25/table fee.	\$9.50	\$57.00	<input type="checkbox"/>	<input type="checkbox"/>
6	KWIK COVER WHITE 36"R	\$5.50	\$33.00	<input type="checkbox"/>	<input type="checkbox"/>
200	WHITE FOLDING CHAIR All stickers/tape must be removed from chairs to avoid a \$5.00/chair cleaning fee. Chairs must be placed back in stack as dropped off.	\$1.425	\$285.00	<input type="checkbox"/>	<input type="checkbox"/>
200	SET UP/KNOCK DOWN PER CHAIR	\$1.00	\$200.00	<input type="checkbox"/>	<input type="checkbox"/>
1	76013 DELIVERY/PICKUP	\$70.00	\$70.00	<input type="checkbox"/>	<input type="checkbox"/>
4	STAKE (setup on grass/asphalt)	\$0.00	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>

Delivery and Pickup

Delivery : Fri 9/25/2015
 Pickup Date: Sun 9/27/2015
 Location: Town of Pantego
 Used at Address: 2221 S Park Rd ; Arlington, TX 76013

Contact:
 Phone:

Delivery Notes: Set up must be done by noon
Strike Sunday after 5:00pm

WHAT IS YOUR EVENT DATE?: Sept 25

Quote valid for 60 days.

Quote

This is a contract. The back of this contract contains important terms and conditions including lessor's disclaimer from all liability for injury or damage and details of customer's obligations. These terms and conditions are a part of this contract - READ THEM!

If equipment does not function properly notify lessor within 30 minutes of occurrence or no refund or allowance will be made.405.788.8886 after hours select "AFTER HOURS EMERGENCY"

Cancellation Policy (20% or more of total)
30-11 days - 25% of total
10 days or less: 50% of total

Heaters/Evap Coolers must be cancelled 14 days prior to delivery date for refund

Standard delivery is within 50 feet. A \$100.00 charge will be added to all orders requiring delivery personnel to carry equipment over 50 feet.
\$75.00 will be added for stairs and \$50.00 for elevator.

Rental/ w/ 5% Disc:	\$3,371.36
Damage Waiver:	\$337.14
Sales:	\$299.00
Delivery Charge:	\$70.00
Subtotal:	\$4,077.50
ARLINGTON 8%:	\$0.00
Total:	\$4,077.50
Paid:	\$0.00
Amount Due:	\$4,077.50

Signature: _____
Town of Pantego

MOORE RENTAL SERVICE, INC.

1010 WEST DIVISION
 ARLINGTON, TX 76012
 WWW.MOORERENTAL.COM

817-277-1141 Phone
 817-277-1151 Fax

Status: Quote

102

Quote #: q819

Quote To: Thu 9/24/2015 9:00AM

Operator: BOB

Customer #: 75776

FLAIR EVENTS
 APRIL COLTHARP
 ARLINGTON, TX 76012

817-614-5530 Phone

Job Descr: PANTEGO FEST SEPT 25-27, 2015

Ordered By: APRIL COLTHARP - 817-614-5530

Qty	Key	Items	Status	Quote Date	Price
1	MA0000	70K 208 VOLT GENERATOR	Rental	Mon 9/28/2015 9:00AM	\$600.00
		1day \$600.00			
4	MA0000	45K 208 VOLT GENERATOR	Rental	Mon 9/28/2015 9:00AM	\$1,800.00
		1day \$450.00			
1	MA0000	ISO TRANSFORMER 208V.-208V.	Rental	Mon 9/28/2015 9:00AM	\$300.00
		1day \$300.00			
4	MA0000	200 AMP POWER DISTRIB. PANEL	Rental	Mon 9/28/2015 9:00AM	\$1,400.00
		1day \$350.00			
10	MA0000	10/5 Pwr Cabling/Thru&End Quad	Rental	Mon 9/28/2015 9:00AM	\$0.00
12	MA0000	Spider Box 50 Amp/Single Phase	Rental	Mon 9/28/2015 9:00AM	\$600.00
		1day \$50.00			
220	9999	DIESEL FUEL @ 5.00 PER GAL	Retail		\$1,100.00
24	9999	Set Up/Remove Labor@\$50 Hr	Retail		\$1,200.00
3	9999	On Site Tech 4-8 Hrs	Retail		\$750.00
		MOORE RENTAL TECHNICIAN			
1	9999	Delivery & Pick Up Charge	Retail		\$500.00

SUPPLIED BY COOL 2
 IRVING, TX. 75015

Quote valid for 30 days.

Rental:	\$4,700.00
Sales:	\$3,550.00
Subtotal:	\$8,250.00
Sales Tax:	\$0.00
Total:	\$8,250.00
Paid:	\$0.00
Amount Due:	\$8,250.00

Signature: _____

FLAIR EVENTS

MOORE RENTAL SERVICE, INC.

1010 WEST DIVISION
ARLINGTON, TX 76012

817-277-1141 Phone
817-277-1151 Fax

WWW.MOORERENTAL.COM

Status: Quote

103

Quote #: q817

Quote To: Thu 9/24/2015 9:00AM

Operator: BOB

Customer #: 75776

FLAIR EVENTS

817-614-5530 Phone

APRIL COLTHARP

Job Descr: PANTEGO FEST SEPT 25-27, 2015

ARLINGTON, TX 76012

Ordered By: APRIL COLTHARP - 817-614-5530

Qty	Key	Items	Status	Quote Date	Price
3	TENT 4 S	TENT STANDARD FRAME 10'x20' 1day \$250.00 1week \$250.00 4weeks \$0.00 PEDC, OPERATIONS, CHILLI COOKOFF TOP/4-alum 4way Corners/2-alum 3way crown/4-hip rafter pipe/2-ridge pipe 6- 9'4" 1 1/2 eves pipe/6 adjustable Legs w/feet	Rental	Mon 9/28/2015 9:00AM	\$750.00
18	TENT BARL01	TENT WATER BARREL EMPTY 1week \$8.00 4weeks \$8.00 OR WEIGHTS	Rental	Mon 9/28/2015 9:00AM	\$90.00
2	TENT 4 S	TENT STANDARD FRAME 10'x20' 1day \$250.00 1week \$250.00 4weeks \$0.00 BEER TENTS TOP/4-alum 4way Corners/2-alum 3way crown/4-hip rafter pipe/2-ridge pipe 6- 9'4" 1 1/2 eves pipe/6 adjustable Legs w/feet	Rental	Mon 9/28/2015 9:00AM	\$500.00
12	TENT BARL01	TENT WATER BARREL EMPTY 1week \$8.00 4weeks \$8.00	Rental	Mon 9/28/2015 9:00AM	\$60.00
4	MA0000	COUNTER : TENT FRONT 10' 1day \$20.00 FRONT OF BEER TENTS	Rental	Mon 9/28/2015 9:00AM	\$80.00
4	TENT 2 HP	TENT HI PEAK FRAME 10'x10' 1day \$150.00 2dys \$150.00 3dys \$150.00 4dys \$150.00 5dys \$150.00 6dys \$150.00 1week \$150.00 4weeks \$300.00 TICKET, ENTRY, SOUND, MERCHANDISE 1 -TOP / 2-CABLES / 4-CORNERS / 4-TEE / 4-9'4" & 4-7'4" POLES / FEET	Rental	Mon 9/28/2015 9:00AM	\$600.00
16	TENT BARL01	TENT WATER BARREL EMPTY 1week \$8.00 4weeks \$8.00	Rental	Mon 9/28/2015 9:00AM	\$80.00
1	TENT 4 S	TENT STANDARD FRAME 10'x20' 1day \$250.00 1week \$250.00 4weeks \$0.00 BACK STAGE / GREENROOM TOP/4-alum 4way Corners/2-alum 3way crown/4-hip rafter pipe/2-ridge pipe 6- 9'4" 1 1/2 eves pipe/6 adjustable Legs w/feet	Rental	Mon 9/28/2015 9:00AM	\$250.00
6	TENT BARL01	TENT WATER BARREL EMPTY 1week \$8.00 4weeks \$8.00	Rental	Mon 9/28/2015 9:00AM	\$30.00
2	TENT WALL20'	TENT WALLS 8'x20' EACH 1week \$20.00 BACK STAGE GREENROOM WALLS	Rental	Mon 9/28/2015 9:00AM	\$40.00
2	TENT WALL10'	TENT WALLS 8'x10' EACH 1week \$10.00 BACK STAGE/GREENROOM WALLS	Rental	Mon 9/28/2015 9:00AM	\$20.00
1600	TENT LIGHTS	TENT LIGHTING .08 PER SQUARE FOOT 1week \$0.08 4weeks \$0.00	Rental	Mon 9/28/2015 9:00AM	\$128.00
10	FO1000	FIRE EXTINGUISHER 1day \$16.50 1week \$16.50 4weeks \$1,140.00 CUSTOMER RESPONSIBLE FOR FLATS / FUEL ADDITIONAL	Rental	Mon 9/28/2015 9:00AM	\$165.00
20	TA5600	TABLE RECTANGULAR 30" x 6' 1day \$7.50 2dys \$15.00 3dys \$22.50 4dys \$22.50 1week \$22.50 4weeks \$47.00 Customer responsible for Loss or Damage	Rental	Mon 9/28/2015 9:00AM	\$150.00
6	TA5501	TABLE ROUND 30" COCKTAIL / BISTRO 1day \$10.00 2dys \$20.00 3dys \$30.00 4dys \$30.00 1week \$30.00	Rental	Mon 9/28/2015 9:00AM	\$60.00
12	TA5500B	TABLE ROUND WITH UMBRELLA 1day \$35.00 2dys \$52.50 3dys \$70.00 4dys \$87.50 1week \$105.00 RE	Rental	Mon 9/28/2015 9:00AM	\$420.00
200	CA6203	CHAIR WHITE FOLDING 1day \$1.35 2dys \$2.00 3dys \$2.70 4dys \$3.35 5dys \$4.05 1week \$4.05 4weeks \$12.15 Customer responsible for Loss or Damage	Rental	Mon 9/28/2015 9:00AM	\$270.00
2	LIGHT	LIGHT TOWER, TOWABLE 1day \$135.00 1week \$358.00 4weeks \$716.00	Rental	Sat 9/26/2015 9:00AM	\$480.00
50	9100	FUEL DIESEL PER GALLON LIGHT TOWER FUEL	Retail		\$200.00

MONDAY -FRIDAY 7AM to 5:30PM SATURDAY 7AM to 5PM

Printed On Mon 6/15/2015 5:37PM

Software by Point-of-Rental Systems www.point-of-rental.com

Modification # 7

Contract-Params.rpt (1)

Qty	Key	Items	Status	Quote Date	Price
2	DELV	TRANSPORT \$45/15Mi + \$2/ea.add	Delivery		\$90.00

Delivery and Pickup

Delivery: Thu 9/24/2015 9:00AM

Contact: APRIL COLTHARP

Pickup Date: Mon 9/28/2015 9:00AM

Phone: 817-614-5530

Used at Address: W. PARK ROW ; Arlington, TX 76013

Delivery Notes:

Quote valid for 30 days.

Rental:	\$4,173.00
Damage Waiver:	\$193.60
Sales:	\$200.00
Delivery Charge:	\$90.00
Subtotal:	\$4,656.60
Sales Tax:	\$356.53
Total:	\$5,013.13
Paid:	\$0.00
Amount Due:	\$5,013.13

Signature: _____

FLAIR EVENTS



2935 South State Hwy 360
 GRAND PRAIRIE, TX 75052
 www.rentalstops.com
 972-336-0059 Phone
 972-336-0605 Fax

Status: Quote

Quote #: q40051-1

105

Event Beg: Fri 9/25/2015 7:30AM

Event End: Sun 9/27/2015 6:00PM

Operator: Brian Newsom

Customer #: 140449

Pantegofest

817-614-5530 Phone

2225 W. Park Row

Job Descr: Pantego Fest 2015 (Power Included)

ARLINGTON, TX 76013

Salesman: Brian Newsom

E-Mail: brian@rentalstops.com

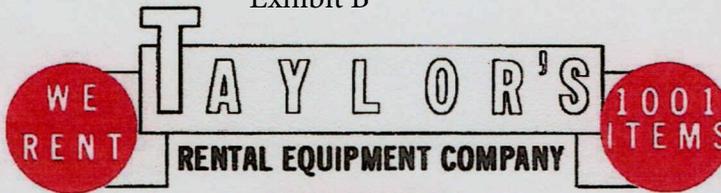
Delivery and Pickup

Used at Address:

Qty	Items Rented	Status	Event End Date	Price
20	6' X 30" BANQUET TABLE	Rental	Sun 9/27/2015 6:00PM	\$170.00
12	UMBRELLA 60" ROUND TABLE	Rental	Sun 9/27/2015 6:00PM	\$480.00
12	UMBRELLA FOR TABLE	Rental	Sun 9/27/2015 6:00PM	\$0.00
12	__BLACK INSERT/UMBRELLA TABLE	Rental	Sun 9/27/2015 6:00PM	\$0.00
12	__BAG FOR UMBRELLA	Rental	Sun 9/27/2015 6:00PM	\$0.00
6	30" ROUND COCKTAIL TABLE	Rental	Sun 9/27/2015 6:00PM	\$66.00
200	WHITE & CHROME CHAIR	Rental	Sun 9/27/2015 6:00PM	\$300.00
3	10' X 20' MARQUEE TENT PEDC, Operations, Chili Cook-Off	Rental	Sun 9/27/2015 6:00PM	\$615.00
12	BARRELL	Rental	Sun 9/27/2015 6:00PM	\$240.00
12	BARRELL COVER, BLACK	Rental	Sun 9/27/2015 6:00PM	\$180.00
2	10' X 20' MARQUEE TENT Beer Tents	Rental	Sun 9/27/2015 6:00PM	\$410.00
8	BARRELL	Rental	Sun 9/27/2015 6:00PM	\$160.00
8	BARRELL COVER, BLACK	Rental	Sun 9/27/2015 6:00PM	\$120.00
4	10' X 10' MARQUEE TENT Tickets Entry, Sound, Merchandise	Rental	Sun 9/27/2015 6:00PM	\$600.00
16	BARRELL	Rental	Sun 9/27/2015 6:00PM	\$320.00
16	BARRELL COVER, BLACK	Rental	Sun 9/27/2015 6:00PM	\$240.00
1	10' X 20' MARQUEE TENT Backstage/Green Room	Rental	Sun 9/27/2015 6:00PM	\$205.00
2	10' SOLID WALL	Rental	Sun 9/27/2015 6:00PM	\$70.00
2	20' SOLID WALL	Rental	Sun 9/27/2015 6:00PM	\$80.00
8	BARRELL	Rental	Sun 9/27/2015 6:00PM	\$160.00
8	BARRELL COVER, BLACK	Rental	Sun 9/27/2015 6:00PM	\$120.00
10	HALOGEN LIGHT	Rental	Sun 9/27/2015 6:00PM	\$400.00
10	EXTINGUISHER, FIRE	Rental	Sun 9/27/2015 6:00PM	\$105.00
4	TOW BEHIND 60KW GENERATOR Includes Distro (TBD), Fuel, Three Shifts Hour Meter Out: _____ Hour Meter In: _____ 8 hour meter reading is for 24 hour rental. Additional meter hours will be charged at 1/8 of the daily rental rate. _____ Fuel Policy-Goes out full, needs to come back Full, or you will be charged \$5.75 per gallon. _____	Rental	Sun 9/27/2015 6:00PM	\$6,000.00
20	CABLE RAMPS 3FT LONG	Rental	Sun 9/27/2015 6:00PM	\$320.00

Counter?

220 UNIVERSITY DRIVE
FORT WORTH, TX 76107
(817) 332-5258



PLEASE REMIT TO:
P.O. BOX 470764
FORT WORTH, TX 76147

OPEN 7:00 A.M. to 5:30 P.M., MON. - SAT.

TERMS: CASH IN ADVANCE
ESTABLISHED OPEN ACCOUNTS ARE DUE AND
PAYABLE NET 10TH OF MONTH, PAST DUE
ACCOUNTS BEAR LATE PAYMENT PENALTIES
AT 1% PER MONTH.

THIS IS A CONTRACT
THE WORDS RENTER, BUYER, YOU AND
YOURS MEANS THE PERSON WHO SIGNS
THIS CONTRACT (OR ARE OBLIGATED UNDER
ITS TERMS). WE, OUR AND DEALER REFER TO
TAYLOR'S RENTAL EQUIPMENT COMPANY.

Customer ID=====RESERVATION=====Contract Number
8172741381=====01-706070-01

05/04/15 TOWN OF PANTEGO TOWN OF PANTEGO
1614 SOUTH BOWEN RD. 1614 SOUTH BOWEN RD.
PANTEGO, TEXAS 76013 PANTEGO, TEXAS 76013
817-274-1381

CAR LIC# Rsvrd: MON 05/04/15 11:09
P.O. # Out: THU 09/24/15 10:00
DELIVER TO 2229 WEST PARK ROW DR Due: SAT 09/26/15 17:30
SET UP EARLY AM
PICKUP AT FESTIVAL END

Item No.	Qty	Description	Rate	Info	Unit	Extended
100-0082	6	TENT 10 X 10 Rates: 3 10X20 CHILI COOKOFF PEDC OPERATIONS +1	125.00/d	P1 375.00/w	250.00/m	1500.00
100-0083	2	TENT 10 X 10 (COUNTERS) Rates: 2 BEER TENTS WITH COUNTERS 10X20	150.00/d	P1 450.00/w	300.00/m	600.00
100-0082	5	TENT 10 X 10 Rates: 10X10 TICKETS ENTRY SOUND FOH MONITOR WORLD	125.00/d	P1 375.00/w	250.00/m	1250.00
100-0082	1	TENT 10 X 10 Rates: MERCH	125.00/d	P1 375.00/w	250.00/m	250.00
100-0082	2	TENT 10 X 10 Rates: BACKSTAGE GREEN ROOM	125.00/d	P1 375.00/w	250.00/m	500.00

I, the undersigned renter, specifically acknowledge that I have received and understand the instructions regarding the use and operation of the rented equipment.
Renter further acknowledges that he has read and fully understands the within equipment rental contract and agrees to be bound by all of the terms, conditions and provisions hereof. Renter acknowledges that he has received a true and correct copy of this agreement at the time of execution hereof.

RETURN
EQUIPMENT BY:

X

SIGNATURE

THIS IS YOUR CONTRACT, READ BOTH SIDES BEFORE SIGNING

YOU ARE CHARGED FOR TIME OUT - NOT TIME USED

R 10.1.11

220 UNIVERSITY DRIVE
FORT WORTH, TX 76107
(817) 332-5258



PLEASE REMIT TO:
P.O. BOX 470764
FORT WORTH, TX 76147

OPEN 7:00 A.M. to 5:30 P.M., MON. - SAT.

TERMS: CASH IN ADVANCE
ESTABLISHED OPEN ACCOUNTS ARE DUE AND PAYABLE NET 10TH OF MONTH. PAST DUE ACCOUNTS BEAR LATE PAYMENT PENALTIES AT 1% PER MONTH.

THIS IS A CONTRACT

THE WORDS RENTER, BUYER, YOU AND YOURS MEANS THE PERSON WHO SIGNS THIS CONTRACT (OR ARE OBLIGATED UNDER ITS TERMS). WE, OUR AND DEALER REFER TO TAYLOR'S RENTAL EQUIPMENT COMPANY.

Customer ID=====Contract Number
8172741381 RESERVATION 01-706070-01

Item ID	Description	Unit	Rate	Per	Subtotal	Total
100-0060	3 SIDEWALL-WHITE 8'X20'	P1	20.00	d	60.00	120.00
	Rates:		20.00/d		60.00/w	120.00/m
100-0007	17 LIGHT, PAR 38	P1	20.00	d	60.00	680.00
	Rates:		20.00/d		60.00/w	120.00/m
115-0130	26 TABLE, 30" X 72" - 4'	P1	7.50	d	22.50	390.00
	Rates:		7.50/d		22.50/w	45.00/m
115-0180	12 TABLE, 60" ROUND	P1	9.00	d	27.00	216.00
	Rates:		9.00/d		27.00/w	54.00/m
115-0195	12 UMBRELLA- (ALONE)	P1	25.00	d	75.00	600.00
	Rates:		25.00/d		75.00/w	150.00/m
115-0161	6 TABLE, 30" ROUND, 42" HIGH	P1	10.00	d	30.00	120.00
	Rates:		10.00/d		30.00/w	60.00/m
115-0030	200 CHAIR, SAMSONITE WHITE	P1	1.35	d	4.05	540.00
	Rates:		1.35/d		4.05/w	8.10/m
015-0221 01-0029	1 LIGHT, 4000 WATT 30' TOWER SR#20021229	GS	95.00	d	380.00	285.00
	Rates:		95.00/d		380.00/w	950.00/m
015-0221 01-0030	1 LIGHT, 4000 WATT 30' TOWER SR#5680230	GS	95.00	d	380.00	285.00
	Rates:		95.00/d		380.00/w	950.00/m
015-0281 01-0108	1 GENERATOR, 70 KVA DIESEL SR#8800108	GS	250.00	d	1000.00	750.00
	Rates:		250.00/d		1000.00/w	2500.00/m
015-0298 01-0645	1 GENERATOR, 45KVA TOWABLE SR#7202645	GS	175.00	d	700.00	525.00
	Rates:		175.00/d		700.00/w	1750.00/m
015-0298 01-0802	1 GENERATOR, 45KVA TOWABLE SR#8280802	GS	175.00	d	700.00	525.00
	Rates:		175.00/d		700.00/w	1750.00/m
020-0181	1 TRANSFORMER 75 KVA	P1	250.00	d	750.00	500.00
	Rates:		250.00/d		750.00/w	1500.00/m
020-0127	8 SPIDER BOX (ELECTRIC)	P1	50.00	d	150.00	800.00
	Rates:		50.00/d		150.00/w	300.00/m
020-0170	8 QUAD BOX STRINGS (60')	P1	30.00	d	90.00	480.00
	Rates:		30.00/d		90.00/w	180.00/m

I, the undersigned renter, specifically acknowledge that I have received and understand the instructions regarding the use and operation of the rented equipment.
Renter further acknowledges that he has read and fully understands the within equipment rental contract and agrees to be bound by all of the terms, conditions and provisions hereof. Renter acknowledges that he has received a true and correct copy of this agreement at the time of execution hereof.

RETURN EQUIPMENT BY:

X

SIGNATURE

THIS IS YOUR CONTRACT, READ BOTH SIDES BEFORE SIGNING

YOU ARE CHARGED FOR TIME OUT - NOT TIME USED

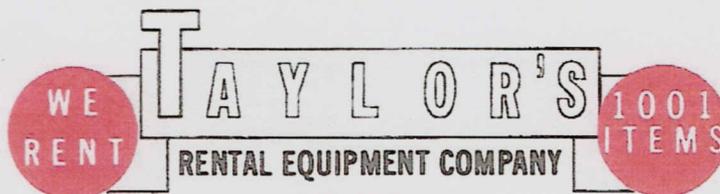
Sales Agent:
2 JOHN JAROB

Date: Customer:
05/04 TOWN OF PANTEGO

Contract:
01-706070-01

more

220 UNIVERSITY DRIVE
FORT WORTH, TX 76107
(817) 332-5258



PLEASE REMIT TO:
P.O. BOX 470764
FORT WORTH, TX 76147

OPEN 7:00 A.M. to 5:30 P.M., MON. - SAT.

TERMS: CASH IN ADVANCE
ESTABLISHED OPEN ACCOUNTS ARE DUE AND
PAYABLE NET 10TH OF MONTH. PAST DUE
ACCOUNTS BEAR LATE PAYMENT PENALTIES
AT 1% PER MONTH

THIS IS A CONTRACT
THE WORDS RENTER, BUYER, YOU AND
YOURS MEANS THE PERSON WHO SIGNS
THIS CONTRACT (OR ARE OBLIGATED UNDER
ITS TERMS). WE, OUR AND DEALER REFER TO
TAYLOR'S RENTAL EQUIPMENT COMPANY

Customer ID: B172741381 RESERVATION Contract Number: 01-706070-01

Item ID	Quantity	Description	Rate	Unit	Per Day	Per Week	Per Month	Total
095-0040	20	CABLE RAMPS	10.00/d	P1	10.00	30.00/w	20.00/m	400.00
015-0925	1	DEL-PARTY-60	60.00/d	AA	60.00	60.00/w	60.00/m	60.00
015-0927	6	DEL-PARTY-100	100.00/d	AA	100.00	100.00/w	100.00/m	600.00
060-0230	1	MISC-RENTAL STANDBY LABOR FOR GENERATORS	1200.00/d	P1	1200.00	3600.00/w	2400.00/m	2400.00
015-0298 01-1865	1	GENERATOR, 45KVA TOWABLE GS SR#8201865 Serial number: 8201865 FOR KIDS ZONE	175.00/d	GS	175.00	700.00/w	525.00/m	525.00
020-0127	4	SPIDER BOX (ELECTRIC)	50.00/d	P1	50.00	150.00/w	100.00/m	400.00
115-0001	200	SET/UP & BREAK DOWN (CHAIR)	0.30/d	AA	0.30	0.30/w	0.30/m	60.00
115-0002	44	SET/UP & BREAK DOWN (TABLE)	0.60/d	AA	0.60	0.60/w	0.60/m	26.40
100-0082	1	TENT 10 X 10	125.00/d	P1	125.00	375.00/w	250.00/m	250.00
100-0055	2	SIDEWALL-WHITE 7'X10'	12.50/d	P1	12.50	37.50/w	25.00/m	50.00
200-0100	0	*FUEL, GAS/DIESEL PER GAL.					5.50	0.00

Receipts Summary	Summary
No payments have been made	HEAVY EQUIPMENT 1 570.00
	HEAVY EQUIPMENT 2 2325.00
	CONTRACTOR ACCESS 5240.00
	PARTY - MISC. 5006.40
	PARTY - TBLS/CHAIRS 2546.00
	Total 15687.40

I, the undersigned renter, specifically acknowledge that I have received and understand the instructions regarding the use and operation of the rented equipment.
Renter further acknowledges that he has read and fully understands the within equipment rental contract and agrees to be bound by all of the terms, conditions and provisions hereof. Renter acknowledges that he has received a true and correct copy of this agreement at the time of execution hereof.

RETURN EQUIPMENT BY: SAT 09/26/15 17:30

X SIGNATURE
THIS IS YOUR CONTRACT, READ BOTH SIDES BEFORE SIGNING

YOU ARE CHARGED FOR TIME OUT - NOT TIME USED

Pantego Fest 2015
Revenues Expenses

Expenses			2014 - Actual	2015	2015 - Actual
Event Planner			\$16,518.75	\$20,343.00	
Entertainment					
	Stage		\$3,450.00	\$3,500.00	\$7,995.00
	Electric for stage		in electric quote		rentals and electric
	Sound		\$2,250.00	\$5,000.00	included in stage
	Lighting		included in sound		included in stage
	Bands		\$15,100.00	\$12,000.00	\$12,200.00
	Promoter		\$0.00	\$0.00	\$0.00
Logistics	Rentals and Electric				\$15,000.00
	Tents		\$2,660.00	\$2,700.00	rentals and electric
	Table & Chairs		\$1,161.00	\$1,200.00	rentals and electric
	Lights		\$780.00	\$800.00	rentals and electric
	Fire Extinguishers/saftey package		inlcuded with tents		rentals and electric
	Golf Carts		\$195.00	\$200.00	
	Porta Potties		\$3,832.30	\$4,000.00	\$3,666.00
	Handwash Sta				
	Delivery				
	3 Services				
	Fencing				
	Panels				
	Sandbags				
	Electrical		\$4,700.00	\$5,000.00	rentals and electric
	Republic				
	Trash disposal		\$0.00	\$0.00	
	Recycling		\$0.00	\$0.00	
	Radio rental		\$600.00	\$600.00	\$600.00
	Kid Zone - Inflatables		\$5,375.00	\$5,400.00	\$1,600.00
	Game Truck		\$1,400.00	\$0.00	\$0.00
	Balloon artist		\$300.00	\$1,000.00	
	Hospitality/VIP		\$200.00	\$200.00	
Marketing					
	Billboards		\$0.00	\$0.00	
	Social Media		\$1,000.00	\$1,500.00	
	Banners/signs		\$1,050.00	\$1,000.00	
	Ads/Radio		\$3,250.00	\$0.00	\$0.00
	Door hangers/Direct Mail		\$808.00	\$1,000.00	
	Photography		\$350.00	\$400.00	

Pantego Fest 2015
Revenues Expenses

	Printing expenses			\$430.80	\$500.00	
	Variable Change Signs			\$1,100.00	\$1,100.00	
	Promo Items for BBB			\$365.00	\$400.00	\$0.00
	Print Ads			\$500.00	\$500.00	\$1,500.00
Volunteers						
				\$500.00	\$0.00	
Beer Concessions						
	Permits				\$231.00	
	Staffing				\$3,000.00	
	Product				\$3,200.00	
Miscellaneous			\$1,595.38		\$1,600.00	
	Ice			\$110.00		
	Security			\$0.00		
	ID Cards			\$80.00		
	Postage			\$40.42		
	Copies			\$80.68		
	mileage			\$833.28		
	flags			\$80.00		
	Tablecloths			\$120.00		
	Counters			\$15.00		
	Certificates			\$5.00		
	TABC permit			\$231.00		
	Total expenses			\$74,773.00	\$76,374.00	\$42,561.00
	Total revenues			\$90,285.00	\$88,325.00	\$39,300.00
		Net		\$15,512.00	\$11,951.00	-3261



AGENDA BACKGROUND

Agenda Item: Public Hearing, discuss, direct and consider action on a second and final reading of Ordinance 15-766 an ordinance of the Town Council of the Town of Pantego, Texas, amending the Municipal Code Chapter 13 “Utilities” by adopting a new Article 13.07 “Storm Water Pollution Control”; containing findings and other provisions relating to foregoing subject; containing a savings clause; repealing all ordinances in conflict herewith; and declaring an effective date.

Date: June 22, 2015

PRESENTER: Chad Joyce, Community Development Director

BACKGROUND:

All municipalities in the state of Texas are required to obtain a Municipal Separate Storm Sewer System (MS4) Permit from the Texas Commission on Environmental Quality (TCEQ). This permit outlines requirements for Storm Water Pollution Protection and Best Management Practices that the municipality will implement to ensure that pollution will be reduced. The MS4 Permit is renewed every five years, and the latest update for the Town is included in this agenda item.

One of the Best Management Practices that must be completed is that the requirements for pollution control are included in an ordinance, and that ordinance be updated as needed. Staff has reviewed the limited requirements included in the Town Code of Ordinances and determined that the ordinance included is needed to remain compliant with our MS4 Permit.

RECOMMENDATION:

Staff recommends approval of this Ordinance.

ATTACHMENTS:

Proposed Ordinance No. 15-766
Possible Change

Director’s Review: CJ
City Manager’s Review: MDF

ORDINANCE NO. 15-766

AN ORDINANCE OF THE TOWN OF PANTEGO AMENDING THE TOWN OF PANTEGO CODE OF ORDINANCES CHAPTER 13 UTILITIES BY ADOPTING A NEW ARTICLE 13.07 STORM WATER POLLUTION CONTROL; CONTAINING FINDINGS AND OTHER PROVISIONS RELATING TO FOREGOING SUBJECT; CONTAINING A SAVINGS CLAUSE; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Town Council of the Town of Pantego, Texas has investigated and determined that it would be advantageous and beneficial to the citizens of the Town of Pantego, Texas to adopt an ordinance establishing regulations to protect the property, prevent damage to the environment of the Town, and promote public health, safety and general welfare by implementing regulations for stormwater discharge within the Town; and

WHEREAS, additionally, the Town's state issued stormwater permit requires the Town to implement an ordinance which prohibits illicit discharges into the storm sewer; and

WHEREAS, the Town Council has further investigated and determined that it would be advantageous and beneficial to the citizens of the Town of Pantego to amend Chapter 13 (Utilities) by adding Article 13.07 (Storm Water Pollution Control) to the Town of Pantego Code of Ordinances; and

WHEREAS, the Town Council has investigated and determined that the above-referenced regulations are necessary to protect the health, life and property of the citizens of the Town and comply with state regulations as set forth below.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PANTEGO, TEXAS:

SECTION 1:

Town of Pantego Code of Ordinances Chapter 13 - Utilities is hereby amended by adding a new Article 13.07 - Storm Water Pollution Control as set forth below in this Section 1 of this Ordinance, which shall now provide as follows:

ARTICLE 13.07 – STORM WATER POLLUTION CONTROL

DIVISION I - GENERAL PROVISIONS

Section 13.07.001 Purpose

The purpose of this Chapter is to:

(a) maintain and improve the quality of surface water and groundwater within the Town of Pantego, the North Central Texas Region, and the State of Texas;

(b) prevent the discharge of contaminated storm water runoff from industrial, commercial, residential, and construction sites into the municipal separate storm sewer system (MS4) and natural waters within the Town of Pantego;

(c) promote public awareness of the hazards involved in the improper discharge of hazardous substances, household hazardous waste, industrial waste, sediment from construction sites, and other contaminants into the storm sewers and natural waters of the Town;

(d) facilitate compliance with state and federal water quality standards, limitations, and permits by owners and operators of commercial and industrial activities and construction sites within the Town; and

(e) enable the Town to comply with all federal and state laws and regulations applicable to storm water discharges.

Section 13.07.002 Administration

It shall be the joint duty and responsibility of the Public Works Director and Community Development Director or their authorized representatives to administer, implement and enforce the provisions of this article. However, each department director shall also implement and enforce the provisions of this chapter for all municipal operations under his/her direction.

Section 13.07.003 Abbreviations

The following abbreviations when used in this article shall have the designated meanings:

BMP - Best Management Practices

CFR - Code of Federal Regulations

EPA - U.S. Environmental Protection Agency

HHW - Household Hazardous Waste

LPE - Licensed Professional Engineer

MS4 - Municipal Separate Storm Sewer System

MSGP - Multi-Sector General Permit

NOC - Notice of Change

NOI - Notice of Intent

NOT - Notice of Termination

NPDES - National Pollutant Discharge Elimination System

SWPPP - Storm Water Pollution Prevention Plan

TCEQ - Texas Commission on Environmental Quality

TPDES - Texas Pollutant Discharge Elimination System

USC - United States Code

Section 13.07.004 Definitions

Unless a provision explicitly states otherwise, the following terms and phrases, as used in this article, shall have the meanings hereinafter designated.

Best Management Practices (BMPs) shall mean schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to prevent or reduce the pollution of waters of

the United States. BMPs also include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw material storage.

Commencement of Construction shall mean the initial disturbance of soils associated with clearing, grading, excavating, landfilling, and other construction activities.

Commercial shall mean pertaining to any business, trade, industry, or other activity engaged in for profit.

Common Plan of Development shall mean a construction activity that is completed in separate stages, separate phases, or in combination with other construction activities. A common plan of development is identified by the documentation for the construction project that identifies the scope of the project, and may include plats, blueprints, marketing plans, contracts, building permits, a public notice or hearing, zoning requests, or other similar documentation and activities.

Construction shall mean any human activity that involves clearing, grading, excavation, landfilling, or other placement, movement, removal, or disposal of soil, rock, or other earth materials.

Construction general permit (CGP) means the Texas Construction General Permit TXR150000, its successor or any other state regulation to control runoff from construction sites issued by the Texas Commission on Environmental Quality (TCEQ) or the state regulatory authority.

Construction site(s) means any clearing, grading, and excavating that results in land disturbance. A construction site also includes but is not limited to any stockpiling or other activity that results in exposed soils. This includes the construction of pools and the installation and maintenance of public utilities such as telephone, gas, electric, telecommunications, etc. This excludes the disturbance of soils for emergency activities that are immediately necessary for the protection of life, property, or natural resources.

Contaminated shall mean containing a harmful quantity of any substance.

Director shall mean the Public Works Director and/or the Community Development Director for the Town of Pantego, or their authorized representative.

Discharge shall mean any addition or introduction of any pollutant, storm water, or any other substance whatsoever into the municipal separate storm sewer system (MS4).

Discharger shall mean any person who causes, allows, permits, or is otherwise responsible for, a discharge, including, without limitation, any operator of a construction site or industrial facility.

Domestic Sewage shall mean human excrement, gray water (from home clothes washing, bathing, showers, dishwashing, and food preparation), other wastewater from household drains, and waterborne waste normally discharged from the sanitary conveniences of dwellings (including apartment houses and hotels), office buildings, factories, and institutions, that is free from industrial waste.

Environmental Protection Agency (EPA) shall mean the United States Environmental Protection Agency, the regional office thereof, any federal department, agency, or commission that may succeed to the authority of the EPA, and any duly authorized official of EPA or such successor agency.

Erosion control means a measure that minimizes erosion to the maximum extent practicable.

Erosion and sediment control submittal packet means documents, including a set of plans prepared by or under the direction of the owner or operator of the construction site that indicate the specific measures and sequencing to be used to control erosion and sediment on a construction site during and after

construction and supporting documents as specified by the Town of Pantego Erosion and Sediment Control Manual.

Facility shall mean any building, structure, installation, process, or activity from which there is or may be a discharge of a pollutant.

Final Stabilization shall mean the status when all soil disturbing activities at a site have been completed, and a uniform perennial vegetative cover with a density of seventy percent (70%) of the cover for unpaved areas and areas not covered by permanent structures have been established, or equivalent permanent stabilization measures (such as the use of riprap, gabions, or geotextiles) have been employed. (Note: The pervious area shall be uniformly vegetated such that randomly chosen areas, as would be enclosed by a hula hoop, each have a vegetation density at least seventy percent (70%).)

Garbage shall mean putrescible animal and vegetable waste materials from the handling, preparation, cooking, or consumption of food, including waste materials from markets, storage facilities, and the handling and sale of produce and other food products.

Grading means changing the elevation of a parcel of land by means of moving earthen material including excavation or fill of material, including the resulting conditions thereof.

Harmful Quantity shall mean the amount of any substance that will cause pollution of water in the State.

Hazardous Material shall mean any substance or materials determined to be hazardous by the Secretary of Transportation according to 49 CFR Part 171.8.

Hazardous Substance shall mean any substance listed in Table 302.4 of 40 CFR Part 302.

Hazardous Waste shall mean any substance identified or listed as a hazardous waste by the EPA pursuant to 40 CFR Part 261.

Household Hazardous Waste (HHW) shall mean any material generated in a household (including single and multiple residences, hotels and motels, and day use recreational areas) by a consumer which, except for the exclusion provided in 40 CFR § 261.4(b)(1), would be classified as a hazardous waste under 40 CFR Part 261.

Industrial Waste shall mean any byproduct that results from any process of industry, manufacturing, mining, production, trade, business, or facility identified as engaging in an industrial activity under 40 CFR Part 122.26.

Landfilling shall mean the deposition of soil and other inert materials on the land to raise its grade and/or smooth its features.

Licensed Professional Engineer (LPE) shall mean a person who has been duly licensed (and registered if practicing as an individual) by the Texas Board of Professional Engineers to engage in the practice of engineering in the State of Texas.

Motor Vehicle Fluid shall mean any vehicle crankcase oil, antifreeze, transmission fluid, hydraulic fluid, brake fluid, differential lubricant, gasoline, diesel fuel, gasoline/alcohol blend, and any other fluid used in a motor vehicle.

Multi-sector general permit (MSGP) means the Texas Multi-Sector General Permit, TXR050000, its successor, or any other state regulation to control runoff from industrial sites issued by the Texas Commission on Environmental Quality (TCEQ) or the state regulatory authority.

Municipal Operations shall mean the day to day operation and maintenance activities that have the potential for contributing pollutant runoff to the MS4.

Municipal Separate Storm Sewer System (MS4) shall mean the system of conveyances (including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, man-made channels, or storm drains) owned and operated by the Town and designed or used for collecting or conveying storm water.

Municipal Solid Waste shall mean solid waste resulting from or incidental to municipal, community, commercial, institutional, or recreational activities, and includes garbage, rubbish, ashes, street cleanings, dead animals, abandoned automobiles, and other solid waste other than industrial waste.

NPDES Permit shall mean a permit issued by the EPA (or by the State under authority delegated pursuant to 33 USC § 1342(b)) that authorizes the discharge of pollutants to waters of the United States, whether the permit is applicable on an individual, group, or general area-wide basis.

Notice of Change (NOC) shall mean the notice of change that is required by the TPDES General Permit related to storm water discharges associated with industrial activity.

Notice of Intent (NOI) shall mean the Notice of Intent that is required by the Construction General Permit, the Multi-Sector General Permit, or other General Permit for the discharge of storm water.

Notice of Termination (NOT) shall mean the Notice of Termination that is required by either the Construction General Permit, the TPDES General Permit for industrial activity, or other General Permit for the discharge of storm water.

Oil shall mean any kind of oil in any form, including, but not limited to, petroleum, fuel oil, crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure, sludge, oil refuse, and oil mixed with waste.

Operator shall mean the person or persons who, either individually or taken together, meet either of the following two criteria: (1) they have operational control over the facility specifications (including the ability to make modifications in specifications); or (2) they have the day-to-day operational control over those activities at the facility necessary to ensure compliance with pollution prevention requirements and any permit conditions.

Owner shall mean the person who owns a facility or part of a facility.

Person shall mean any individual, partnership, co-partnership, firm, company, corporation, association, joint-stock company, trust, estate, governmental entity, or any other legal entity; or their legal representatives, agents, or assigns. This definition includes all federal, state, and local governmental entities.

Pollutant shall mean dredged spoil, solid waste, incinerator residue, sewage, garbage, sewage sludge, filter backwash, munitions, chemical waste, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, and industrial, municipal, and agricultural waste discharged into water.

Pollution shall mean the alteration of the physical, thermal, chemical, or biological quality of, or the contamination of, any water in the state that renders the water harmful, detrimental, or injurious to humans, animal life, vegetation, or property, or to the public health, safety, or welfare, or impairs the usefulness or the public enjoyment of the water for any lawful or reasonable purpose.

Release shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing, directly or indirectly, into the municipal separate storm sewer system (MS4).

Rubbish shall mean non-putrescible solid wastes that consist of (a) combustible waste materials, including paper, rags, cartons, wood, excelsior, furniture, rubber, plastics, yard trimmings, leaves, and similar materials; and (b) noncombustible waste materials, including glass, crockery, tin cans, aluminum cans, metal furniture, and similar materials that do not burn at ordinary incinerator temperatures (1600 to 1800 degrees Fahrenheit).

Sanitary Sewer shall mean the system of pipes, conduits, and other conveyances which carry industrial waste and domestic sewage from residential dwellings, commercial buildings, industrial and manufacturing facilities, and institutions, whether treated or untreated, to the sewage treatment plant utilized by the Town.

Sediment control means measures that minimize eroded sediment from leaving the site to the maximum extent practicable.

Septic Tank Waste shall mean any domestic sewage from holding tanks such as vessels, chemical toilets, campers, trailers, and septic tanks.

Site shall mean the land or water area where any facility or activity is physically located or conducted, including adjacent land used in connection with the facility or activity.

Solid Waste shall mean any garbage, rubbish, refuse, and other discarded material, including, solid, liquid, semi-solid, or contained gaseous material resulting from industrial, municipal, commercial, mining, and agricultural operations, and from community and institutional activities.

State shall mean the State of Texas.

Storm Water shall mean storm water runoff, snowmelt runoff, and surface runoff and drainage.

Storm Water Discharge Associated with Industrial Activity shall mean the release of storm water runoff from any conveyance which is used for collecting and conveying storm water that drains from manufacturing, processing, maintenance, materials storage, or waste storage areas at a facility that meets the criteria listed in 40 CFR § 122.26(b)(14).

Storm Water Pollution Prevention Plan (SWPPP) shall mean a plan required by either the Construction General Permit, the Baseline Industrial General Permit, or the Multi-Sector General Permit and which describes and ensures the implementation of practices that are to be used to reduce the pollutants in storm water discharges associated with construction or other industrial activity at the facility.

Texas Commission on Environmental Quality (TCEQ) shall mean the State of Texas agency by that name, the regional offices thereof, any state department, agency, or commission that may succeed to the authority of the TCEQ, and any duly authorized official of TCEQ or such successor agency.

Texas Surface Water Quality Standards means the standards set forth in Title 30, Chapter 307 of the Texas Administrative Code.

Temporary stabilization means a condition where exposed soils or disturbed areas are provided a protective cover or other structural control to prevent the migration of pollutants. Temporary stabilization may include BMPs listed in the Integrated Storm Water Management (iSWM) Manual produced by the North Central Texas Council of Governments or subsequent similar documents (i.e. temporary seeding, geotextiles, mulches, perimeter controls, and other techniques to reduce or eliminate erosion until either final stabilization can be achieved or until further construction activities take place).

Town shall mean the Town of Pantego, Texas, or the Town Council of Pantego.

Uncontaminated shall mean not containing a harmful quantity of any substance.

Wastewater shall mean any water or other liquid, other than uncontaminated storm water, discharged from a facility.

Yard Waste shall mean leaves, grass clippings, yard and garden debris, and brush that results from landscaping maintenance and land-clearing operations.

DIVISION II - PROHIBITIONS AND REQUIREMENTS

Section 13.07.005 General Prohibition

- (a) No person shall introduce or cause to be introduced into the municipal separate storm sewer system (MS4) any discharge that is not composed entirely of storm water.
- (b) It is an affirmative defense to any enforcement action for violation of Subsection A of this section, upon presentation of evidence by the discharger, that the discharge was composed entirely of one or more of the following categories of discharges and is not damaging the environment:
 - (1) Water line flushing (excluding discharges of hyperchlorinated water, unless the water is first dechlorinated and discharges are not expected to adversely affect aquatic life);
 - (2) Runoff or return flow from landscape irrigation, lawn irrigation, and other irrigation utilizing potable water, groundwater, or surface water sources;
 - (3) Discharges from potable water sources that do not violate Texas Surface Water Quality Standards;
 - (4) Diverted stream flows;
 - (5) Rising ground waters and springs;
 - (6) Uncontaminated ground water infiltration;
 - (7) Uncontaminated pumped ground water;
 - (8) Foundation and footing drains;
 - (9) Air conditioning condensation;
 - (10) Water from crawl space pumps;
 - (11) Individual residential vehicle washing;
 - (12) Flows from wetlands and riparian habitats;
 - (13) Dechlorinated swimming pool discharges that do not violate Texas Surface Water Quality Standards;
 - (14) Street wash water excluding street sweeper waste water;

- (15) Discharges or flows from emergency fire fighting activities (fire fighting activities do not include washing of trucks, run-off water from training activities, test water from fire suppression systems, and similar activities);
 - (16) Other allowable non-stormwater discharges listed in 40 CFR § 122.26(d)(2)(iv)(B)(1);
 - (17) Non-stormwater discharges that are specifically listed in the TPDES Multi Sector General Permit (MSGP) TXR050000 or the TPDES Construction General Permit (CGP) TXR150000;
 - (18) Discharges that are authorized by a TPDES or NPDES permit or that are not required to be permitted; and
 - (19) Other similar occasional incidental non-stormwater discharges such as spray park water, unless the TCEQ develops permits or regulations addressing these discharges.
- (c) No affirmative defense shall be available under Subsection (b) of this section if the discharge or flow in question has been determined by a director to be a source of a pollutant or pollutants to the MS4, written notice of such determination has been provided to the discharger, and the discharge has occurred more than fifteen (15) calendar days beyond such notice. The correctness of the director's determination that a discharge is a source of a pollutant or pollutants may be reviewed in any administrative or judicial enforcement proceeding.
- (d) The burden of proof that a discharge was composed entirely of one or more of the categories in Subsection (b) and that it was not a source of a pollutant or pollutants to the MS4 is upon the person or entity responsible for the discharge.

Section 13.07.006 Specific Prohibitions

- (a) The specific prohibitions in this section are not inclusive of all the discharges prohibited by the general prohibition in Section 13.07.005.
- (b) No person shall dump, spill, leak, pump, pour, emit, empty, discharge, leach, dispose, or otherwise introduce or cause, allow, or permit to be introduced any of the following substances into the MS4:
- (1) Any used motor oil, antifreeze, hydraulic fluid, or other motor vehicle fluid;
 - (2) Any industrial waste;
 - (3) Any hazardous waste, including household hazardous waste;
 - (4) Any garbage, domestic sewage or septic tank waste, cooking oil, grease trap waste, or grit trap waste;
 - (5) Any trash, rubbish, yard waste or other floatable material;
 - (6) Any wastewater from a commercial car wash facility; from any vehicle washing, cleaning, or maintenance at any new or used automobile or other vehicle dealership, rental agency, body shop, repair shop, or maintenance facility; or from any washing, cleaning, or maintenance of any business or commercial or public service vehicle, including a truck, bus, or heavy equipment;
 - (7) Any wastewater from a commercial mobile power washer or from the washing or other cleaning of a building exterior or exterior mechanical equipment that contains any soap, detergent, degreaser, solvent, other cleaning substance, or a pollutant from the item that is being cleaned,

or that has been produced by wash water applied at pressures elevated above the distribution system pressure, or that is at a temperature that has been elevated by induced heating;

- (8) Any wastewater from commercial floor, rug, or carpet cleaning;
 - (9) Any wastewater from the washdown or cleaning of parking lots, streets, or other pavement that contains soap, detergent, solvent, degreaser, emulsifier, dispersant, or any other cleaning substance, or that has been produced by wash water applied at pressures elevated above the distribution system pressure, or that is at a temperature that has been elevated by induced heating; or any wastewater from the washing or cleaning of parking lots, streets, or other pavement where any spill, leak, or other release of hazardous material, hazardous substance, hazardous waste or other pollutant has occurred;
 - (10) Any effluent, overflow or blowdown, from a cooling tower, condenser, compressor, emissions scrubber, emissions filter, or boiler;
 - (11) Any ready-mixed concrete, mortar, ceramic, or asphalt base material or hydromulch material, or any wastewater or substance from the cleaning of any vehicle or equipment containing, or used in transporting or applying, such material;
 - (12) Any runoff or washdown water from an animal pen, kennel, or containment area;
 - (13) Any filter backwash from a swimming pool;
 - (14) Any swimming pool or hot tub water that has not been dechlorinated;
 - (15) Any discharge from water line disinfection by superchlorination or other means unless the disinfecting chemical has been removed or attenuated to the point where it is not a pollutant;
 - (16) Any contaminated or unpermitted storm water discharge associated with an industrial activity;
 - (17) Any substance or material that will damage, block, or clog the MS4;
 - (18) Any rubble, debris, rubbish, tile, concrete, brick, asphalt, or other building material resulting from demolition.
- (c) No person shall introduce or cause to be introduced into the MS4 any harmful quantity of sediment, silt, earth, soil, or other material associated with clearing, grading, excavation, landfilling, or other construction activities (including any placement, movement, removal, or disposal of soil, rock, or other earth materials) in excess of what could be retained on site or captured by employing sediment and erosion control measures to the maximum extent practicable.
- (d) No person shall connect an interior drain or any other source of wastewater, domestic or industrial, to the MS4 or allow such a connection to continue.
- (e) Any person that causes a spill, release, or other discharge of a prohibited substance or other pollutant to the MS4 is solely responsible for the cleanup and removal of the substance from the MS4 or any area adjacent to the MS4 that is exposed to storm water runoff. Where the person that caused the spill, release, or discharge to the MS4 is unknown, the owner of the property on which the spill, release, or discharge occurred is responsible for the cleanup or removal of the substance from the MS4 or any area adjacent to the MS4.

Section 13.07.007 Requirements

- (a) Sanitary sewer overflows shall be prevented. All sanitary sewer overflows shall be reported to the Town of Pantego as soon as the owner, occupant, or person otherwise having control of the sanitary sewer becomes aware of the overflow and to the appropriate federal and state agencies within twenty-four (24) hours. If a sanitary sewer overflow enters the MS4, the owner, occupant, or person otherwise having control of the sanitary sewer shall remove all sewage and sewage contaminated water from the MS4.
- (b) Items that are segregated for separate collection, disposal, recycling or reuse shall be stored in a manner that prevents pollutants from entering the MS4. Drums shall be closed, not leaking, and in good condition.
- (c) Spills and leaks of hazardous materials, hazardous substances, and hazardous wastes or harmful quantity of a pollutant, including motor vehicle fluids, shall be cleaned up immediately after the spill occurs or the leak is detected. Any absorbent used must be picked up before the next rainfall. If wash water is used to clean the spill or leak, the wash water must be collected for appropriate disposal and not allowed to flow into the MS4. Surface soil contaminated by the spill or leak must be removed or otherwise protected from contact with storm water.
- (d) Drip pans, absorbent mats, or equivalent controls shall be used to collect and properly dispose of leaking fluids from motor vehicles that are parked outside during maintenance and repairs or while awaiting repairs at commercial repair facilities. Used engines, transmissions, radiators, and other vehicle components that have automotive fluids in or on them shall be stored in a manner that prevents pollutants from entering the MS4.
- (e) Wash water, detergents, and solvents used for washing parts and equipment shall be collected for disposal in accordance with the appropriate federal and state regulations. Vats of solvents or wash bins used outside shall be covered when not in use to prevent rainfall from filling the vat or bin and causing an overflow.
- (f) Parking lot storm drain inlets shall be maintained free of trash, litter, garbage, rubbish, grass clippings, leaves, and other debris. Such material removed from the inlets shall be disposed of in a trash receptacle and shall not be allowed to enter the MS4.
- (g) Trash and litter on any parcel of land shall be collected for appropriate disposal prior to mowing.

DIVISION III - STORM WATER POLLUTION PROTECTION FOR CONSTRUCTION ACTIVITIES

Section 13.07.008 Applicability and Compliance Requirements.

- (a) This article shall apply to all construction sites within the town limits of the Town of Pantego.
- (b) Requirements for sites disturbing less than one (1) acre or within a common plan of development that is disturbing less than one (1) acre:
 - (1) All construction sites disturbing less than one (1) acre of land or within a common plan of development that is disturbing less than one (1) acre of land shall comply with all sections of this article except sections 13.07.010 and 13.07.011.
 - (2) Any construction site disturbing less than one (1) acre may be required, if directed by a director, to comply with sections 13.07.010 and 13.07.011.
- (c) Requirements for sites disturbing more than one (1) acre or within a common plan of development that is disturbing more than one (1) acre:

(1) All construction sites disturbing more than one (1) acre of land or within a common plan of development that is disturbing more than one (1) acre of land shall comply with all sections of this article.

(2) The owner or operator shall ensure that copies of the notice of intent (NOI), notice of change (NOC), notice of termination (NOT), and construction site notice (CSN) are provided to the Town of Pantego when appropriate.

(d) *Requirements for all construction sites.*

(1) All sites shall comply with the requirements of the current construction general permit (CGP), when appropriate based upon the acreage of the construction site.

(2) *Inspections.*

(A) All construction sites shall be inspected or cause to be inspected by the owner or operator of the site for evidence of or potential for violations of this article. Construction sites subject to a CGP shall be inspected at the frequency required by the CGP or more frequently if directed by a director.

(B) All construction sites shall be inspected or caused to be inspected by the owner or operator within twenty-four (24) hours after all rain events exceeding one half inch (1/2") in addition to inspection requirements in this section. Rain events are determined by the measurement documented by the Town of Pantego.

(C) All owners or operators of a construction site disturbing more than one (1) acre of land or within a common plan of development that is disturbing more than one (1) acre of land shall document inspections.

(3) *Erosion and sediment control measures.* Erosion and sediment control measures shall be designed and established at the construction site in a manner that minimizes erosion and retains sediment on-site to the maximum extent practicable with consideration of the topography, soil type, and rainfall. BMPs and control measures described in the Integrated Storm Water Management (iSWM) Manual produced by the North Central Texas Council of Governments or subsequent versions are minimum control measures where appropriate; however, BMPs not listed in the iSWM Manual may be considered.

(4) *Preserve existing vegetation.* The owner or operator of the site shall ensure that existing vegetation is preserved to the maximum extent practicable. Should the existing vegetation not be preserved, the owner or operator shall take steps necessary to stabilize the site in order to prevent erosion.

(5) *Stabilization.* Erosion control and stabilization measures must be initiated as soon as practicable in portions of the construction site where construction activities have temporarily ceased. These measures must be initiated no more than fourteen (14) days after the construction activity in that portion of the construction site where activity has temporarily or permanently ceased.

(6) *Minimize off-site tracking.* Off-site tracking of sediment, in the form of mud, rocks, dirt, etc. is not permitted. Where required to prevent off-site tracking of sediment, a construction entrance shall be established and maintained.

(7) *Maintenance.*

(A) All temporary stabilization measures shall be maintained until final stabilization is established and a notice of termination (NOT) is filed with the TCEQ, when required by the CGP, and the final inspection has been conducted by the Town, as described in section 13.07.012 of this article, or transfer of operational control has been completed, as required by the CGP, when appropriate based on the acreage of the construction site.

(B) The owner or operator of any site shall perform maintenance as necessary to maintain the continued effectiveness of storm water controls within forty-eight (48) hours of discovery, from owner, operator or Town, of failure, damage, or compromise and prior to the next rain event.

(C) Failure to maintain BMPs in proper working order shall be a violation of this article.

(8) *Sediment or silt accumulation.* Should the control measures at a site fail, in part or in total, the owner or the operator shall remove all sediment and siltation accumulation caused by BMP failure from the Town's MS4, including streets and rights-of-way, within forty-eight (48) hours of discovery or prior to the next rain event. Removal includes sweeping streets, sidewalks, and other infrastructure and removing sediment from the MS4.

(9) *Good housekeeping measures for chemicals and wastes.* Good housekeeping measures shall be provided on-site to prevent and contain spills of paints, solvents, fuels, septic waste, and other chemicals hazardous to the public or environment or might cause polluted runoff. Proper cleanup and disposal of any such spills shall be in accordance with state, federal, and local requirements.

(10) *Waste.*

(A) A location shall be established on-site, or near the site, for personal and construction waste so as to prevent waste from involuntarily leaving the site.

(B) Proper waste disposal and waste management techniques shall be implemented, including covering waste materials, minimizing ground contact with regulated or hazardous chemicals and trash, and keeping trash receptacles off of paved surfaces or other locations that drain directly to a storm drain system or local waterway.

(11) *Sanitary waste.* Sanitary waste facilities shall be maintained so that the waste does not create a hazard to the public or the environment. Sanitary waste facilities should not be placed over any paved surfaces.

(12) *Dust suppression.* Techniques shall be employed to prevent air-borne dust from leaving the site.

(13) *Street sweeping to remove sediments and siltation.*

(A) Sediments and other materials that enter the streets shall be limited to the greatest extent practicable.

(B) Street sweeping shall be conducted in a manner that minimizes dust, including sweeping during periods of minimal wind or using a vacuum sweeper.

(C) All property owners or operators within a common plan of development are expected to coordinate efforts to prevent sedimentation from entering the MS4. All owners or operators of contributing construction sites, as determined at the discretion of the Town, shall be held responsible jointly and severally to remove sediments from the street.

(D) In absence of a coordinated effort amongst all property owners or operators, the Town reserves the right to abate the problem and charge all the property owners contributing to the violation.

(14) *Temporary concrete batch plants.* Temporary concrete batch plants shall comply with zoning requirements.

(15) *Concrete wash-out.* An operator shall specify a containment area and/or a concrete wash-out device that will be established and maintained for all sites. Failure of concrete delivery trucks to utilize specified concrete wash-out areas shall be a violation of this article.

Section 13.07.009 Responsibility of all on-site personnel.

It is a violation of this article for any person to damage or allow to be damaged any temporary or permanent storm water control measures through their actions or inactions without promptly restoring the control measure to an effective and efficient state.

Section 13.07.010 Erosion and sediment control submittal required.

An erosion and sediment control submittal packet shall be submitted to the Town and reviewed and released by the Town prior to the commencement of any activity on a construction site. Commencement of activity before the submittal, review and release of an erosion and sediment control submittal packet shall be a violation of this article.

- (a) The erosion and sediment control submittal packet shall include all documentation required by the Town's erosion control submittal process as defined in the Town of Pantego Erosion and Sediment Control Manual.
- (b) The erosion and sediment control submittal packet shall be submitted to the Town no later than ten (10) days prior to commencement of any construction activities.

Section 13.07.011 Review and release

- (a) The Town shall review each erosion and sediment control submittal packet submitted for any construction site to determine its conformance with the provisions of this article.
- (b) *Temporary approval.* With approval from the Public Works Director, a construction site may be temporarily approved for clearing or commencement of construction before approval of the erosion

and sediment control submittal packet. This temporary approval may be revoked at any time for any reason a director sees fit for revocation.

- (c) *Responsibility.* The owner or operator shall not be relieved of responsibility for damage to persons or property otherwise imposed by law, and the Town or its officers or agents will not be made liable for such damage, by:
- (1) The release for implementation of an erosion and sediment control submittal packet under this article;
 - (2) The compliance with provisions of the erosion and sediment control submittal packet or with conditions attached to it by the Town;
 - (3) Failure of Town officials to observe or recognize hazardous or unsightly conditions;
 - (4) Failure of Town officials to recommend denial of release for implementation of an erosion and sediment control submittal packet or to deny an erosion and sediment control submittal packet;
 - (5) Granting exemptions from the requirements of this article.
- (d) Materials used for temporary erosion control or sediment control (e.g., silt fences, inlet protection) and established in support of the construction site, shall be removed by the owner or operator of the site once final stabilization has been established.

Section 13.07.012 Termination of Operational Control.

- (a) A final acceptance of a public improvement associated with land development, issuance of a certificate of occupancy for a building or the issuance of a final "Green Tag" for other construction covered by this article shall be contingent upon an inspection for termination.
- (b) Submit a notice of termination (NOT).
- (1) Where an NOI has been submitted to the TCEQ, a letter of final acceptance of public improvement, a certificate of occupancy, or final "Green Tag" shall not be issued until final stabilization is established and maintained as specified in the released erosion control submittal packet. The developer for a subdivision or other large plat shall continue to maintain all temporary erosion and sediment control until final stabilization has been established on all those lots within the subdivision or large plat for which a building permit has not been issued or transfer of operational control has been established in compliance with the CGP.
 - (2) A NOT should not be submitted to the TCEQ or other regulatory agency unless all requirements for submittal have been completed, when required by the CGP.
 - (3) The Town reserves the right to refuse issuance of the final acceptance or certificate of occupancy when in disagreement with the submittal of an NOT.

DIVISION IV - COMPLIANCE MONITORING

Section 13.07.013 Right of Entry: Inspection and Sampling

A director, or his/her authorized representative, shall have the right to enter the premises of any person discharging storm water to the municipal separate storm sewer system (MS4) to determine if the discharger is complying with all requirements of this article, and with any state or federal discharge permit, limitation, or requirement. Dischargers shall allow a director ready access to all parts of the premises for the purposes of inspection, sampling, records examination and copying, and for the performance of any additional duties. Dischargers shall make available to a director, upon request, any SWPPP's, modifications thereto, self-inspection reports, monitoring records, compliance evaluations, Notices of Intent, and any other records, reports, and other documents related to compliance with this article and with any state or federal discharge permit.

- (a) Where a discharger has security measures in force which require proper identification and clearance before entry into its premises, the discharger shall make necessary arrangements with its security guards so that, upon presentation of suitable identification, a director or his/her authorized representative(s) will be permitted to enter without delay for the purposes of performing his/her responsibilities.
- (b) A director shall have the right to set up on the discharger's property, or require installation of, such devices as are necessary to conduct sampling and/or metering of the discharger's operations.
- (c) A director may require any discharger to the MS4 to conduct specified sampling, testing, analysis, and other monitoring of its storm water discharges, and may specify the frequency and parameters of any such required monitoring.
- (d) A director may require the discharger to install monitoring equipment as necessary at the discharger's expense. The facility's sampling and monitoring equipment shall be maintained at all times in a safe and proper operating condition by the discharger at its own expense. All devices used to measure storm water flow and quality shall be calibrated to ensure their accuracy.
- (e) Any temporary or permanent obstruction to safe and easy access to the facility to be inspected and/or sampled shall be promptly removed by the discharger at the written or verbal request of a director and shall not be replaced. The costs of clearing such access shall be borne by the discharger.
- (f) Unreasonable delays in allowing a director access to the discharger's premises shall be a violation of this article.

Section 13.07.014 Search Warrants

If a director, or his/her authorized representative, has been refused access to any part of the premises from which storm water is discharged, and he/she is able to demonstrate probable cause to believe that there may be a violation of this article or any state or federal discharge permit, limitation, or requirement, or that there is a need to inspect and/or sample as part of a routine inspection and sampling program of the Town designed to verify compliance with this article or any order issued hereunder, or to protect the overall public health, safety, and welfare of the community, then a director may seek issuance of a search warrant from any court of competent jurisdiction. For purposes of this Section, the Public Works Director, the Community Development Director, the City Engineer, and the duly authorized representatives of these Town departmental directors are declared to be "health officers," as that term is used in the Texas Code of Criminal Procedure, Article 18.05.

DIVISION V - ADMINISTRATIVE ENFORCEMENT REMEDIES

Section 13.07.015 Courtesy Notice

When a director finds that any person has violated, or continues to violate, any provision of this article, or any order issued hereunder, a director may serve upon that person a written Courtesy Notice, specifying the particular violation believed to have occurred and requesting the discharger to immediately investigate the matter and to seek a resolution whereby any offending discharge will cease. Investigation and/or resolution of the matter in response to the Courtesy Notice in no way relieves the alleged violator of

liability for any violations occurring before or after receipt of the Courtesy Notice. Nothing in this subsection shall require a director to issue a Courtesy Notice prior to taking any action, including emergency action or any other enforcement action.

Section 13.07.016 Notice of Violation

When a director finds that any person has violated, or continues to violate, any provision of this article, or any order issued hereunder, a director may serve upon that person a written Notice of Violation. Within ten (10) calendar days of the receipt of this notice, an explanation of the violation and a plan for the satisfactory correction and prevention of reoccurrence thereof, to include specific required actions, shall be submitted by the alleged violator to the issuing director. If the alleged violator denies that any violation occurred and/or contends that no corrective action is necessary, an explanation of the basis of any such denial or contention shall be submitted to the issuing director within ten (10) calendar days of receipt of the notice. Submission of an explanation and/or plan in no way relieves the alleged violator of liability for any violations occurring before or after receipt of the Notice of Violation. Nothing in this subsection shall require a director to issue a Notice of Violation prior to taking any action, including emergency action or any other enforcement action.

Section 13.07.017 Consent Orders

Directors may enter into Consent Orders, assurances of voluntary compliance, or other similar documents establishing an agreement with any person responsible for noncompliance with any provision in this article or any order issued hereunder. Such documents may include specific action to be taken by the person to correct the noncompliance within a time period specified by the document. Such documents shall have the same force and effect as the administrative orders issued pursuant to Sections 13.07.019, 13.07.020 and 13.07.021 of this article and shall be judicially enforceable.

Section 13.07.018 Show Cause Hearing

A director may order any person who has violated, or continues to violate, any provision of this article, or any order issued hereunder, to appear before the director and show cause why a proposed enforcement action should not be taken. Notice shall be served on the alleged violator specifying the time and place for the hearing, the proposed enforcement action, the reasons for such action, and a request that the alleged violator show cause why the proposed enforcement action should not be taken. The notice of the hearing shall be served personally or by registered or certified mail (return receipt requested) at least ten (10) calendar days prior to the hearing. Such notice may be served on any authorized representative of the alleged violator. The hearing shall be conducted pursuant to the rights and procedures specified in Subsection 13.07.026(a) of this article. A show cause hearing shall not be a bar against, or prerequisite for, taking any other action against the alleged violator.

Section 13.07.019 Compliance Orders

When a director finds that any person has violated, continues to violate, or threatens to violate, any provision of this article, or any order issued hereunder, the director may issue an order to the violator directing that the violator come into compliance within a specified time limit, prior to commencement or continuance of operation, or immediately. Compliance Orders also may contain other requirements to address the noncompliance, including additional self-monitoring, and management practices designed to minimize the amount of pollutants discharged to the MS4. A Compliance Order may not extend the deadline for compliance established by a state or federal standard or requirement, nor does a compliance order relieve the person of liability for any violation, including any continuing violation. Issuance of a Compliance Order shall not be a bar against, or a prerequisite for, taking any other action against the violator.

Section 13.07.020 Remediation, Abatement, and Restoration Orders

When a director finds that a person has violated, or continues to violate, any provision of this article, or any order issued hereunder, and that such violation has adversely affected the MS4, the director may

issue an order to the violator directing him/her to undertake and implement any appropriate action to remediate and/or abate any adverse effects of the violation upon the MS4 and/or to restore any part of the MS4. Such remedial, abatement, and restoration action may include, but not be limited to: monitoring, assessment, and evaluation of the adverse effects and determination of the appropriate remedial, abatement, and/or restoration action; confinement, removal, cleanup, treatment, and disposal of any discharged or released pollution or contamination; prevention, minimization, and/or mitigation of any damage to the public health, welfare, or the environment that may result from the violation; restoration or replacement of Town property or natural resources damaged by the violation. The order may direct that the remediation, abatement, and/or restoration be accomplished on a specified compliance schedule and/or be completed within a specified period of time. An order issued under this section does not relieve the violator of liability for any violation, including any continuing violation. Issuance of an order under this section shall not be a bar against, or a prerequisite for, taking any other action against any responsible party.

Section 13.07.021 Emergency Cease and Desist Orders

When a director finds that any person has violated, continues to violate, or threatens to violate, any provision of this article, or any order issued hereunder, or that the person's past violations are likely to recur, and that the person's violation(s) , or threatened violation(s), have caused or contributed to an actual or threatened discharge to the MS4 which reasonably appears to present an imminent or substantial endangerment to the health or welfare of persons or to the environment, the director may issue an order to the violator directing it immediately to cease and desist all such violations and directing the violator to:

- (a) Immediately comply with all requirements of this article; and
- (b) Take such appropriate preventive action as may be needed to properly address a continuing or threatened violation, including immediately halting operations and/or terminating the discharge.

Any person notified of an emergency order directed to it under this section shall immediately comply and stop or eliminate its endangering discharge. In the event of a discharger's failure to immediately comply voluntarily with the emergency order, the director may take such steps as deemed necessary to prevent or minimize harm to the MS4, including immediate termination of a facility's water supply, sewer connection, or other municipal utility services. The director may allow the person to commence or recommence its discharge when it has demonstrated to the satisfaction of the director that the period of endangerment has passed, unless further termination proceedings are initiated against the discharger under this article. A person that is responsible, in whole or in part, for any discharge presenting imminent endangerment shall submit a detailed written statement, describing the causes of the harmful discharge and the measures taken to prevent any future occurrence to the director within ten (10) calendar days of receipt of the emergency order. Issuance of an emergency cease and desist order shall not be a bar against, or a prerequisite for, taking any other action against the violator.

Section 13.07.022 Stop Work Orders

Whenever a director finds that any operator of a construction site has violated, threatens to violate, or continues to violate, any provision of Division III of this article, or any order issued hereunder, the director may issue a Stop Work Order to the operator, and require that a copy of the Stop Work Order be posted at the construction site. Unless express written exception is made by the issuing director, the Stop Work Order shall prohibit any further construction activity, or any commencement of construction activity, at the site and shall bar any further inspection or approval by the Town associated with a building permit, early grading release, or any other Town approval necessary to commence or continue construction or to assume occupancy at the site. Issuance of a Stop Work Order shall not be a bar against, or a prerequisite for, taking any other action against the violator.

Section 13.07.023 Performance and Maintenance Bonds

A director may, by written notice, order any owner or operator of a source of storm water discharge associated with construction or industrial activity to file a satisfactory bond, payable to the Town, in a sum not to exceed a value determined by the director to be necessary to achieve consistent compliance with this article, any order issued hereunder, any required best management practice, and/or any SWPPP provision, and/or to achieve final stabilization of the site. The Town may deny approval of any building permit, early grading release, subdivision plat, site development plan, or any other Town permit or approval necessary to commence or continue construction or any industrial activity at the site, or to assume occupancy, until such a performance or maintenance bond has been filed.

Section 13.07.024 Liability Insurance

A director may, by written notice, order any owner or operator of a source of storm water discharge associated with construction or industrial activity to submit proof that it has obtained liability insurance, or other financial assurance, in an amount not to exceed a value determined by the director, that is sufficient to remediate, restore, and abate any damage to the MS4 or any other aspect of the environment that is caused by the discharge.

Section 13.07.025 Public Nuisances

A. A violation of any provision of this article, or any order issued hereunder, is hereby declared a public nuisance and shall be corrected or abated.

B. Any person(s) creating a public nuisance shall institute and complete all actions necessary to remedy the effects of such nuisance. If the person(s) responsible for creating the public nuisance fails to correct or abate the nuisance, the Town may correct or abate the nuisance and the person(s) creating the nuisance shall be jointly and severally liable for the cost of such correction or abatement in accordance with state and local law.

C. It shall be the duty of the owner(s), occupant(s) or person(s) otherwise having supervision and control of any lot, tract or parcel of land to correct or abate any public nuisance existing in or on his/her property. If such nuisance is not corrected or abated, the Town may correct or abate the nuisance and the owner(s), occupant(s) or person(s) otherwise having supervision and control of any lot, tract or parcel of land shall be jointly and severally liable for the cost of such correction or abatement in accordance with state and local law.

DIVISION VI - RIGHT TO RECONSIDERATION, HEARING, AND APPEAL

Section 13.07.026 Reconsideration and Hearing

- (a) Any person subject to a Compliance Order under section 13.07.019, a Remediation, Abatement, or Restoration Order under section 13.07.020, an Emergency Cease and Desist Order under section 13.07.021, or a Stop Work Order under section 13.07.022 of this article may petition the issuing director to reconsider the basis for his/her order within fifteen (15) calendar days of the affected person's notice of issuance of such an order.
- (b) Failure to submit a timely written petition for reconsideration shall be deemed to be a waiver of any further right to administrative reconsideration or review of the order.
- (c) In its petition, the petitioning party must indicate the provisions of the order objected to, the reasons for the objection(s), any facts that are contested, the evidence that supports the petitioner's view of the facts, any alternative terms of an order that the petitioner would accept, and whether the petitioning party requests a hearing on its petition.
- (d) The effect of any Compliance Order under section 13.07.019, Remediation, Abatement, or Restoration Order under section 13.07.020, and any Stop Work Order under section 13.07.022 shall be stayed pending the issuing director's reconsideration of the petition, and any hearing thereon, unless the issuing director expressly makes a written determination to the contrary. The effectiveness of any

Emergency Cease and Desist Order under section 13.07.021 shall not be stayed pending the issuing director's reconsideration, or any hearing thereon, unless the issuing director expressly and in writing stays his/her emergency order.

- (e) Within thirty (30) calendar days of the submittal of a petition for reconsideration, the issuing director shall either (1) grant the petition and withdraw or modify the order accordingly; (2) deny the petition, without hearing if no material issue of fact is raised; or (3) if a hearing has been requested and a material issue of fact has been raised, set a hearing on the petition.
- (f) Written notice of any hearing set by the issuing director pursuant to subsection 13.07.026(e) above shall be served on the petitioning party personally or by registered or certified mail (return receipt requested) at least ten (10) calendar days prior to the hearing. Such notice may be served on any authorized representative of the petitioning party.
- (g) The issuing director may himself/herself conduct the hearing and take evidence, or he/she may designate any employee of the Town or any specially-designated attorney or engineer to:
 - (1) issue in the name of the Town notices of hearing requesting the attendance and testimony of witnesses and the production of evidence relevant to any matter involved in the hearing;
 - (2) take evidence;
 - (3) transmit a report of the evidence and hearing, including transcripts and other evidence, together with recommendations to the director for action thereon.

At any hearing held pursuant to this subsection, testimony taken shall be under oath and recorded. Any party is entitled to present his/her case or defense by oral or documentary evidence and to conduct such cross-examination as may be required for a full and true disclosure of the facts. A transcript will be made available to any party to the hearing upon payment of the usual charges thereof.

- (h) After the issuing director has reviewed the evidence, he/she shall either (1) grant the petition; (2) deny the petition; or (3) grant the petition in part and deny it in part. The issuing director may modify his/her order as is appropriate based upon the evidence and arguments presented at the hearing and his/her action on the petition. Further orders and directives as are necessary and appropriate may be issued.

Section 13.07.027 Appeal

Any person whose petition for reconsideration by the issuing director has not been granted in its entirety and who remains adversely affected by the issuing director's order, or who is subject to an order of the director issued following a Show Cause Hearing under section 13.07.018, may challenge the final action of the director in an appropriate court of competent jurisdiction.

DIVISION VII - JUDICIAL ENFORCEMENT REMEDIES

Section 13.07.028 Civil Remedies

- (a) Whenever it appears that a person has violated, or continues to violate, any provision of this article that relates to:
 - (1) the preservation of public safety, relating to the materials or methods used in construction of any structure or improvement of real property;
 - (2) the preservation of public health or to the fire safety of a building or other structure or improvement;
 - (3) the establishment of criteria for land subdivision or construction of buildings, including street design;

- (4) dangerously damaged or deteriorated structures or improvements;
- (5) conditions caused by accumulations of refuse, vegetation, or other matter that creates breeding and living places for insects and rodents; or
- (6) the discharge of a pollutant into the MS4,

the Town may invoke sections 54.011 - 54.017 of the Texas Local Government Code and petition the state district court or the county court at law of Tarrant County, through the Town Attorney, for either the injunctive relief specified in subsection 13.07.028(b) or the civil penalties specified in subsection 13.07.028(c) below, or both the specified injunctive relief and civil penalties.

- (b) Pursuant to Section 54.016 of the Texas Local Government Code, the Town may obtain against the owner or the operator of a facility a temporary or permanent injunction, as appropriate, that:
 - (1) prohibits any conduct that violates any provision of this article that relates to any matter specified in subsections 13.07.028(a)(1)-(6) above; or
 - (2) compels the specific performance of any action that is necessary for compliance with any provision of this article that relates to any matter specified in subsections 13.07.028(a)(1)-(6) above.
- (c) Pursuant to section 54.017 of the Texas Local Government Code, the Town may recover a civil penalty of not more than \$1,000 per day for each violation of any provision of this article that relates to any matter specified in subsections 13.07.028(a)(1)-(5) above, and a civil penalty of not more than \$5,000 per day for each violation of any provision of this article that relates to any matter specified in subsection 13.07.028(a)(6) above, if the Town proves that:
 - (1) the defendant was actually notified of the provisions of the article; and
 - (2) after the defendant received notice of the article provisions, the defendant committed acts in violation of the article or failed to take action necessary for compliance with the article.

Section 13.07.029 Criminal Penalties

- (a) A person who violates any provision of this article by performing an act prohibited or by failing to perform an act required is guilty of a misdemeanor; each day the violation continues shall be a separate offense.
 - (1) If the definition of an offense under this article does not prescribe a culpable mental state, then a culpable mental state is not required. Such offense shall be punishable by a fine not to exceed Five Hundred Dollars and No Cents (\$500.00). Although not required, if a culpable mental state is in fact alleged in the charge of the offense and the offense governs fire safety, zoning, or public health and sanitation, including dumping of refuse, such offense shall be punishable by a fine not to exceed Two Thousand Dollars and No Cents (\$2,000.00).
 - (2) If the definition of an offense under this article prescribes a culpable mental state and the offense governs fire safety, zoning, or public health and sanitation, including dumping of refuse, then a culpable mental state is required and the offense shall be punishable by a fine not to exceed Two Thousand Dollars and No Cents (\$2,000.00).
- (b) A person commits an offense by knowingly making any false statement, representation, or certification in any application, record, report, plan, or other documentation filed, or required to be maintained, pursuant to this article, or any order issued hereunder, or by falsifying, tampering with, or knowingly rendering inaccurate any monitoring device or method required under this article.

C. In determining the amount of any fine imposed hereunder, the court shall take into account all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the magnitude and

duration of the violation, any economic benefit gained through the violation, corrective actions by the violator, the compliance history of the violator, the knowledge, intent, negligence, or other state of mind of the violator, and any other factor as justice requires.

Section 13.07.030 Remedies Nonexclusive

The remedies provided for in this article are not exclusive of any other remedies that the Town may have under state or federal law or other Town ordinances. The Town may take any, all, or any combination of these actions against a violator. The Town is empowered to take more than one enforcement action against any violator. These actions may be taken concurrently.

DIVISION VIII - MISCELLANEOUS PROVISIONS

Section 13.07.031 Charges and Fees

The Town may adopt reasonable fees for reimbursement of costs of constructing, operating, and maintaining the Town's MS4, and for reimbursement of costs of implementing its storm water management program as required by the EPA and TCEQ, and the cost of implementing this article, which costs may include, but not be limited to, the following:

- (a) Fees for monitoring, inspection, and surveillance procedures including the cost of collecting and analyzing discharges and reviewing monitoring reports submitted by dischargers;
- (b) Fees for spill and release reports and responding to spills and releases of oil, hazardous and extremely hazardous substances, and other pollutants; and
- (c) Other fees as the Town may deem necessary to carry out the requirements contained in this article. These fees relate solely to the matters covered by this article and are separate from all other fees, fines, and penalties chargeable by the Town.

Section 13.07.032 Severability

If any provision of this article is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall remain in full force and effect.

Section 13.07.033 Effective Date

This article shall be in full force and effect immediately following its passage, approval, and publication, as provided by law.

SECTION 2: PROVISIONS CUMULATIVE

This ordinance shall be cumulative of all provisions of the ordinances of the Town of Pantego, Texas, as amended, except where the provisions of this ordinance are in direct conflict with the provisions of such Ordinances, in which event the conflicting provisions of such Ordinances are hereby repealed.

SECTION 3: PROVISIONS SEVERABLE

That it is hereby declared to be the intention of the Town Council that the sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared void, ineffective or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such voidness, ineffectiveness or unconstitutionality shall not

affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the Town Council without the incorporation herein of any such void, ineffective or unconstitutional phrase, clause, sentence, paragraph or section.

**SECTION 4:
SAVINGS CLAUSE**

That all rights or remedies of the Town of Pantego, Texas, are expressly saved as to any and all violations that have accrued at the time of the effective date of this ordinance, involving the provisions of any earlier or previous ordinances concerning the subjects of this ordinance, that have already accrued at the time of the effective date of this ordinance; and as to such accrued violations, and all pending litigation, both civil or criminal, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

**SECTION 5:
EFFECTIVE DATE**

This ordinance shall be in full force and effect from and after its passage and publication as provided by law, and it is so ordained.

PASSED AND APPROVED on First Reading this the 8th day of June 2015, by a vote of 5 ayes, 0 nays, and 0 abstentions at a regular meeting of the Town Council of the Town of Pantego, Texas.

PASSED AND APPROVED on Second and Final Reading this the 22nd day of June 2015, by a vote of ayes, nays, and abstentions at a regular meeting of the Town Council of the Town of Pantego, Texas.

Russell Brewster, Mayor Pro-Tem

ATTEST:

Julie Arrington, City Secretary

APPROVED AS TO FORM:

Jim Jeffrey, City Attorney

Section 13.07.005 General Prohibition

- (a) No person shall introduce or cause to be introduced into the municipal separate storm sewer system (MS4) any discharge that is not composed entirely of storm water.
- (b) Other discharges may be allowed, in addition to subsection (a), if evidence can be provided by the discharger that the discharge is composed entirely of one or more of the following categories of discharges and is not damaging the environment:
 - (1) Water line flushing (excluding discharges of hyperchlorinated water, unless the water is first dechlorinated and discharges are not expected to adversely affect aquatic life);
 - (2) Runoff or return flow from landscape irrigation, lawn irrigation, and other irrigation utilizing potable water, groundwater, or surface water sources;
 - (3) Discharges from potable water sources that do not violate Texas Surface Water Quality Standards;
 - (4) Diverted stream flows;
 - (5) Rising ground waters and springs;
 - (6) Uncontaminated ground water infiltration;
 - (7) Uncontaminated pumped ground water;
 - (8) Foundation and footing drains;
 - (9) Air conditioning condensation;
 - (10) Water from crawl space pumps;
 - (11) Individual residential vehicle washing;
 - (12) Flows from wetlands and riparian habitats;
 - (13) Dechlorinated swimming pool discharges that do not violate Texas Surface Water Quality Standards;
 - (14) Street wash water excluding street sweeper waste water;
 - (15) Discharges or flows from emergency fire fighting activities (fire fighting activities do not include washing of trucks, run-off water from training activities, test water from fire suppression systems, and similar activities);
 - (16) Other allowable non-stormwater discharges listed in 40 CFR § 122.26(d)(2)(iv)(B)(1);
 - (17) Non-stormwater discharges that are specifically listed in the TPDES Multi Sector General Permit (MSGP) TXR050000 or the TPDES Construction General Permit (CGP) TXR150000;
 - (18) Discharges that are authorized by a TPDES or NPDES permit or that are not required to be permitted; and
 - (19) Other similar occasional incidental non-stormwater discharges such as spray park water, unless the TCEQ develops permits or regulations addressing these discharges.

- (c) Subsection (b) shall not be used as a defense against enforcement if the discharge or flow in question has been determined by a director to be a source of a pollutant or pollutants to the MS4, written notice of such determination has been provided to the discharger, and the discharge has occurred more than fifteen (15) calendar days beyond such notice. The correctness of the director's determination that a discharge is a source of a pollutant or pollutants may be reviewed in any administrative or judicial enforcement proceeding.
- (d) The burden of proof that a discharge was composed entirely of one or more of the categories in Subsection (b) and that it was not a source of a pollutant or pollutants to the MS4 is upon the person or entity responsible for the discharge.



AGENDA BACKGROUND

AGENDA ITEM: Public hearing, discuss, direct, and consider action on the second and final reading of Ordinance 15-767 an ordinance of the Town Council of the Town of Pantego, Texas, amending Municipal Code Chapter 13 Utilities, Article 13.03 Water and Sewers, Division 1 Generally, Section 13.03.002 Definitions; Section 13.03.006 Computation of Charges; Estimated Meter Readings; Section 13.03.007 Billing – Delinquency; and Section 13.03.066 Groundwater District Production Fees; and Establishing Appendix A Fee Schedule, Article A10.000, Section A10.013 Groundwater Conservation District Fees; Containing a Savings Clause; Repealing all Ordinances in Conflict Herewith; and Declaring an Effective Date.

Date: June 8, 2015

PRESENTER:

Matt Fielder, City Manager

BACKGROUND:

Council passed the first reading of this ordinance with some minor changes at the June 8, 2015 meeting. The changes have been made to this ordinance. The Texas Legislature created the Northern Trinity Groundwater Conservation District in 2007, and gave them certain authorities to oversee the use of groundwater in Tarrant County. One of those authorities is to impose a fee for pumping groundwater. The District first imposed a fee in 2010. Since that time, the Town has paid or owed \$82,545.24 in fees. Ordinance 15- would authorized the Town to collect the \$0.125 per \$1,000 fee as a pass through to fund the fees payments going forward, as well as \$.0125 to reimburse the \$82,545.24 already paid. In addition, the ordinance would make administrative changes that would allow the Town to discontinue water service to those with a past due balance for a period greater than thirty days (sixty days from the billing date). Other administrative elements include providing the City Manager the authority to negotiate a payment plan for those with a hardship, and to resolve billing disputes with customers.

FISCAL IMPACT:

Estimated \$44,885 per year.

RECOMMENDATION:

Staff recommends the approval to ordinance 15-767

ATTACHMENTS:

Ordinance 15-767
Rate Study

Director's Review: _____
City Manager's Review: MDF

ORDINANCE NO. 15-767

AN ORDINANCE AMENDING: THE TOWN OF PANTEGO CODE OF ORDINANCES CHAPTER 13 UTILITIES, ARTICLE 13.03 WATER AND SEWERS, DIVISION 1 GENERALLY, SECTION 13.03.002 DEFINITIONS; SECTION 13.03.006 COMPUTATION OF CHARGES; ESTIMATED METER READINGS; SECTION 13.03.007 BILLING - DELINQUENCY; AND SECTION 13.03.066 GROUNDWATER DISTRICT PRODUCTION FEES; AND ESTABLISHING APPENDIX A FEE SCHEDULE, ARTICLE A10.000, SECTION A10.013 GROUNDWATER CONSERVATION DISTRICT FEES; CONTAINING A SAVINGS CLAUSE; REPEALING ALL ORDINANCES IN CONFLICT HERewith; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Town of Pantego, Texas is a Type A General Law municipality located in Tarrant County, Texas, created in accordance with provisions of Chapter 6 of the Local Government Code and operating pursuant to the enabling legislation of the State of Texas;

WHEREAS, the Town Council is empowered under the Texas Local Government Code to adopt ordinances and rules for the orderly and beneficial operation of City government and the welfare of the citizens of Pantego;

WHEREAS, the Texas Legislature authorized the creation of the Northern Trinity Groundwater Conservation District ("District") in 2007 and delegated the authority to impose a fee on water well pumpage in Chapter 36 of the Texas Water Code;

WHEREAS, the District has assessed the Town of Pantego fees retroactively to October 1, 2010;

WHEREAS, the Town Council wishes to adopt procedures to ensure that the full cost to provide water and sanitary sewer to customers is recovered, and to expeditiously address situations that may arise from time to time when meter readings are disputed;

WHEREAS, Town staff conducted a "Town of Pantego Groundwater Conservation District Fee Water Rate Study" dated April 21, 2015, which analyzed the fees assessed in prior years and contained projections for future fees, and that study is hereby adopted by the Council as support for the present ordinance; and

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PANTEGO, TEXAS:

SECTION 1

Town of Pantego Code of Ordinances Chapter 13 Utilities, Article 13.03 Water and Sewers, Division 1 Generally, is hereby amended by revising Section 13.03.002 Definitions; by adding as follows:

Groundwater Conservation District. A district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, that has the authority to regulate the spacing of water wells, the production from water wells, or both.

SECTION 2

Ord. No. 15-767
Utilities Amendment

Town of Pantego Code of Ordinances Chapter 13 Utilities, Division 1 Generally, is hereby amended by revising Section 13.03.006 Computation of Charges; Estimated Meter Readings so that Section 13.03.006 shall now provide as follows:

- (a) Water and sewer service charges for residential, commercial and industrial users will be based on monthly water meter readings and shall be computed at rates currently in effect; provided, however, that the town may estimate alternating monthly meter readings except for the initial, final and any specifically requested meter reading. Combined meter readings shall not be used to calculate charges where a customer requires more than one meter to serve his premises except when a combination of high-flow and low-flow meters is required to provide adequate service. A minimum charge shall be made for each unit supplied through a meter and the total monthly charge shall be based on the average use per unit times the units served with an occupancy rate factor applied.
- (b) In the event that a customer believes the meter reading is inaccurate, the customer may request an adjustment to the total monthly charge in writing to the City Manager. The City Manager may approve such an adjustment, after a full and complete investigation, and will provide notice to the Town Council within thirty days.

SECTION 3

Town of Pantego Code of Ordinances Chapter 13 Utilities, Division 1 Generally, is hereby amended by revising Section 13.03.007 Billing; Delinquency which shall now provide as follows:

- (a) All bills for monthly water, sewer and trash services shall be due upon receipt and shall be considered delinquent after the billing due date with a penalty of 10% of the balance due to be charged if payment in full is not received by the town. In the event of delinquency in payment of the complete monthly service charges beyond 30 days after the date of billing, service shall be disconnected after two (2) days' notice to the customer. A fee in accordance with the fee schedule in appendix A of this code will be charged and collected by the town for reconnection and restoration of service, as well as all unpaid billings plus penalties, before the service is restored.
- (b) A customer may petition in writing to the City Manager to extend the period before disconnection up to 180 days, and the City Manager may grant the extension, in writing, if a demonstrable hardship is identified.

SECTION 4

Town of Pantego Code of Ordinances Chapter 13 Utilities, Division 1 Generally, is hereby amended by establishing Section 13.03.066 Groundwater Conservation District Fees which shall now provide as follows:

Secs. 13.03.066 Groundwater Conservation District Production Fees

Fees established by a Groundwater Conservation District will be paid by the customer as provided for in the fee schedule in Appendix A of this code.

SECTION 5

Town of Pantego Code of Ordinances Appendix A Fee Schedule, Article A10.000, is hereby amended by establishing Section A10.013 Groundwater Conservation District Fees which shall now provide as follows:

Sec. A10.013

In addition to the fees or rates determined under Section A10.004 the following fees shall be charged:

Northern Trinity Groundwater Conservation District Fee - \$0.125 per 1,000 gallons of water used

Northern Trinity Groundwater Conservation District Recovery Fee - \$0.125 per 1,000 gallons of water used

SECTION 6 PROVISIONS CUMULATIVE

This Ordinance shall be and is hereby declared to be cumulative of all other Ordinances of the Town of Pantego, and this Ordinance shall not operate to repeal or affect the Code of Ordinances of the Town of Pantego or any Ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such Code or Ordinance are hereby repealed.

SECTION 7 PROVISIONS SEVERABLE

That it is hereby declared to be the intention of the Town Council that the sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared void, ineffective or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such voidness, ineffectiveness or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the Town Council without the incorporation herein of any such void, ineffective or unconstitutional phrase, clause, sentence, paragraph or section.

**SECTION 8
SAVINGS CLAUSE**

That all rights or remedies of the Town of Pantego, Texas, are expressly saved as to any and all violations that have accrued at the time of the effective date of this ordinance, involving the provisions of any earlier or previous ordinances concerning the subjects of this ordinance, that have already accrued at the time of the effective date of this ordinance; and as to such accrued violations, and all pending litigation, both civil or criminal, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

**SECTION 9
EFFECTIVE DATE**

This ordinance shall be in full force and effect thirty days from and after its passage and publication as provided by law, and it is so ordained.

PASSED AND APPROVED on First Reading this the 8th day of June 2015, by a vote of 5 ayes, 0 nays, and 0 abstentions at a regular meeting of the Town Council of the Town of Pantego, Texas.

PASSED AND APPROVED on Second and Final Reading this the 22nd day of June 2015, by a vote of _____ ayes, _____ nays, and _____ abstentions at a regular meeting of the Town Council of the Town of Pantego, Texas.

APPROVED:

Russell Brewster, Mayor Pro-Tem

ATTEST:

Julie Arrington, City Secretary

APPROVED AS TO FORM:

James T. Jeffrey, Jr., City Attorney



TOWN OF PANTEGO
GROUNDWATER CONSERVATION DISTRICT FEE
WATER RATE STUDY

APRIL 21, 2015

BACKGROUND

The Texas Legislature authorized the creation of the Northern Trinity Groundwater Conservation District in 2007. The District is organized pursuant to Chapter 36 of the Texas Water Code, and is authorized to impose a fee of up to \$0.20 per 1,000 gallons of water pumped from certain wells subject to the District's rules. The District adopted temporary rules in March 2010 and imposed a fee of \$0.03 per 1,000 gallons effective October 2010, and followed with revised temporary rules in December 2011 with an increase in the fee to \$0.125 per 1,000 gallons in January 2012.

The Town of Pantego did not agree to pay the fees until December 2014. The Town Council directed Staff to prepare an ordinance imposing the fee as a "pass through" on the Town's utility customers, as well as to recover amounts paid previously.

FINDINGS

The Town of Pantego finds that the most expeditious manner for paying the Groundwater Conservation District fee in the future is to impose an identical \$0.125 per 1,000 gallon fee on its customers as shown in Exhibit "A". Furthermore, the Town finds that the most equitable and expeditious way of recovering past fees is to impose an additional \$.0125 per 1,000 gallons until such time as amount paid to the Northern Trinity Groundwater Conservation District prior to the imposition of this fee is collected, as shown in Exhibit "B". This is expected to occur in approximately four (4) years, at which time it is planned that the fee will be restructured to include only future costs identified in Exhibit "A".

EXHIBIT “A”
Projected Future Groundwater Conservation District Costs

Month	Projected Pumpage	NTGCD Fee (at \$.125 per 1,000 gal.)	Town Collection (at \$.125 per 1,000 gal.)	Variance
January	10,763,000	\$1,345.38	\$1,345.38	\$0.00
February	10,208,000	\$1,276.00	\$1,276.00	\$0.00
March	13,072,000	\$1,634.00	\$1,634.00	\$0.00
April	13,936,000	\$1,742.00	\$1,742.00	\$0.00
May	17,358,000	\$2,169.75	\$2,169.75	\$0.00
June	16,445,000	\$2,055.63	\$2,055.63	\$0.00
July	20,315,000	\$2,539.38	\$2,539.38	\$0.00
August	22,703,000	\$2,837.88	\$2,837.88	\$0.00
September	18,545,000	\$2,318.13	\$2,318.13	\$0.00
October	14,579,000	\$1,822.38	\$1,822.38	\$0.00
November	11,217,000	\$1,402.13	\$1,402.13	\$0.00
December	10,399,000	\$1,299.88	\$1,299.88	\$0.00
Total Annual	179,540,000	\$22,442.50	\$22,442.50	\$0.00

Assumptions:

1. Pumpage based on Fiscal Year 2013-14 amounts.
2. Assumes no variation from Projected Pumpage to the actual amount billed to customers.
In reality, there is some variation due to line breaks, storage in the system, and older meters.

EXHIBIT “B”
Past NTGCD Fee Recovery

Month	NTGCD Fee Balance	Projected Pumpage	Fee Rate	Amount Collected	Balance
May-15	\$84,623.99	17,358,000	\$0.125	\$2,169.75	\$ 82,454.24
Jun-15	\$82,454.24	16,445,000	\$0.125	\$2,055.63	\$ 80,398.62
Jul-15	\$80,398.62	20,315,000	\$0.125	\$2,539.38	\$ 77,859.24
Aug-15	\$77,859.24	22,703,000	\$0.125	\$2,837.88	\$ 75,021.37
Sep-15	\$75,021.37	18,545,000	\$0.125	\$2,318.13	\$ 72,703.24
Oct-15	\$72,703.24	14,579,000	\$0.125	\$1,822.38	\$ 70,880.87
Nov-15	\$70,880.87	11,217,000	\$0.125	\$1,402.13	\$ 69,478.74
Dec-15	\$69,478.74	10,399,000	\$0.125	\$1,299.88	\$ 68,178.87
Jan-16	\$68,178.87	10,763,000	\$0.125	\$1,345.38	\$ 66,833.49
Feb-16	\$66,833.49	10,208,000	\$0.125	\$1,276.00	\$ 65,557.49
Mar-16	\$65,557.49	13,072,000	\$0.125	\$1,634.00	\$ 63,923.49
Apr-16	\$63,923.49	13,936,000	\$0.125	\$1,742.00	\$ 62,181.49
May-16	\$62,181.49	17,358,000	\$0.125	\$2,169.75	\$ 60,011.74
Jun-16	\$60,011.74	16,445,000	\$0.125	\$2,055.63	\$ 57,956.12
Jul-16	\$57,956.12	20,315,000	\$0.125	\$2,539.38	\$ 55,416.74
Aug-16	\$55,416.74	22,703,000	\$0.125	\$2,837.88	\$ 52,578.87
Sep-16	\$52,578.87	18,545,000	\$0.125	\$2,318.13	\$ 50,260.74
Oct-16	\$50,260.74	14,579,000	\$0.125	\$1,822.38	\$ 48,438.37
Nov-16	\$48,438.37	11,217,000	\$0.125	\$1,402.13	\$ 47,036.24
Dec-16	\$47,036.24	10,399,000	\$0.125	\$1,299.88	\$ 45,736.37
Jan-17	\$45,736.37	10,763,000	\$0.125	\$1,345.38	\$ 44,390.99
Feb-17	\$44,390.99	10,208,000	\$0.125	\$1,276.00	\$ 43,114.99
Mar-17	\$43,114.99	13,072,000	\$0.125	\$1,634.00	\$ 41,480.99
Apr-17	\$41,480.99	13,936,000	\$0.125	\$1,742.00	\$ 39,738.99
May-17	\$39,738.99	17,358,000	\$0.125	\$2,169.75	\$ 37,569.24
Jun-17	\$37,569.24	16,445,000	\$0.125	\$2,055.63	\$ 35,513.62
Jul-17	\$35,513.62	20,315,000	\$0.125	\$2,539.38	\$ 32,974.24
Aug-17	\$32,974.24	22,703,000	\$0.125	\$2,837.88	\$ 30,136.37
Sep-17	\$30,136.37	18,545,000	\$0.125	\$2,318.13	\$ 27,818.24
Oct-17	\$27,818.24	14,579,000	\$0.125	\$1,822.38	\$ 25,995.87
Nov-17	\$25,995.87	11,217,000	\$0.125	\$1,402.13	\$ 24,593.74
Dec-17	\$24,593.74	10,399,000	\$0.125	\$1,299.88	\$ 23,293.87
Jan-18	\$23,293.87	10,763,000	\$0.125	\$1,345.38	\$ 21,948.49
Feb-18	\$21,948.49	10,208,000	\$0.125	\$1,276.00	\$ 20,672.49
Mar-18	\$20,672.49	13,072,000	\$0.125	\$1,634.00	\$ 19,038.49
Apr-18	\$19,038.49	13,936,000	\$0.125	\$1,742.00	\$ 17,296.49
May-18	\$17,296.49	17,358,000	\$0.125	\$2,169.75	\$ 15,126.74
Jun-18	\$15,126.74	16,445,000	\$0.125	\$2,055.63	\$ 13,071.12
Jul-18	\$13,071.12	20,315,000	\$0.125	\$2,539.38	\$ 10,531.74
Aug-18	\$10,531.74	22,703,000	\$0.125	\$2,837.88	\$ 7,693.87
Sep-18	\$7,693.87	18,545,000	\$0.125	\$2,318.13	\$ 5,375.74
Oct-18	\$5,375.74	14,579,000	\$0.125	\$1,822.38	\$ 3,553.37
Nov-18	\$3,553.37	11,217,000	\$0.125	\$1,402.13	\$ 2,151.24
Dec-18	\$2,151.24	10,399,000	\$0.125	\$1,299.88	\$ 851.37
Jan-19	\$851.37	10,763,000	\$0.125	\$1,345.38	\$ (494.01)

Past NTGCD Fee Recovery (Continued)

Assumptions:

1. Pumpage based on Fiscal Year 2013-14 amounts.
2. Assumes no variation from Projected Pumpage to the actual amount billed to customers. In reality, there is some variation due to line breaks, storage in the system, and older meters.
3. Assumes no conservation measures implemented beyond the current Stage 1 identified in the Town's Water Conservation Plan (no watering of lawns between 10:00 a.m. and 6:00 p.m.)



AGENDA BACKGROUND

AGENDA ITEM: Discuss, direct, and consider action on a presentation by the City Secretary regarding an upgrade of the Electronic Record Management System.

Date: June 22, 2015

PRESENTER:

Julie Arrington, City Secretary

BACKGROUND:

Laserfische is the current Electronic Record Management System used by the Town to house all records. This frees up the space that would be required for paper records. The concept of the Electronic Record Management System is to allow all department heads and/or employees access to the town's records at any time. The Texas State Library and Archives (TSLA) oversee the Town's storage of records, the management of the records, and the retention of the records. It is the recommendation of the TSLA to keep any record requiring a ten year or longer retention in the original paper copy; as well as any record that cannot be reproduced in an exact replica of the original. These records can be kept in Laserfische to allow for access but must also be kept in paper form. The Town currently utilizes Laserfische 7.2 from Franklin Digital. I have researched and compared several other equivalent systems to our current system. My findings are included in my presentation.

FISCAL IMPACT:

The implementation cost is \$10,600 for seven users; each additional user is \$600. The recurring annual cost is \$2,700.00. The General Administration Budget has savings in some other accounts that will allow for payment of the seven users without a budget amendment or a Fund Balance draw. It would be optimum to have twelve users for a total of \$13,600.00 and \$3,200 recurring annually. This would give access to every department head. Currently the General Administration Budget does not have the savings to cover this cost.

RECOMMENDATION:

Staff recommends the upgrade to the Laserfische Avante from Franklin Digital at a cost of \$10,600 for the first year and \$2,700 for each additional year.

ATTACHMENTS:

Electronic Records System PowerPoint
Laserfische contract

Director's Review: _____
City Manager's Review: _____

Records Management

Electronic Software Systems

- Eliminate duplicate and superfluous records
- Protect vital records and permanent records
- Provide rapid retrieval of information
- Maximize the use of space, equipment, personnel, and other resources
- Efficient record retention

Purpose



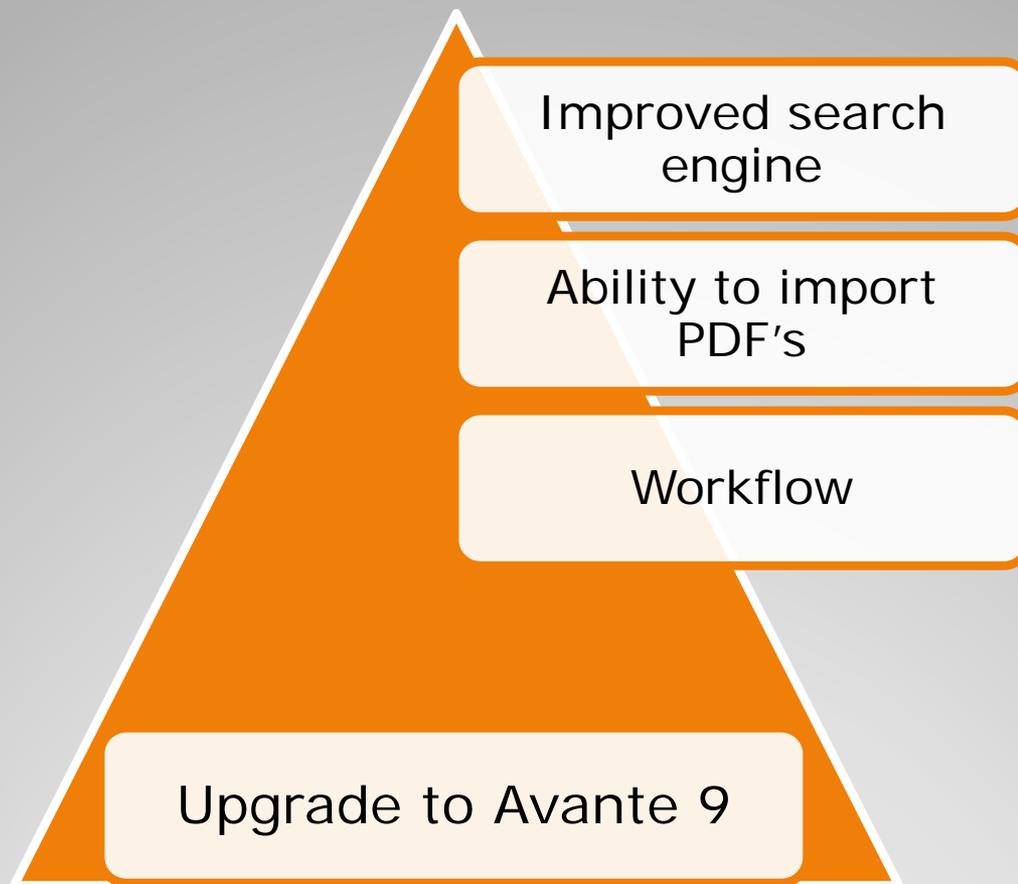
I spoke to six contractors and only two could provide something comparable to what we have already.

Laserfische (Franklin Digital)

Content Verse

Vista Solutions

Providers



Laserfische

Pros

- Automatic OCR
- Text OCR
- Customized Data Fields
- Interface/Software Storage
- Back up on to our cloud server with Iwerk
- Automatically inputs files or you can drag and drop
- Exports Documents into e-mails, the printer, as separate pages or all together, converts to alternative formats
- Integrated Workflow cost included
- Automatic alerts, tracks changes, redacting function
- Searchable Functions by keywords, date ranges, or browsing all documents.
- Various authorizations allowed
- Training, Migration, workflow in the cost of the contract and Tyler integration an additional \$1,500
- No proprietary formats
- Cost \$10,000 first year, \$2600 each year after.

Cons

- Integration with Tyler \$1,500.00
- Quote is for 6 users; we need at least 7.
- In order for Tyler to integrate with Laserfische the cost is \$18,550 with \$4,119 as the recurring annual M/O cost.

Laserfische

Pros

- OCR Function, Manual and text only
- Windows based software
- Cloud backup in Chicago
- Inputs files in 10-15 different manners
- Exports Documents for Printing and will convert to an alternate format
- Tracks changes, gives automatic updates, and will redact
- Quote is for 10 users

Cons

- No automatic OCR
- No customized data fields
- No back up provided.
- Will not export to emails
- Workflow an additional \$725.00
- Limited to 5 users with varying authorizations
- Training an additional \$380.00
- Additional modules Isis Scanner Interface and EZ Finder
- No integration with Tyler
- Migration estimated \$150-\$180 depends on the amount of data to transfer
- Total costs first year \$16,640.00
- Second year 17% of first year cost \$2,828.80

Content Verse

Pros

- Text only OCR available
- Storage on Town's server.
- Backed up with Iwerks
- Drag & drop input of files
- Exports as an e-mail, for printing, and separate pages
- Track changes, and allows redacting
- Shows all files, searchable by keywords and date ranges.
- Varying authorizations for users
- 5-10 users allowed for this price
- No proprietary formats

Cons

- .tif files only
- OCR is a separate module and costs \$4,000 with a M & O of \$800.00
- Additional costs for exporting to a .pdf \$3,500 with a M & O of \$700.00
- No automatic alerts available on the editing of documents
- Future holds integration with Tyler
- First year cost \$21,650.00
- Quote is for 5 users
- Force 36month agreement at \$75.00 per month
- Training for the OCR and .pdf exporting modules \$400.00 for 3 hours.

Vista Solutions

- Staff recommends the approval of the Laserfische Avante 9.
 - The cost for the functions received is over and beyond what anyone else can provided
 - Migration is non-existent
 - Training is free
 - Additional Workflow capability
 - Automatic OCR function
 - Customization of data files and flexibility of exported documents.
 - Integrates with Tyler (the con is the cost)
 - The responsiveness of the facilitator is exemplary
 - No salesman meaning no transferring of the responsibilities, we speak with the person who gets it done 100%

Staff Recommendation



FRANKLIN DIGITAL SOLUTIONS LASERFICHE SOFTWARE MAINTENANCE AND SUPPORT AGREEMENT

This Agreement entered into between Franklin Digital Solutions, Inc. (Provider) of 2435 20th Street, Lubbock, Texas 79411, and the Town of Pantego (Customer) of Pantego, Texas, is for the period of one year, beginning on the date of execution and ending one year thereafter, with said Agreement automatically renewing each year unless written notification is given by either party at least 60 days before the expiration of that year term.

Franklin Digital Solutions will provide maintenance and support services (Services) to the Town of Pantego as defined in this Agreement for the following Software described in the pricing portion herein.

1. Laserfiche Software Assurance Plan. Client will be invoiced by Franklin Digital Solutions for the annual Laserfiche Software Assurance Plan (LSAP) in accordance with current LSAP pricing provided by Laserfiche. LSAP will be billed concurrently with other service costs as set forth herein.

2. Service Packages. Client will be invoiced for one of three Service Packages as outlined below:

- Service Package A (1 days/8 hours): \$1,000.00
- Service Package B (3 days/24 hours): \$2,695.00
- Service Package C (5 days/40 hours): \$3,995.00

(Please indicate selection of desired Service Package.)

Should service in a one-year period exceed the number of hours included in the selected Service Package, services will be provided at the hourly rate of \$150.00.

(Note: Service Package A is not recommended for systems with more than 5 users.)

3. Maintenance. Franklin Digital Solutions shall use commercially reasonable best efforts to identify and resolve bugs, errors and other problems with the Laserfiche software, whether discovered by Franklin Digital Solutions or reported by customers or from any other credible source.

4. Support. Franklin Digital Solutions shall provide phone support to Customer from 9:00 a.m. to 4:30 p.m. CST on normal business days, excluding normal and customary holidays. Typical response time is less than one hour, but Franklin Digital Solutions shall respond to Customer within 3 normal business hours. Contact by email is preferred. Franklin Digital Solutions shall use commercial reasonable best efforts to

answer questions, identify and resolve problems with the Laserfiche software, and assist with operational procedures or work-arounds.

Upon request of Customer, Franklin Digital Solutions shall provide on-site support within a mutually agreed time frame. The charges for such visits are not included in the compensation referred to above and shall be an additional charge at the standard consulting rates and shall include all travel and incidental expenses. All charges must be agreed to in writing prior to commencement of any on-site support.

5. Service Limitations. Franklin Digital Solutions shall be under no obligation to provide services as a result of (a) the operation of the software outside normal configurations described in product documentation; (b) Customer's material failure to maintain the software according to industry standards and conventions or as required by product documentation; (c) customization of the software or integration with other software by anyone other than Franklin Digital Solutions.

6. Limitation of Liability. Franklin Digital Solution's sole liability under this Agreement shall be limited to direct, objectively measured damages. In no event shall either party have any liability to the other for indirect, consequential, special, incidental or speculative damages whether arising under contract, tort or statute, claims of infringement, loss of good will and loss of profits. Franklin Digital Solution's total liability for all claims under this Agreement shall be limited to the fees received by Franklin Digital Solutions for the Services provided during the annual period of performance.

7. License. The support and maintenance services provided under this Agreement are subject to the software license agreement for the Laserfiche software.

TOWN OF PANTEGO SQL LASERFICHE SYSTEM PRICING

1st Year Basic System Cost:

Software Costs

Product Code	Product Name	Quantity	Unit Price	Line Total
MSE30	Avante MS SQL Server (with Workflow)	1.00	\$5,000.00	\$5,000.00
MSE30B	Avante MS SQL Server Basic LSAP	1.00	\$1,000.00	\$1,000.00
MNF05	Named Full User w/Email and Snapshot	6.00	\$500.00	\$3,000.00
MNF05B	Named Full User w/Email and Snapshot Basic LSAP	6.00	\$100.00	\$600.00
Total LF Software Cost				\$9,600.00

Service Costs

Product	Description	Line Total
I & C, Training	Installation and Commissioning of Software; Training and Follow-up	\$2,450.00
SP-A	Service Package A (1 day/8 hours)	\$1,000.00
Total Install Cost		\$3,450.00

Total Base System Cost w/ Installation: \$13,050.00

LESS Trade-in quote from Laserfiche (- \$1,620.00) = \$11,430.00

LESS 10% Franklin Legal Publishing Code Client Discount (- \$1,430.00) = **\$10,000.00**

Basic System LSAP and Other Maintenance Per Year After 1st Year:

Product Code	Product Name	Quantity	Unit Price	Line Total
MSE30B	Laserfiche Avante Server for SQL Server with Workflow Basic LSAP	1.00	\$1,000.00	\$1,000.00
MNF05B	Named Full User Basic LSAP	6.00	\$100.00	\$600.00
SP-A	Service Package A (1 day/8 hours)			\$1,000.00
Total LSAP and Other Maintenance Each Year				\$2,600.00

Other Optional Costs:

Service Package(s), purchasable in blocks of days. Includes:

- Training via web or telephone (travel costs for onsite visits not included)
- Remote troubleshooting
- Remote implementation and/or configuration
- Remote software updates

Service Package C (5 days/40 hours): \$3,995.00

Optional Hardware Costs

Product	Description	QTY	Unit Price	Total
Fi 6130	Fujitsu fi 6130 Scanner	1	\$1,200.00	\$1,200.00
Total Hardware Cost				\$1,200.00

NOTE: The above prices were constructed under the assumption that each user will be operating a PC on a server that meets the minimum system requirements as follows:

Minimum Client PC Requirements:

- **CPU:** 1.8 GHz or faster processor
- **Memory:** 2 GB RAM
- **Operating system:** Windows XP (Service Pack 2), Windows Server 2003 (Service Pack 1), Windows Server 2003 Release 2, Windows Vista, Windows Server 2008, Windows 7

Minimum Server Requirements:

- **Database engine:** MSDE (Service Pack 3), Microsoft SQL Server 2000 (Service Pack 3), Microsoft SQL Server 2005 (Service Pack 2), Microsoft SQL Server 2008

Authorized Signatures

Franklin Digital Solutions

Signature

Name

Title

Date

Town of Pantego

Signature

Name

Title

Date