



CITY COUNCIL AGENDA

Monday, November 18, 2024 at 6:00 PM

City Hall – Council Chambers, 200 North Fifth, Crockett, TX 75835

Dr. Ianthia Fisher, Mayor

Dennis Ivey, Council Member
Darrell Jones, Council Member
NaTrenia Hicks Council Member
Elbert Johnson, Council Member
Mike Marsh, Mayor Pro Tem

John Angerstein, City Administrator
Mitzi Stefka, City Secretary
William Pemberton, City Attorney
Clayton Smith, Police Chief
Jason Frizzell, Fire Chief

Notice is hereby given of a meeting of the City Council of Crockett to be held on **MONDAY, NOVEMBER 18, 2024 at 6:00 PM** at City Hall – Council Chambers, 200 North Fifth, Crockett, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action.

OPEN MEETING WITH INVOCATION AND PLEDGE

RECOGNITION OF VISITORS

COMMENTS FROM AUDIENCE OR COUNCIL *(At this time, anyone will be allowed to speak on City related matters only; no personal matters or matters under litigation will be allowed. The length of time may not exceed three (3) minutes. NO Council discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law.)*

APPROVAL OF MINUTES

1. REGULAR SESSION: NOVEMBER 4, 2024

REPORTS

2. POLICE DEPARTMENT MANPOWER & CRIMINAL INCIDENT REPORT FOR OCTOBER 2024
3. FIRE DEPARTMENT MONTHLY ACTIVITY & STATUS REPORT FOR OCTOBER 2024

BUSINESS

4. CONSIDER AND APPROVE AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024A (TAXABLE); AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT RELATING TO SUCH CERTIFICATES; PRESCRIBING THE FORM OF SAID CERTIFICATES; LEVYING A TAX AND PLEDGING SURPLUS REVENUES OF THE WATER AND SEWER SYSTEM IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO
5. CONSIDER AND APPROVE AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024B; AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT RELATING TO SUCH CERTIFICATES; PRESCRIBING THE FORM OF SAID CERTIFICATES; LEVYING A TAX AND PLEDGING SURPLUS REVENUES OF THE WATER AND SEWER SYSTEM IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO
6. CONSIDER AND APPROVE A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS APPROVING A PRINCIPAL FORGIVENESS AGREEMENT WITH THE TEXAS WATER DEVELOPMENT BOARD UNDER THE CLEAN WATER STATE REVOLVING FUND AND AUTHORIZING THE MAYOR AS THE DESIGNATED REPRESENTATIVE OF THE CITY TO EXECUTE THE PRINCIPAL FORGIVENESS AGREEMENT; AND APPROVING OTHER MATTERS RELATED THERETO

7. CONSIDER AND APPROVE AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024C; AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT RELATING TO SUCH CERTIFICATES; PRESCRIBING THE FORM OF SAID CERTIFICATES; LEVYING A TAX AND PLEDGING SURPLUS REVENUES OF THE WATER AND SEWER SYSTEM IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO
8. CONSIDER AND APPROVE A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS APPROVING A PRINCIPAL FORGIVENESS AGREEMENT WITH THE TEXAS WATER DEVELOPMENT BOARD UNDER THE DRINKING WATER STATE REVOLVING FUND AND AUTHORIZING THE MAYOR AS THE DESIGNATED REPRESENTATIVE OF THE CITY TO EXECUTE THE PRINCIPAL FORGIVENESS AGREEMENT; AND APPROVING OTHER MATTERS RELATED THERETO
9. CONSIDER AND APPROVE A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS PROVIDING FOR THE REPLACEMENT OF THE ESCROW/DEPOSITORY/REGISTRAR BANK FOR THE CITY OF CROCKETT, TEXAS, REVENUE BONDS, SERIES 2019A AND THE CITY OF CROCKETT, TEXAS, REVENUE BONDS, SERIES 2019B; APPROVING THE FORM AND SUBSTANCE OF RELATED DOCUMENTS; AUTHORIZING CITY OFFICIALS TO EXECUTE NOTICES AND AGREEMENTS RELATED THERETO; AND APPROVING OTHER MATTERS RELATED THERETO
10. CONSIDER AND APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR THE COMMUNITY DEVELOPMENT FUND
11. CONSIDER AND APPROVE AUTHORIZING THE SUBMISSION OF AN ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM APPLICATION TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA); AND AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO ACT AS THE CITY'S AUTHORIZED REPRESENTATIVES IN ALL MATTERS PERTAINING TO THE CITY'S PARTICIPATION IN THE ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM
12. CONSIDER AND APPROVE UPDATES TO PERSONNEL POLICY MANUAL

ADJOURNMENT

In compliance with the Americans with Disabilities Act, the City of Crockett will provide for reasonable accommodations for persons attending City Council meetings. To better serve you, requests should be received 24 hours prior to the meetings. Please contact Mitzi Stefka, City Secretary, at 936-544-5156.

CERTIFICATION

I certify that a copy of the November 18, 2024 agenda of items to be considered by the Crockett City Council was posted for viewing at Crockett City Hall on November 14, 2024 before 5:00 PM.

Mitzi Stefka, City Secretary

I certify that the agenda items to be considered by the City Council was removed from the City Hall window on the ____ day of _____, 2024. _____ Title _____

MINUTES OF THE CROCKETT CITY COUNCIL MEETING HELD ON THE 4th DAY OF NOVEMBER 2024 IN THE CITY HALL COUNCIL CHAMBERS, LOCATED AT 200 NORTH FIFTH IN THE CITY OF CROCKETT, HOUSTON COUNTY TEXAS AT 6:00 P.M.

THE COUNCIL MET IN REGULAR SESSION WITH THE FOLLOWING MEMBERS PRESENT: IANTHIA FISHER, DENNIS IVEY, DARRELL JONES, NATRENIA HICKS, AND MIKE MARSH. CITY OFFICIALS PRESENT: CITY ADMINISTRATOR JOHN ANGERSTEIN, CITY SECRETARY MITZI STEFKA, ASSISTANT CITY ADMINISTRATOR LEE STANDLEY, AND POLICE CHIEF CLAYTON SMITH. ELBERT JOHNSON WAS NOT PRESENT.

OPEN MEETING WITH INVOCATION AND PLEDGE

Mayor Fisher called the regular session open and gave the invocation. All joined in the pledge.

RECOGNITION OF VISITORS

Mayor Fisher recognized all visitors present and thanked them for their attendance.

COMMENTS FROM AUDIENCE OR COUNCIL *(At this time, anyone will be allowed to speak on City related matters only; no personnel matters or matters under litigation will be allowed. The length of time may not exceed three minutes. NO Council discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law.)*

- Mayor Fisher – Recognized CEIDC Executive Director James Gentry for receipt of service award from Texas Economic Development Council.
- Michael White – Requested street repairs in Rolling Hills subdivision.

APPROVAL OF MINUTES

1. REGULAR SESSION: OCTOBER 21, 2024

Mayor Pro Tem Marsh made a motion to approve the minutes of the October 21, 2024 regular session. Council member Ivey seconded the motion. Motion passes 4-0.

BUSINESS

2. CONSIDER AND APPROVE THE SERVICE AGREEMENT WITH VEPO ENVIROTRAX FOR THE MANAGEMENT OF BACKFLOW PREVENTION INSPECTIONS, CUSTOMER SERVICES INSPECTIONS, AND GREASE TRAP INSPECTIONS

Mayor Pro Tem Marsh made a motion to approve the service agreement with Vepo Envirotrax for the management of backflow prevention inspections, customer services inspections and grease trap inspections. Council member Ivey seconded the motion. Motion passes 4-0.

3. CONSIDER AND APPROVE AN ORDINANCE OF THE CITY OF CROCKETT, TEXAS AMENDING CHAPTER 10, GARBAGE AND TRASH OF THE CROCKETT CODE; AMENDING SECTION 10-29, RATES, TO CHANGE THE RATES; PROVIDING A SEVERABILITY CLAUSE; CONTAINING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE

Council member Hicks made a motion to approve an Ordinance of the City of Crockett, Texas amending Chapter 10, Garbage and Trash of the Crockett Code; amending Section 10-29, Rates, to change the rates; providing a severability clause; containing a repealing clause; and providing an effective date. Council member Jones seconded the motion. Motion passes 4-0.

4. CONSIDER AND APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS, SELECTING A GRANT WRITER / ADMINISTRATOR TO ASSIST THE CITY WITH THE SUBMITTAL OF AN APPLICATION FOR FUNDING AND ADMINISTRATION OF A CONTRACT, IF AWARDED, FROM THE TEXAS DEPARTMENT OF AGRICULTURE (TDA) FOR THE TEXAS COMMUNITY BLOCK GRANT PROGRAM – COMMUNITY DEVELOPMENT FUND (CDBG-CD)

Mr. Angerstein informed council that the city received three (3) responses to the city's requests for proposals for grant writing and administration of \$750,000 CDBG-CD grant.

- Grantworks – 6.6% (\$49,500)
- Traylor and Associates – 6.6% (49,500)
- Langford CMS – 10% (\$75,000)

Council member Jones questioned the need for hiring a 3rd party to write the grant when the city has a grant writer in-house. Mr. Jones referred to the employee by name and said he is being paid \$60,000 per year. Mr. Angerstein explained that the employee mentioned is not a grant writer and grant writing is not in the job description for that position. Mr. Jones and Mrs. Hicks continued to discuss the point after being warned by the City Administrator and the Mayor that the discussion of personnel matters was not allowed in open meeting and wasn't an agenda item.

Mayor Pro Tem Marsh made a motion to approve a Resolution of the City Council of the City of Crockett, Texas, selecting Traylor and Associates to assist the city with the submittal of an application for funding and administration of a contract, if awarded, from the Texas Department of Agriculture (TDA) for the Texas Community Block Grant Program – Community Development Fund (CDBG-CD). Motion passes 3-2. Council members Jones and Hicks voted against. Mayor Fisher broke the tie with an affirmative vote.

5. CONSIDER AND APPROVE REAPPOINTMENT OF MEMBERS TO BUILDING & STANDARDS COMMISSION

Mr. Angerstein explained that Charles Arnold had resigned from the Building & Standards Commission and asked council to approve the appointment of Scott Sheley as his replacement. Mr. Sheley has been an alternate member of the B&S Commission. Council member Jones made a motion to approve reappointment of Scott Sheley to replace Charles Arnold as a member of the Building and Standards Commission. Council member Hicks seconded the motion. Motion passes 4-0.

- 6. CONSIDER AND APPROVE TEMPORARY CLOSURE OF CAMP STREET/SOUTH 3RD STREET FROM WEST GOLIAD TO CAMP STREET CAFE FOR WEDDING ON NOVEMBER 16, 2024 BETWEEN THE HOURS OF 12 PM TO 7 PM

Mayor Pro Tem Marsh made a motion to approve the temporary closure of Camp Street/South 3rd Street from West Goliad to Camp Street for wedding on November 16, 2024 between the hours of 12 PM and 7 PM. Council member Ivey seconded the motion. Motion passes 3-2. Council members Jones and Hicks voted against. Mayor Fisher broke the tie with an affirmative vote.

- 7. CONSIDER AND APPROVE BID FOR PHASE 1 BUILDING RENOVATIONS OF THE VO-TECH CENTER AT 1505 SOUTH 4TH ST

Council member Jones made a motion to approve bid for Phase 1 building renovations of the Vo-Tech Center at 1505 South 4th Street. Mayor Pro Tem Marsh seconded the motion. Motion passes 4-0.

Council members Jones and Hicks asked for clarification about the possible consequences of two propositions on the November 5, 2024 general election ballot. Mr. Jones asked the City Secretary to quote him in saying, "I checked with the Appraisal District and the word out there is that taxes will go down 30%, but they say the taxes will not go down at all." Mayor Fisher informed them they could ask for an item to be placed on a future agenda to discuss it further.

ADJOURNMENT

Without objection, Mayor Fisher adjourned the meeting at 7:23 P.M.

Dr. Ianthia Fisher, Mayor

ATTEST:

Mitzi Stefka, City Secretary



City of Crockett
POLICE DEPARTMENT



Item 2.

COURTESY
PROTECTION
DEDICATION

CROCKETT, TEXAS 75835

CHIEF OF POLICE
Clayton Smith

936-544-2021 * 200 NORTH FIFTH STREET

Mayor
Dr. Ianthia Fisher

October 2024

Manpower: 16

Manpower Hours: 3050

Calls: 409

Accidents: 9

Arrests: 21

Traffic: 288

Reports: 56

Alarm Calls: 25

False Alarms: 21

No Fault Alarms: 4

Assault: 3

Burglary: 1

Criminal Mischief: 0

Criminal Trespass: 1

Disorderly Conduct: 0

Driving While Intoxicated: 1

Forgery: 0

Possession of Controlled Substance: 2

Possession of Drug Paraphernalia: 2

Possession of Marijuana: 0

Public Intoxication: 0

Resisting Arrest: 0

Theft: 5

Unlawful Possession of Firearm: 1

Unauthorized use of Motor Vehicle: 0

Miscellaneous Offenses: 45

Comments: REPORTING PERIOD: OCTOBER 1-31,2024 MISCELLANEOUS OFFENSES INCLUDES 13 WARRANT SERVICES.

CROCKETT FIRE DEPT. MONTHLY ACTIVITY AND STATUS REPORT FOR 2023

2024	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	AVG
CITY CALLS	32	25	30	36	45	40	29	32	29	32	0	0	330	0
STRUCTURE FIRES:	0	1	0	0	0	0	0	2	0	0	0	0	3	0
Business	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential	0	1	0	0	1	0	0	2	0	0	0	0	4	0
VEHICLE FIRES	0	1	0	0	0	0	1	2	1	1	0	0	6	0
GRASS / WOODS FIRES	0	0	1	0	0	0	1	1	0	3	0	0	6	0
REFUSE / TRASH FIRE	0	0	0	1	1	0	0	0	1	3	0	0	6	0
VEHICLE ACCIDENT	6	5	5	5	6	9	4	4	6	5	0	0	55	0
VEHICLE ACCIDENT w/RESCUE	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TECHNICAL RESCUE	0	0	0	1	0	3	0	0	0	1	0	0	5	0
POWERLINE EMERGENCIES	4	0	2	8	9	2	3	2	1	0	0	0	31	0
TREES DOWN	0	0	0	0	5	0	0	0	0	0	0	0	5	0
NATURAL/LPG GAS LEAK	0	2	0	0	2	6	2	8	2	3	0	0	25	0
HAZ-MAT SPILL / LEAK	0	0	4	0	1	1	0	0	0	0	0	0	31	0
CARBON MONOXIDE ALARM	0	0	0	1	0	0	2	1	0	0	0	0	0	0
EMS FIRST RESPONDER	6	7	4	3	3	6	2	4	9	5	0	0	49	0
EMS LIFT ASSIST	8	2	9	14	9	2	9	3	6	3	0	0	65	0
LANDING ZONE SET-UP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FALSE ALARM BUSINESS	4	1	0	1	5	4	2	1	1	0	0	0	19	0
FALSE ALARM RESIDENTIAL	3	4	2	1	0	1	2	4	0	3	0	0	20	0
TERRORISTIC/BOMB THREAT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FIRE / SMOKE INVESTIGATION	1	1	3	1	4	5	0	1	1	4	0	0	21	0
CONTROL BURN	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TRAFFIC CONTROL	0	0	0	0	0	1	0	0	0	0	0	0	1	0
AGENCY ASSIST	0	1	0	0	0	0	2	0	1	2	0	0	6	0
ARSON ARREST	0	0	0	0	0	0	0	0	0	0	0	0	0	0

CROCKETT FIRE DEPT. MONTHLY ACTIVITY AND STATUS REPORT FOR 2023

Item 3.

2024	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	AVG
COUNTY CALLS	16	9	13	10	15	7	10	3	12	16	0	0	111	0
STRUCTURE FIRES:	2	1	3	1	0	0	0	0	0	0	0	0	7	0
Business	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential	2	1	3	1	1	0	0	0	0	1	0	0	9	0
VEHICLE FIRES	1	0	1	0	1	1	0	1	2	2	0	0	9	0
GRASS / WOODS FIRES	5	2	2	1	1	1	2	0	7	4	0	0	25	0
REFUSE / TRASH FIRE	0	0	0	0	0	0	0	0	0	4	0	0	4	0
VEHICLE ACCIDENT	5	3	5	2	2	2	5	2	1	3	0	0	30	0
VEHICLE ACCIDENT w/Extrication	1	0	0	0	1	0	0	0	0	0	0	0	2	0
TECHNICAL RESCUE	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LANDING ZONE SET-UP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HAZ-MAT SPILL / LEAK	0	0	0	0	0	0	0	0	0	0	0	0	0	0
POWERLINE EMERGENCIES	0	1	1	3	1	0	0	0	1	0	0	0	0	0
TREES DOWN	1	2	0	3	8	1	2	0	0	0	0	0	17	0
NATURAL/LPG GAS LEAK	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OIL/GAS WELL FIRE	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CARBON MONOXIDE ALARM	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EMS FIRST RESPONDER	0	0	0	0	0	0	1	0	1	0	0	0	2	0
EMS LIFT ASSIST	0	0	1	0	0	0	0	0	0	0	0	0	1	0
FALSE ALARM BUSINESS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FALSE ALARM RESIDENTIAL	1		0	0	0	0	0	0	0	0	0	0	1	0
TERRORISTIC THREAT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FIRE / SMOKE INVESTIGATION	0	0	0	0	1	2	0	0	0	2	0	0	5	0
TRAFFIC CONTROL	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CONTROL BURN	0	0	0	0	0	0	0	0	0	0	0	0	0	0

CROCKETT FIRE DEPT. MONTHLY ACTIVITY AND STATUS REPORT FOR 2023

Item 3.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	AVG
2024														
TOTAL CALLS	48	34	43	46	60	47	39	35	41	48	0	0	0	0
ACTIVE MEMBERS (PAID / VOL.)	17	17	17	17	17	17	17	17	17	17	0	0	0	0
PAYROLL	\$5,100	\$5,100	\$3,000	\$3,000	\$3,000	\$3,500	\$3,000	\$3,100	\$3,100	\$3,300	\$0	\$0	\$0	0
VOLUNTEER MAN HOURS	300	285	210	200	240	200	190	200	245	310	0	0	0	0
COST PER MAN HOUR	\$17.00	\$17.89	\$14.29	\$15.00	\$12.50	\$17.50	\$15.79	\$15.50	\$12.65	\$10.65	0	\$0.00	\$0.00	0
FIREFIGHTER INJURIES	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FIREFIGHTER FATALITIES	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CIVILIAN INJURIES	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CIVILIAN FATALITIES	0	0	0	0	0	0	0	0	0	2	0	0	0	0
MUTUAL AID GIVEN	5	0	4	3	3	1	1	1	5	4	0	0	0	0
MUTUAL AID RECEIVED	0	3	0	0	1	0	0	1	0	6	0	0	0	0
OUT OF COUNTY CALLS	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

ORDINANCE NO. O-11B-24

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024A (TAXABLE); AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT RELATING TO SUCH CERTIFICATES; PRESCRIBING THE FORM OF SAID CERTIFICATES; LEVYING A TAX AND PLEDGING SURPLUS REVENUES OF THE WATER AND SEWER SYSTEM IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO

THE STATE OF TEXAS §
COUNTY OF HOUSTON §
CITY OF CROCKETT §

WHEREAS, the City Council of the City of Crockett, Texas (the “City”), authorized the publication of a notice of intention to issue certificates of obligation to the effect that the City Council would meet on November 18, 2024 to adopt an ordinance and take such other action as may be deemed necessary to authorize the issuance of certificates of obligation payable from City ad valorem taxes and from a pledge of and lien on the surplus revenues of the City’s water and sewer system, for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with the improvements to the City’s sanitary sewer system, including the planning, development and construction of improvements to the City’s wastewater treatment plant and sanitary sewer system facilities, and the costs of the costs of professional services related thereto; and

WHEREAS, such notice was published at the times and in the manner required by the Constitution and laws of the State of Texas, particularly Subchapter C, Chapter 271, Texas Local Government Code, as amended; and

WHEREAS, no petition or other request has been filed with or presented to any official of the City requesting that any of the proceedings authorizing such Certificates (as defined herein) be submitted to a referendum or other election; and

WHEREAS, the City is authorized to make the pledge of Surplus Revenues (as defined herein) pursuant to Chapter 1502, Texas Government Code; and

WHEREAS, the City is now authorized and empowered to proceed with the issuance and sale of the Certificates, and has found and determined that it is necessary and in the best interests of the City and its citizens that it issue the Certificates in accordance with the terms and provisions of this Ordinance; and

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

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

1. Recitals. It is hereby found and determined that the matters and facts set out in the preamble to this Ordinance are true and correct and incorporated herein for all purposes.

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

“Act” means Chapter 271, Texas Local Government Code, as amended.

“Attorney General” means the Attorney General of the State.

“Blanket Issuer Letter of Representations” means the Blanket Issuer Letter of Representations between the City, the Paying Agent/Registrar and DTC.

“Bond Counsel” means Bracewell LLP.

“Business Day” means any day which is not a Saturday, Sunday, or a day on which the Paying Agent/Registrar is authorized by law or executive order to close, or a legal holiday.

“Certificate” or “Certificates” means the City of Crockett, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024A (Taxable) authorized in this Ordinance, unless the context clearly indicates otherwise.

“City” means the City of Crockett, Texas.

“City Council” means the City Council of the City.

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

“Comptroller” means the Comptroller of Public Accounts of the State.

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

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

“Escrow Agent” means BOKF, NA, Dallas, Texas, and its successors and assigns, or such other escrow agent as may be approved by the Mayor or Mayor Pro Tem and acceptable to the TWDB.

“Escrow Agreement” means the escrow agreement by and between the City and the Escrow Agent pertaining to the deposit of the proceeds of the Certificates.

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

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

“Initial Certificate” means the Initial Certificate authorized by Section 6(d) of this Ordinance.

“Interest and Sinking Fund” means the interest and sinking fund for payment of the Certificates established by the City in Section 16 of this Ordinance.

“Issuance Date” with respect to the Certificates initially delivered to the TWDB, shall mean the date on which each such Certificate is authenticated by the Paying Agent/Registrar and delivered to and paid for by the TWDB. Certificates delivered on transfer of or in exchange for other Certificates shall bear the same Issuance Date as the Certificate or Certificates in lieu of or in exchange for which the new Certificate is delivered.

“MSRB” means the Municipal Securities Rulemaking Board.

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

“Owner” means any person who shall be the registered owner of any outstanding Certificate.

“Paying Agent/Registrar” means BOKF, NA, Dallas, Texas, and its successors in that capacity.

“Project” means the improvements to the City’s sanitary sewer system, including the planning, development and construction of improvements to the City’s wastewater treatment plant and sanitary sewer system facilities, and the costs of the costs of professional services related thereto.

“Project Fund” shall mean the project fund established by the City pursuant to Section 25 of this Ordinance.

“Register” means the books of registration kept by the Paying Agent/Registrar in which the names and addresses of and the principal amounts registered to each Owner are maintained.

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

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

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

“State” means the State of Texas.

“Surplus Revenues” means the revenues available after the payment of operation and maintenance expenses of the System and the debt service payable from gross revenues or net revenues of the System, if any, as well as any other payments, costs or expenses designated in an ordinance authorizing the issuance of System revenue obligations.

“System” means the City’s water and sewer system.

“TWDB” means the Texas Water Development Board.

3. Authorization. The Certificates shall be issued pursuant to the Act in fully registered form, without coupons, in the total authorized principal amount of \$3,135,000 for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with the Project.

4. Designation and Date. The Certificates shall be designated as the “CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024A (TAXABLE),” and shall be dated December 1, 2024. The Certificates shall not bear interest.

5. Initial Certificates; Numbers and Denominations. The Certificates shall be issued in the principal amounts set forth in the following schedule, and may be transferred and exchanged as set out in this Ordinance. The Certificates shall mature on February 15 in each of the years and in the amounts set out in such schedule. The Initial Certificate shall be numbered I-1 and all other Certificates shall be numbered in sequence beginning with R-1. Certificates delivered on transfer of or in exchange for other Certificates shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of \$5,000 or integral multiples thereof, and shall mature on the same date as the Certificate or Certificates in lieu of which they are delivered.

[Remainder of Page Intentionally Left Blank]

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2026	\$110,000	2041	\$110,000
2027	110,000	2042	110,000
2028	110,000	2043	105,000
2029	110,000	2044	105,000
2030	110,000	2045	105,000
2031	110,000	2046	105,000
2032	110,000	2047	105,000
2033	110,000	2048	105,000
2034	110,000	2049	105,000
2035	110,000	2050	105,000
2036	110,000	2051	105,000
2037	110,000	2052	105,000
2038	110,000	2053	105,000
2039	110,000	2054	110,000
2040	110,000		_____

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

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

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until the Paying Agent/Registrar’s Authentication Certificate, substantially in the form provided herein, has been duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. In lieu of the executed Paying Agent/Registrar’s Authentication Certificate described above, the Initial Certificate delivered at the Issuance Date shall have attached thereto the Comptroller’s Registration Certificate substantially in the form provided herein, manually executed by the Comptroller or by his duly authorized agent, which certificate shall be evidence that the Initial Certificate has been duly approved by the Attorney General and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) On the Issuance Date, the Initial Certificate, being a single certificate representing the entire principal amount of the Certificates, payable in stated installments to the TWDB or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro Tem and City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller, shall be delivered to the TWDB or its designee. Upon payment for the Initial

Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver definitive Certificates to DTC.

7. Payment of Principal. The Paying Agent/Registrar is hereby appointed as the initial paying agent for the Certificates. The principal of the Certificates shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they become due and payable at the principal payment office of the Paying Agent/Registrar in Dallas, Texas. For so long as the TWDB is the Owner of the Certificates, all payments of principal will be made in wire transfer form at no cost to the TWDB and provide that the Certificates bear no interest.

If the date for payment of the principal of any Certificate is not a Business Day, then the date for such payment shall be the next succeeding Business Day, with the same force and effect as if made on the original date payment was due.

The Certificates do not bear interest.

8. Ownership; Unclaimed Principal. The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute Owner of such Certificate for the purpose of making payment of principal on such Certificate, and for all other purposes, whether or not such Certificate is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Certificate in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

Amounts held by the Paying Agent/Registrar which represent principal of the Certificates remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Paying Agent/Registrar in accordance with the applicable provisions of State law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

9. Registration, Transfer, and Exchange. So long as any Certificates remain outstanding, the Paying Agent/Registrar shall keep the Register at its principal payment office in Dallas, Texas, and subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Certificates in accordance with the terms of this Ordinance. The Issuance Date of each Certificate originally delivered to and paid for by TWDB shall be recorded in the Register.

Each Certificate shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, duly endorsed for transfer, or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Certificate for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within three (3) Business Days after such presentation, a new Certificate or Certificates, registered in the name of the transferee or transferees, in authorized denominations and of the same

maturity, aggregate principal amount, and Issuance Date, as the Certificate or Certificates so presented.

All Certificates shall be exchangeable upon presentation and surrender thereof at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, for a Certificate or Certificates of the same maturity and Issuance Date and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Certificate or Certificates presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Certificates in accordance with the provisions of this Section. Each Certificate delivered in accordance with this Section shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such Certificate is delivered.

The City or the Paying Agent/Registrar may require the Owner of any Certificate to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Certificate. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the City.

10. Mutilated, Lost, or Stolen Certificates. Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like maturity, Issuance Date, and principal amount, bearing a number not contemporaneously outstanding. If any Certificate is lost, apparently destroyed, or wrongfully taken, the City, pursuant to the applicable laws of the State and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authorize and the Paying Agent/Registrar shall authenticate and deliver a replacement Certificate of like maturity, Issuance Date, and principal amount, bearing a number not contemporaneously outstanding.

The City or the Paying Agent/Registrar may require the Owner of a mutilated Certificate to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Paying Agent/Registrar.

The City or the Paying Agent/Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Certificate, before any replacement Certificate is issued, to:

- (1) furnish to the City and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Certificate;
- (2) furnish such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;
- (3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that may be imposed; and

(4) meet any other reasonable requirements of the City and the Paying Agent/Registrar.

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

If any such mutilated, lost, apparently destroyed or wrongfully taken Certificate has become or is about to become due and payable, the City in its discretion may, instead of issuing a replacement Certificate, authorize the Paying Agent/Registrar to pay such Certificate.

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

11. Cancellation of Certificates. All Certificates paid in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment. The Paying Agent/Registrar shall furnish the City with appropriate certificates of destruction of such Certificates.

12. Book-Entry System. The Initial Certificates shall be delivered against payment to the TWDB. The TWDB shall be required to promptly surrender the Initial Certificates to the Paying Agent/Registrar for exchange. Certificates issued in exchange shall be registered in the name of Cede & Co., as nominee of DTC, as registered owner of the Certificates, and held in the custody of DTC. Unless otherwise requested by DTC, a single certificate will be issued and delivered to DTC for each maturity of the Certificates. Beneficial owners of Certificates will not receive physical delivery of Certificates except as provided hereinafter. For so long as DTC shall continue to serve as securities depository for the certificates as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Certificates is to receive, hold or deliver any Certificate.

With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC participant or any person on whose behalf a DTC participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any DTC participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC participant or any other person, other than a registered owner of the Certificates, as shown on the Register, of any notice with respect to the Certificates, including any notice of redemption, and (iii) the payment of any DTC participant or any other person, other than

a registered owner of the Certificates, as shown on the Register, of any amount with respect to principal of or premium, if any, or interest on the Certificates.

Replacement Certificates may be issued directly to beneficial owners of Certificates other than DTC, or its nominee, but only in the event that (i) DTC determines not to continue to act as securities depository for the Certificates (which determination shall become effective no less than 90 days after written notice to such effect to the City and the Paying Agent/Registrar); or (ii) the City has advised DTC of its determination (which determination is conclusive as to DTC and the beneficial owners of the Certificates) that the interests of the beneficial owners of the Certificates might be adversely affected if such book-entry only system of transfer is continued. Upon occurrence of any of the foregoing events, the City shall use its best efforts to attempt to locate another qualified securities depository. If the City fails to locate another qualified securities depository to replace DTC, the City shall cause to be authenticated and delivered replacement Certificates, in certificate form, to the beneficial owners of the Certificates. In the event that the City makes the determination noted in (ii) above (provided that the City undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the City to make any such determination), and has made provisions to notify the beneficial owners of Certificates of such determination by mailing an appropriate notice to DTC, it shall cause to be issued replacement Certificates in certificate form to beneficial owners of the Certificates as shown on the records of DTC provided to the City.

Whenever, during the term of the Certificates, the beneficial ownership thereof is determined by a book entry at DTC, the requirements in this Ordinance of holding, delivering or transferring Certificates shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

If at any time, DTC ceases to hold the Certificates as securities depository, all references herein to DTC shall be of no further force or effect.

Before the City can discontinue the book-entry-only system of registration through DTC, notice must be given to the TWDB and prior written consent of the TWDB must be received by the City.

13. Optional Redemption; Defeasance. (a) The Certificates are subject to optional redemption as set forth in the Form of Certificate in this Ordinance.

Principal amounts may be redeemed only in integral multiples of \$5,000. If a Certificate subject to redemption is in a denomination larger than \$5,000, a portion of such Certificate may be redeemed, but only in integral multiples of \$5,000. Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a Certificate or Certificates of like maturity and Issuance Date, in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered.

Notice of any redemption identifying the Certificates to be redeemed in whole or in part shall be given by the Paying Agent/Registrar at least 30 days prior to the date fixed for redemption by sending written notice by United States mail, first class, postage prepaid, to the Owner of each

Certificate to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which Certificates are to be surrendered for payment and, if less than all Certificates outstanding of a particular maturity are to be redeemed, the numbers of the Certificates or portions thereof of such maturity to be redeemed. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Certificates or portions thereof to be redeemed. When Certificates have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Certificates or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption.

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

(b) The Certificates may be discharged, defeased, redeemed or refunded in any manner now or hereafter permitted by law.

14. Forms. The form of the Certificates, including the form of the Paying Agent/Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller shall be, respectively, substantially as follows, with such additions, deletions and variations as may be necessary or desirable and not prohibited by this Ordinance:

(a) Form of Certificate.

REGISTERED
NUMBER

REGISTERED
DENOMINATION

\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF HOUSTON

CITY OF CROCKETT, TEXAS
COMBINATION TAX AND SURPLUS REVENUE CERTIFICATE OF OBLIGATION
SERIES 2024A (TAXABLE)

<u>MATURITY DATE:</u>	<u>DATED DATE:</u>	<u>ISSUANCE DATE:</u>	<u>CUSIP NO.:</u>
February 15, 20__	December 1, 2024	December 16, 2024	_____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

THE CITY OF CROCKETT, TEXAS (the “City”) promises to pay to the registered owner identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender of this Certificate at BOKF, NA (the “Paying Agent/Registrar”), at its principal payment office in Dallas, Texas, the principal amount identified above, payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America; provided, however, that for so long as the Texas Water Development Board (“TWDB”) is the Owner of the Certificates, all payments of principal will be made in wire transfer form at no cost to the TWDB. The Certificates do not bear interest

THIS CERTIFICATE is dated December 1, 2024 and is one of a series of fully registered certificates specified in the title hereof issued in the aggregate principal amount of \$3,135,000 (herein referred to as the “Certificates”), for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with the improvements to the City’s sanitary sewer system, including the planning, development and construction of improvements to the City’s wastewater treatment plant and sanitary sewer system facilities, and the costs of the costs of professional services related thereto, issued in accordance with the Constitution and laws of the State of Texas, particularly Subchapter C, Chapter 271, Texas Local Government Code, as amended, pursuant to an ordinance duly adopted by the City Council of the City (the “Ordinance”), which Ordinance is of record in the official minutes of the City Council.

THE CITY RESERVES THE RIGHT to redeem Certificates maturing on and February 15, 2036, prior to their scheduled maturities, in whole or from time to time in part, in integral multiples

of \$5,000, on February 15, 2035, or any date thereafter at par. Reference is made to the Ordinance for complete details concerning the manner of redeeming the Certificates.

NOTICE OF ANY REDEMPTION shall be given at least 30 days prior to the date fixed for redemption by United States mail, first class, postage prepaid, addressed to the registered owner of each Certificate to be redeemed in whole or in part at the address shown on the books of registration kept by the Paying Agent/Registrar. When Certificates or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption, if any.

THE CITY RESERVES THE RIGHT, in the case of a redemption, to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption and such redemption has been rescinded shall remain outstanding.

THIS CERTIFICATE is transferable only upon presentation and surrender at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Ordinance.

THIS CERTIFICATE is exchangeable at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, for certificates in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Ordinance.

THIS CERTIFICATE shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Certificate is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Certificate, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Ordinance.

THE CITY has covenanted in the Ordinance that it will at all times provide a legally qualified paying agent/registrar for the Certificates and will cause notice of any change of paying agent/registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Certificate have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes, within the limits prescribed by law, sufficient to provide for the payment of the interest, if any, on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the City.

IT IS FURTHER certified, recited and represented that the Surplus Revenues (as defined in the Ordinance) to be derived from the operation of the City's System (as defined in the Ordinance), are pledged to the payment of the Certificates. The City reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind payable in whole or in part from the Surplus Revenues, secured by a pledge of the Surplus Revenues that may be on a parity with, or junior and subordinate to the pledge of Surplus Revenues securing the Certificates.

IN WITNESS WHEREOF, this Certificate has been signed with the manual or facsimile signature of the Mayor or Mayor Pro Tem of the City and countersigned with the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed, or placed in facsimile, on this Certificate.

City Secretary
City of Crockett, Texas

Mayor [Pro Tem] ¹
City of Crockett, Texas

[SEAL]

(b) Form of Registration Certificate of Comptroller.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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

WITNESS MY SIGNATURE AND SEAL this _____.

Comptroller of Public Accounts of
the State of Texas

(SEAL)

¹ Delete if the Mayor executes the Initial Certificate.

(c) Form of Paying Agent/Registrar's Authentication Certificate.

AUTHENTICATION CERTIFICATE

It is hereby certified that this Certificate has been delivered pursuant to the Ordinance described in the text of this Certificate.

BOKF, NA,
as Paying Agent/Registrar

By: _____
Authorized Signature

Date of Authentication: _____

(d) Form of Assignment.

ASSIGNMENT

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

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

(Please insert Social Security or Taxpayer Identification Number of Transferee)
the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to transfer said Certificate on the books kept for registration thereof, with full power of
substitution in the premises.

DATED: _____

Signature Guaranteed:

Registered Owner

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this Certificate in every particular, without any alteration, enlargement or change whatsoever.

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

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

(i) immediately under the name of the Certificate, the heading “MATURITY DATE” shall be completed with the words “As Shown Below” and the words “CUSIP NO.” deleted;

(ii) in the first paragraph of the Certificate, the words “on the Maturity Date specified above” and “the principal amount identified above” shall be deleted and the following shall be inserted after the last sentence in the first paragraph, “The principal shall be paid in installments on February 15 in each of the years and in the principal amounts identified in the following schedule:”

[Information to be inserted from schedule in Section 5]; and

(iii) the Initial Certificate shall be numbered I-1.

15. CUSIP Numbers. CUSIP Numbers may be printed on the Certificates, but errors or omissions in the printing of such numbers shall have no effect on the validity of the Certificates.

16. Interest and Sinking Fund; Tax Levy. The proceeds from all taxes levied, assessed and collected for and on account of the Certificates authorized by this Ordinance shall be deposited, as collected, in a special fund to be designated “City of Crockett, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024A (Taxable) Interest and Sinking Fund”. While the Certificates or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually levied, assessed and collected in due time, form and manner, and at the same time other City taxes are levied, assessed and collected, in each year, a continuing direct annual ad valorem tax, within the limits prescribed by law, upon all taxable property in the City sufficient to pay the current interest (if any) on the Certificates as the same becomes due, and to provide and maintain a sinking fund adequate to pay the principal of the Certificates as such principal matures, but never less than two percent (2%) of the original principal amount of the Certificates each year, full allowance being made for delinquencies and costs of collection, and such taxes when collected shall be applied to the payment of the interest (if any) on and principal of the Certificates and to no other purpose.

To pay the debt service coming due on the Certificates prior to the receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

17. Pledge of Revenues.

(a) The Surplus Revenues to be derived from the operation of the System are hereby pledged to the payment of the principal of on the Certificates as the same comes due. The City also reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind payable in whole or in part from

the Surplus Revenues, secured by a pledge of the Surplus Revenues that may be senior to, on a parity with, or junior and subordinate to the pledge of Surplus Revenues securing the Certificates.

(b) While the Certificates are outstanding, the City will at all times maintain sufficient rates and charges for the payment of the maintenance and operation expenses of the System, and to the extent that ad valorem taxes are not available for such purpose, the City will at all times maintain sufficient rates and charges to produce revenues not less than 1.10 times the annual debt service obligations of all outstanding obligations of the City secured in whole or in part by the Surplus Revenues of the System for which the City is budgeting to make payments from Surplus Revenues, for the payment of debt service on the Certificates. Upon the written request of the TWDB, the City shall provide documentation that evidences the levy of ad valorem taxes for the payment of debt service on the Certificates or information demonstrating that the City has budgeted Surplus Revenues of the System or other lawfully available revenues sufficient for the payment of debt service on the Certificates.

(c) If System revenues are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, the amount of taxes that otherwise would have been required to be levied may be reduced to the extent and by the amount of revenues then on deposit in the Interest and Sinking Fund.

(d) If the City does not levy taxes in any year as provided in Section 16 and Section 17(c) above, the City shall transfer and deposit in the Interest and Sinking Fund each month an amount of not less than 1/12th of the annual debt service on the Certificates until the amount on deposit in the Interest and Sinking Fund equals the amount required for annual debt service on the Certificates and the City shall not transfer Surplus Revenues from the System to any fund other than the Interest and Sinking Fund until such times as an amount equal to the annual debt service on the Certificates for the then current fiscal year has been deposited in the Interest and Sinking Fund.

(e) Each year that the Certificates are outstanding, and prior to the time taxes are to be levied for such year, the City shall establish, adopt, and maintain an annual budget that provides for the monthly deposit of sufficient Surplus Revenues, the monthly deposit of any other legally available funds on hand at the time of the adoption of the annual budget, the deposit of tax revenues, or a combination thereof, into the Interest and Sinking Fund for the payment of debt service on the Certificates.

18. Application of Chapter 1208, Texas Government Code. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates and the pledge of the taxes and revenues granted by the City under Sections 16 and 17 of this Ordinance, and such pledge is therefore valid, effective and perfected. If State law is amended at any time while the Certificates are outstanding and unpaid such that the pledge of the taxes and revenues granted by the City under Sections 16 and 17 of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under State law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

19. Further Proceedings. After the Initial Certificate has been executed, it shall be the duty of the Mayor or Mayor Pro Tem of the City to deliver the Initial Certificate and all pertinent records and proceedings to the Attorney General, for examination and approval. After the Initial Certificate has been approved by the Attorney General, it shall be delivered to the Comptroller for registration. Upon registration of the Initial Certificate, the Comptroller (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein to be affixed or attached to the Certificates to be initially issued, and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

20. Sale. The Certificates are hereby sold and shall be delivered to the TWDB, as soon as practicable after adoption of this Ordinance, at a price of par, subject to the approval of the Attorney General and Bond Counsel. At the time the Certificates are delivered to the TWDB, the City shall pay an origination fee to the TWDB equal to \$0, in accordance with the rules of the TWDB. The Mayor or Mayor Pro Tem and other appropriate officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to provide for the issuance and delivery of the Certificates.

21. Books and Records. So long as any of the Certificates are outstanding the City covenants and agrees that it will keep proper books of record and account in which full, true and correct entries will be made of all transactions relating to the Certificates and the funds created pursuant to this Ordinance, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any Owner.

22. Provisions Concerning Federal Income Tax Matters – Taxable Certificates. The Certificates will not constitute obligations described in section 103(a) of the Code.

23. TWDB Resolution. The City agrees to comply with the applicable provisions of TWDB Resolution No. 24-087, which authorized the financial assistance evidenced by the Certificates.

24. Escrow Agreement. To facilitate the delivery of and payment for the Certificates pending completion of review of plans and specifications, the City Council hereby authorizes an Escrow Agreement to be entered into by and between the City and the Escrow Agent, the terms and conditions of which are hereby approved, subject to such insertions, additions, and modifications as shall be necessary to comply with all applicable laws, regulations, and procedures and to carry out the intent and purposes of this Ordinance. The Mayor or Mayor Pro Tem and the City Secretary are authorized to execute and deliver such Escrow Agreement in multiple counterparts on behalf of the City.

25. Project Fund. There is hereby created and established a special fund of the City, to be known as the "City of Crockett, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024A (Taxable) Project Fund," which shall be established at an official depository of the City and kept separate and apart from other funds of the City. The proceeds of the Certificates, shall be deposited in the escrow account for the Certificates that is maintained by the Escrow Agent for the benefit of the City and TWDB under and as more specifically provided in the Escrow Agreement. Upon release from the escrow account, such proceeds shall be deposited and held in the Project Fund until used for authorized purposes. The proceeds of the Certificates,

as received, shall be deposited in the Project Fund. Money on deposit in the Project Fund and all interest and income derived therefrom shall be used only for the purposes set forth in Section 3 of this Ordinance and to pay costs of issuance. Money on deposit in the Project Fund, may, at the option of the City, be invested as permitted by State law including, particularly, the Public Funds Investment Act, Texas Government Code, Chapter 2256, and the Public Funds Collateral Act, Texas Government Code, Chapter 2257; provided that all such deposits and investments shall be made in such manner that the money required to be expended from the Project Fund will be available at the proper time or times. Certificate proceeds deposited in the Project Fund shall be timely and expeditiously used, in accordance with the schedule for the Project approved by the TWDB, as may be amended from time to time. The City will maintain project accounts in accordance with generally accepted government accounting standards, including standards related to the reporting of infrastructure assets.

26. TWDB Rules. In compliance with the published rules and regulations of the TWDB, the City covenants and agrees that upon final completion of the Project to be financed with the proceeds of the Certificates, and if all or any portion of the Certificates shall be held by or on account of the TWDB or the State, the proper officials of the City shall render due and final accounting of the total cost of the Project and provide a copy of as-built plans for the Project to the TWDB. If, following completion of the Project, funds remain on hand in the Project Fund, or if the TWDB Executive Administrator (the “Executive Administrator”) disapproves construction of any portion of the Project as not being in accordance with the plans and specifications, the City shall use any remaining funds for enhancements to the Project that are approved by the Executive Administrator, or, if no enhancements are authorized by the Executive Administrator, the City shall submit to the TWDB a final accounting and describe the proposed disposition of any unused funds. If any funds are determined to be surplus funds remaining after the completion of the Project and the completion of a final accounting, such surplus funds shall be used for purposes approved by the Executive Administrator. Unless otherwise stated in the loan commitment of the TWDB with respect to the purchase of the Certificates, in determining the amount of available funds for constructing the Project to be financed, the City shall account for all monies in the Project Fund, including all loan funds extended by the TWDB, all other funds available from the Project as described in the Project engineer’s sufficiency of funds statement required for closing the TWDB’s loan, and all interest earned by the City on money in the Project Fund. This requirement shall not be interpreted as prohibiting the TWDB from enforcing such other rights as it may have under law.

27. Use of Financial Assistance. The City agrees that financial assistance proceeds will be timely and expeditiously used as required by 40 CRF § 35.3135(d) and that it will utilize reasonable efforts to adhere to the approved project schedule.

28. Outlay Reports. The City agrees to submit outlay reports with sufficient documentation on costs on a quarterly or monthly basis in accordance with TWDB outlay report guidelines.

29. Environmental Indemnification. The City shall not use proceeds from the sale of the Certificates for sampling, testing, removing or disposing of contaminated soils and/or media at the Project site. To the extent permitted by law, the City agrees to indemnify, hold harmless and protect the TWDB from any and all claims, causes of action or damages to the person or property

of third parties arising from the sampling, analysis, transport, storage, treatment and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the City, its contractors, consultants, agents, officials and employees as a result of activities relating to the Project.

30. Insurance. The City covenants that the Project will be kept continually insured against such perils in an amount sufficient to protect the TWDB's interest in the Project, to the extent that insurance is customarily carried by cities operating similar facilities in similar locations; provided, however, that the City shall not be required to maintain such insurance so long as builders risk insurance covering such facilities during the period of construction is in effect.

31. Compliance with Rules and Statutes. The City covenants that it will comply with TWDB's rules and relevant state statutes in connection with the sale of the Certificates to TWDB and the use of the proceeds in connection with the Project approved by TWDB.

32. Compliance with Environmental Findings of Executive Administrator. The City covenants that it will comply with the conditions specified in the final environmental finding of the Executive Administrator when issued, including the standing emergency discovery conditions for threatened and endangered species and cultural resources.

33. Audited Financial Statements. The City shall annually submit to the TWDB a copy of its audited financial statements, which shall be prepared by a certified public accountant in accordance with the accounting principles the City may be required to employ from time to time pursuant to State law or regulation.

34. Compliance with Davis-Bacon and Federal Disadvantaged Business Enterprises Program. Laborers and mechanics employed by contractors and subcontractors for the Project shall be paid wages at rates not less than those prevailing on projects of a similar character in the locality in accordance with the Davis-Bacon Act, and the U.S. Department of Labor's implementing regulations. The City, all contractors, and all sub-contractors shall ensure that all Project contracts mandate compliance with the Davis-Bacon Act. All contracts and subcontracts for the construction of the Project carried out in whole or in part with Certificate proceeds shall insert in full in any contract in excess of \$2,000 the contracts clauses as provided by the TWDB. The City covenants to comply with all applicable State and federal procurement requirements, including the federal procurement requirements under the Disadvantaged Business Enterprises program.

35. Federal Funding Accountability and Transparency Act. The City shall provide the TWDB with all information required to be reported in accordance with the Federal Funding Accountability and Transparency Act of 2006, Pub. L. 109-282, as amended by Pub. L. 110-252. The City shall obtain a Data Universal Numbering System (DUNS) number and shall register with System for Award Management (SAM), and maintain current registration at all times during which the Certificates are outstanding.

36. Use of Iron and Steel Products. The City covenants that it will abide by all applicable construction contract requirements related to the use of iron and steel products produced

in the United States, as required by 31 TAC § 371.4 and related State Revolving Fund Policy Guidelines.

37. Telecommunications and Video Surveillance. The City covenants that it will comply with applicable prohibitions on certain telecommunications and video surveillance services or equipment as required by 2 CFR § 200.216.

38. Build America, Buy America. The City covenants that it will abide by all applicable requirements related to the Build America, Buy America Act, Public Law 117-58 and 2 CFR part 184.

39. Maintenance of Project Fund. The City covenants that it will maintain the Project Fund in accordance with generally accepted government accounting principles.

40. Continuing Disclosure Undertaking.

(a) Annual Reports. The City agrees to provide to the MSRB, in electronic format, accompanied by identifying information as prescribed by the MSRB, within six months after the end of each Fiscal Year, financial information and operating data with respect to the City of the general type included in the City's annual financial statements. The information will also include the audited financial statements of the City, if the City commissions an audit and it is completed within the required time. If the audit of such financial statements is not complete within such period, then the City will provide unaudited financial statements within such six month period to the MSRB, and audited financial statements if and when the audit report on such statements becomes available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles the City may be required to employ from time to time pursuant to State law or regulation. All such information and operating data shall be provided to the MSRB, in an electronic format, accompanied by identifying information, as prescribed by the MSRB, and will be available via the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org.

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

All such information and operating data may be provided to the MSRB in full in one or more documents, or may be included by specific reference to documents available to the public (including an Official Statement or other offering document, if it is available from the MSRB).

(b) Event Notices. The City shall provide the following to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the following events with respect to the Certificates:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;

- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of Certificates, or other material events affecting the tax status of the Certificates;
- (7) Modifications to rights of the holders of the Certificates, if material;
- (8) Certificate calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Certificates, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the City;

Note to paragraph 12: For the purposes of the event identified in paragraph 12 of this section, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security

holders, if material; and

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

Note to paragraphs (15) and (16): For purposes of the events identified in paragraphs (15) and (16) of this section and in the definition of Financial Obligation in Section 2, the City intends the words used in such paragraphs to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018 (the “2018 Release”) and any further amendments or written guidance provided by the SEC or its staff with respect with respect to the amendments to the Rule effected by the 2018 Release.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 39(a). All documents provided to the MSRB pursuant to this section shall be accompanied by identifying information as prescribed by the MSRB.

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

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

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

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

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

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (i) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the outstanding Certificates consent to such amendment or (B) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data subsequently provided in accordance with Section 39(a) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

41. Private Placement Memorandum. The form and substance of the Private Placement Memorandum for the Certificates dated November 18, 2024, and any addenda, supplement or amendment thereto (the “Private Placement Memorandum”), presented to and considered at this meeting, are hereby in all respects approved and adopted. The proper officials of the City are hereby authorized to execute such Private Placement Memorandum as prescribed therein.

42. Appointment of Initial Paying Agent/Registrar; Paying Agent Registrar Agreement.

(a) BOKF, NA, Dallas, Texas, is hereby appointed as the initial Paying Agent/Registrar for the Certificates.

(b) The Paying Agent/Registrar shall keep such books or records and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Certificate to which payments with respect to the Certificates shall be mailed, as provided herein. The City or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Register confidential, and unless otherwise required by law, shall not permit their inspection by any other entity.

(c) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest, on the Certificates. The Paying Agent/Registrar shall

keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates, and of all conversions, exchanges and replacements of such Certificates, as provided in the Ordinance.

(d) The form of Paying Agent/Registrar Agreement setting forth the duties of the Paying Agent/Registrar is hereby approved, and the appropriate officials of the City are hereby authorized to execute such agreement for and on behalf of the City.

43. Maintenance, Termination and Replacement of Paying Agent/Registrar.

(a) At all times while any Certificates are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under this Section 41 of the Ordinance.

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

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

(d) The City reserves the right to terminate the appointment of any Paying Agent/Registrar by (i) delivering to the entity whose appointment is to be terminated forty-five (45) days written notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar; provided, that, no such termination shall be effective until a successor Paying Agent/Registrar has assumed the duties of Paying Agent/Registrar for the Certificates.

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

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

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

44. Remedies. TWDB shall have all remedies available at law or in equity with respect to the Certificates, and any provision of the Certificates that restricts or limits TWDB's exercise of such remedies shall be of no force and effect.

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

46. Related Matters. To satisfy in a timely manner all of the City's obligations under this Ordinance, the Mayor or Mayor Pro Tem, the City Secretary and all other appropriate officers and agents of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms and purposes of this Ordinance.

47. Individuals Not Liable. No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member of City Council or agent or employee of City Council or of the City in his or her individual capacity and neither the members of City Council nor any officer thereof, nor any agent or employee of City Council or of the City, shall be liable personally on the Certificates, or be subject to any personal liability or accountability by reason of the issuance thereof.

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

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

50. Force and Effect. This Ordinance shall be in full force and effect from and after its final passage, and it is so ordered.

[Signature Page Follows]

PASSED, APPROVED AND EFFECTIVE this 18th day of November, 2024.

City Secretary
City of Crockett, Texas

Mayor
City of Crockett, Texas

[SEAL]

CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS §
COUNTY OF HOUSTON §

I, the undersigned officer of the City Council of the City of Crockett, Texas, hereby certify as follows:

1. The City Council of the City of Crockett, Texas, convened in a regular meeting on the 18th day of November, 2024, and the roll was called of the duly constituted officers and members of said City Council, to wit:

- | | |
|--------------------|--|
| Dr. Ianthia Fisher | Mayor |
| Mike Marsh | Mayor Pro Tem and Council Member, Precinct 5 |
| Dennis Ivey | Council Member, Precinct 1 |
| Darrell Jay Jones | Council Member, Precinct 2 |
| NaTrenia Hicks | Council Member, Precinct 3 |
| Elbert Johnson | Council Member, Precinct 4 |

and all of said persons were present, except the following absentee(s): _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting, a written

ORDINANCE NO. O-__-__

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024A (TAXABLE); AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT RELATING TO SUCH CERTIFICATES; PRESCRIBING THE FORM OF SAID CERTIFICATES; LEVYING A TAX AND PLEDGING SURPLUS REVENUES OF THE WATER AND SEWER SYSTEM IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said ordinance be adopted; and, after due discussion, said motion, carrying with it the adoption of said ordinance, prevailed and carried by the following vote:

- _____ Member(s) of City Council shown present voted "Aye."
- _____ Member(s) of City Council shown present voted "No."
- _____ Member(s) of City Council shown present abstained from voting.

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

SIGNED AND SEALED this 18th day of November, 2024.

[SEAL]

City Secretary
City of Crockett, Texas

ORDINANCE NO. O-11C-24

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024B; AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT RELATING TO SUCH CERTIFICATES; PRESCRIBING THE FORM OF SAID CERTIFICATES; LEVYING A TAX AND PLEDGING SURPLUS REVENUES OF THE WATER AND SEWER SYSTEM IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO

THE STATE OF TEXAS §
COUNTY OF HOUSTON §
CITY OF CROCKETT §

WHEREAS, the City Council of the City of Crockett, Texas (the “City”), authorized the publication of a notice of intention to issue certificates of obligation to the effect that the City Council would meet on November 18, 2024 to adopt an ordinance and take such other action as may be deemed necessary to authorize the issuance of certificates of obligation payable from City ad valorem taxes and from a pledge of and lien on the surplus revenues of the City’s water and sewer system, for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with the improvements to the City’s sanitary sewer system, including the planning, development and construction of improvements to the City’s wastewater treatment plant and sanitary sewer system facilities, and the costs of the costs of professional services related thereto; and

WHEREAS, such notice was published at the times and in the manner required by the Constitution and laws of the State of Texas, particularly Subchapter C, Chapter 271, Texas Local Government Code, as amended; and

WHEREAS, no petition or other request has been filed with or presented to any official of the City requesting that any of the proceedings authorizing such Certificates (as defined herein) be submitted to a referendum or other election; and

WHEREAS, the City is authorized to make the pledge of Surplus Revenues (as defined herein) pursuant to Chapter 1502, Texas Government Code; and

WHEREAS, the City is now authorized and empowered to proceed with the issuance and sale of the Certificates, and has found and determined that it is necessary and in the best interests of the City and its citizens that it issue the Certificates in accordance with the terms and provisions of this Ordinance; and

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

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

1. Recitals. It is hereby found and determined that the matters and facts set out in the preamble to this Ordinance are true and correct and incorporated herein for all purposes.

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

“Act” means Chapter 271, Texas Local Government Code, as amended.

“Attorney General” means the Attorney General of the State.

“Blanket Issuer Letter of Representations” means the Blanket Issuer Letter of Representations between the City, the Paying Agent/Registrar and DTC.

“Bond Counsel” means Bracewell LLP.

“Business Day” means any day which is not a Saturday, Sunday, or a day on which the Paying Agent/Registrar is authorized by law or executive order to close, or a legal holiday.

“Certificate” or “Certificates” means the City of Crockett, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024B authorized in this Ordinance, unless the context clearly indicates otherwise.

“City” means the City of Crockett, Texas.

“City Council” means the City Council of the City.

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

“Comptroller” means the Comptroller of Public Accounts of the State.

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

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

“Escrow Agent” means BOKF, NA, Dallas, Texas, and its successors and assigns, or such other escrow agent as may be approved by the Mayor or Mayor Pro Tem and acceptable to the TWDB.

“Escrow Agreement” means the escrow agreement by and between the City and the Escrow Agent pertaining to the deposit of the proceeds of the Certificates.

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

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

“Initial Certificate” means the Initial Certificate authorized by Section 6(d) of this Ordinance.

“Interest and Sinking Fund” means the interest and sinking fund for payment of the Certificates established by the City in Section 17 of this Ordinance.

“Interest Payment Date” when used in connection with any Certificate, means August 15, 2025, and each February 15 and August 15 thereafter until maturity.

“Issuance Date” with respect to the Certificates initially delivered to the TWDB, shall mean the date on which each such Certificate is authenticated by the Paying Agent/Registrar and delivered to and paid for by the TWDB. Certificates delivered on transfer of or in exchange for other Certificates shall bear the same Issuance Date as the Certificate or Certificates in lieu of or in exchange for which the new Certificate is delivered.

“MSRB” means the Municipal Securities Rulemaking Board.

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

“Owner” means any person who shall be the registered owner of any outstanding Certificate.

“Paying Agent/Registrar” means BOKF, NA, Dallas, Texas, and its successors in that capacity.

“Project” means the improvements to the City’s sanitary sewer system, including the planning, development and construction of improvements to the City’s wastewater treatment plant and sanitary sewer system facilities, and the costs of the costs of professional services related thereto.

“Project Fund” shall mean the project fund established by the City pursuant to Section 26 of this Ordinance.

“Record Date” means, for any Interest Payment Date, the last Business Day of the month next preceding such Interest Payment Date.

“Register” means the books of registration kept by the Paying Agent/Registrar in which the names and addresses of and the principal amounts registered to each Owner are maintained.

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

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

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

“State” means the State of Texas.

“Surplus Revenues” means the revenues available after the payment of operation and maintenance expenses of the System and the debt service payable from gross revenues or net revenues of the System, if any, as well as any other payments, costs or expenses designated in an ordinance authorizing the issuance of System revenue obligations.

“System” means the City’s water and sewer system.

“TWDB” means the Texas Water Development Board.

3. Authorization. The Certificates shall be issued pursuant to the Act in fully registered form, without coupons, in the total authorized principal amount of \$1,180,000 for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with the Project.

4. Designation and Date. The Certificates shall be designated as the “CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024B,” and shall be dated December 1, 2024. The Certificates shall bear interest at the rates set out in Section 5 of this Ordinance, from the later of the Issuance Date or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months.

5. Initial Certificates; Numbers and Denominations. The Certificates shall be issued in the principal amounts and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Ordinance. The Certificates shall mature on February 15 in each of the years and in the amounts set out in such schedule. The Initial Certificate shall be numbered I-1 and all other Certificates shall be numbered in sequence beginning with R-1. Certificates delivered on transfer of or in exchange for other Certificates shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Certificate or Certificates in lieu of which they are delivered.

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2026	\$30,000	1.750%	2041	\$40,000	2.540%
2027	30,000	1.710	2042	40,000	2.590
2028	30,000	1.730	2043	45,000	2.620
2029	30,000	1.780	2044	45,000	2.660
2030	30,000	1.830	2045	45,000	2.690
2031	30,000	1.880	2046	45,000	2.720
2032	30,000	1.950	2047	45,000	2.740
2033	35,000	2.000	2048	50,000	2.750
2034	35,000	2.050	2049	50,000	2.770
2035	35,000	2.170	2050	50,000	2.780
2036	35,000	2.260	2051	55,000	2.780
2037	35,000	2.330	2052	55,000	2.800
2038	40,000	2.380	2053	55,000	2.800
2039	40,000	2.420	2054	55,000	2.810
2040	40,000	2.490_			

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

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

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until the Paying Agent/Registrar’s Authentication Certificate, substantially in the form provided herein, has been duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. In lieu of the executed Paying Agent/Registrar’s Authentication Certificate described above, the Initial Certificate delivered at the Issuance Date shall have attached thereto the Comptroller’s Registration Certificate substantially in the form provided herein, manually executed by the Comptroller or by his duly authorized agent, which certificate shall be evidence that the Initial Certificate has been duly approved by the Attorney General and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) On the Issuance Date, the Initial Certificate, being a single certificate representing the entire principal amount of the Certificates, payable in stated installments to the TWDB or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro Tem and City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller, shall be delivered to the TWDB or its designee. Upon payment for the Initial

Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver definitive Certificates to DTC.

7. Payment of Principal and Interest. The Paying Agent/Registrar is hereby appointed as the initial paying agent for the Certificates. The principal of the Certificates shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they become due and payable at the principal payment office of the Paying Agent/Registrar in Dallas, Texas. The interest on each Certificate shall be payable by check mailed by the Paying Agent/Registrar on or before each Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register; provided, however, that for so long as the TWDB is the Owner of the Certificates, all payments of principal and interest will be made in wire transfer form at no cost to the TWDB.

If the date for payment of the principal of any Certificate is not a Business Day, then the date for such payment shall be the next succeeding Business Day, with the same force and effect as if made on the original date payment was due.

8. Special Record Date. If interest on any Certificate is not paid on any Interest Payment Date and continues unpaid for 30 days thereafter, the Paying Agent/Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Paying Agent/Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the City. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Owner of record as of the close of business on the day prior to the mailing of such notice.

9. Ownership; Unclaimed Principal. The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute Owner of such Certificate for the purpose of making payment of principal on such Certificate, and for all other purposes, whether or not such Certificate is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Certificate in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

Amounts held by the Paying Agent/Registrar which represent principal of the Certificates remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Paying Agent/Registrar in accordance with the applicable provisions of State law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

10. Registration, Transfer, and Exchange. So long as any Certificates remain outstanding, the Paying Agent/Registrar shall keep the Register at its principal payment office in Dallas, Texas, and subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Certificates in accordance with

the terms of this Ordinance. The Issuance Date of each Certificate originally delivered to and paid for by TWDB shall be recorded in the Register.

Each Certificate shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, duly endorsed for transfer, or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Certificate for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within three (3) Business Days after such presentation, a new Certificate or Certificates, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity, aggregate principal amount, and Issuance Date, bearing interest at the same rate as the Certificate or Certificates so presented.

All Certificates shall be exchangeable upon presentation and surrender thereof at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, for a Certificate or Certificates of the same maturity, Issuance Date, and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Certificate or Certificates presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Certificates in accordance with the provisions of this Section. Each Certificate delivered in accordance with this Section shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such Certificate is delivered.

The City or the Paying Agent/Registrar may require the Owner of any Certificate to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Certificate. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the City.

11. Mutilated, Lost, or Stolen Certificates. Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like maturity, Issuance Date, interest rate and principal amount, bearing a number not contemporaneously outstanding. If any Certificate is lost, apparently destroyed, or wrongfully taken, the City, pursuant to the applicable laws of the State and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authorize and the Paying Agent/Registrar shall authenticate and deliver a replacement Certificate of like maturity, Issuance Date, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The City or the Paying Agent/Registrar may require the Owner of a mutilated Certificate to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Paying Agent/Registrar.

The City or the Paying Agent/Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Certificate, before any replacement Certificate is issued, to:

- (1) furnish to the City and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Certificate;
- (2) furnish such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;
- (3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that may be imposed; and
- (4) meet any other reasonable requirements of the City and the Paying Agent/Registrar.

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

If any such mutilated, lost, apparently destroyed or wrongfully taken Certificate has become or is about to become due and payable, the City in its discretion may, instead of issuing a replacement Certificate, authorize the Paying Agent/Registrar to pay such Certificate.

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

12. Cancellation of Certificates. All Certificates paid in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment. The Paying Agent/Registrar shall furnish the City with appropriate certificates of destruction of such Certificates.

13. Book-Entry System. The Initial Certificates shall be delivered against payment to the TWDB. The TWDB shall be required to promptly surrender the Initial Certificates to the Paying Agent/Registrar for exchange. Certificates issued in exchange shall be registered in the name of Cede & Co., as nominee of DTC, as registered owner of the Certificates, and held in the custody of DTC. Unless otherwise requested by DTC, a single certificate will be issued and delivered to DTC for each maturity of the Certificates. Beneficial owners of Certificates will not receive physical delivery of Certificates except as provided hereinafter. For so long as DTC shall continue to serve as securities depository for the certificates as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Certificates is to receive, hold or deliver any Certificate.

With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC participant or any person on whose behalf a DTC participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any DTC participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC participant or any other person, other than a registered owner of the Certificates, as shown on the Register, of any notice with respect to the Certificates, including any notice of redemption, and (iii) the payment of any DTC participant or any other person, other than a registered owner of the Certificates, as shown on the Register, of any amount with respect to principal of or premium, if any, or interest on the Certificates.

Replacement Certificates may be issued directly to beneficial owners of Certificates other than DTC, or its nominee, but only in the event that (i) DTC determines not to continue to act as securities depository for the Certificates (which determination shall become effective no less than 90 days after written notice to such effect to the City and the Paying Agent/Registrar); or (ii) the City has advised DTC of its determination (which determination is conclusive as to DTC and the beneficial owners of the Certificates) that the interests of the beneficial owners of the Certificates might be adversely affected if such book-entry only system of transfer is continued. Upon occurrence of any of the foregoing events, the City shall use its best efforts to attempt to locate another qualified securities depository. If the City fails to locate another qualified securities depository to replace DTC, the City shall cause to be authenticated and delivered replacement Certificates, in certificate form, to the beneficial owners of the Certificates. In the event that the City makes the determination noted in (ii) above (provided that the City undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the City to make any such determination), and has made provisions to notify the beneficial owners of Certificates of such determination by mailing an appropriate notice to DTC, it shall cause to be issued replacement Certificates in certificate form to beneficial owners of the Certificates as shown on the records of DTC provided to the City.

Whenever, during the term of the Certificates, the beneficial ownership thereof is determined by a book entry at DTC, the requirements in this Ordinance of holding, delivering or transferring Certificates shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

If at any time, DTC ceases to hold the Certificates as securities depository, all references herein to DTC shall be of no further force or effect.

Before the City can discontinue the book-entry-only system of registration through DTC, notice must be given to the TWDB and prior written consent of the TWDB must be received by the City.

14. Optional Redemption; Defeasance. (a) The Certificates are subject to optional redemption as set forth in the Form of Certificate in this Ordinance.

Principal amounts may be redeemed only in integral multiples of \$5,000. If a Certificate subject to redemption is in a denomination larger than \$5,000, a portion of such Certificate may be redeemed, but only in integral multiples of \$5,000. Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a Certificate or Certificates of like maturity, Issuance Date, and interest rate in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered.

Notice of any redemption identifying the Certificates to be redeemed in whole or in part shall be given by the Paying Agent/Registrar at least 30 days prior to the date fixed for redemption by sending written notice by United States mail, first class, postage prepaid, to the Owner of each Certificate to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which Certificates are to be surrendered for payment and, if less than all Certificates outstanding of a particular maturity are to be redeemed, the numbers of the Certificates or portions thereof of such maturity to be redeemed. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Certificates or portions thereof to be redeemed. When Certificates have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Certificates or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Certificate or portion thereof called for redemption shall terminate on the date fixed for redemption.

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

(b) The Certificates may be discharged, defeased, redeemed or refunded in any manner now or hereafter permitted by law.

15. Forms. The form of the Certificates, including the form of the Paying Agent/Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller shall be, respectively, substantially as follows, with such additions, deletions and variations as may be necessary or desirable and not prohibited by this Ordinance:

(a) Form of Certificate.

REGISTERED
NUMBER

REGISTERED
DENOMINATION

\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF HOUSTON

CITY OF CROCKETT, TEXAS
COMBINATION TAX AND SURPLUS REVENUE CERTIFICATE OF OBLIGATION
SERIES 2024B

INTEREST RATE:	MATURITY DATE:	DATED DATE:	ISSUANCE DATE:	CUSIP NO.:
_____%	February 15, 20__	December 1, 2024	December 16, 2024	_____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

THE CITY OF CROCKETT, TEXAS (the “City”) promises to pay to the registered owner identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender of this Certificate at BOKF, NA (the “Paying Agent/Registrar”), at its principal payment office in Dallas, Texas, the principal amount identified above, payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay interest thereon at the rate shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the later of the Issuance Date identified above, or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Certificate is payable by check on February 15 and August 15, beginning on August 15, 2025, mailed to the registered owner as shown on the books of registration kept by the Paying Agent/Registrar as of the fifteenth day of the month next preceding each interest payment date; provided, however, that for so long as the Texas Water Development Board (“TWDB”) is the Owner of the Certificates, all payments of principal and interest will be made in wire transfer form at no cost to the TWDB.

THIS CERTIFICATE is dated December 1, 2024 and is one of a series of fully registered certificates specified in the title hereof issued in the aggregate principal amount of \$1,180,000 (herein referred to as the “Certificates”), for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with the improvements to the City’s sanitary sewer system, including the planning, development and construction of improvements to the City’s wastewater treatment plant and sanitary sewer system facilities, and the costs of the costs of professional services related thereto, issued in accordance with the Constitution and laws of the State of Texas, particularly Subchapter C, Chapter 271, Texas Local Government Code, as

amended, pursuant to an ordinance duly adopted by the City Council of the City (the “Ordinance”), which Ordinance is of record in the official minutes of the City Council.

THE CITY RESERVES THE RIGHT to redeem Certificates maturing on and February 15, 2036, prior to their scheduled maturities, in whole or from time to time in part, in integral multiples of \$5,000, on February 15, 2035, or any date thereafter at par. Reference is made to the Ordinance for complete details concerning the manner of redeeming the Certificates.

NOTICE OF ANY REDEMPTION shall be given at least 30 days prior to the date fixed for redemption by United States mail, first class, postage prepaid, addressed to the registered owner of each Certificate to be redeemed in whole or in part at the address shown on the books of registration kept by the Paying Agent/Registrar. When Certificates or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption, if any.

THE CITY RESERVES THE RIGHT, in the case of a redemption, to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption and such redemption has been rescinded shall remain outstanding.

THIS CERTIFICATE is transferable only upon presentation and surrender at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Ordinance.

THIS CERTIFICATE is exchangeable at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, for certificates in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Ordinance.

THIS CERTIFICATE shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Certificate is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Certificate, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Ordinance.

THE CITY has covenanted in the Ordinance that it will at all times provide a legally qualified paying agent/registrar for the Certificates and will cause notice of any change of paying agent/registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Certificate have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes, within the limits prescribed by law, sufficient to provide for the payment of the interest, if any, on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the City.

IT IS FURTHER certified, recited and represented that the Surplus Revenues (as defined in the Ordinance) to be derived from the operation of the City's System (as defined in the Ordinance), are pledged to the payment of the Certificates. The City reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind payable in whole or in part from the Surplus Revenues, secured by a pledge of the Surplus Revenues that may be on a parity with, or junior and subordinate to the pledge of Surplus Revenues securing the Certificates.

IN WITNESS WHEREOF, this Certificate has been signed with the manual or facsimile signature of the Mayor or Mayor Pro Tem of the City and countersigned with the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed, or placed in facsimile, on this Certificate.

City Secretary
City of Crockett, Texas

Mayor [Pro Tem] ¹
City of Crockett, Texas

[SEAL]

(b) Form of Registration Certificate of Comptroller.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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

WITNESS MY SIGNATURE AND SEAL this _____.

¹ Delete if the Mayor executes the Initial Certificate.

Comptroller of Public Accounts of
the State of Texas

(SEAL)

(c) Form of Paying Agent/Registrar's Authentication Certificate.

AUTHENTICATION CERTIFICATE

It is hereby certified that this Certificate has been delivered pursuant to the Ordinance described in the text of this Certificate.

BOKF, NA,
as Paying Agent/Registrar

By: _____
Authorized Signature

Date of Authentication: _____

(d) Form of Assignment.

ASSIGNMENT

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

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

(Please insert Social Security or Taxpayer Identification Number of Transferee)
the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to transfer said Certificate on the books kept for registration thereof, with full power of
substitution in the premises.

DATED: _____

Signature Guaranteed:

Registered Owner

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this

Certificate in every particular, without any alteration, enlargement or change whatsoever.

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

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

(i) immediately under the name of the Certificate, the headings “INTEREST RATE” and “MATURITY DATE” shall be completed with the words “As Shown Below” and the words “CUSIP NO.” deleted;

(ii) in the first paragraph of the Certificate, the words “on the Maturity Date specified above” and “at the rate shown above” shall be deleted and the following shall be inserted after the last sentence in the first paragraph, “The principal shall be paid in installments on February 15 in each of the years and in the principal amounts identified in the following schedule:”

[Information to be inserted from schedule in Section 5]; and

(iii) the Initial Certificate shall be numbered I-1.

16. CUSIP Numbers. CUSIP Numbers may be printed on the Certificates, but errors or omissions in the printing of such numbers shall have no effect on the validity of the Certificates.

17. Interest and Sinking Fund; Tax Levy. The proceeds from all taxes levied, assessed and collected for and on account of the Certificates authorized by this Ordinance shall be deposited, as collected, in a special fund to be designated “City of Crockett, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024B Interest and Sinking Fund”. While the Certificates or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually levied, assessed and collected in due time, form and manner, and at the same time other City taxes are levied, assessed and collected, in each year, a continuing direct annual ad valorem tax, within the limits prescribed by law, upon all taxable property in the City sufficient to pay the current interest on the Certificates as the same becomes due, and to provide and maintain a sinking fund adequate to pay the principal of the Certificates as such principal matures, but never less than two percent (2%) of the original principal amount of the Certificates each year, full allowance being made for delinquencies and costs of collection, and such taxes when collected shall be applied to the payment of the interest on and principal of the Certificates and to no other purpose.

To pay the debt service coming due on the Certificates prior to the receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

18. Pledge of Revenues.

(a) The Surplus Revenues to be derived from the operation of the System are hereby pledged to the payment of the principal of and interest on the Certificates as the same come due. The City also reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind payable in whole or in part from the Surplus Revenues, secured by a pledge of the Surplus Revenues that may be senior to, on a parity with, or junior and subordinate to the pledge of Surplus Revenues securing the Certificates.

(b) While the Certificates are outstanding, the City will at all times maintain sufficient rates and charges for the payment of the maintenance and operation expenses of the System, and to the extent that ad valorem taxes are not available for such purpose, the City will at all times maintain sufficient rates and charges to produce revenues not less than 1.10 times the annual debt service obligations of all outstanding obligations of the City secured in whole or in part by the Surplus Revenues of the System for which the City is budgeting to make payments from Surplus Revenues, for the payment of debt service on the Certificates. Upon the written request of the TWDB, the City shall provide documentation that evidences the levy of ad valorem taxes for the payment of debt service on the Certificates or information demonstrating that the City has budgeted Surplus Revenues of the System or other lawfully available revenues sufficient for the payment of debt service on the Certificates.

(c) If System revenues are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, the amount of taxes that otherwise would have been required to be levied may be reduced to the extent and by the amount of revenues then on deposit in the Interest and Sinking Fund.

(d) If the City does not levy taxes in any year as provided in Section 17 and Section 18(c) above, the City shall transfer and deposit in the Interest and Sinking Fund each month an amount of not less than 1/12th of the annual debt service on the Certificates until the amount on deposit in the Interest and Sinking Fund equals the amount required for annual debt service on the Certificates and the City shall not transfer Surplus Revenues from the System to any fund other than the Interest and Sinking Fund until such times as an amount equal to the annual debt service on the Certificates for the then current fiscal year has been deposited in the Interest and Sinking Fund.

(e) Each year that the Certificates are outstanding, and prior to the time taxes are to be levied for such year, the City shall establish, adopt, and maintain an annual budget that provides for the monthly deposit of sufficient Surplus Revenues, the monthly deposit of any other legally available funds on hand at the time of the adoption of the annual budget, the deposit of tax revenues, or a combination thereof, into the Interest and Sinking Fund for the payment of debt service on the Certificates.

19. Application of Chapter 1208, Texas Government Code. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates and the pledge of the taxes and revenues granted by the City under Sections 17 and 18 of this Ordinance, and such pledge is therefore valid, effective and perfected. If State law is amended at any time while the Certificates

are outstanding and unpaid such that the pledge of the taxes and revenues granted by the City under Sections 17 and 18 of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under State law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

20. Further Proceedings. After the Initial Certificate has been executed, it shall be the duty of the Mayor or Mayor Pro Tem of the City to deliver the Initial Certificate and all pertinent records and proceedings to the Attorney General, for examination and approval. After the Initial Certificate has been approved by the Attorney General, it shall be delivered to the Comptroller for registration. Upon registration of the Initial Certificate, the Comptroller (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein to be affixed or attached to the Certificates to be initially issued, and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

21. Sale. The Certificates are hereby sold and shall be delivered to the TWDB, as soon as practicable after adoption of this Ordinance, at a price of par, subject to the approval of the Attorney General and Bond Counsel. At the time the Certificates are delivered to the TWDB, the City shall pay an origination fee to the TWDB equal to \$20,295.00, in accordance with the rules of the TWDB. The Mayor or Mayor Pro Tem and other appropriate officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to provide for the issuance and delivery of the Certificates.

22. Books and Records. So long as any of the Certificates are outstanding the City covenants and agrees that it will keep proper books of record and account in which full, true and correct entries will be made of all transactions relating to the Certificates and the funds created pursuant to this Ordinance, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any Owner.

23. Provisions Concerning Federal Income Tax Matters.

(a) General. The City covenants not to take any action or omit to take any action that, if taken or omitted, would cause the interest on the Certificates to be includable in gross income for federal income tax purposes. In furtherance thereof, the City covenants to comply with sections 103 and 141 through 150 of the Code and the provisions set forth in the Federal Tax Certificate executed by the City in connection with the Certificates.

(b) No Private Activity Bonds. The City covenants that it will use the proceeds of the Certificates (including investment income) and the property financed, directly or indirectly, with such proceeds so that the Certificates will not be "private activity bonds" within the meaning of section 141 of the Code. Furthermore, the City will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Certificates to be a "private activity bond" unless it takes a remedial action permitted by section 1.141-12 of the Regulations.

(c) No Federal Guarantee. The City covenants not to take any action or omit to take any action that, if taken or omitted, would cause the Certificates to be “federally guaranteed” within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

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

(e) No Arbitrage Bonds. The City covenants that it will make such use of the proceeds of the Certificates (including investment income) and regulate the investment of such proceeds of the Certificates so that the Certificates will not be “arbitrage bonds” within the meaning of section 148(a) of the Code.

(f) Required Rebate. The City covenants that, if the City does not qualify for an exception to the requirements of section 148(f) of the Code, the City will comply with the requirement that certain amounts earned by the City on the investment of the gross proceeds of the Certificates, be rebated to the United States.

(g) Information Reporting. The City covenants to file or cause to be filed with the Secretary of the Treasury an information statement concerning the Certificates in accordance with section 149(e) of the Code.

(h) Record Retention. The City covenants to retain all material records relating to the expenditure of the proceeds (including investment income) of the Certificates and the use of the property financed, directly or indirectly, thereby until six years after the last Certificate is redeemed or paid at maturity (or such other period as provided by subsequent guidance issued by the Department of the Treasury) in a manner that ensures their complete access throughout such retention period.

(i) Registration. If the Certificates are “registration-required bonds” under section 149(a)(2) of the Code, the Certificates will be issued in registered form.

(j) Favorable Opinion of Bond Counsel. Notwithstanding the foregoing, the City will not be required to comply with any of the federal tax covenants set forth above if the City has received an opinion of nationally recognized bond counsel that such noncompliance will not adversely affect the excludability of interest on the Certificates from gross income for federal income tax purposes.

(k) Continuing Compliance. Notwithstanding any other provision of this Ordinance, the City’s obligations under the federal tax covenants set forth above will survive the defeasance and discharge of the Certificates for as long as such matters are relevant to the excludability of interest on the Certificates from gross income for federal income tax purposes.

(l) Official Intent. For purposes of section 1.150-2(d) of the Regulations, to the extent that an official intent to reimburse by the City has not been adopted for a particular project, this Ordinance serves as the City’s official declaration of intent to use proceeds of the Certificates to reimburse itself from proceeds of the Certificates issued in the maximum amount for certain

expenditures paid in connection with the projects set forth herein. Any such reimbursement will only be made (i) for an original expenditure paid no earlier than 60 days prior to the date hereof and (ii) not later than 18 months after the later of (A) the date the original expenditure is paid or (B) the date of which the project to which such expenditure relates is placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

(m) Source Series Bonds. The City covenants that neither the City nor a related party thereto will acquire any of the TWDB's Source Series Bonds in an amount related to the amount of the Certificates to be acquired from the City by the TWDB.

(n) Advanced Refunding. The City covenants to refrain from using the proceeds of the Certificates to pay debt service on another tax-exempt issue more than ninety (90) days after the date of issue of the Certificates in contravention of the requirements of section 149(d) of the Code.

24. TWDB Resolution. The City agrees to comply with the applicable provisions of TWDB Resolution No. 24-087, which authorized the financial assistance evidenced by the Certificates.

25. Escrow Agreement. To facilitate the delivery of and payment for the Certificates pending completion of review of plans and specifications, the City Council hereby authorizes an Escrow Agreement to be entered into by and between the City and the Escrow Agent, the terms and conditions of which are hereby approved, subject to such insertions, additions, and modifications as shall be necessary to comply with all applicable laws, regulations, and procedures and to carry out the intent and purposes of this Ordinance. The Mayor or Mayor Pro Tem and the City Secretary are authorized to execute and deliver such Escrow Agreement in multiple counterparts on behalf of the City.

26. Project Fund. There is hereby created and established a special fund of the City, to be known as the "City of Crockett, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024B Project Fund," which shall be established at an official depository of the City and kept separate and apart from other funds of the City. The proceeds of the Certificates, shall be deposited in the escrow account for the Certificates that is maintained by the Escrow Agent for the benefit of the City and TWDB under and as more specifically provided in the Escrow Agreement. Upon release from the escrow account, such proceeds shall be deposited and held in the Project Fund until used for authorized purposes. The proceeds of the Certificates, as received, shall be deposited in the Project Fund. Money on deposit in the Project Fund and all interest and income derived therefrom shall be used only for the purposes set forth in Section 3 of this Ordinance and to pay costs of issuance. Money on deposit in the Project Fund, may, at the option of the City, be invested as permitted by State law including, particularly, the Public Funds Investment Act, Texas Government Code, Chapter 2256, and the Public Funds Collateral Act, Texas Government Code, Chapter 2257; provided that all such deposits and investments shall be made in such manner that the money required to be expended from the Project Fund will be available at the proper time or times. Certificate proceeds deposited in the Project Fund shall be timely and expeditiously used, in accordance with the schedule for the Project approved by the TWDB, as may be amended from time to time. The City will maintain project accounts in accordance with generally accepted government accounting standards, including standards related to the reporting of infrastructure assets.

27. TWDB Rules. In compliance with the published rules and regulations of the TWDB, the City covenants and agrees that upon final completion of the Project to be financed with the proceeds of the Certificates, and if all or any portion of the Certificates shall be held by or on account of the TWDB or the State, the proper officials of the City shall render due and final accounting of the total cost of the Project and provide a copy of as-built plans for the Project to the TWDB. If, following completion of the Project, funds remain on hand in the Project Fund, or if the TWDB Executive Administrator (the “Executive Administrator”) disapproves construction of any portion of the Project as not being in accordance with the plans and specifications, the City shall use any remaining funds for enhancements to the Project that are approved by the Executive Administrator, or, if no enhancements are authorized by the Executive Administrator, the City shall submit to the TWDB a final accounting and describe the proposed disposition of any unused funds. If any funds are determined to be surplus funds remaining after the completion of the Project and the completion of a final accounting, such surplus funds shall be used for purposes approved by the Executive Administrator. Unless otherwise stated in the loan commitment of the TWDB with respect to the purchase of the Certificates, in determining the amount of available funds for constructing the Project to be financed, the City shall account for all monies in the Project Fund, including all loan funds extended by the TWDB, all other funds available from the Project as described in the Project engineer’s sufficiency of funds statement required for closing the TWDB’s loan, and all interest earned by the City on money in the Project Fund. This requirement shall not be interpreted as prohibiting the TWDB from enforcing such other rights as it may have under law.

28. Use of Financial Assistance. The City agrees that financial assistance proceeds will be timely and expeditiously used as required by 40 CRF § 35.3135(d) and that it will utilize reasonable efforts to adhere to the approved project schedule.

29. Outlay Reports. The City agrees to submit outlay reports with sufficient documentation on costs on a quarterly or monthly basis in accordance with TWDB outlay report guidelines.

30. Environmental Indemnification. The City shall not use proceeds from the sale of the Certificates for sampling, testing, removing or disposing of contaminated soils and/or media at the Project site. To the extent permitted by law, the City agrees to indemnify, hold harmless and protect the TWDB from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the City, its contractors, consultants, agents, officials and employees as a result of activities relating to the Project.

31. Insurance. The City covenants that the Project will be kept continually insured against such perils in an amount sufficient to protect the TWDB’s interest in the Project, to the extent that insurance is customarily carried by cities operating similar facilities in similar locations; provided, however, that the City shall not be required to maintain such insurance so long as builders risk insurance covering such facilities during the period of construction is in effect.

32. Compliance with Rules and Statutes. The City covenants that it will comply with TWDB's rules and relevant state statutes in connection with the sale of the Certificates to TWDB and the use of the proceeds in connection with the Project approved by TWDB.

33. Compliance with Environmental Findings of Executive Administrator. The City covenants that it will comply with the conditions specified in the final environmental finding of the Executive Administrator when issued, including the standing emergency discovery conditions for threatened and endangered species and cultural resources.

34. Audited Financial Statements. The City shall annually submit to the TWDB a copy of its audited financial statements, which shall be prepared by a certified public accountant in accordance with the accounting principles the City may be required to employ from time to time pursuant to State law or regulation.

35. Compliance with Davis-Bacon and Federal Disadvantaged Business Enterprises Program. Laborers and mechanics employed by contractors and subcontractors for the Project shall be paid wages at rates not less than those prevailing on projects of a similar character in the locality in accordance with the Davis-Bacon Act, and the U.S. Department of Labor's implementing regulations. The City, all contractors, and all sub-contractors shall ensure that all Project contracts mandate compliance with the Davis-Bacon Act. All contracts and subcontracts for the construction of the Project carried out in whole or in part with Certificate proceeds shall insert in full in any contract in excess of \$2,000 the contracts clauses as provided by the TWDB. The City covenants to comply with all applicable State and federal procurement requirements, including the federal procurement requirements under the Disadvantaged Business Enterprises program.

36. Federal Funding Accountability and Transparency Act. The City shall provide the TWDB with all information required to be reported in accordance with the Federal Funding Accountability and Transparency Act of 2006, Pub. L. 109-282, as amended by Pub. L. 110-252. The City shall obtain a Data Universal Numbering System (DUNS) number and shall register with System for Award Management (SAM), and maintain current registration at all times during which the Certificates are outstanding.

37. Use of Iron and Steel Products. The City covenants that it will abide by all applicable construction contract requirements related to the use of iron and steel products produced in the United States, as required by 31 TAC § 371.4 and related State Revolving Fund Policy Guidelines.

38. Telecommunications and Video Surveillance. The City covenants that it will comply with applicable prohibitions on certain telecommunications and video surveillance services or equipment as required by 2 CFR § 200.216.

39. Build America, Buy America. The City covenants that it will abide by all applicable requirements related to the Build America, Buy America Act, Public Law 117-58 and 2 CFR part 184.

40. Maintenance of Project Fund. The City covenants that it will maintain the Project Fund in accordance with generally accepted government accounting principles.

41. Continuing Disclosure Undertaking.

(a) Annual Reports. The City agrees to provide to the MSRB, in electronic format, accompanied by identifying information as prescribed by the MSRB, within six months after the end of each Fiscal Year, financial information and operating data with respect to the City of the general type included in the City's annual financial statements. The information will also include the audited financial statements of the City, if the City commissions an audit and it is completed within the required time. If the audit of such financial statements is not complete within such period, then the City will provide unaudited financial statements within such six month period to the MSRB, and audited financial statements if and when the audit report on such statements becomes available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles the City may be required to employ from time to time pursuant to State law or regulation. All such information and operating data shall be provided to the MSRB, in an electronic format, accompanied by identifying information, as prescribed by the MSRB, and will be available via the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org.

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

All such information and operating data may be provided to the MSRB in full in one or more documents, or may be included by specific reference to documents available to the public (including an Official Statement or other offering document, if it is available from the MSRB).

(b) Event Notices. The City shall provide the following to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the following events with respect to the Certificates:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of Certificates, or other material events affecting the tax status of the Certificates;
- (7) Modifications to rights of the holders of the Certificates, if material;
- (8) Certificate calls, if material, and tender offers;

- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Certificates, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the City;

Note to paragraph 12: For the purposes of the event identified in paragraph 12 of this section, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

Note to paragraphs (15) and (16): For purposes of the events identified in paragraphs (15) and (16) of this section and in the definition of Financial Obligation in Section 2, the City intends the words used in such paragraphs to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018 (the “2018 Release”) and any further amendments or written guidance provided by the SEC or its staff with respect with respect to the amendments to the Rule effected by the 2018 Release.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 40(a). All documents provided to the MSRB pursuant to this section shall be accompanied by identifying information as prescribed by the MSRB.

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

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

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

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

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

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (i) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the outstanding Certificates consent to such amendment or (B) a person that is

unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data subsequently provided in accordance with Section 40(a) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

42. Private Placement Memorandum. The form and substance of the Private Placement Memorandum for the Certificates dated November 18, 2024, and any addenda, supplement or amendment thereto (the “Private Placement Memorandum”), presented to and considered at this meeting, are hereby in all respects approved and adopted. The proper officials of the City are hereby authorized to execute such Private Placement Memorandum as prescribed therein.

43. Appointment of Initial Paying Agent/Registrar; Paying Agent Registrar Agreement.

(a) BOKF, NA, Dallas, Texas, is hereby appointed as the initial Paying Agent/Registrar for the Certificates.

(b) The Paying Agent/Registrar shall keep such books or records and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Certificate to which payments with respect to the Certificates shall be mailed, as provided herein. The City or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Register confidential, and unless otherwise required by law, shall not permit their inspection by any other entity.

(c) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest, on the Certificates. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates, and of all conversions, exchanges and replacements of such Certificates, as provided in the Ordinance.

(d) The form of Paying Agent/Registrar Agreement setting forth the duties of the Paying Agent/Registrar is hereby approved, and the appropriate officials of the City are hereby authorized to execute such agreement for and on behalf of the City.

44. Maintenance, Termination and Replacement of Paying Agent/Registrar.

(a) At all times while any Certificates are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under this Section 41 of the Ordinance.

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

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

(d) The City reserves the right to terminate the appointment of any Paying Agent/Registrar by (i) delivering to the entity whose appointment is to be terminated forty-five (45) days written notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar; provided, that, no such termination shall be effective until a successor Paying Agent/Registrar has assumed the duties of Paying Agent/Registrar for the Certificates.

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

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

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

45. Remedies. TWDB shall have all remedies available at law or in equity with respect to the Certificates, and any provision of the Certificates that restricts or limits TWDB's exercise of such remedies shall be of no force and effect.

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

47. Related Matters. To satisfy in a timely manner all of the City's obligations under this Ordinance, the Mayor or Mayor Pro Tem, the City Secretary and all other appropriate officers and agents of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms and purposes of this Ordinance.

48. Individuals Not Liable. No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member of City Council or agent or employee of City Council or of the City in his or her individual capacity and neither the members of City Council nor any officer thereof, nor any agent or employee of City Council or of the City, shall be liable personally on the Certificates, or be subject to any personal liability or accountability by reason of the issuance thereof.

49. Severability and Savings. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or

unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

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

51. Force and Effect. This Ordinance shall be in full force and effect from and after its final passage, and it is so ordered.

[Signature Page Follows]

PASSED, APPROVED AND EFFECTIVE this 18th of November, 2024.

City Secretary
City of Crockett, Texas

Mayor
City of Crockett, Texas

[SEAL]

CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS §
COUNTY OF HOUSTON §

I, the undersigned officer of the City Council of the City of Crockett, Texas, hereby certify as follows:

1. The City Council of the City of Crockett, Texas, convened in a regular meeting on the 18th day of November, 2024, and the roll was called of the duly constituted officers and members of said City Council, to wit:

- | | |
|--------------------|--|
| Dr. Ianthia Fisher | Mayor |
| Mike Marsh | Mayor Pro Tem and Council Member, Precinct 5 |
| Dennis Ivey | Council Member, Precinct 1 |
| Darrell Jay Jones | Council Member, Precinct 2 |
| NaTrenia Hicks | Council Member, Precinct 3 |
| Elbert Johnson | Council Member, Precinct 4 |

and all of said persons were present, except the following absentee(s): _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting, a written

ORDINANCE NO. O-__-__

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024B; AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT RELATING TO SUCH CERTIFICATES; PRESCRIBING THE FORM OF SAID CERTIFICATES; LEVYING A TAX AND PLEDGING SURPLUS REVENUES OF THE WATER AND SEWER SYSTEM IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said ordinance be adopted; and, after due discussion, said motion, carrying with it the adoption of said ordinance, prevailed and carried by the following vote:

- _____ Member(s) of City Council shown present voted "Aye."
- _____ Member(s) of City Council shown present voted "No."
- _____ Member(s) of City Council shown present abstained from voting.

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

SIGNED AND SEALED this 18th day of November, 2024.

[SEAL]

City Secretary
City of Crockett, Texas

RESOLUTION NO. R-11D-24

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS APPROVING A PRINCIPAL FORGIVENESS AGREEMENT WITH THE TEXAS WATER DEVELOPMENT BOARD UNDER THE CLEAN WATER STATE REVOLVING FUND AND AUTHORIZING THE MAYOR AS THE DESIGNATED REPRESENTATIVE OF THE CITY TO EXECUTE THE PRINCIPAL FORGIVENESS AGREEMENT; AND APPROVING OTHER MATTERS RELATED THERETO

THE STATE OF TEXAS §
COUNTY OF HOUSTON §
CITY OF CROCKETT §

WHEREAS, the Texas Water Development Board (the “TWDB”) has made a commitment to provide financial assistance in the form of a principal forgiveness in the amount of \$7,348,500 from the Clean Water State Revolving Fund (the “Principal Forgiveness”) to the City of Crockett, Texas (the “City”) to finance improvements to the City’s sanitary sewer system, including the planning, development and construction of improvements to the City’s wastewater treatment plant and sanitary sewer system facilities; and

WHEREAS, the City Council of the City desires to appoint Mayor Dr. Ianthia Fisher, or any successor as Mayor of the City, as the representative of the City (the “Authorized Representative”) who is authorized to enter into an agreement related to the Principal Forgiveness (the “Principal Forgiveness Agreement”) with the TWDB on behalf of the City; and

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

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS:

1. Authorized Representative. The Mayor of the City is hereby appointed as the Authorized Representative of the City.
2. Approval of Principal Forgiveness Agreement. The Principal Forgiveness Agreement between the TWDB and the City in substantially the form presented to City Council is approved, and the Authorized Representative is authorized to execute the Principal Forgiveness Agreement on behalf of the City.
3. Effective Date. This Resolution shall become effective immediately after its adoption.

[Execution Page Follows]

PASSED, APPROVED and EFFECTIVE on this the 18th of November, 2024.

City Secretary
City of Crockett, Texas

Mayor
City of Crockett, Texas

[SEAL]

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF HOUSTON §

I, the undersigned officer of the City Council of the City of Crockett, Texas, hereby certify as follows:

1. The City Council of the City of Crockett, Texas, convened in a regular meeting on the 18th day of November, 2024, and the roll was called of the duly constituted officers and members of said City Council, to wit:

- | | |
|--------------------|--|
| Dr. Ianthia Fisher | Mayor |
| Mike Marsh | Mayor Pro Tem and Council Member, Precinct 5 |
| Dennis Ivey | Council Member, Precinct 1 |
| Darrell Jay Jones | Council Member, Precinct 2 |
| NaTrenia Hicks | Council Member, Precinct 3 |
| Elbert Johnson | Council Member, Precinct 4 |

and all of said persons were present, except the following absentee(s): _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting, a written

RESOLUTION NO. R-_____

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS APPROVING A PRINCIPAL FORGIVENESS AGREEMENT WITH THE TEXAS WATER DEVELOPMENT BOARD UNDER THE CLEAN WATER STATE REVOLVING FUND AND AUTHORIZING THE MAYOR AS THE DESIGNATED REPRESENTATIVE OF THE CITY TO EXECUTE THE PRINCIPAL FORGIVENESS AGREEMENT; AND APPROVING OTHER MATTERS RELATED THERETO

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote:

- 4 Member(s) shown present above voted "Aye."
- 0 Member(s) shown present above voted "No."
- 0 Member(s) shown present above abstained from voting.

2. A true, full and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said resolution has been duly recorded in said City Council’s minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council’s minutes of said meeting pertaining to the adoption of said resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED this 18th day of November, 2024.

[SEAL]

City Secretary
City of Crockett, Texas

ORDINANCE NO. O-11D-24

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024C; AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT RELATING TO SUCH CERTIFICATES; PRESCRIBING THE FORM OF SAID CERTIFICATES; LEVYING A TAX AND PLEDGING SURPLUS REVENUES OF THE WATER AND SEWER SYSTEM IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO

THE STATE OF TEXAS §
COUNTY OF HOUSTON §
CITY OF CROCKETT §

WHEREAS, the City Council of the City of Crockett, Texas (the “City”), authorized the publication of a notice of intention to issue certificates of obligation to the effect that the City Council would meet on November 18, 2024 to adopt an ordinance and take such other action as may be deemed necessary to authorize the issuance of certificates of obligation payable from City ad valorem taxes and from a pledge of and lien on the surplus revenues of the City’s water and sewer system, for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with the improvements to the City’s water system, including the planning, development and construction of a new water well, transmission main, and treatment facilities, and the costs of the costs of professional services related thereto; and

WHEREAS, such notice was published at the times and in the manner required by the Constitution and laws of the State of Texas, particularly Subchapter C, Chapter 271, Texas Local Government Code, as amended; and

WHEREAS, no petition or other request has been filed with or presented to any official of the City requesting that any of the proceedings authorizing such Certificates (as defined herein) be submitted to a referendum or other election; and

WHEREAS, the City is authorized to make the pledge of Surplus Revenues (as defined herein) pursuant to Chapter 1502, Texas Government Code; and

WHEREAS, the City is now authorized and empowered to proceed with the issuance and sale of the Certificates, and has found and determined that it is necessary and in the best interests of the City and its citizens that it issue the Certificates in accordance with the terms and provisions of this Ordinance; and

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

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

1. Recitals. It is hereby found and determined that the matters and facts set out in the preamble to this Ordinance are true and correct and incorporated herein for all purposes.

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

“Act” means Chapter 271, Texas Local Government Code, as amended.

“Attorney General” means the Attorney General of the State.

“Blanket Issuer Letter of Representations” means the Blanket Issuer Letter of Representations between the City, the Paying Agent/Registrar and DTC.

“Bond Counsel” means Bracewell LLP.

“Business Day” means any day which is not a Saturday, Sunday, or a day on which the Paying Agent/Registrar is authorized by law or executive order to close, or a legal holiday.

“Certificate” or “Certificates” means the City of Crockett, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024C authorized in this Ordinance, unless the context clearly indicates otherwise.

“City” means the City of Crockett, Texas.

“City Council” means the City Council of the City.

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

“Comptroller” means the Comptroller of Public Accounts of the State.

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

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

“Escrow Agent” means BOKF, NA, Dallas, Texas, and its successors and assigns, or such other escrow agent as may be approved by the Mayor or Mayor Pro Tem and acceptable to the TWDB.

“Escrow Agreement” means the escrow agreement by and between the City and the Escrow Agent pertaining to the deposit of the proceeds of the Certificates.

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

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

“Initial Certificate” means the Initial Certificate authorized by Section 6(d) of this Ordinance.

“Interest and Sinking Fund” means the interest and sinking fund for payment of the Certificates established by the City in Section 17 of this Ordinance.

“Interest Payment Date” when used in connection with any Certificate, means August 15, 2025, and each February 15 and August 15 thereafter until maturity.

“Issuance Date” with respect to the Certificates initially delivered to the TWDB, shall mean the date on which each such Certificate is authenticated by the Paying Agent/Registrar and delivered to and paid for by the TWDB. Certificates delivered on transfer of or in exchange for other Certificates shall bear the same Issuance Date as the Certificate or Certificates in lieu of or in exchange for which the new Certificate is delivered.

“MSRB” means the Municipal Securities Rulemaking Board.

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

“Owner” means any person who shall be the registered owner of any outstanding Certificate.

“Paying Agent/Registrar” means BOKF, NA, Dallas, Texas, and its successors in that capacity.

“Project” means improvements to the City’s water system, including the planning, development and construction of a new water well, transmission main, and treatment facilities, and the costs of the costs of professional services related thereto.

“Project Fund” shall mean the project fund established by the City pursuant to Section 26 of this Ordinance.

“Record Date” means, for any Interest Payment Date, the last Business Day of the month next preceding such Interest Payment Date.

“Register” means the books of registration kept by the Paying Agent/Registrar in which the names and addresses of and the principal amounts registered to each Owner are maintained.

“Regulations” means the applicable, proposed, temporary or final Treasury Regulations

promulgated under the Code, or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

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

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

“State” means the State of Texas.

“Surplus Revenues” means the revenues available after the payment of operation and maintenance expenses of the System and the debt service payable from gross revenues or net revenues of the System, if any, as well as any other payments, costs or expenses designated in an ordinance authorizing the issuance of System revenue obligations.

“System” means the City’s water and sewer system.

“TWDB” means the Texas Water Development Board.

3. Authorization. The Certificates shall be issued pursuant to the Act in fully registered form, without coupons, in the total authorized principal amount of \$3,250,000 for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with the Project.

4. Designation and Date. The Certificates shall be designated as the “CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024C,” and shall be dated December 1, 2024. The Certificates shall bear interest at the rates set out in Section 5 of this Ordinance, from the later of the Issuance Date or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months.

5. Initial Certificates; Numbers and Denominations. The Certificates shall be issued in the principal amounts and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Ordinance. The Certificates shall mature on February 15 in each of the years and in the amounts set out in such schedule. The Initial Certificate shall be numbered I-1 and all other Certificates shall be numbered in sequence beginning with R-1. Certificates delivered on transfer of or in exchange for other Certificates shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Certificate or Certificates in lieu of which they are delivered.

[Remainder of Page Intentionally Left Blank]

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2026	\$75,000	1.260%	2041	\$110,000	2.750%
2027	80,000	1.270	2042	115,000	2.800
2028	75,000	1.130	2043	120,000	2.830
2029	80,000	1.920	2044	120,000	2.880
2030	85,000	1.980	2045	125,000	2.920
2031	85,000	2.040	2046	130,000	2.940
2032	85,000	2.110	2047	135,000	2.970
2033	90,000	2.170	2048	135,000	2.980
2034	90,000	2.220	2049	140,000	3.000
2035	95,000	2.350	2050	145,000	3.010
2036	95,000	2.440	2051	150,000	3.020
2037	100,000	2.520	2052	155,000	3.030
2038	105,000	2.570	2053	155,000	3.040
2039	105,000	2.630	2054	160,000	3.040
2040	110,000	2.700_			

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

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

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until the Paying Agent/Registrar’s Authentication Certificate, substantially in the form provided herein, has been duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. In lieu of the executed Paying Agent/Registrar’s Authentication Certificate described above, the Initial Certificate delivered at the Issuance Date shall have attached thereto the Comptroller’s Registration Certificate substantially in the form provided herein, manually executed by the Comptroller or by his duly authorized agent, which certificate shall be evidence that the Initial Certificate has been duly approved by the Attorney General and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) On the Issuance Date, the Initial Certificate, being a single certificate representing the entire principal amount of the Certificates, payable in stated installments to the TWDB or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro Tem and City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller, shall be delivered to the TWDB or its designee. Upon payment for the Initial

Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver definitive Certificates to DTC.

7. Payment of Principal and Interest. The Paying Agent/Registrar is hereby appointed as the initial paying agent for the Certificates. The principal of the Certificates shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they become due and payable at the principal payment office of the Paying Agent/Registrar in Dallas, Texas. The interest on each Certificate shall be payable by check mailed by the Paying Agent/Registrar on or before each Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register; provided, however, that for so long as the TWDB is the Owner of the Certificates, all payments of principal and interest will be made in wire transfer form at no cost to the TWDB.

If the date for payment of the principal of any Certificate is not a Business Day, then the date for such payment shall be the next succeeding Business Day, with the same force and effect as if made on the original date payment was due.

8. Special Record Date. If interest on any Certificate is not paid on any Interest Payment Date and continues unpaid for 30 days thereafter, the Paying Agent/Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Paying Agent/Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the City. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Owner of record as of the close of business on the day prior to the mailing of such notice.

9. Ownership; Unclaimed Principal. The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute Owner of such Certificate for the purpose of making payment of principal on such Certificate, and for all other purposes, whether or not such Certificate is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Certificate in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

Amounts held by the Paying Agent/Registrar which represent principal of the Certificates remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Paying Agent/Registrar in accordance with the applicable provisions of State law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

10. Registration, Transfer, and Exchange. So long as any Certificates remain outstanding, the Paying Agent/Registrar shall keep the Register at its principal payment office in Dallas, Texas, and subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Certificates in accordance with

the terms of this Ordinance. The Issuance Date of each Certificate originally delivered to and paid for by TWDB shall be recorded in the Register.

Each Certificate shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, duly endorsed for transfer, or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Certificate for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within three (3) Business Days after such presentation, a new Certificate or Certificates, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity, aggregate principal amount, and Issuance Date, bearing interest at the same rate as the Certificate or Certificates so presented.

All Certificates shall be exchangeable upon presentation and surrender thereof at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, for a Certificate or Certificates of the same maturity, Issuance Date, and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Certificate or Certificates presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Certificates in accordance with the provisions of this Section. Each Certificate delivered in accordance with this Section shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such Certificate is delivered.

The City or the Paying Agent/Registrar may require the Owner of any Certificate to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Certificate. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the City.

11. Mutilated, Lost, or Stolen Certificates. Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like maturity, Issuance Date, interest rate and principal amount, bearing a number not contemporaneously outstanding. If any Certificate is lost, apparently destroyed, or wrongfully taken, the City, pursuant to the applicable laws of the State and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authorize and the Paying Agent/Registrar shall authenticate and deliver a replacement Certificate of like maturity, Issuance Date, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The City or the Paying Agent/Registrar may require the Owner of a mutilated Certificate to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Paying Agent/Registrar.

The City or the Paying Agent/Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Certificate, before any replacement Certificate is issued, to:

- (1) furnish to the City and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Certificate;
- (2) furnish such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;
- (3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that may be imposed; and
- (4) meet any other reasonable requirements of the City and the Paying Agent/Registrar.

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

If any such mutilated, lost, apparently destroyed or wrongfully taken Certificate has become or is about to become due and payable, the City in its discretion may, instead of issuing a replacement Certificate, authorize the Paying Agent/Registrar to pay such Certificate.

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

12. Cancellation of Certificates. All Certificates paid in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment. The Paying Agent/Registrar shall furnish the City with appropriate certificates of destruction of such Certificates.

13. Book-Entry System. The Initial Certificates shall be delivered against payment to the TWDB. The TWDB shall be required to promptly surrender the Initial Certificates to the Paying Agent/Registrar for exchange. Certificates issued in exchange shall be registered in the name of Cede & Co., as nominee of DTC, as registered owner of the Certificates, and held in the custody of DTC. Unless otherwise requested by DTC, a single certificate will be issued and delivered to DTC for each maturity of the Certificates. Beneficial owners of Certificates will not receive physical delivery of Certificates except as provided hereinafter. For so long as DTC shall continue to serve as securities depository for the certificates as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Certificates is to receive, hold or deliver any Certificate.

With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC participant or any person on whose behalf a DTC participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any DTC participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC participant or any other person, other than a registered owner of the Certificates, as shown on the Register, of any notice with respect to the Certificates, including any notice of redemption, and (iii) the payment of any DTC participant or any other person, other than a registered owner of the Certificates, as shown on the Register, of any amount with respect to principal of or premium, if any, or interest on the Certificates.

Replacement Certificates may be issued directly to beneficial owners of Certificates other than DTC, or its nominee, but only in the event that (i) DTC determines not to continue to act as securities depository for the Certificates (which determination shall become effective no less than 90 days after written notice to such effect to the City and the Paying Agent/Registrar); or (ii) the City has advised DTC of its determination (which determination is conclusive as to DTC and the beneficial owners of the Certificates) that the interests of the beneficial owners of the Certificates might be adversely affected if such book-entry only system of transfer is continued. Upon occurrence of any of the foregoing events, the City shall use its best efforts to attempt to locate another qualified securities depository. If the City fails to locate another qualified securities depository to replace DTC, the City shall cause to be authenticated and delivered replacement Certificates, in certificate form, to the beneficial owners of the Certificates. In the event that the City makes the determination noted in (ii) above (provided that the City undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the City to make any such determination), and has made provisions to notify the beneficial owners of Certificates of such determination by mailing an appropriate notice to DTC, it shall cause to be issued replacement Certificates in certificate form to beneficial owners of the Certificates as shown on the records of DTC provided to the City.

Whenever, during the term of the Certificates, the beneficial ownership thereof is determined by a book entry at DTC, the requirements in this Ordinance of holding, delivering or transferring Certificates shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

If at any time, DTC ceases to hold the Certificates as securities depository, all references herein to DTC shall be of no further force or effect.

Before the City can discontinue the book-entry-only system of registration through DTC, notice must be given to the TWDB and prior written consent of the TWDB must be received by the City.

14. Optional Redemption; Defeasance. (a) The Certificates are subject to optional redemption as set forth in the Form of Certificate in this Ordinance.

Principal amounts may be redeemed only in integral multiples of \$5,000. If a Certificate subject to redemption is in a denomination larger than \$5,000, a portion of such Certificate may be redeemed, but only in integral multiples of \$5,000. Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a Certificate or Certificates of like maturity, Issuance Date, and interest rate in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered.

Notice of any redemption identifying the Certificates to be redeemed in whole or in part shall be given by the Paying Agent/Registrar at least 30 days prior to the date fixed for redemption by sending written notice by United States mail, first class, postage prepaid, to the Owner of each Certificate to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which Certificates are to be surrendered for payment and, if less than all Certificates outstanding of a particular maturity are to be redeemed, the numbers of the Certificates or portions thereof of such maturity to be redeemed. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Certificates or portions thereof to be redeemed. When Certificates have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Certificates or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Certificate or portion thereof called for redemption shall terminate on the date fixed for redemption.

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

(b) The Certificates may be discharged, defeased, redeemed or refunded in any manner now or hereafter permitted by law.

15. Forms. The form of the Certificates, including the form of the Paying Agent/Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller shall be, respectively, substantially as follows, with such additions, deletions and variations as may be necessary or desirable and not prohibited by this Ordinance:

(a) Form of Certificate.

REGISTERED
NUMBER

REGISTERED
DENOMINATION

\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF HOUSTON

CITY OF CROCKETT, TEXAS
COMBINATION TAX AND SURPLUS REVENUE CERTIFICATE OF OBLIGATION
SERIES 2024C

INTEREST RATE:	MATURITY DATE:	DATED DATE:	ISSUANCE DATE:	CUSIP NO.:
_____%	February 15, 20__	December 1, 2024	December 16, 2024	_____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

THE CITY OF CROCKETT, TEXAS (the “City”) promises to pay to the registered owner identified above, or registered assigns, on the maturity date specified above, upon presentation and surrender of this Certificate at BOKF, NA (the “Paying Agent/Registrar”), at its principal payment office in Dallas, Texas, the principal amount identified above, payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay interest thereon at the rate shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the later of the Issuance Date identified above, or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Certificate is payable by check on February 15 and August 15, beginning on August 15, 2025, mailed to the registered owner as shown on the books of registration kept by the Paying Agent/Registrar as of the fifteenth day of the month next preceding each interest payment date; provided, however, that for so long as the Texas Water Development Board (“TWDB”) is the Owner of the Certificates, all payments of principal and interest will be made in wire transfer form at no cost to the TWDB.

THIS CERTIFICATE is dated December 1, 2024 and is one of a series of fully registered certificates specified in the title hereof issued in the aggregate principal amount of \$3,250,000 (herein referred to as the “Certificates”), for the purpose of evidencing the indebtedness of the City for all or any part of the costs associated with improvements to the City’s water system, including the planning, development and construction of a new water well, transmission main, and treatment facilities, and the costs of the costs of professional services related thereto, issued in accordance with the Constitution and laws of the State of Texas, particularly Subchapter C, Chapter 271, Texas Local Government Code, as amended, pursuant to an ordinance duly adopted by the City

Council of the City (the “Ordinance”), which Ordinance is of record in the official minutes of the City Council.

THE CITY RESERVES THE RIGHT to redeem Certificates maturing on and February 15, 2036, prior to their scheduled maturities, in whole or from time to time in part, in integral multiples of \$5,000, on February 15, 2035, or any date thereafter at par. Reference is made to the Ordinance for complete details concerning the manner of redeeming the Certificates.

NOTICE OF ANY REDEMPTION shall be given at least 30 days prior to the date fixed for redemption by United States mail, first class, postage prepaid, addressed to the registered owner of each Certificate to be redeemed in whole or in part at the address shown on the books of registration kept by the Paying Agent/Registrar. When Certificates or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption, if any.

THE CITY RESERVES THE RIGHT, in the case of a redemption, to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption and such redemption has been rescinded shall remain outstanding.

THIS CERTIFICATE is transferable only upon presentation and surrender at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Ordinance.

THIS CERTIFICATE is exchangeable at the principal payment office of the Paying Agent/Registrar in Dallas, Texas, for certificates in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Ordinance.

THIS CERTIFICATE shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Certificate is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Certificate, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Ordinance.

THE CITY has covenanted in the Ordinance that it will at all times provide a legally qualified paying agent/registrar for the Certificates and will cause notice of any change of paying agent/registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Certificate have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes, within the limits prescribed by law, sufficient to provide for the payment of the interest, if any, on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the City.

IT IS FURTHER certified, recited and represented that the Surplus Revenues (as defined in the Ordinance) to be derived from the operation of the City's System (as defined in the Ordinance), are pledged to the payment of the Certificates. The City reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind payable in whole or in part from the Surplus Revenues, secured by a pledge of the Surplus Revenues that may be on a parity with, or junior and subordinate to the pledge of Surplus Revenues securing the Certificates.

IN WITNESS WHEREOF, this Certificate has been signed with the manual or facsimile signature of the Mayor or Mayor Pro Tem of the City and countersigned with the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed, or placed in facsimile, on this Certificate.

City Secretary
City of Crockett, Texas

Mayor [Pro Tem] ¹
City of Crockett, Texas

[SEAL]

(b) Form of Registration Certificate of Comptroller.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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

WITNESS MY SIGNATURE AND SEAL this _____.

¹ Delete if the Mayor executes the Initial Certificate.

Comptroller of Public Accounts of
the State of Texas

(SEAL)

(c) Form of Paying Agent/Registrar's Authentication Certificate.

AUTHENTICATION CERTIFICATE

It is hereby certified that this Certificate has been delivered pursuant to the Ordinance described in the text of this Certificate.

BOKF, NA,
as Paying Agent/Registrar

By: _____
Authorized Signature

Date of Authentication: _____

(d) Form of Assignment.

ASSIGNMENT

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

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

(Please insert Social Security or Taxpayer Identification Number of Transferee)
the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to transfer said Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed:

Registered Owner
NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this

Certificate in every particular, without any alteration, enlargement or change whatsoever.

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

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

(i) immediately under the name of the Certificate, the headings “INTEREST RATE” and “MATURITY DATE” shall be completed with the words “As Shown Below” and the words “CUSIP NO.” deleted;

(ii) in the first paragraph of the Certificate, the words “on the Maturity Date specified above” and “at the rate shown above” shall be deleted and the following shall be inserted after the last sentence in the first paragraph, “The principal shall be paid in installments on February 15 in each of the years and in the principal amounts identified in the following schedule:”

[Information to be inserted from schedule in Section 5]; and

(iii) the Initial Certificate shall be numbered I-1.

16. CUSIP Numbers. CUSIP Numbers may be printed on the Certificates, but errors or omissions in the printing of such numbers shall have no effect on the validity of the Certificates.

17. Interest and Sinking Fund; Tax Levy. The proceeds from all taxes levied, assessed and collected for and on account of the Certificates authorized by this Ordinance shall be deposited, as collected, in a special fund to be designated “City of Crockett, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024C Interest and Sinking Fund”. While the Certificates or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually levied, assessed and collected in due time, form and manner, and at the same time other City taxes are levied, assessed and collected, in each year, a continuing direct annual ad valorem tax, within the limits prescribed by law, upon all taxable property in the City sufficient to pay the current interest on the Certificates as the same becomes due, and to provide and maintain a sinking fund adequate to pay the principal of the Certificates as such principal matures, but never less than two percent (2%) of the original principal amount of the Certificates each year, full allowance being made for delinquencies and costs of collection, and such taxes when collected shall be applied to the payment of the interest on and principal of the Certificates and to no other purpose.

To pay the debt service coming due on the Certificates prior to the receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

18. Pledge of Revenues.

(a) The Surplus Revenues to be derived from the operation of the System are hereby pledged to the payment of the principal of and interest on the Certificates as the same come due. The City also reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind payable in whole or in part from the Surplus Revenues, secured by a pledge of the Surplus Revenues that may be senior to, on a parity with, or junior and subordinate to the pledge of Surplus Revenues securing the Certificates.

(b) While the Certificates are outstanding, the City will at all times maintain sufficient rates and charges for the payment of the maintenance and operation expenses of the System, and to the extent that ad valorem taxes are not available for such purpose, the City will at all times maintain sufficient rates and charges to produce revenues not less than 1.10 times the annual debt service obligations of all outstanding obligations of the City secured in whole or in part by the Surplus Revenues of the System for which the City is budgeting to make payments from Surplus Revenues, for the payment of debt service on the Certificates. Upon the written request of the TWDB, the City shall provide documentation that evidences the levy of ad valorem taxes for the payment of debt service on the Certificates or information demonstrating that the City has budgeted Surplus Revenues of the System or other lawfully available revenues sufficient for the payment of debt service on the Certificates.

(c) If System revenues are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, the amount of taxes that otherwise would have been required to be levied may be reduced to the extent and by the amount of revenues then on deposit in the Interest and Sinking Fund.

(d) If the City does not levy taxes in any year as provided in Section 17 and Section 18(c) above, the City shall transfer and deposit in the Interest and Sinking Fund each month an amount of not less than 1/12th of the annual debt service on the Certificates until the amount on deposit in the Interest and Sinking Fund equals the amount required for annual debt service on the Certificates and the City shall not transfer Surplus Revenues from the System to any fund other than the Interest and Sinking Fund until such times as an amount equal to the annual debt service on the Certificates for the then current fiscal year has been deposited in the Interest and Sinking Fund.

(e) Each year that the Certificates are outstanding, and prior to the time taxes are to be levied for such year, the City shall establish, adopt, and maintain an annual budget that provides for the monthly deposit of sufficient Surplus Revenues, the monthly deposit of any other legally available funds on hand at the time of the adoption of the annual budget, the deposit of tax revenues, or a combination thereof, into the Interest and Sinking Fund for the payment of debt service on the Certificates.

19. Application of Chapter 1208, Texas Government Code. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates and the pledge of the taxes and revenues granted by the City under Sections 17 and 18 of this Ordinance, and such pledge is therefore valid, effective and perfected. If State law is amended at any time while the Certificates

are outstanding and unpaid such that the pledge of the taxes and revenues granted by the City under Sections 17 and 18 of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under State law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

20. Further Proceedings. After the Initial Certificate has been executed, it shall be the duty of the Mayor or Mayor Pro Tem of the City to deliver the Initial Certificate and all pertinent records and proceedings to the Attorney General, for examination and approval. After the Initial Certificate has been approved by the Attorney General, it shall be delivered to the Comptroller for registration. Upon registration of the Initial Certificate, the Comptroller (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein to be affixed or attached to the Certificates to be initially issued, and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

21. Sale. The Certificates are hereby sold and shall be delivered to the TWDB, as soon as practicable after adoption of this Ordinance, at a price of par, subject to the approval of the Attorney General and Bond Counsel. At the time the Certificates are delivered to the TWDB, the City shall pay an origination fee to the TWDB equal to \$64,020.00, in accordance with the rules of the TWDB. The Mayor or Mayor Pro Tem and other appropriate officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to provide for the issuance and delivery of the Certificates.

22. Books and Records. So long as any of the Certificates are outstanding the City covenants and agrees that it will keep proper books of record and account in which full, true and correct entries will be made of all transactions relating to the Certificates and the funds created pursuant to this Ordinance, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any Owner.

23. Provisions Concerning Federal Income Tax Matters.

(a) General. The City covenants not to take any action or omit to take any action that, if taken or omitted, would cause the interest on the Certificates to be includable in gross income for federal income tax purposes. In furtherance thereof, the City covenants to comply with sections 103 and 141 through 150 of the Code and the provisions set forth in the Federal Tax Certificate executed by the City in connection with the Certificates.

(b) No Private Activity Bonds. The City covenants that it will use the proceeds of the Certificates (including investment income) and the property financed, directly or indirectly, with such proceeds so that the Certificates will not be "private activity bonds" within the meaning of section 141 of the Code. Furthermore, the City will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Certificates to be a "private activity bond" unless it takes a remedial action permitted by section 1.141-12 of the Regulations.

(c) No Federal Guarantee. The City covenants not to take any action or omit to take any action that, if taken or omitted, would cause the Certificates to be “federally guaranteed” within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

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

(e) No Arbitrage Bonds. The City covenants that it will make such use of the proceeds of the Certificates (including investment income) and regulate the investment of such proceeds of the Certificates so that the Certificates will not be “arbitrage bonds” within the meaning of section 148(a) of the Code.

(f) Required Rebate. The City covenants that, if the City does not qualify for an exception to the requirements of section 148(f) of the Code, the City will comply with the requirement that certain amounts earned by the City on the investment of the gross proceeds of the Certificates, be rebated to the United States.

(g) Information Reporting. The City covenants to file or cause to be filed with the Secretary of the Treasury an information statement concerning the Certificates in accordance with section 149(e) of the Code.

(h) Record Retention. The City covenants to retain all material records relating to the expenditure of the proceeds (including investment income) of the Certificates and the use of the property financed, directly or indirectly, thereby until six years after the last Certificate is redeemed or paid at maturity (or such other period as provided by subsequent guidance issued by the Department of the Treasury) in a manner that ensures their complete access throughout such retention period.

(i) Registration. If the Certificates are “registration-required bonds” under section 149(a)(2) of the Code, the Certificates will be issued in registered form.

(j) Favorable Opinion of Bond Counsel. Notwithstanding the foregoing, the City will not be required to comply with any of the federal tax covenants set forth above if the City has received an opinion of nationally recognized bond counsel that such noncompliance will not adversely affect the excludability of interest on the Certificates from gross income for federal income tax purposes.

(k) Continuing Compliance. Notwithstanding any other provision of this Ordinance, the City’s obligations under the federal tax covenants set forth above will survive the defeasance and discharge of the Certificates for as long as such matters are relevant to the excludability of interest on the Certificates from gross income for federal income tax purposes.

(l) Official Intent. For purposes of section 1.150-2(d) of the Regulations, to the extent that an official intent to reimburse by the City has not been adopted for a particular project, this Ordinance serves as the City’s official declaration of intent to use proceeds of the Certificates to reimburse itself from proceeds of the Certificates issued in the maximum amount for certain

expenditures paid in connection with the projects set forth herein. Any such reimbursement will only be made (i) for an original expenditure paid no earlier than 60 days prior to the date hereof and (ii) not later than 18 months after the later of (A) the date the original expenditure is paid or (B) the date of which the project to which such expenditure relates is placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

(m) Source Series Bonds. The City covenants that neither the City nor a related party thereto will acquire any of the TWDB's Source Series Bonds in an amount related to the amount of the Certificates to be acquired from the City by the TWDB.

(n) Advanced Refunding. The City covenants to refrain from using the proceeds of the Certificates to pay debt service on another tax-exempt issue more than ninety (90) days after the date of issue of the Certificates in contravention of the requirements of section 149(d) of the Code.

24. TWDB Resolution. The City agrees to comply with the applicable provisions of TWDB Resolution No. 24-086, which authorized the financial assistance evidenced by the Certificates.

25. Escrow Agreement. To facilitate the delivery of and payment for the Certificates pending completion of review of plans and specifications, the City Council hereby authorizes an Escrow Agreement to be entered into by and between the City and the Escrow Agent, the terms and conditions of which are hereby approved, subject to such insertions, additions, and modifications as shall be necessary to comply with all applicable laws, regulations, and procedures and to carry out the intent and purposes of this Ordinance. The Mayor or Mayor Pro Tem and the City Secretary are authorized to execute and deliver such Escrow Agreement in multiple counterparts on behalf of the City.

26. Project Fund. There is hereby created and established a special fund of the City, to be known as the "City of Crockett, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024C Project Fund," which shall be established at an official depository of the City and kept separate and apart from other funds of the City. The proceeds of the Certificates, shall be deposited in the escrow account for the Certificates that is maintained by the Escrow Agent for the benefit of the City and TWDB under and as more specifically provided in the Escrow Agreement. Upon release from the escrow account, such proceeds shall be deposited and held in the Project Fund until used for authorized purposes. The proceeds of the Certificates, as received, shall be deposited in the Project Fund. Money on deposit in the Project Fund and all interest and income derived therefrom shall be used only for the purposes set forth in Section 3 of this Ordinance and to pay costs of issuance. Money on deposit in the Project Fund, may, at the option of the City, be invested as permitted by State law including, particularly, the Public Funds Investment Act, Texas Government Code, Chapter 2256, and the Public Funds Collateral Act, Texas Government Code, Chapter 2257; provided that all such deposits and investments shall be made in such manner that the money required to be expended from the Project Fund will be available at the proper time or times. Certificate proceeds deposited in the Project Fund shall be timely and expeditiously used, in accordance with the schedule for the Project approved by the TWDB, as may be amended from time to time. The City will maintain project accounts in accordance with generally accepted government accounting standards, including standards related to the reporting of infrastructure assets.

27. TWDB Rules. In compliance with the published rules and regulations of the TWDB, the City covenants and agrees that upon final completion of the Project to be financed with the proceeds of the Certificates, and if all or any portion of the Certificates shall be held by or on account of the TWDB or the State, the proper officials of the City shall render due and final accounting of the total cost of the Project and provide a copy of as-built plans for the Project to the TWDB. If, following completion of the Project, funds remain on hand in the Project Fund, or if the TWDB Executive Administrator (the “Executive Administrator”) disapproves construction of any portion of the Project as not being in accordance with the plans and specifications, the City shall use any remaining funds for enhancements to the Project that are approved by the Executive Administrator, or, if no enhancements are authorized by the Executive Administrator, the City shall submit to the TWDB a final accounting and describe the proposed disposition of any unused funds. If any funds are determined to be surplus funds remaining after the completion of the Project and the completion of a final accounting, such surplus funds shall be used for purposes approved by the Executive Administrator. Unless otherwise stated in the loan commitment of the TWDB with respect to the purchase of the Certificates, in determining the amount of available funds for constructing the Project to be financed, the City shall account for all monies in the Project Fund, including all loan funds extended by the TWDB, all other funds available from the Project as described in the Project engineer’s sufficiency of funds statement required for closing the TWDB’s loan, and all interest earned by the City on money in the Project Fund. This requirement shall not be interpreted as prohibiting the TWDB from enforcing such other rights as it may have under law.

28. Use of Financial Assistance. The City agrees that financial assistance proceeds will be timely and expeditiously used as required by 40 CRF § 35.3135(d) and that it will utilize reasonable efforts to adhere to the approved project schedule.

29. Outlay Reports. The City agrees to submit outlay reports with sufficient documentation on costs on a quarterly or monthly basis in accordance with TWDB outlay report guidelines.

30. Environmental Indemnification. The City shall not use proceeds from the sale of the Certificates for sampling, testing, removing or disposing of contaminated soils and/or media at the Project site. To the extent permitted by law, the City agrees to indemnify, hold harmless and protect the TWDB from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the City, its contractors, consultants, agents, officials and employees as a result of activities relating to the Project.

31. Insurance. The City covenants that the Project will be kept continually insured against such perils in an amount sufficient to protect the TWDB’s interest in the Project, to the extent that insurance is customarily carried by cities operating similar facilities in similar locations; provided, however, that the City shall not be required to maintain such insurance so long as builders risk insurance covering such facilities during the period of construction is in effect.

32. Compliance with Rules and Statutes. The City covenants that it will comply with TWDB's rules and relevant state statutes in connection with the sale of the Certificates to TWDB and the use of the proceeds in connection with the Project approved by TWDB.

33. Compliance with Environmental Findings of Executive Administrator. The City covenants that it will comply with the conditions specified in the final environmental finding of the Executive Administrator when issued, including the standing emergency discovery conditions for threatened and endangered species and cultural resources.

34. Audited Financial Statements. The City shall annually submit to the TWDB a copy of its audited financial statements, which shall be prepared by a certified public accountant in accordance with the accounting principles the City may be required to employ from time to time pursuant to State law or regulation.

35. Compliance with Davis-Bacon and Federal Disadvantaged Business Enterprises Program. Laborers and mechanics employed by contractors and subcontractors for the Project shall be paid wages at rates not less than those prevailing on projects of a similar character in the locality in accordance with the Davis-Bacon Act, and the U.S. Department of Labor's implementing regulations. The City, all contractors, and all sub-contractors shall ensure that all Project contracts mandate compliance with the Davis-Bacon Act. All contracts and subcontracts for the construction of the Project carried out in whole or in part with Certificate proceeds shall insert in full in any contract in excess of \$2,000 the contracts clauses as provided by the TWDB. The City covenants to comply with all applicable State and federal procurement requirements, including the federal procurement requirements under the Disadvantaged Business Enterprises program.

36. Federal Funding Accountability and Transparency Act. The City shall provide the TWDB with all information required to be reported in accordance with the Federal Funding Accountability and Transparency Act of 2006, Pub. L. 109-282, as amended by Pub. L. 110-252. The City shall obtain a Data Universal Numbering System (DUNS) number and shall register with System for Award Management (SAM), and maintain current registration at all times during which the Certificates are outstanding.

37. Use of Iron and Steel Products. The City covenants that it will abide by all applicable construction contract requirements related to the use of iron and steel products produced in the United States, as required by 31 TAC § 371.4 and related State Revolving Fund Policy Guidelines.

38. Telecommunications and Video Surveillance. The City covenants that it will comply with applicable prohibitions on certain telecommunications and video surveillance services or equipment as required by 2 CFR § 200.216.

39. Build America, Buy America. The City covenants that it will abide by all applicable requirements related to the Build America, Buy America Act, Public Law 117-58 and 2 CFR part 184.

40. Maintenance of Project Fund. The City covenants that it will maintain the Project Fund in accordance with generally accepted government accounting principles.

41. Continuing Disclosure Undertaking.

(a) Annual Reports. The City agrees to provide to the MSRB, in electronic format, accompanied by identifying information as prescribed by the MSRB, within six months after the end of each Fiscal Year, financial information and operating data with respect to the City of the general type included in the City's annual financial statements. The information will also include the audited financial statements of the City, if the City commissions an audit and it is completed within the required time. If the audit of such financial statements is not complete within such period, then the City will provide unaudited financial statements within such six month period to the MSRB, and audited financial statements if and when the audit report on such statements becomes available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles the City may be required to employ from time to time pursuant to State law or regulation. All such information and operating data shall be provided to the MSRB, in an electronic format, accompanied by identifying information, as prescribed by the MSRB, and will be available via the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org.

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

All such information and operating data may be provided to the MSRB in full in one or more documents, or may be included by specific reference to documents available to the public (including an Official Statement or other offering document, if it is available from the MSRB).

(b) Event Notices. The City shall provide the following to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the following events with respect to the Certificates:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of Certificates, or other material events affecting the tax status of the Certificates;
- (7) Modifications to rights of the holders of the Certificates, if material;
- (8) Certificate calls, if material, and tender offers;

- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Certificates, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the City;

Note to paragraph 12: For the purposes of the event identified in paragraph 12 of this section, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

Note to paragraphs (15) and (16): For purposes of the events identified in paragraphs (15) and (16) of this section and in the definition of Financial Obligation in Section 2, the City intends the words used in such paragraphs to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018 (the “2018 Release”) and any further amendments or written guidance provided by the SEC or its staff with respect with respect to the amendments to the Rule effected by the 2018 Release.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 40(a). All documents provided to the MSRB pursuant to this section shall be accompanied by identifying information as prescribed by the MSRB.

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

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

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

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

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

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (i) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the outstanding Certificates consent to such amendment or (B) a person that is

unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data subsequently provided in accordance with Section 40(a) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

42. Private Placement Memorandum. The form and substance of the Private Placement Memorandum for the Certificates dated November 18, 2024, and any addenda, supplement or amendment thereto (the “Private Placement Memorandum”), presented to and considered at this meeting, are hereby in all respects approved and adopted. The proper officials of the City are hereby authorized to execute such Private Placement Memorandum as prescribed therein.

43. Appointment of Initial Paying Agent/Registrar; Paying Agent Registrar Agreement.

(a) BOKF, NA, Dallas, Texas, is hereby appointed as the initial Paying Agent/Registrar for the Certificates.

(b) The Paying Agent/Registrar shall keep such books or records and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Certificate to which payments with respect to the Certificates shall be mailed, as provided herein. The City or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Register confidential, and unless otherwise required by law, shall not permit their inspection by any other entity.

(c) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest, on the Certificates. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates, and of all conversions, exchanges and replacements of such Certificates, as provided in the Ordinance.

(d) The form of Paying Agent/Registrar Agreement setting forth the duties of the Paying Agent/Registrar is hereby approved, and the appropriate officials of the City are hereby authorized to execute such agreement for and on behalf of the City.

44. Maintenance, Termination and Replacement of Paying Agent/Registrar.

(a) At all times while any Certificates are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under this Section 41 of the Ordinance.

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

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

(d) The City reserves the right to terminate the appointment of any Paying Agent/Registrar by (i) delivering to the entity whose appointment is to be terminated forty-five (45) days written notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar; provided, that, no such termination shall be effective until a successor Paying Agent/Registrar has assumed the duties of Paying Agent/Registrar for the Certificates.

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

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

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

45. Remedies. TWDB shall have all remedies available at law or in equity with respect to the Certificates, and any provision of the Certificates that restricts or limits TWDB's exercise of such remedies shall be of no force and effect.

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

47. Related Matters. To satisfy in a timely manner all of the City's obligations under this Ordinance, the Mayor or Mayor Pro Tem, the City Secretary and all other appropriate officers and agents of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms and purposes of this Ordinance.

48. Individuals Not Liable. No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member of City Council or agent or employee of City Council or of the City in his or her individual capacity and neither the members of City Council nor any officer thereof, nor any agent or employee of City Council or of the City, shall be liable personally on the Certificates, or be subject to any personal liability or accountability by reason of the issuance thereof.

49. Severability and Savings. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or

unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

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

51. Force and Effect. This Ordinance shall be in full force and effect from and after its final passage, and it is so ordered.

[Signature Page Follows]

PASSED, APPROVED AND EFFECTIVE this 18th day of November, 2024.

City Secretary
City of Crockett, Texas

Mayor
City of Crockett, Texas

[SEAL]

CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS §
COUNTY OF HOUSTON §

I, the undersigned officer of the City Council of the City of Crockett, Texas, hereby certify as follows:

1. The City Council of the City of Crockett, Texas, convened in a regular meeting on the 18th day of November, 2024, and the roll was called of the duly constituted officers and members of said City Council, to wit:

- | | |
|--------------------|--|
| Dr. Ianthia Fisher | Mayor |
| Mike Marsh | Mayor Pro Tem and Council Member, Precinct 5 |
| Dennis Ivey | Council Member, Precinct 1 |
| Darrell Jay Jones | Council Member, Precinct 2 |
| NaTrenia Hicks | Council Member, Precinct 3 |
| Elbert Johnson | Council Member, Precinct 4 |

and all of said persons were present, except the following absentee(s): _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting, a written

ORDINANCE NO. O-__-__

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF CROCKETT, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024C; AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT RELATING TO SUCH CERTIFICATES; PRESCRIBING THE FORM OF SAID CERTIFICATES; LEVYING A TAX AND PLEDGING SURPLUS REVENUES OF THE WATER AND SEWER SYSTEM IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said ordinance be adopted; and, after due discussion, said motion, carrying with it the adoption of said ordinance, prevailed and carried by the following vote:

- _____ Member(s) of City Council shown present voted "Aye."
- _____ Member(s) of City Council shown present voted "No."
- _____ Member(s) of City Council shown present abstained from voting.

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

SIGNED AND SEALED this 18th day of November, 2024.

[SEAL]

City Secretary
City of Crockett, Texas

RESOLUTION NO. R-11E-24

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS APPROVING A PRINCIPAL FORGIVENESS AGREEMENT WITH THE TEXAS WATER DEVELOPMENT BOARD UNDER THE DRINKING WATER STATE REVOLVING FUND AND AUTHORIZING THE MAYOR AS THE DESIGNATED REPRESENTATIVE OF THE CITY TO EXECUTE THE PRINCIPAL FORGIVENESS AGREEMENT; AND APPROVING OTHER MATTERS RELATED THERETO

THE STATE OF TEXAS §
COUNTY OF HOUSTON §
CITY OF CROCKETT §

WHEREAS, the Texas Water Development Board (the “TWDB”) has made a commitment to provide financial assistance in the form of a principal forgiveness in the amount of \$1,000,000 from the Drinking Water State Revolving Fund (the “Principal Forgiveness”) to the City of Crockett, Texas (the “City”) to finance improvements to the City’s water system, including the planning, development and construction of a new water well, transmission main, and treatment facilities; and

WHEREAS, the City Council of the City desires to appoint Mayor Dr. Ianthia Fisher, or any successor as Mayor of the City, as the representative of the City (the “Authorized Representative”) who is authorized to enter into an agreement related to the Principal Forgiveness (the “Principal Forgiveness Agreement”) with the TWDB on behalf of the City; and

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

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS:

1. Authorized Representative. The Mayor of the City is hereby appointed as the Authorized Representative of the City.
2. Approval of Principal Forgiveness Agreement. The Principal Forgiveness Agreement between the TWDB and the City in substantially the form presented to City Council is approved, and the Authorized Representative is authorized to execute the Principal Forgiveness Agreement on behalf of the City.
3. Effective Date. This Resolution shall become effective immediately after its adoption.

[Execution Page Follows]

PASSED, APPROVED and EFFECTIVE on this the 18th of November, 2024.

City Secretary
City of Crockett, Texas

Mayor
City of Crockett, Texas

[SEAL]

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF HOUSTON §

I, the undersigned officer of the City Council of the City of Crockett, Texas, hereby certify as follows:

1. The City Council of the City of Crockett, Texas, convened in a regular meeting on the 18th day of November, 2024, and the roll was called of the duly constituted officers and members of said City Council, to wit:

- | | |
|--------------------|--|
| Dr. Ianthia Fisher | Mayor |
| Mike Marsh | Mayor Pro Tem and Council Member, Precinct 5 |
| Dennis Ivey | Council Member, Precinct 1 |
| Darrell Jay Jones | Council Member, Precinct 2 |
| NaTrenia Hicks | Council Member, Precinct 3 |
| Elbert Johnson | Council Member, Precinct 4 |

and all of said persons were present, except the following absentee(s): _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting, a written

RESOLUTION NO. R-_____

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS APPROVING A PRINCIPAL FORGIVENESS AGREEMENT WITH THE TEXAS WATER DEVELOPMENT BOARD UNDER THE DRINKING WATER STATE REVOLVING FUND AND AUTHORIZING THE MAYOR AS THE DESIGNATED REPRESENTATIVE OF THE CITY TO EXECUTE THE PRINCIPAL FORGIVENESS AGREEMENT; AND APPROVING OTHER MATTERS RELATED THERETO

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote:

- 4 Member(s) shown present above voted "Aye."
- 0 Member(s) shown present above voted "No."
- 0 Member(s) shown present above abstained from voting.

2. A true, full and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said resolution has been duly recorded in said City Council’s minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council’s minutes of said meeting pertaining to the adoption of said resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED this 18th day of November, 2024.

[SEAL]

City Secretary
City of Crockett, Texas

RESOLUTION NO. R-11B-24

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS PROVIDING FOR THE REPLACEMENT OF THE ESCROW/DEPOSITORY/REGISTRAR BANK FOR THE CITY OF CROCKETT, TEXAS, REVENUE BONDS, SERIES 2019A AND THE CITY OF CROCKETT, TEXAS, REVENUE BONDS, SERIES 2019B; APPROVING THE FORM AND SUBSTANCE OF RELATED DOCUMENTS; AUTHORIZING CITY OFFICIALS TO EXECUTE NOTICES AND AGREEMENTS RELATED THERETO; AND APPROVING OTHER MATTERS RELATED THERETO

THE STATE OF TEXAS §
COUNTY OF HOUSTON §
CITY OF CROCKETT §

WHEREAS, the City Council of Crockett, Texas, (the “City”) has previously issued its Revenue Bonds, Series 2019A and Revenue Bonds, Series 2019B (collectively, the “**Bonds**”), pursuant to Ordinance No. [O-06-19], adopted June 17, 2019, as amended by Ordinance No. O-06-21, adopted June 7, 2021; and Ordinance No. [O-06B-19], adopted June 17, 2019, as amended by Ordinance No. O-06B-21, adopted June 7, 2021, respectively (collectively, the “**Ordinances**”); and

WHEREAS, portions of the Bonds remain outstanding; and

WHEREAS, Wilmington Trust, National Association (“**Wilmington Trust**”) was appointed as the initial Escrow/Depository/Registrar Bank (as defined in the Ordinances) for the Bonds (the “**EDR Bank**”); and

WHEREAS, pursuant to Section 5.3 of the Ordinances, the Mayor, as authorized representative of the City, entered into such Escrow/Depository/Registrar Bank Agreements (as defined in the Ordinances) with Wilmington Trust; and

WHEREAS, the City Council of the City (the “City Council”) desires to terminate the appointment of Wilmington Trust as the EDR Bank and appoint BOKF, NA as the successor EDR Bank for the Bonds; and

WHEREAS, Section 5.4 of the Ordinances authorizes the City to terminate the appointment of any EDR Bank by (i) giving to such EDR Bank 45 days’ written notice of the termination of the appointment and of the Escrow/Depository/Registrar Bank Agreement (the “**Notice of Termination**”), and (ii) appointing a successor EDR Bank, provided, that, no such termination shall be effective until a successor paying agent/registrar has assumed the duties of paying agent/registrar for the Bonds; and

WHEREAS, Section 5.5 of the Ordinances requires the City to promptly notify each owner of the Bonds upon a change in the entity serving as EDR Bank; and

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

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS:

1. Incorporation of Preamble. The findings, determinations, definitions and recitations set out in the preamble to this resolution are found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes.
2. Termination of Wilmington Trust and Approval of BOKF, NA as Successor EDR Bank. The City hereby approves the termination of Wilmington Trust as EDR Bank for the Bonds and the appointment of BOKF, NA as successor EDR Bank for the Bonds.
3. Authorization of Notice of Termination. The City Administrator is hereby authorized to execute and send a Notice of Termination to Wilmington Trust.
4. Approval of Paying Agent/Registrar Agreements. The Paying Agent/Registrar Agreements between the City and BOKF, NA in substantially the forms presented to City Council are authorized and approved; the Mayor, as authorized representative of the City, is hereby authorized to execute such Agreements on behalf of the City; and the City Secretary is hereby authorized to attest to such Agreements.
5. Approval of Notice to Bondholders. The City Administrator, City Secretary and the other appropriate officers of the City are hereby authorized to send notice of the change in the entity serving as EDR Bank to each Owner (as such term is defined in the Ordinances) of the Bonds, pursuant to Section 5.5 of the Ordinances.
6. Other Actions. The Mayor, the City Secretary of the City and the other appropriate officers of the City are hereby authorized, jointly and severally, to execute and deliver such notices, instruments, documents or papers necessary and advisable to carry out the intent and purpose of this resolution.
7. Effective Date. This Resolution shall become effective immediately after its adoption.

[Execution Page Follows]

PASSED, APPROVED and EFFECTIVE on this the 18th of November, 2024.

City Secretary
City of Crockett, Texas

Mayor
City of Crockett, Texas

[SEAL]

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF HOUSTON §

I, the undersigned officer of the City Council of the City of Crockett, Texas, hereby certify as follows:

1. The City Council of the City of Crockett, Texas, convened in a regular meeting on the 18th day of November, 2024, and the roll was called of the duly constituted officers and members of said City Council, to wit:

- | | |
|--------------------|--|
| Dr. Ianthia Fisher | Mayor |
| Mike Marsh | Mayor Pro Tem and Council Member, Precinct 5 |
| Dennis Ivey | Council Member, Precinct 1 |
| Darrell Jay Jones | Council Member, Precinct 2 |
| NaTrenia Hicks | Council Member, Precinct 3 |
| Elbert Johnson | Council Member, Precinct 4 |

and all of said persons were present, except the following absentee(s): _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting, a written

RESOLUTION NO. R-11B-24

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS PROVIDING FOR THE REPLACEMENT OF THE ESCROW/DEPOSITORY/REGISTRAR BANK FOR THE CITY OF CROCKETT, TEXAS, REVENUE BONDS, SERIES 2019A AND THE CITY OF CROCKETT, TEXAS, REVENUE BONDS, SERIES 2019B; APPROVING THE FORM AND SUBSTANCE OF RELATED DOCUMENTS; AUTHORIZING CITY OFFICIALS TO EXECUTE NOTICES AND AGREEMENTS RELATED THERETO; AND APPROVING OTHER MATTERS RELATED THERETO

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote:

_____ Member(s) shown present above voted "Aye."

_____ Member(s) shown present above voted "No."

_____ Member(s) shown present above abstained from voting.

2. A true, full and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said resolution has been duly recorded in said City Council’s minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council’s minutes of said meeting pertaining to the adoption of said resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED this 18th day of November, 2024.

[SEAL]

City Secretary
City of Crockett, Texas

RESOLUTION NO. R-11C-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR THE COMMUNITY DEVELOPMENT FUND.

WHEREAS, the City Council of the City of Crockett desires to develop a viable community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low-to-moderate income; and

WHEREAS, it is necessary and in the best interests of the City of Crockett to apply for funding under the Texas Community Development Block Grant Program;

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

1. That a Texas Community Development Block Grant Program application for the Community Development Fund is hereby authorized to be filed on behalf of the City with the Texas Department of Agriculture, and to be placed in competition for funding under the Community Development Fund.
2. That the City of Crockett commits to dedicating no less than 51 % of grant funds for activities identified by the state planning region as First Priority.
3. That all funds will be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, real property acquisition, and civil rights requirements.
4. That the City of Crockett is committing to provide \$75,000 in matching funds toward the application's activities, with the specific usage and funding source to be determined prior to any award of grant funding.

Passed and approved this 18th day of November, 2024.

Dr. Ianthia Fisher, Mayor

ATTEST:

Mitzi Stefka, City Secretary



Personnel Policy and Procedure Manual Update Summary

New PD 2.11, Prohibited Technology on City Devices.

PD 2.11 complies with SB 1893 (88th Legislature, regular session), which requires governmental entities, including a municipality, to adopt a policy prohibiting the use of TikTok and certain other social media applications and services on government devices, including those owned or leased by a municipality.

Revised PD 4.04, On-Call Duty.

- Stand-By On-Call Pay: New provisions allow an on-call employee to report ½ hour worked on a Mon – Fri workday that he is on call and 1 hour worked on a Saturday, Sunday, or observed holiday that he is on call regardless of whether he works any callouts. If he does work one or more callouts, he still reports the ½ hour or one hour stand-by time, whichever is applicable, as time worked.
- Callout On-Call Pay: Revised procedures clarify that the current 2-hour minimum applies only to the first call out or first call out period (back-to-back callouts) within a 24-hour on-call shift. For any callouts occurring during the same 24-hour shift after the first callout or callout period, the employee only reports the actual time worked.
- Rounds Pay: New provisions apply to employees who are assigned to make scheduled park/facility rounds on a regular day off. The employee will receive a minimum of two hours of pay for each day of rounds assignment. For any work beyond two hours, the employee only reports the actual time worked.

Revised PD 4.06, Salary Administration (only the page with the new procedures is attached).

Procedures have been added relating to temporary assignments to facilitate the City’s continued operations during special circumstances (e.g., sudden departure of a key employee or an employee with unique skills). In such circumstances, an employee may be temporarily assigned to other duties for a period not to exceed six (6) months during a 12-month period.

New PD 12.02, Travel Expense Reimbursement.

The new policy establishes maximum limits for the reimbursement of travel expenses to help ensure consistency in the determination of what is a reasonable expense and help employees be aware of the maximum reimbursement they will receive before incurring travel expenses. The maximum allowed meal expenses are equivalent to the U.S. General Services Administration’s (GSA’s) Federal Domestic Maximum Per Diem Rates by location, which are effective at the beginning of each fiscal year (October 1) and are the same maximum expenses allowed for state employees and for Houston County employees. The policy includes a new form for travel expense reimbursement.

Revised Appendix B, Employee Handbook (only pages with changes are attached).

- A reference to the prohibited technology (e.g., TikTok) on City-owned or City-leased devices has been added to Section IV., Information Technology Resources.
- Rule 2.03 relating to promptly complying with lawful instructions issued by a supervisor or other authority has been changed from a level 2 violation to a level 3 – 4 violation, with the level for a specific violation to be dependent upon the severity of the violation.
- Technical corrections made to some of the drop-down rule number references.

Revised Appendix D, General Pay Plan. The General Pay Plan has been updated with the pay rates that were effective October 10, 2024 (start of first full pay period in FY 2025).

City of Crockett

Personnel Policy and Procedure Manual

PD 2.11

Item 12.

Chapter: Conditions of Employment
Policy: Prohibited Technology on City Devices

Effective Date: mm/dd/yyyy

Page 1 of 3
New

Policy.

In compliance with Chapter 620, Texas Government Code, the City of Crockett (City) prohibits the use or installation of covered applications as defined in this policy on all City-owned or City-leased devices, including cell phones, tablets, desktop and laptop computers, and other internet-capable devices used by any employee, contractor, volunteer, library patron, or any other user except to the extent necessary for providing law enforcement or developing or implementing information security measures. Any person who possesses or uses a City-owned or City-leased device must ensure that any covered application that was installed on the device prior to the effective date of this policy is immediately removed.

The intent of the limitations in this policy is to protect against ongoing and emerging technological threats to sensitive information and critical infrastructure.

The City does not intend to restrict an employee's use of a covered application on any device that is not owned or leased by the City.

Additional Resources.

- City of Crockett Social Media Policy (published on the City's website for persons accessing and posting on the City's social media sites).
- PD-2.10, Personal Use of Social Media

Definition.

"Covered Application" means the social media service TikTok or any successor application or service developed or provided by ByteDance Limited or an entity owned by ByteDance Limited or a social media application or service specified by proclamation of the governor as posing a risk to the State of Texas

"Social Media" means publicly available, internet-based platforms that publish user-generated content. This includes blogs and microblogs (e.g., Pinterest, Twitter, The Daily Beast), wikis, media-sharing sites (e.g., Instagram, YouTube, SlideShare), podcasts, social networking sites (e.g., Facebook, Myspace, LinkedIn), mash-ups, virtual worlds (e.g., gaming programs and sites), and similar application or technologies currently in existence or other platforms that may be developed in the future.

Procedures.

- I. Monitoring and Managing City-Owned or City-Leased Devices.
 - A. The City will identify, track, and manage all City-owned or City-leased devices including mobile phones, tablets, laptops, desktop computers, or any other internet-capable devices to:
 1. Prohibit the installation of a covered application;
 2. Prohibit the use of a covered application;
 3. Remove a covered application from a City-owned or City-leased device that was on the device prior to the effective date of this policy; and
 4. Remove an application from a City-owned or City-leased device if the Governor issues a proclamation identifying it as a covered application.
 - B. In addition to a covered application, the City may prohibit other technology threats on City-owned or City-leased devices if the City determines that such prohibition is appropriate.
 - C. The City may manage all City-owned or leased mobile devices by implementing security measures that include but are not limited to the following:
 1. Restricting access to “app stores” or unauthorized software repositories to prevent the installation of unauthorized applications;
 2. Maintaining the ability to remotely wipe non-compliant or compromised mobile devices; and
 3. Maintaining the ability to remotely uninstall unauthorized software from mobile devices.
- II. Managing Exceptions.
 - A. Only a City administrator may authorize an exception to the installation or use of a covered application for the purpose of providing law enforcement or developing or implementing information security measures.
 - B. When an exception is authorized, the City will implement the following measures to mitigate risks during the use of the covered application:
 1. The exception will be granted for a predefined period of time.
 2. To the extent practicable or possible, the exception-based used will only be performed on devices that are not used for other City business and on non-City

networks, and the user should disable camera and microphones on devices authorized for exception-based use.

- C. The City administrator authorizing the exception will document the following:
 - 1. The date, time and reason for the exception;
 - 2. The specific application used, the person(s) using the application, and the device on which the application was used;
 - 3. The specific measures implemented to mitigate risks during the use of the covered application; and
 - 4. The date and time that the covered application was uninstalled from the device after the period of authorized use is complete.

III. Employee Duty to Report Violation of Policy.

Any employee who observes or learns about the installation or use of a covered application on a City-owned or City-leased device must promptly notify his immediate supervisor, administrator, or the City Secretary.

DRAFT

City of Crockett

Personnel Policy and Procedure Manual

PD 4.04 (rev. 1)

Item 12.

Chapter: Compensation
Policy: On-Call Duty

Effective Date: mm/dd/yyyy
Page 1 of 4
Replaces: 01/01/2022 New

Policy.

The City of Crockett (City) designates certain positions as being routinely in an on-call status to meet the City's operational needs. A position's job description will indicate whether the position is routinely in an on-call status. The appropriate administrator or designee may place employees in other positions in an on-call status under special or extenuating circumstances.

Additional Resources.

Employee Handbook (Appendix B to Employee Personnel Manual), Section VII.C, Employee General Rules of Conduct, Rule 1.04 - Be available while in an on-call status.

Definitions.

"Callout" is an event (e.g., work order, emergency event) that requires an on-call employee to report to a worksite to perform work outside of normal workhours.

"Callout period" is when another callout requires an on-call employee to go from one call-out worksite directly to another callout worksite.

Procedures.

- I. On-Call Designation and Responsibility to be Available.
 - A. Departments requiring employees to be on-call must rotate the assignment throughout the department in an equitable and consistent manner determined by the appropriate supervisor.
 - B. An employee will not be in an on-call status when he is on approved vacation, sick, or other approved leave.
 - C. A designated on-call employee is free to pursue personal activities while on call, but he must:
 1. be easily accessible by cell phone;
 2. remain within travel range to be able to arrive at the worksite within a maximum of one hour after receiving a call; and

Note: An exception to the one-hour response time is if the employee is already on one callout when he receives another callout and he needs more than one hour to complete the current callout. Upon completion of work at the current

callout work site, the employee must travel to the next callout worksite without delay.

3. remain mentally and physically fit to accomplish necessary services within the required timeframe.

II. Time Reporting and Pay.

~~A. An on-call employee does not report travel time as time worked. (Reviewer Note: Moved travel time procedures to new Paragraph D, Travel Time.)~~

A. Stand-By On-Call Pay.

Stand-by on-call pay is compensation paid to an on-call employee for having to be easily accessible and having to remain within a one-hour travel range during the portion of an on-call shift that occurs during his normal time off.

1. Regardless of whether an on-call employee responds to any callouts while on-call, the employee will report the following amount of times as time worked to receive stand-by on-call pay:
 - a. one-half hour for every Monday, Tuesday, Wednesday, Thursday and Friday that is not an observed holiday;
 - b. one hour for every Saturday, Sunday, or observed holiday.
2. The hours paid for being in a stand-by on-call status are:
 - a. in addition to any hours paid for responding to a callout; and
 - b. considered as time worked when determining overtime hours.

B. Callout On-Call Pay.

Callout on-call pay is compensation paid to an on-call employee when he works due to a callout. On-call public works employees must complete a Public Works Record of Callouts While On-Call form (PERS 4.04A form) for each callout, identifying the shift, callout start and completion date and time, and the address and nature of the callout.

1. For the purpose of callout on-call pay, an on-call shift is a 24-hour shift with the start of the shift being determined by the appropriate City administrator. (For example, for the designated public works on-call employee, a 24-hour on-call shift starts at 7 am each day.)
2. The **first** callout or callout period during a 24-hour on-call shift is subject to a two-hour minimum.
 - a. If the employee works less than two hours on the first call-out or call-out period, the employee reports his time as two hours worked.

- b. If the first call-out or call-out period requires the employee to work more than two hours, he only reports the actual time worked. The two-hour minimum is not applicable. If the time that the employee arrives at the worksite and completes one or more callouts before leaving the worksite is less than two (2) hours, the employee reports the time worked as two hours.
3. For any other callouts occurring during the same on-call shift, the employee only reports the actual time worked. Any time worked over two hours on a single period of call-out(s) must be reported in quarterly (15 minute) increments.

C. Rounds Pay.

Rounds pay is compensation paid to an employee who is assigned to make scheduled rounds on a Saturday, Sunday, or observed holiday (e.g., before, during, and after one or more scheduled events at one or more City parks to ensure the facilities are clean and functional; daily scheduled rounds to ensure plants are operating correctly). The difference between rounds pay and stand-by on-call pay is that the employee assigned to perform rounds has prior notice of the scheduled rounds and the range of hours that he will definitely be working instead of being on stand-by for an overnight period and not knowing if he will need to actually work.

1. Rounds pay is subject to a two-hour minimum per day of assignment.
 - a. If the employee works a total of less than two hours on a day of rounds assignment, he reports his time as two hours worked.
 - b. If the employee works a total of more than two hours on a day of rounds assignment, he only reports the actual time worked. The two-hour minimum is not applicable.
2. If the employee assigned for rounds is also the on-call employee, the provisions for stand-by on-call pay and callout on-call pay will apply in addition to rounds pay.

D. Travel Time.

1. The only travel time that an on-call or rounds employee may report as time worked is:
 - a. The time to travel from the City's standard work location (e.g., public works yard) to the callout or rounds worksite and then the time to travel from the callout or rounds worksite back to the City's standard work location; and
 - b. The time to travel from one callout or rounds worksite directly to another callout or rounds worksite.

2. An on-call or rounds employee may not report the time spent traveling from or back to his personal location as time worked.

EE. On-Call for Last/First Days of Work Cycle.

An employee who is on-call during off-hours on Wednesday night/Thursday morning (last and first days of work cycle) will report any hours worked on callouts call-outs as follows.

1. When work on a callout call-out starts before 12:00 pm (midnight) on Wednesday night, the employee reports all **consecutive** hours worked on that callout call-out as Wednesday's work hours regardless of how long it takes to complete the work on the callout call-out. If there is a work break where the employee leaves the worksite and then later returns to the same worksite after 12:00 pm (midnight), the employee will report only the hours up to the work break as Wednesday's work hours.
2. When work on a callout call-out starts after 12 pm (midnight) on Thursday morning (e.g., 12:30 am), the employee reports the hours worked as Thursday's work hours.

FD. Working On-Call on an Observed Holiday.

The City considers on-call work and rounds assignment work performed on an observed holiday (see PD-6.02) as holiday time worked. The City will pay an employee working such on-call hours at a rate of 1-1/2 times the employee's regular pay.

GE. Overtime Determination.

Whether on-call hours or hours of rounds assignment that are reported as time worked other than on a holiday will result in overtime hours will be determined in accordance with PD-4.03, FLSA Overtime Hours and Compensatory Hours.

City of Crockett

Personnel Policy and Procedure Manual

PD 4.06 (rev. 1)

Item 12.

Chapter: Compensation
Policy: Salary Administration

Effective Date: (mm/dd/yyyy)
Page 1 of 1
Replaces: 11/07/2022

REVIEWER'S NOTE: EXCERPT WITH NEW PROCEDURES FOR TEMPORARY ASSIGNMENT IN SECTION VI OF PROCEDURES.

Procedures.

VI. Temporary Assignment.

To facilitate the City's continued operations during special circumstances (e.g., sudden departure of a key employee or an employee with unique skills), an employee may be temporarily assigned to other duties for a period not to exceed six (6) months during a 12-month period.

- A. If the position to which the employee is temporarily assigned has a different job class title and is in a salary group with a higher minimum salary rate, the employee will be paid during the temporary assignment at least the amount of pay he would receive if he were promoted to the position (see procedures for promotions).
- B. If the position to which the employee is temporarily assigned has a different job class title and is in a salary group with a lower minimum salary rate, the employee will continue to receive the same rate of pay that the employee was receiving prior to the temporary assignment.
- C. During a temporary assignment, the City may not:
 - 1. award the employee a merit salary increase or a one-time merit payment; or
 - 2. promote or demote the employee; or
 - 3. reduce the employee's salary.
- D. When the employee's temporary assignment has expired, the employee must return to his previously held position and receive the same rate of pay the employee received prior to the temporary assignment unless the previously held position was subject to a higher salary group change or across-the-board cost-of-living increase.

City of Crockett

Personnel Policy and Procedure Manual

PD-12.02

Item 12.

Chapter: Training and Staff Development/Travel
Policy: Travel Expense Reimbursement

Effective Date: mm/dd/yyyy
Page 1 of 7
New

Policy.

The City of Crockett recognizes the need for official representation at conferences, meetings, conventions, seminars, and other functions and for participation in occasional training required or offered by the City. The City also recognizes that employees traveling for such official City business should be reimbursed for reasonable and necessary travel expenses.

The City establishes maximum limits for the reimbursement of travel expenses to help ensure consistency in the determination of what is a reasonable expense and help employees be aware of the maximum reimbursement they will receive before incurring travel expenses. A City administrator has the discretion to implement guidelines for employees reporting to him that are more restrictive than the maximum allowances established by this policy as long as the administrator provides employees notice of the greater restrictions and consistently applies the more restrictive allowances to all employees traveling for the same purpose (e.g., when budget restraints do not allow reimbursement of maximum allowances). No reimbursement will be made for costs in excess of the maximum allowances established by this policy or the more restrictive allowances established by the appropriate City administrator, whichever is applicable.

Applicability:

The maximum reimbursable travel allowances established by this policy apply to all City employees.

Definitions.

1. **Duty point:** The destination that a City employee travels from or to in order to conduct official City business or to receive City-authorized training. If the destination is outside the employee's designated headquarters, then the duty point is either the incorporated municipality where the destination is located or the unincorporated area within a five-mile radius of the destination.
2. **Travel Expense:** A meal, lodging, transportation, or incidental expense.
 - (A) **Meal Expense:** The cost of a meal except for any alcoholic beverages plus any tax that is based on the meal's cost.
 - (B) **Lodging Expense:** A charge imposed by a commercial lodging establishment (e.g., motel, hotel, or similar establishment that provides lodging to the public for pay) as consideration for providing lodging. The term does not include money paid as a donation, gratuity or tip to the establishment or to the establishment's employees.
 - (C) **Incidental Expense:** A mandatory insurance or service charge or applicable tax. Does not include: (1) a personal expense; (2) an expense that a person would incur regardless of whether the person is traveling on official City business; or (D) a tip or gratuity.

Procedures.**I. General Provisions.****A. Prior Approval.**

All travel for which an employee is expecting reimbursement of expenses must be approved in advance by the appropriate City administrator.

B. Reimbursement vs. Per Diem or Advances.

City travel expenses are not reimbursed on a per diem basis, meaning there is no general daily allowance for lodging, meals and other incidentals for which receipts do not need to be provided. In addition, the City does not provide employees with advance payments for travel. Employees are only reimbursed for actual travel expenses incurred for meals, lodging, and transportation not to exceed the maximum allowable rates after providing the required supporting documentation in accordance with the procedures established by this policy.

C. Authorized Overnight Stays.

A City administrator may authorize an overnight stay when one of the following occurs:

1. The location/destination for the event is greater than 60 miles from the City Hall;
2. An overnight stay is required for the night prior to the commencement of the purpose of the travel in order to be present at the actual commencement of the event the following morning;
3. The overnight stay is required or advantageous because the purpose of the travel causes the employee to return to the City or his home after 7 pm; or
4. Lodging may be eligible for payment by a third party (e.g., included as part of the event costs).

II. Allowed Lodging Expenses.

Employees should request the reduced government rate or conference rate when making reservations to see if a reduced government rate is available. Most hotels will not accept a claim to a government rate after check-in. City employees are not exempt from hotel taxes and will be reimbursed for such taxes as part of their lodging expense.

- A. The City will pay only the cost of a single occupant room, unless the second occupant is also a city employee.
 - 1. If there are two or more employees staying in the room, the cost of the room should be paid by one employee and not allocated.
 - 2. If an employee shares a room with someone who is not an employee of the City or who is not traveling on City business, and the room cost is higher than the single room rate because of double occupancy, the employee must pay the difference.
 - 3. The City will not pay or reimburse the employee for additional lodging not considered a part of the business trip (i.e., extended stay for personal reasons, including mechanical failure repairs for a personal vehicle, or vacation).
- B. An employee may stay at the home of a friend or family, but there will be no payment or reimbursement for lodging.
- C. Meals ordered through room service or charged on the hotel bill will be covered if within the allowed meal expense.

III. Allowed Meal Expenses.

The maximum allowed meal expenses are equivalent to the U.S. General Services Administration's (GSA's) Federal Domestic Maximum Per Diem Rates by location, which are effective at the beginning of each fiscal year (October 1) and are available by performing a search by city name or zip code on the GSA webpage:

From the www.gsa.gov home page, click on "Travel" at the top of the page, then click on "Plan a trip" under "Explore Travel," then click on "Per diem rates" to perform a search.

- A. Rates are available and vary for key cities/primary destinations and the surrounding county (e.g., Austin/Travis County, Houston/Harris County, San Antonio/Bexar County).
 - 1. If the city is not listed but the county is listed, the daily rate of the county will be used.
 - 2. The daily rate for meals is based on one of the following five totals, which includes a breakdown for the maximum allowed for breakfast, lunch, and dinner. The maximum rates include meal-related tips.

Meals and Incidental Expense (M&IE) Maximum Allowed Breakdown				
M&IE Total	Breakfast	Lunch	Dinner	Incidental
\$68	\$16	\$19	\$28	\$5
\$74	\$18	\$20	\$31	\$5
\$80	\$20	\$22	\$33	\$5
\$86	\$22	\$23	\$36	\$5
\$92	\$23	\$26	\$38	\$5
Breakfast is only reimbursable for the morning after overnight lodging or travel.				

3. When neither the city nor county is listed, the maximum daily rate is \$68 total per day for meals, with the breakdown for each meal being the same as indicated above for cities having a \$68 total daily allowance.
- B. On the day of departure going to or returning from an overnight travel duty point or when travel is not overnight travel, the maximum allowed for each meal is the same as for overnight travel. However, the number of reimbursable meals will be dependent upon the time of departure from the duty point and the time of arrival/return to the duty point as indicated below:
1. Departure from duty point before 11 am and arrival/return to duty point after 5 pm: Allowable expenses for lunch and dinner per diem will be reimbursed.
 2. Departure from duty point before 11am and arrival/return to duty point after 1 pm but before 5 pm: Allowable expenses for lunch will be reimbursed.
 3. Departure at 1:00 pm or later and return after 5 pm: Allowable expenses for dinner will be reimbursed.
- C. Where meals are provided at conferences and included in the registration fees, reimbursements should not be requested except when limitations of an individual cannot be accommodated by the conference organizers, or when the exception is approved by the appropriate City administrator for business purposes.
- IV. Allowed Personal Vehicle Travel Expenses.
- An employee may use a personal vehicle for travel when no feasible City vehicles are available for use and the appropriate City administrator authorizes the employee to use a personal vehicle.
- A. Coordinating Use of Personal Vehicles for Two or More Employees.
- City employees authorized to travel on the same dates with the same itinerary must coordinate when traveling by personal vehicle to the same duty point. In such a situation, the City allows full mileage for one vehicle for every four City employees. If more than one City employee is claiming the same personal vehicle mileage, one of the

employees must provide an explanation for the itinerary difference (e.g., employee is required to transport equipment and supplies to the duty point and does not have room for passengers, employee has City official business elsewhere after the common event).

B. Automobile Mileage Rate.

Automobile mileage rates when an employee is authorized to use a personal vehicle are equivalent to standard mileage rate set by the Internal Revenue Service (currently 67 cents per mile – Jan. 1 – Dec 31, 2024).

C. Determination of Mileage between Duty Points.

The determination of mileage is based on an online mapping service (e.g., Google Maps) with mileage rounded up to the next whole mile.

1. The point-to-point mileage may not exceed the number of miles on the most cost-effective route between the employee's starting point and ending points.
2. The shortest route between points is presumed to be the most cost-effective route; however, consideration is given for reimbursements of a longer route due to the employee's time savings, resulting productivity improvements, and safety factors.
3. Mileage incurred due to getting lost, inaccurate directions, traffic, or road construction is not included in the reimbursement calculation unless the road construction or a road closure for another reason results in a detour.

D. Mileage between Lodging and Restaurants or Lodging and Duty Point.

Actual mileage between the place of lodging and restaurants and lodging and duty points while on overnight trips may be reimbursed up to a maximum of 5 miles for a one-way trip. An exception is available for mileage reimbursement between lodging and duty point if a justification statement is included on the travel claim (e.g., unable to obtain lodging at government rate within five miles of duty point or unable to obtain lodging within five miles of duty point due to safety factor).

E. Daily Returns to Headquarters versus Staying Out of Town.

Employees may choose to return to headquarters daily rather than stay out of town at City expense. However, the reimbursement for transportation to return to headquarters cannot exceed the reimbursement for lodging and meals the traveler would have received had he remained at the out-of-town duty point.

V. Parking Fees and Toll Charges.

Actual parking fees and toll charges incurred while on official City business are allowable additional expenses. If no receipt for parking is provided, the employee must submit a signed and dated declaration of the expense.

VI. Non-Allowable Expenses.

The cost of alcoholic beverages, laundry/dry cleaning, shoe-shining, haircuts, in-room movies, tours, personal entertainment, limousines or ride-share services, and spouse or other family expenses are specifically excluded from reimbursement.

VII. Reimbursement of Travel Expenses.

A. Submission of PERS-12.02A, Travel Expense Reimbursement Request Form.

Within 15 calendar days after the conclusion of a trip, a City employee must complete a PERS-12.02A form, attach the required corresponding receipts and supporting documentation, and provide the form with attachments to the City Secretary to receive reimbursement of allowable expenses. If more than one employee attended the same event, each employee will complete his own PERS-12.02A form.

B. Meals Receipts.

The meal receipt must be a detailed receipt showing all specific items purchased and the amount of the tip/gratuity. The amount requested on the PERS-12.02.A form should equal the lesser of the total of the meal receipt minus any costs for alcoholic beverages or the maximum reimbursable amount allowed. The receipt must include the name of the restaurant, the date of the meal, and method of payment.

C. Lodging Receipt Requirements.

1. The lodging receipt or other supporting documentation may be an electronic version delivered through the internet or electronic mail or copy of the documentation as long as the following required information is included:
 - a. The receipt must be issued by the commercial lodging establishment or its central reservation office or by the travel agency used to reserve the lodging; and
 - b. The receipt must include the name and address of the commercial lodging establishment, the name of the employee, the single room rate, a daily itemization of the lodging charges, and proof of payment.
2. If a lodging receipt is unavailable, then the supporting documentation must include the canceled check or credit card slip used to pay the lodging expense, the credit card billing the lodging charges appear on, or a copy of the check, slip or billing. If the original or a copy of a canceled check, credit card slip or credit card billing is included in the supporting documentation, then the name and address of the establishment, the name of the employee, the single room rate and a daily itemization of the lodging charges must be included in that documentation.

3. If the individual listed on a lodging receipt is not the City employee requesting reimbursement, the supporting documentation must include proof that the employee paid the lodging expenses for which he is claiming reimbursement. The proof may be in the form of a credit card slip, a credit card billing, a canceled check or a receipt from the individual. If the slip, billing, check or receipt is unavailable, then a copy may be submitted.

DRAFT



Travel Expense Reimbursement Request

Instructions: Provide the completed form with receipts to the City Secretary within 15 calendar days after end of travel.

Employee Name:	
Purpose of Travel (e.g., type of training, seminar):	
Event Address:	
Begin Travel. <input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> T <input type="checkbox"/> W <input type="checkbox"/> TH <input type="checkbox"/> F <input type="checkbox"/> S	Date: _____ Time: _____ <input type="checkbox"/> AM <input type="checkbox"/> PM
End Travel. <input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> T <input type="checkbox"/> W <input type="checkbox"/> TH <input type="checkbox"/> F <input type="checkbox"/> S	Date: _____ Time: _____ <input type="checkbox"/> AM <input type="checkbox"/> PM
MILEAGE EXPENSES	
Round Trip Duty Point to Duty Point Miles: _____ (based on on-line mapping)	
From Lodging to Duty Point/Restaurant and From Duty Point/Restaurant to Lodging Miles. # of One-Way Trips _____ X 5 Miles Allowance Each Trip = _____ Miles	
Total Miles _____ x 0.67 per mile = \$ _____ mileage expense.	
MEAL EXPENSE (attach receipts)	
GSA Maximum Daily Total for Location and Three Meals: <input type="checkbox"/> \$68 <input type="checkbox"/> \$74 <input type="checkbox"/> \$80 <input type="checkbox"/> \$86 <input type="checkbox"/> \$92	
(See back of form for maximum allowed for each meal based on GSA daily maximum.)	
# of Breakfasts: _____	# of Lunches: _____ # of Dinners: _____
Total Requested: \$ _____ (Reimbursement will not exceed maximum allowed.)	
LODGING (attach receipt)	
_____ Nights	Total Expended: \$ _____ Paid by <input type="checkbox"/> Credit Card <input type="checkbox"/> Check <input type="checkbox"/> Cash
PARKING/TOLL (attach receipt or proof of payment) and TOTAL REQUESTED	
Parking/Toll: \$ _____	Total Requested Reimbursement \$ _____
Comments/Notes:	
By signing this Travel Expense Reimbursement Request, I certify under penalty of prosecution that: (1) all information provided on and attached to this request is true and correct to the best of my knowledge; and (2) I have not misrepresented any requested information.	
_____ Employee Signature	_____ Date
For City Use Only	
_____ Approved	_____ Date
Amount Reimbursed: \$ _____ Check # _____ Date: _____	



Travel Expense Reimbursement Request

Maximum Meal Expense Allowances.

The maximum allowed meal expenses are equivalent to the U.S. General Services Administration’s (GSA’s) Federal Domestic Maximum Per Diem Rates by location, which are effective at the beginning of each fiscal year (October 1) and are available by performing a search by city name or zip code at the following webpage:

From the www.gsa.gov home page, click on “Travel” at the top of the page, then click on “Plan a trip” under “Explore Travel”, then click on “Per diem rates” to perform a search.

If the city is not listed but the county is listed, the daily rate of the county will be used. When neither the city nor county is listed, the maximum daily rate is \$68 total per day for meals, with the breakdown for each meal being the same as indicated below for cities having a \$68 total daily allowance.

Meals and Incidental Expense (M&IE) Maximum Allowed Breakdown				
M&IE Total for City/County	Breakfast	Lunch	Dinner	Incidental*
\$68	\$16	\$19	\$28	\$5
\$74	\$18	\$20	\$31	\$5
\$80	\$20	\$22	\$33	\$5
\$86	\$22	\$23	\$36	\$5
\$92	\$23	\$26	\$38	\$5
Notes: (1) The maximum allowed rate includes taxes and tips. (2) Breakfast is only reimbursable for the morning after overnight lodging or travel. (3) Meals ordered through room service or charged on the hotel bill will be covered if within the allowed meal expense.				
*Incidental Expense: A mandatory insurance or service charge or applicable tax. Does not include: (1) a personal expense; (2) an expense that a person would incur regardless of whether the person is traveling on official City business; or (D) a tip or gratuity.				

On the day of departure going to or returning from an overnight travel duty point or when travel is not overnight travel, the maximum allowed for each meal is the same as for overnight travel; however, the number of reimbursable meals will be dependent upon time of departure from the duty point and time of arrival/return to the duty point as indicated below:

1. Departure from duty point before 11 am and arrive/return to duty point after 5 pm:
Allowable expenses for lunch and dinner will be reimbursed.
2. Departure from duty point before 11 am and arrive/return to duty point after 1 pm but before 5 pm:
Allowable expenses for lunch will be reimbursed.
3. Departure from duty point at 1 pm or later and arrive/return to duty point after 5 pm:
Allowable expenses for dinner will be reimbursed.

Note: Duty point is the destination that a City employee travels from or travels to in order to conduct official City business or to receive City-authorized training (e.g., from City Hall to training location or from training location back to City Hall).



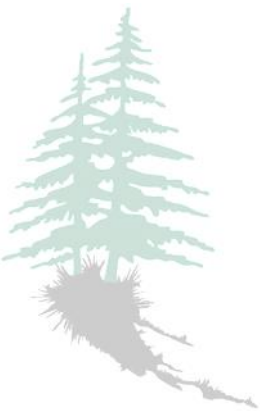
City of
CROCKETT
Est. 1837
Texas

EMPLOYEE HANDBOOK

(Appendix B to Personnel Policy and Procedure Manual)

Excerpt of updates for City Council review.

V2.0 (mm/dd/yyyy DRAFT)



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Office (936) 544-5156

City of Crockett – Employee Handbook

Table of Contents

Section	Page
Introduction.....	1
I. Attendance	2
II. Safety and Workers’ Compensation	3
III. Drug-Free Workplace	5
IV. Information Technology Resources	5
V. Fraud, Waste, or Abuse of City Resources or Other Illegal Activities	6
VI. Equal Employment Opportunity	6
A. EEO Policy	6
B. Sexual Harassment Prevention	7
C. Americans with Disability Act (ADA).....	8
VII. Employee General Rules of Conduct and Disciplinary Process	9
A. Discussion	9
B. Range of Disciplinary Actions (“Grid”).....	11
C. Employee General Rules of Conduct.....	11
Group 1. Rules Relating to Attendance and Punctuality	11
Group 2. Rules Relating to Overall Job Expectations.....	13
Group 3. Rules Relating to Conflicts of Interest, Ethics, and Fraud	17
Group 4. Rules Relating to EEO and Protection of the Work Environment.....	19
VIII. Employee Grievance System.....	20
IX. Leaves of Absence and Other Benefits.....	21

City of Crockett – Employee Handbook

SECTION IV. INFORMATION TECHNOLOGY RESOURCES

City employees must use professional practices when using the City’s information technology resources. All City information technology resources are the property of the City and are provided for conducting City business. With authorization from the appropriate administrator, the City may monitor any City information technology resource to ensure security and appropriate use of City property without notice of times, locations, or durations of monitoring. **In accordance with state law, PD-2.11, Prohibited Technology on City Devices, prohibits the use or installation of certain applications on City-owned or City-leased devices unless a specific exception is made per PD-2.11 by the appropriate administrator. The prohibited applications include but are not limited to the social media service TikTok or any successor application or service developed or provided by ByteDance Limited or an entity owned by ByteDance Limited or a social media application or service specified by proclamation of the governor as posing a risk to the State of Texas.**

SECTION VII. EMPLOYEE GENERAL RULES OF CONDUCT AND DISCIPLINARY PROCESS

- 2.03. Promptly comply with any lawful instructions issued by the supervisor or other authority.**
You are required to comply fully with any lawful instructions issued by your supervisor or other authority. This includes instructions posted on employee bulletin boards or a verbal or written lawful order issued directly to you by or through your chain of supervision (not by or through a co-worker).

Violation Level 23 – 4 (depending on severity, taking guidance from the levels for similar violations)

- 2.04. Provide truthful and accurate records and statements.**

You are required to provide truthful and accurate records and statements throughout your employment with the City and to be truthful in all work-related communications. You must not make false or misleading verbal or written statements in work-related communications. When you sign a document or submit a document on your behalf to a City representative (e.g., application for employment, grievance, time report), you are attesting to the truthfulness, accuracy, and completeness of the information or events presented in the document.

2.04a: Involving records or statement other than application for employment

Violation Level 2

2.04b: Providing false or omitting relevant information in application for employment (e.g., relating to education or licensure, experience, or information affecting minimum standards for employment)

Violation Level 4

Note: Submission of falsified or altered documentation in support of leave taken or requested is a violation of **General Rule of Conduct 2.04b3**. Making or submitting false or intentionally

City of Crockett – Employee Handbook

misleading statements in response to an investigation is a violation of **General Rule of Conduct 2.12 4.11.**

2.05. Be courteous to fellow workers, supervisors, subordinates, and the general public.

You are expected to maintain a professional, cooperative, helpful attitude toward fellow workers, supervisors, subordinates, and the general public. This includes listening to the views of others, discussing issues and concerns honestly and courteously, and providing feedback to staff and supervisors when requested. Disrespectful, rude, and unmannerly conduct that disrupts the workplace or adversely affects another employee's ability to perform his job (e.g., yelling, screaming, or provoking a fellow employee verbally or through emails, text messages, or Internet social media) is not tolerated.

Violation Level 1 – 4 (depending on severity, taking guidance from the levels for similar violations)

2.06. Do not conduct excessive personal business or participate in excessive visiting during work hours.

While on duty, you must: (a) not spend an excessive amount of time away from the workstation due to personal business or visiting with co-workers; (b) keep personal telephone calls and use of personal cell phones for any reason to a minimum; (c) limit personal use of the Internet to non-work time; and (d) refrain from distracting others with excessive visiting.

Violation Level 1

2.07. Do not create or contribute to discord in the workplace.

While on duty, you must not create or contribute to discord in the workplace by complaining about an employee to someone other than your or his line of supervision or by spreading lies, half-truths, rumors, negative, or exaggerated comments that would humiliate or hurt the professional or personal reputation of another employee. It is a waste of time and productivity, is unprofessional, demonstrates a lack of integrity, creates anxiety and discord among workers, and can be a form of bullying or workplace harassment. A good practice is not making any comment about an employee in his absence unless you would also make the comment in the employee's presence. This rule does not prohibit you from talking about wages, hours or working conditions and does not prohibit you from requesting another employee from providing information as a first-hand witness to an incident related to a disciplinary action or formal grievance.

Violation Level 1 – 4 (depending on severity, taking guidance from the levels for similar violations)

2.08. Remain alert and awake while on duty.

You are required to remain alert and awake and to devote full attention to your assigned duty or area of responsibility during working hours.

2.08a 4.07a: No injury or other harm – **Violation Level 2**

2.08b 4.07b: Contributing to serious injury or other serious harm – **Violation Level 4**

2.09. Do not commit or threaten to commit any act that endangers another individual's safety.

City of Crockett – Employee Handbook

The City has zero tolerance for workplace violence. You must not commit or threaten to commit any act that endangers another individual's safety, including hazing or horseplay. A threat of violence is considered an act of violence.

2.09a 4.08a: Threat or act was less than life endangerment – **Violation Level 2**

2.09b 4.08b: Threat or act was life endangerment – **Violation Level 4**

2.10. Report any safety hazard to a supervisor.

You are responsible for immediately reporting to a supervisor any unsafe condition on City premises or at a City worksite that has the potential to cause injury to you, another employee, or any other person. Common examples include but are not limited to a defect in mechanical equipment, spills, frayed electrical cords, improperly stored chemicals and tools.

2.10a 4.09a: Failure did not result in injury – **Violation Level 1**

2.10b 4.09b: Failure resulted in injury – **Violation Level 2**

2.11. Perform all duties in a manner to prevent accidents/injuries and immediately report an injury that occurs while on the job.

You must immediately report any injury that occurs while on the job to your immediate supervisor and the City Secretary. **Violation Level 1**

2.12. Cooperate fully in investigations.

You have a duty, as a condition of employment, to cooperate fully in all administrative investigations conducted by the City and in all criminal investigations arising from City operations or employment in which you are not accused of a crime. The duty of cooperation requires that you fully answer all work-related questions. You must not make or submit false or intentionally misleading verbal or written statements in response to an investigation.

2.12a 2.11a: Unintentionally providing inaccurate information - **Violation Level 1**

2.12b 2.11b: Refusal to cooperate, including willful intent to deceive an investigator - **Violation Level 4**

Note: If you are accused of committing a criminal offense, you have a constitutional right to remain silent in a criminal investigation. Invoking the right to remain silent in such circumstances will not be used against you, either criminally or for employment purposes.

2.13. Exercise care when handling or using City property.

You must handle and use City property with care to avoid loss, damage, or destruction. You must immediately report to your supervisor the loss, damage, or destruction of any City property that occurs while in your possession or during use.

2.13a 2.12a: Minor - **Violation Level 1**

2.13b 2.12b: Major – **Violation Level 2**

2.14. Do not intentionally release, disclose, or use non-public information.

You are expected to maintain confidentiality of all City records and information relating to City employees unless you are specifically authorized to release, disclose, or use the information. You must not accept other employment or engage in a business or professional activity that you

City of Crockett – Employee Handbook

might reasonably expect would require or induce you to disclose confidential information acquired because of your City employment.

Violation Level 2

2.15. Report any arrest, criminal charge, or a change in status of a criminal charge.

You must report any of the following events to your supervisor and City Secretary ***within two workdays after the event***:

- an arrest for any offense;
- an indictment or other official notification of being charged with a crime;
- any change in status of a pending criminal charge, including dismissal, conviction, the initiation or termination of proceedings to revoke probation, etc.

2.15a 2.14a: Failure to report that involves an offense for which you would not have been separated from employment if convicted for the offense – **Violation Level 2**

2.15b 2.14b: Failure to report that involves an offense for which you would have been separated from employment if convicted for the offense – **Violation Level 3**

2.16. Do not commit any criminal offense.

2.16a 2.15a: Felony – **Violation Level 4**

2.16a 2.15b: Class A or B misdemeanor – **Violation Level 2**

2.17. Do not access, send, view, print, possess or knowingly receive pornographic materials containing sexually explicit content.

You must not use City resources (e.g., computers, copiers) to access, send, view, print, possess, or knowingly receive pornographic materials containing sexually explicit content.

Violation Level 4

2.18. Do not steal or damage City property or the property of others.

Theft or willful damage to City property or the property of others is strictly prohibited. This includes acquiring property that you know was stolen by another.

Violation Level 4

2.19. Do not gamble while on duty or on City property.

Violation Level 2

2.20. Do not report to work or perform work while under the influence of alcohol or drugs.

You must not consume, use, or be under the effects of alcohol, drugs, or any mood-altering substance at work or on City premises. A defense to an alleged violation of this rule is use of a prescription drug or over-the-counter medication that does not significantly interfere with the performance of job duties. You must notify your supervisor prior to commencing work while taking a prescription drug or over-the-counter medication that may impair your mental or physical capabilities.

City of Crockett – Employee Handbook

2.20a 2.19a: Failing to notify supervisor prior to commencing work while taking a prescription drug or over-the-counter medication that had the potential to impair mental or physical capabilities – **Violation Level 2**

2.20a 2.19b: Consuming or using alcohol, drugs, or mood-altering substances at work or on City premises or having a positive alcohol or drug test result – **Violation Level 4**

2.21. Submit to alcohol or drug tests as required.

Violation Level 4

2.22. Ensure your personal contact information is current and valid.

You are required to have current and valid contact information on file and to immediately notify the City Secretary of any changes to the information. The required information includes the following:

- telephone number or the telephone number of a person who can reach you on short notice if you do not have a telephone number
- mailing address; and
- emergency contact telephone number(s).

Violation Level 1

2.23. Do not incite, attempt to incite, or participate in a strike or work stoppage against the City.

Violation Level 4.

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General Pay Plan

(Appendix D to Personnel Policy and Procedure Manual)

Salary Schedule A: Administrative support, paraprofessional, professional, and managerial positions that are not a field position assigned to another salary schedule.

Salary Schedule FF: Firefighter positions.

Salary Schedule LE: Law enforcement positions.

Salary Schedule PW: Public works positions.

Rev. 1 - 10/10/2024

APPENDIX D - GENERAL PAY PLAN
SALARY SCHEDULE A - ADMINISTRATIVE

Salary Groups and Step Increment Pay Rates							
Group	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Position Title
A 1	\$11.27	\$11.77	\$12.27	\$12.77	\$13.27	\$13.77	
A 2	\$12.27	\$12.77	\$13.27	\$13.77	\$14.27	\$14.77	Library Staff (PT & FT); Receptionist;
A 3	\$13.27	\$13.77	\$14.27	\$14.77	\$15.27	\$15.77	
A 4	\$14.27	\$14.77	\$15.27	\$15.77	\$16.27	\$16.77	
A 5	\$15.22	\$15.72	\$16.22	\$16.72	\$17.22	\$17.72	Water Billing Clerk I
A 6	\$16.22	\$16.72	\$17.22	\$17.72	\$18.22	\$18.72	Children's Librarian; Admin Asst I;
A 7	\$17.17	\$17.67	\$18.17	\$18.67	\$19.17	\$19.67	Water Billing Clerk II
A 8	\$18.17	\$18.67	\$19.17	\$19.67	\$20.17	\$20.67	Admin Asst II; Community Liason
A 9	\$19.12	\$19.62	\$20.12	\$20.62	\$21.12	\$21.62	Municipal Crt Clerk/AP
A 10	\$20.12	\$20.62	\$21.12	\$21.62	\$22.12	\$22.62	Admin Asst III; Code Enforcement & Permitting Tech
A 11	\$21.12	\$21.62	\$22.12	\$22.62	\$23.12	\$23.62	
A 12	\$22.07	\$22.57	\$23.07	\$23.57	\$24.07	\$24.57	Library Director; Code Enforcement Officer; Building Official & Facilities Manager
A 13	\$23.07	\$23.57	\$24.07	\$24.57	\$25.07	\$25.57	
A 14	\$24.02	\$24.52	\$25.02	\$25.52	\$26.02	\$26.52	Water Office Supervisor
A 15	\$25.02	\$25.52	\$26.02	\$26.52	\$27.02	\$27.52	Program & Grants Manager; Water Office Supervisor/Finance Clerk
A 16	\$26.02	\$26.52	\$27.02	\$27.52	\$28.02	\$28.52	
A 17	\$27.02	\$27.52	\$28.02	\$28.52	\$29.02	\$29.52	Finance Manager

APPENDIX D - GENERAL PAY PLAN
SALARY SCHEDULE FF: FIREFIGHTERS

Salary Groups and Step Increment Pay Rates					
Group	Step 1	Step 2	Step 3	Step 4	Step 5
FF 1	\$13.52	\$14.02	\$14.52	\$15.02	Cadet
FF 2	\$15.62	\$16.12			Fire Fighter I (PT/FT)
FF 3	\$16.52	\$17.02			Fire Fighter II (PT/FT)
FF 4	\$17.57	\$18.07			Fire Fighter III (PT/FT)
FF 5	\$20.52	\$21.02			Lieutenant
FF 6	\$21.27	\$21.52			Captain
FF 7	\$29.52	\$30.42			Fire Marshal
	Salary Set by City Council				Fire Chief

APPENDIX D - GENERAL PAY PLAN

SALARY SCHEDULE LE: LAW ENFORCEMENT

Salary Groups and Step Increment Pay Rates					
Group	Step 1	Step 2	Step 3	Position Title	Minimum Requirements
LE 1	\$15.52	\$16.52	\$17.52	Animal Control	
LE 2	\$18.52			Cadet	Complete Application Process
LE 3	\$22.07	\$22.57		Patrolman 1	Pass Certified Academy, Pass State TCOLE Test, Satisfactorily Complete FTO Program.
LE 4	\$23.62	\$26.52		Patrolman 2	Less Lethal Certifications, Stop Stick Certifications, Crisis Intervention Training, Use of Force
LE 5	\$27.47	\$27.92		Patrolman 3	Obtain Intermediate Peace Officer Proficiency, FTO Certification, Maintain Specific Mandated Training Courses
LE 6	\$28.82	\$29.62		Sergeant	4+ Years
LE 7	\$29.72	\$30.57		Lieutenant	5+ Years
LE 8	\$31.07	\$31.32		Captain	7+ Year
LE 9	\$32.17	\$32.47		Assistant Chief	10+ Years
Salary Set by City Council				Chief of Police	

APPENDIX D - GENERAL PAY PLAN

SALARY SCHEDULE PW: PUBLIC WORKS FIELD POSITIONS

Salary Groups and Step Increment Pay Rates							
Group	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Position Title
PW 1	\$11.32	\$11.82					
PW 2	\$12.27	\$12.77					Custodian I; Groundskeeper I
PW 3	\$13.27	\$13.77					Custodian II; Groundskeeper II
PW 4	\$14.22	\$14.72					Custodian III
PW 5	\$15.22	\$15.72					
PW 6	\$16.22	\$16.72	\$17.22	\$17.72			Water Meter Reader
PW 7	\$17.17	\$17.67	\$18.17	\$18.67	\$19.17	\$19.67	Crewmember I;
PW 8	\$18.17	\$18.67	\$19.17	\$19.67	\$20.17	\$20.67	Crewmember II; Operator I; Mechanic I
PW 9	\$19.12	\$19.62	\$20.12	\$20.62	\$21.12	\$21.62	Crew Member III;
PW 10	\$20.12	\$20.62	\$21.12	\$21.62	\$22.12	\$22.62	Operator II; Mechanic II; SSO Tech I
PW 11	\$21.12	\$21.62	\$22.12	\$22.62	\$23.12	\$23.62	
PW 12	\$22.12	\$22.62	\$23.12	\$23.62	\$24.12	\$24.62	Operator III; Mechanic III
PW 13	\$23.02	\$23.52	\$24.02	\$24.52	\$25.02	\$25.52	Crew Leader; SSO Tech II
PW 14	\$24.02	\$24.52	\$25.02	\$25.52	\$26.02	\$26.52	
PW 15	\$25.02	\$25.52	\$26.02	\$26.52	\$27.02	\$27.52	Supervisor; Project Manager
PW 16	\$26.02	\$26.52	\$27.02	\$27.52	\$28.02	\$28.52	
PW 17	\$27.02	\$27.52	\$28.02	\$28.52	\$29.02	\$29.52	
PW 18	\$27.97	\$28.47	\$28.97	\$29.47	\$29.97	\$30.47	Utility Supervisor
PW 19	\$28.92	\$29.42	\$29.92	\$30.42	\$30.92	\$31.42	
PW 20	\$29.92	\$30.42	\$30.92	\$31.42	\$31.92	\$32.42	Mechanic Supervisor; Superintendent
PW 21	\$30.92	\$31.42	\$31.92	\$32.42	\$32.92	\$33.42	
PW 22	\$31.87	\$32.37	\$32.87	\$33.37	\$33.87	\$34.37	
PW 23	\$32.87	\$33.37	\$33.87	\$34.37	\$34.87	\$35.37	Director
PW 24	\$33.82	\$34.32	\$34.82	\$35.32	\$35.82	\$36.32	
PW 25	\$34.82	\$35.32	\$35.82	\$36.32	\$36.82	\$37.32	