City of West University Place

A Neighborhood City

CITY COUNCIL
Bob Higley, Mayor
Kevin Trautner, Mayor Pro Tem
Lauri Lankford, Councilmember
John P. Barnes, Councilmember
Ed Sobash, Councilmember

STAFF
David J. Beach, City Manager
Alan Petrov, City Attorney
Thelma Gilliam, City Secretary

City Council Meeting Agenda

Notice is hereby given of a **workshop and regular meeting** of the West University Place City Council to be held remotely on **Monday, October 5, 2020** beginning at **6:00 p.m.** for the purpose of considering the agenda of items listed.

Due to the Novel Coronavirus (COVID 19) pandemic and CDC's recommendation regarding social distancing measures, the meeting will be held via audio/video teleconference. City Council will be audible to members of the public and allow for two-way communications for those desiring to participate. To attend the meeting via telephonic means, please call 346-248-7799 or you can join via https://us02web.zoom.us/j/81578529474. The Meeting ID Number is 815 7852 9474.

Any person interested in speaking on any item on the regular agenda or during public comments must submit his/her request via email to the City Secretary at tgilliam@westutx.gov at least one (1) hour prior to the start of the meeting. The request must include the speaker's name, address, and the phone number that will be used for the call, and the agenda item number or description, if applicable.

Note: All agenda items are subject to action. The City Council reserves the right to meet in a closed session on any agenda item should the need arise and, if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

The agenda packet is accessible to the public on the City's website. After the meeting, a recording of this meeting will be made available to the public. To obtain a hard copy of the agenda packet, please contact the City Secretary via the email address above.

WORKSHOP (6:00 P.M.)

1. **Call Workshop to Order**

2. **Recycling Board Food Waste Diversion Program**
   Matters related to a presentation from the Recycling Board regarding a food waste diversion program. ***Orval Marlow, Recycling Board Chair***

3. **Adjourn Workshop**

REGULAR MEETING (6:30 PM)

4. **Call Regular Meeting to Order**

5. **Roll Call**

6. Pledge of Allegiance

7. Public Comments

This is an opportunity for citizens to speak to the Council relating to agenda and non-agenda items. Speakers are required to register in advance and must limit their presentations to three minutes each. If the topic the speaker wishes to address is on the agenda, the speaker can either speak at this time or defer his/her comments until such time the item is discussed.

Speakers are advised that comments cannot be received on matters which are the subject of a public hearing once the hearing has been closed. Public comments on matters on the agenda must be kept relevant to the subject before the Council. The presiding officer shall rule on the relevance of comments.

Persons making personal, impertinent, or slanderous remarks may be barred by the presiding officer from further comment before the Council during the meeting. This rule does not prohibit criticism of the City or criticisms of actions or omissions of the City.

8. Issuance of Certificates of Obligation, Series 2020

Matters related to an ordinance authorizing the issuance of Certificates of Obligation, Series 2020. *Recommended Action: Approve ordinance authorizing Certificates of Obligation, Series 2020, on first and final reading.* ***Ms. Katherine DuBose, Finance Director.*** [see Agenda Memo 8]

9. COVID-19 Update

Matters related to COVID-19. *Recommended Action: Discuss and take any desired action.* ***Mr. Aaron Taylor, Fire Chief and Emergency Management Coordinator*** [see Agenda Memo 9]

10. Personnel Policies and Employee Handbook

Matters related to an ordinance amending the Personnel Policies and Employee Handbook. Recommended Action: *Approve ordinance amending the Personnel Policies and Employee Handbook on the first of two readings.* **Mr. James Urban, HR Director** [see Agenda Memo 10]

11. Investment Policy

Matters related to the City's Investment Policy. *Recommended Action: Accept the Investment Policy.* ***Mr. Harrison Nicholson, Treasurer*** [see Agenda Memo 11]

12. Consent Agenda

All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member requests in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

A. City Council Minutes

Approve Minutes of the September 28, 2020 City Council meeting. *Recommended Action: Approve City Council Minutes of September 28, 2020.* ***Ms. Thelma Gilliam, City Secretary*** [see Agenda Memo 12A]

B. Adoption of the 2021 Fee Schedule

Matters related to an ordinance adopting the City's 2021 Fee Schedule. *Recommended Action: Approve ordinance adopting the City's 2021 Fee Schedule on the second and final reading.* ***Mr. Dave Beach, City Manager and Ms. Katherine DuBose, Finance Director.*** [see Agenda Memo 12B]

C. Conducted Energy Devices (Tasers)

Matters related to the purchase of Energy Devices (Tasers). *Recommended Action: Approve the purchase of Energy Devices.* ***Mr. Ken Walker, Police Chief*** [see Agenda Memo 12C]

D. <u>Buffalo Speedway Decorative Signal Poles</u>
Matters related to a resolution approving the Advance Funding Agreement with the Texas Department of Transportation (TxDOT) for the cost of the decorative signal poles for the Buffalo Speedway project. *Recommended Action: Adopt resolution approving the Advance Funding Agreement with TxDOT.* ***Mr. Gerardo Barrera, Public Works Director*** [see Agenda Memo 12D]

E. <u>Memorandum of Understanding with West U Baptist Church</u>
Matters related to approving an MOU with the West U Baptist Church. *Recommended Action: Take any desired action.* ***Ms. Susan White, PARD Director*** [see Agenda Memo 12E]

F. <u>Memorandum of Understanding with West U Aquatics Club – Piranhas Swim Team</u>
Matters related to approving an MOU with the West U Aquatics Club – Piranhas Swim Team. *Recommended Action: Take any desired action.* ***Ms. Susan White, PARD Director*** [see Agenda Memo 12F]

13. <u>Adjourn Regular Meeting</u>

In compliance with the Americans with Disabilities Act, please contact City Secretary Thelma Gilliam at 713.662.5813 at least 24 hours prior to the meeting to see whether the City can arrange for accommodations to assist in your participation in the meeting.

I certify that the attached notice and agenda of items to be considered by the West University Place City Council on October _5_, 2020 was posted on the Municipal Building bulletin board on October _2_, 2020, at approximately 9:00 o'clock a.m.

Thelma A. Gilliam
Thelma A. Gilliam, City Secretary

(SEAL)

AGENDA MEMO

Business of the City Council
City of West University Place, Texas

Meeting Date	October 5, 2020	**Agenda Item**	8
Approved by City Manager	Yes	**Presenter(s)**	K. DuBose, Director J. Robuck, BOK Financial Securities
Reviewed by City Attorney	Yes	**Department**	Finance
Subject	Issuance of Certificates of Obligation, Series 2020		
Attachments	1. Ordinance 2. Standard and Poor's Rating Report		
Financial Information	Expenditure Required:	None	
	Amount Budgeted:	None	
	Account Number:	None	
	Additional Appropriation Required:	None	
	Additional Account Number:	None	

Executive Summary

At the August 10, 2020 Council meeting, Council approved a resolution authorizing the publication of the Notice of Intent to issue Certificates of Obligation, not to exceed $27 million. The Notice was published in the West U Examiner in compliance with the publication requirements.

The proceeds from the sale of the Certificates of Obligation, Series 2020, will be used to fund all or any part of the costs associated with (i) City-wide street, drainage and water system improvements, including street, drainage and water system improvements to Buffalo Speedway, (ii) the purchase of land for the West University Place Community Building/Senior Center, and (iii) cost of professional services incurred in connection therewith.

John Robuck, BOK Financial Securities, will provide the results of the bond sale during the meeting.

Recommended Action

Staff recommends that the City Council approve the ordinance authorizing the issuance of City of West University Place, Texas Certificates of Obligation, Series 2020; awarding the sale thereof; and containing matters incident thereto on first and final reading.

ORDINANCE NO. XXXX

ORDINANCE AUTHORIZING AND ORDERING THE ISSUANCE OF CITY OF WEST UNIVERSITY PLACE, TEXAS CERTIFICATES OF OBLIGATION, SERIES 2020; AWARDING THE SALE THEREOF; AND CONTAINING MATTERS INCIDENT THERETO

WHEREAS, the City of West University Place, Texas (the "City"), acting through its City Council, is authorized pursuant to and in accordance with the provisions of Texas Local Government Code Chapter 271, Subchapter C, as amended (the "Act"), to issue certificates of obligation to pay contractual obligations to be incurred for the construction of street improvements, for the purchase of materials, supplies, equipment, machinery, land and rights-of-way for authorized needs and purposes, and for the payment of contractual obligations for professional services pursuant to Subchapter C of Chapter 271, Texas Local Government Code, as amended.

WHEREAS, the City Council authorized the publication of a notice of intention to issue Certificates of Obligation, Series 2020 (the "Certificates") on the 10th day of August, 2020, at its regular meeting place to adopt an ordinance authorizing the issuance of the Certificates in one or more series, in the aggregate principal amount not to exceed $27,000,000 for the design, engineering, acquisition and construction of certain public works and the purchase of certain equipment for authorized needs and purposes to be payable from an annual ad valorem tax, as well as a limited pledge of $1,000 of the surplus revenues of the City's water and sewer system, in the maximum aggregate principal amount of $27,000,000, bearing interest at any rate or rates, not to exceed the maximum interest rate authorized by law, as shall be determined within the discretion of the City Council at the time of issuance and maturing over a period of years not to exceed thirty (30) years from the date thereof, for the purposes of evidencing the indebtedness of the City for all or any part of the costs associated with (i) City-wide street, drainage and water system improvements, including street, drainage and water system improvements to Buffalo Speedway, (ii) the purchase of land for the West University Place Community Building/Senior Center, and (ii) costs of professional services incurred in connection therewith;

WHEREAS, such notice was published at the times and in the manner required by the Act;

WHEREAS, no petition signed by at least five percent (5%) of the qualified voters of the City has been filed with or presented to any official of the City protesting the issuance of such Certificates on or before October 5, 2020, or the date of passage of this Ordinance.

WHEREAS, the City has determined that it is in the best interests of the City and that it is otherwise desirable to issue the Certificates to provide all or part of the funds to pay contractual obligations to be incurred for the purposes authorized by the Act; now therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WEST UNIVERSITY PLACE:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.1: Definitions. As used herein, the following terms shall have the meanings specified, unless the context clearly indicates otherwise:

"Act" shall mean Texas Local Government Code, Chapter 271, Subchapter C, as amended.

"Attorney General" shall mean the Attorney General of the State of Texas.

"Bond Purchase Agreement" means the agreement between the City and the Underwriters providing for the sale of Bonds as provided pursuant to Section 6.1 of this Ordinance.

"Certificate" or "Certificates" shall mean any or all of the City of West University Place, Texas Certificates of Obligation, Series 2020, authorized by this Ordinance.

"City" shall mean the City of West University Place, Texas and, where appropriate, its City Council.

"City Council" shall mean the governing body of the City.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Comptroller" shall mean the Comptroller of Public Accounts of the State of Texas.

"Construction Fund" shall mean the Certificates of Obligation, Series 2020 Construction Fund established by the City and described in Section 4.3 of this Ordinance.

"Debt Service Fund" shall mean the Certificates of Obligation, Series 2020 Debt Service Fund established by the City and described in Section 4.2 of this Ordinance.

"DTC" shall mean The Depository Trust Company, New York, New York, or any successor securities depository.

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

"Fiscal Year" shall mean the City's then designated fiscal year, which currently is the twelve month period beginning on the first day of January of a calendar year and ending on the last day of December of the next succeeding calendar year and each such period may be designated with the number of the calendar year in which such period ends.

"Interest Payment Date," when used in connection with any Certificate, shall mean February 1, 2021 and each August 1 and February 1 thereafter until maturity or earlier redemption of such Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Ordinance" shall mean this Ordinance and all amendments hereof and supplements hereto.

"Outstanding", when used with reference to the Certificates, shall mean, as of a particular date, all Certificates theretofore and thereupon delivered pursuant to this Ordinance except: (a) any Certificates canceled by or on behalf of the City at or before such date; (b) any Certificates defeased pursuant to the defeasance provisions of this Ordinance or otherwise defeased as permitted by applicable law; and (c) any Certificates in lieu of or in substitution for which a replacement Certificate shall have been delivered pursuant to this Ordinance.

"Paying Agent/Registrar" shall mean The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, and its successors in that capacity.

"Record Date" shall mean the close of business on the fifteenth calendar day of the calendar month immediately preceding the applicable Interest Payment Date.

"Register" shall mean the registration books for the Certificates kept by the Paying Agent/Registrar in which are maintained the names and addresses of, and the principal amounts registered to, each Registered Owner of Certificates.

"Registered Owner" shall mean the person or entity in whose name any Certificate is registered in the Register.

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

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

"Underwriters" means Raymond James & Associates, Inc., Frost Bank and SAMCO Capital Markets, Inc.

Section 1.2: Interpretations. All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Certificates and the validity of the levy of ad valorem taxes to pay the principal of and interest on the Certificates.

Section 1.3: Recitals Incorporated. The recitals to this Ordinance are hereby approved by the City Council and incorporated into and made a part of this Ordinance.

ARTICLE II

TERMS OF THE CERTIFICATES

Section 2.1: Amount, Purpose and Authorization. The Certificates shall be issued in fully registered form, without coupons, under and pursuant to the authority of the Act in the total authorized aggregate principal amount of _____ AND NO/100 DOLLARS ($_____) for the purpose of providing all or part of the costs associated with (i) City-wide street, drainage and water system improvements, including street, drainage and water system improvements to Buffalo Speedway, (ii) the purchase of land for the West University Place Community Building/Senior Center, and (ii) costs of professional services incurred in connection therewith .

Section 2.2: Designation, Date and Interest Payment Dates. The Certificates shall be designated as the "City of West University Place, Texas Certificates of Obligation, Series 2020," and shall be dated October 1, 2020. The Certificates shall bear interest at the rates set forth in Section 2.3 below, from the later of the date of the delivery thereof to the Underwriters or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, payable on February 1, 2021, and each August 1 and February 1 thereafter until maturity or earlier redemption.

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

Section 2.3: Numbers, Denomination, Interest Rates and Maturities. The Certificates shall be issued bearing the numbers, 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 1 in each of the years and in the amounts set out in such schedule. Certificates delivered in 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.

Bond Number	Maturity (February 1)	Principal Amount	Interest Rate
R-1		$	%
R-2			
R-3			
R-4			
R-5			
R-6			
R-7			
R-8			
R-9			

Bond Number	Maturity (February 1)	Principal Amount	Interest Rate
R-10			
R-11			
R-12			
R-13			
R-14			
R-15			
R-16			
R-17			
R-18			
R-19			
R-20			

Section 2.4: Redemption Prior to Maturity. (a) The City reserves the right, at its option, to redeem prior to maturity the Certificates maturing on or after February 1, 2031 in whole or in part, in principal installments of $5,000 or any integral multiple thereof, on February 1, 2030 or any date thereafter, at a price equal to the principal amount of the Certificates or portions thereof called for redemption plus accrued interest to the date of redemption.

(b) Certificates may be redeemed in part 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. In selecting portions of Certificates for redemption, each Certificate shall be treated as representing that number of Certificates of $5,000 denomination which is obtained by dividing the principal amount of such Certificate by $5,000. Upon presentation and surrender of any Certificate for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of this Ordinance, shall authenticate and deliver in exchange therefor a Certificate or Certificates of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered.

(c) Notice of any redemption, identifying the Certificates or portions thereof to be redeemed, shall be sent by United States mail, first class, postage prepaid, to the Registered Owners thereof at their addresses as shown on the Register, not less than thirty (30) days before the date fixed for such redemption. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the redemption price of the Certificates called for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Certificates which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being Outstanding except for the purpose of being paid with the funds so provided for such payment.

Section 2.5: Manner of Payment, Characteristics, Execution and Authentication. The Paying Agent/Registrar is hereby appointed the paying agent for the Certificates. The Certificates shall be payable, shall have the characteristics and shall be executed, sealed, registered and authenticated, all as provided and in the manner indicated in the FORM OF CERTIFICATES set forth in Article III of this Ordinance. 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 the Certificates or before the delivery of the Certificates, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

CUSIP numbers also 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.

The approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Houston, Texas, Bond Counsel, may be printed on the back of the Certificates over the certification of the City Secretary, which may be executed in facsimile. CUSIP numbers also may be printed on the Certificates, but errors or omissions in the printing of either the opinion or the numbers shall have no effect on the validity of the Certificates.

Section 2.6: Authentication. Except for the Certificates to be initially issued, which need not be authenticated by the Paying Agent/Registrar, only such Certificates as shall bear thereon a certificate of authentication, substantially in the form provided in Article III of this Ordinance, manually executed by an authorized representative of the Paying Agent/Registrar, shall be entitled to the benefits of this Ordinance or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Certificate so authenticated was delivered by the Paying Agent/Registrar hereunder.

Section 2.7: Ownership. The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute owner of such Certificate for the purpose of making and receiving payment of the principal or thereof and interest thereon 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 Registered Owner of any Certificate in accordance with this Section shall be valid and effective and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

Section 2.8: Registration, Transfer and Exchange. The Paying Agent/Registrar is hereby appointed the registrar for the Certificates. So long as any Certificate remains Outstanding, the Paying Agent/Registrar shall keep the Register at its principal corporate trust office in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of the Certificates in accordance with the terms of this Ordinance.

Each Certificate shall be transferable only upon the presentation and surrender thereof at the principal corporate trust office of the Paying Agent/Registrar, 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 seventy-two (72) hours 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 and aggregate principal amount and bearing interest at the same rate as the Certificate or Certificates so presented and surrendered.

All Certificates shall be exchangeable upon the presentation and surrender thereof at the principal corporate trust office of the Paying Agent/Registrar for a Certificate or Certificates of the same maturity 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 by the Paying Agent/Registrar 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.

All Certificates issued in transfer or exchange shall be delivered to the Registered Owners thereof at the principal corporate trust office of the Paying Agent/Registrar or sent by United States mail, first class, postage prepaid.

The City or the Paying Agent/Registrar may require the Registered 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.

The Paying Agent/Registrar shall not be required to transfer or exchange any Certificate called for redemption in whole or in part during the forty-five (45) day period immediately prior to the date fixed for redemption; provided, however, that this restriction shall not apply to the transfer or exchange by the Registered Owner of the unredeemed portion of a Certificate called for redemption in part.

Section 2.9: Book-Entry Only System. The definitive Certificates shall be initially issued in the form of a separate single fully registered Certificate for each of the maturities thereof. Upon initial issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 2.11 hereof, all of the Outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

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

Except as provided in Section 2.10 of this Ordinance, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute owner of such Certificate for the purpose of payment of principal of, premium, if any, and interest on Certificates, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of Certificates, premium, if any, and interest on the Certificates only to or upon the order of the respective owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Certificates to the extent of the sum or sums so paid. No person other than an owner shall receive a Certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance.

Section 2.10: Payments and Notices to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, as long as any Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on the Certificates, and all notices with respect to such Certificates shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

Section 2.11: Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC, and that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the City or the Paying Agent/Registrar shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (b) notify DTC of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Certificate holders transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

Section 2.12: Replacement Certificates. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate, of the same maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Registered Owner of such 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 and the City.

If any Certificate is lost, apparently destroyed or wrongfully taken, the City, pursuant to the applicable laws of the State of Texas and ordinances of the City, and in the absence of notice

or knowledge that such Certificate has been acquired by a bona fide purchaser, shall execute, and the Paying Agent/Registrar shall authenticate and deliver, a replacement Certificate of the same maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Registered Owner thereof shall have:

(a) furnished 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;

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

(c) paid 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

(d) met 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.

Section 2.13: Cancellation. All Certificates paid or redeemed 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 or redemption. The Paying Agent/Registrar shall periodically furnish the City with certificates of destruction of such Certificates.

ARTICLE III

FORM OF CERTIFICATES

The form of the Certificates, including the Form of Comptroller's Registration Certificate, Form of Paying Agent/Registrar's Authentication Certificate and Form of Assignment shall be, respectively, substantially as shown in Exhibit A hereto, with such additions, deletions and

variations, including an insurance legend or statement, if any, as may be necessary or desirable and not prohibited by this Ordinance.

ARTICLE IV

SECURITY FOR THE CERTIFICATES

Section 4.1: Pledge and Levy of Taxes and Revenues. (a) To provide for the payment of principal of and interest on the Certificates, there is hereby levied, within the limits prescribed by law, for the current year and each succeeding year thereafter, while the Certificates or any part of the principal thereof and the interest thereon remain outstanding and unpaid, an ad valorem tax upon all taxable property within the City sufficient to pay the interest on the Certificates and to create and provide a sinking fund of not less than 2% of the principal amount of the Certificates or not less than the principal payable out of such tax, whichever is greater, with full allowance being made for tax delinquencies and the costs of tax collection, and such taxes, when collected, shall be applied to the payment of principal of and interest on the Certificates by deposit to the Debt Service Fund and to no other purpose.

(b) The City hereby declares its purpose and intent to provide and levy a tax legally sufficient to pay the principal of and interest on the Certificates, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax. As long as any Certificates remain outstanding, all moneys on deposit in, or credited to, the Debt Service Fund shall be secured by a pledge of security, as provided by law for cities in the State of Texas.

(c) In addition, the principal and interest on the Certificates shall be payable from and secured by a limited, subordinate lien on and pledge of $1,000 of the surplus net revenues of the City's water and sewer system, after the payment of all operation and maintenance expenses thereof (the "Net Revenues"), provided that the pledge of Net Revenues is and shall be junior and subordinate in all respects to the pledge of Net Revenues to the payment of any obligation of the City, whether authorized heretofore or hereafter, which the City designates as having a pledge senior to the pledge of the Net Revenues to the payment of the Certificates. The City also reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind, secured in whole or in part by a pledge of Net Revenues, that may be prior and superior in right to, on a parity with, or junior and subordinate to the pledge of Net Revenues securing the Certificates.

(d) To pay the interest coming due on the Certificates prior to receipt of the taxes levied to pay such interest, 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 interest, and such amount shall be used for no other purpose.

Section 4.2: Debt Service Fund. The Certificates of Obligation, Series 2020 Debt Service Fund (the "Debt Service Fund") is hereby created as a special fund solely for the benefit of the Certificates. The City shall establish and maintain such fund at an official City depository and shall keep such fund separate and apart from all other funds and accounts of the City. Any amount on deposit in the Debt Service Fund shall be maintained by the City in trust for the

Registered Owners of the Certificates. Such amount, plus any other amounts deposited by the City into such fund and any and all investment earnings on amounts on deposit in such fund, shall be used only to pay the principal of, premium, if any, and interest on the Certificates.

Section 4.3: Construction Fund. The Certificates of Obligation, Series 2020 Construction Fund (the "Construction Fund") is hereby created as a special fund of the City. Money on deposit in the Construction Fund shall be used only for the purposes set forth in Section 2.1 of this Ordinance. Money on deposit in the Construction Fund may, at the option of the City, be invested as permitted by Texas law, provided that all such deposits and investments shall be made in such manner that the money required to be expended from the Construction Fund will be available at the proper time or times.

All interest and income derived from such deposits and investments shall remain in the Construction Fund, except that, to the extent required by law, such interest and income may be applied to make such payments to the United States of America as shall be required to assure that interest on the Certificates is exempt from federal income taxation. Upon the completion of the purposes set forth in Section 2.1 of this Ordinance, any surplus funds on deposit in the Construction Fund shall be transferred into the Debt Service Fund.

Section 4.4: Further Proceedings. After the Certificates to be initially issued have been executed, it shall be the duty of the Mayor or Mayor Pro Tem to deliver the Certificates to be initially issued and all pertinent records and proceedings to the Attorney General for examination and approval. After the Certificates to be initially issued shall have been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Upon registration of the Certificates to be initially issued, 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.

ARTICLE V

CONCERNING THE PAYING AGENT/REGISTRAR

Section 5.1: Acceptance. The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, is hereby appointed as the initial Paying Agent/Registrar for the Certificates pursuant to the terms and provisions of the Paying Agent/Registrar Agreement by and between the City and the Paying Agent/Registrar. The Paying Agent/Registrar Agreement shall be substantially in the form attached hereto as Exhibit B, the terms and provisions of which are hereby approved, and the Mayor or Mayor Pro Tem is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement on behalf of the City in multiple counterparts and the City Secretary is hereby authorized to attest thereto and affix the City's seal. Such initial Paying Agent/Registrar and any successor Paying Agent/Registrar, by undertaking the performance of the duties of the Paying Agent/Registrar hereunder, and in consideration of the payment of any fees pursuant to the terms of any contract between the Paying Agent/Registrar and the City and/or the deposits of money pursuant to this Ordinance, shall be deemed to accept and agree to abide by the terms of this Ordinance.

Section 5.2: Trust Funds. All money transferred to the Paying Agent/Registrar in its capacity as Paying Agent/Registrar for the Certificates under this Ordinance (except any sums representing Paying Agent/Registrar's fees) shall be held in trust for the benefit of the Registered Owners of the Certificates, and shall be disbursed in accordance with this Ordinance.

Section 5.3: Certificates Presented. Subject to the provisions of Section 5.4, all matured Certificates presented to the Paying Agent/Registrar for payment shall be paid without the necessity of further instructions from the City. Such Certificates shall be canceled as provided herein.

Section 5.4: Unclaimed Funds Held by the Paying Agent/Registrar. Funds held by the Paying Agent/Registrar that represent principal of and interest on the Certificates remaining unclaimed by the Registered Owner thereof after the expiration of three years from the date such funds have become due and payable (a) shall be reported and disposed of by the Paying Agent/Registrar in accordance with the provisions of Title 6 of the Texas Property Code, as amended, to the extent such provisions are applicable to such funds, or (b) to the extent such provisions do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the City upon receipt by the Paying Agent/Registrar of a written request therefor from the City.

The Paying Agent/Registrar shall have no liability to the Registered Owners of the Certificates by virtue of actions taken in compliance with this Section.

Section 5.5: Paying Agent/Registrar May Own Certificates. The Paying Agent/Registrar in its individual or any other capacity, may become the owner or pledgee of Certificates with the same rights it would have if it were not the Paying Agent/Registrar.

Section 5.6: Successor Paying Agents/Registrars. The City covenants that at all times while any Certificates are Outstanding it will provide a legally qualified bank, trust company, financial institution or other agency to act as Paying Agent/Registrar for the Certificates. The City reserves the right to change the Paying Agent/Registrar for the Certificates on not less than sixty (60) days' written notice to the Paying Agent/Registrar, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Certificates. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Registered Owner, by United States mail, first class, postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Ordinance.

ARTICLE VI

PROVISIONS CONCERNING SALE AND APPLICATION OF PROCEEDS OF CERTIFICATES

Section 6.1: Sale of Certificates; Execution of Bond Purchase Agreement. The Certificates are hereby sold and shall be delivered to the Underwriters at a price of $_____ (representing the par amount of the Certificates of $_____, plus a reoffering premium of $_____, and less an Underwriters' discount of $_____) in

accordance with the terms of the Bond Purchase Agreement presented to and hereby approved by the City Council, in substantially the form attached hereto as Exhibit C, which price and terms are hereby found and determined to be the most advantageous reasonably obtainable by the City. The Mayor, Mayor Pro Tem and other appropriate officials of the City are hereby authorized and directed to execute such Bond Purchase Agreement on behalf of the City, and the Mayor, Mayor Pro Tem and all other officials, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Certificates. The initial Certificates shall be registered in the name of Raymond James & Associates, Inc.

Section 6.2: Approval, Registration and Delivery. The Mayor or Mayor Pro Tem is hereby authorized to have control and custody of the Certificates and all necessary records and proceedings pertaining thereto pending their delivery, and the Mayor or Mayor Pro Tem and other officers and employees of the City are hereby authorized and directed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Certificates and to assure the investigation, examination and approval thereof by the Attorney General and the registration of the initial Certificates by the Comptroller. Upon registration of the Certificates, the Comptroller (or the Comptroller's certificates clerk or an assistant certificates clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificates prescribed herein to be attached or affixed to each Certificates initially delivered and the seal of the Comptroller shall be impressed or printed or lithographed thereon.

Section 6.3: Offering Documents; Ratings. The City hereby approves the form and contents of the Preliminary Official Statement, attached hereto as Exhibit D and the final Official Statement, attached hereto as Exhibit E, dated as of the date hereof, relating to the Certificates, and any addenda, supplement or amendment thereto, and ratifies and approves the distribution of such Preliminary Official Statement and Official Statement in the offer and sale of the Certificates and in the reoffering of the Certificates by the Underwriter, with such changes therein or additions thereto as the officials executing same may deem advisable, such determination to be conclusively evidenced by their execution thereof. The Mayor or Mayor Pro Tem is hereby authorized and directed to execute, and the City Secretary is hereby authorized and directed to attest, the final Official Statement. It is further hereby officially found, determined and declared that the statements and representations contained in the Preliminary Official Statement and final Official Statement are true and correct in all material respects, to the best knowledge and belief of the City Council, and that, as of the date thereof, the Preliminary Official Statement was an official statement of the City with respect to the Certificates that was deemed "final" by an authorized official of the City except for the omission of no more than the information permitted by subsection (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission.

Further, the City Council hereby ratifies, authorizes and approves the actions of the Mayor, Mayor Pro Tem, the City's financial advisor and other consultants in seeking ratings on the Certificates from Moody's Investor's Service, Inc. and S&P Global Ratings and such actions are hereby ratified and confirmed.

Section 6.4: Application of Proceeds of Certificates. Proceeds from the sale of the Certificates shall, promptly upon receipt by the City, be applied as follows:

(1) Accrued interest and additional proceeds in the amount of $0.00 shall be deposited into the Debt Service Fund created in Section 4.2 of this Ordinance;

(2) A portion of the proceeds in the amount of $_____ shall be applied to pay expenses arising in connection with the issuance of the Certificates, including the Underwriters' Discount;

(3) Proceeds in the amount of $_____ shall be deposited into the Construction Fund created in Section 4.3 of this Ordinance; and

(4) Any proceeds of the Certificates remaining after making all such deposits and payments shall be deposited into the Debt Service Fund.

Section 6.5: Tax Exemption. The City intends that the interest on the Certificates shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and all applicable temporary, proposed and final regulations (the "Regulations") and procedures promulgated thereunder and applicable to the Certificates. For this purpose, the City covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Certificates (including all property the acquisition, construction or improvement of which is to be financed directly or indirectly with the proceeds of the Certificates) and take or omit to take such other and further actions as may be required by Sections 103 and 141 through 150 of the Code and the Regulations to cause interest on the Certificates to be and remain excludable from the gross income, as defined in Section 61 of the Code, of the owners of the Certificates for federal income tax purposes. Without limiting the generality of the foregoing, the City shall comply with each of the following covenants:

(1) The City will use all of the proceeds of the Certificates to (i) provide funds for the purposes described in Section 2.1 of this Ordinance, which will be owned and operated by the City and (ii) to pay the costs of issuing the Certificates. The City will not use any portion of the proceeds of the Certificates to pay the principal of or interest or redemption premium on, any other obligation of the City or a related person.

(2) The City will not directly or indirectly take any action, or omit to take any action, which action or omission would cause the Certificates to constitute "private activity bonds" within the meaning of Section 141(a) of the Code.

(3) Principal of and interest on the Certificates will be paid solely from ad valorem taxes collected by the City, investment earnings on such collections, and as available, proceeds of the Certificates.

(4) Based upon all facts and estimates now known or reasonably expected to be in existence on the date the Certificates are delivered, the City reasonably expects that the proceeds of the Certificates will not be used in a manner that would cause the

Certificates or any portion thereof to be an "arbitrage bond" within the meaning of Section 148 of the Code.

(5) At all times while the Certificates are outstanding, the City will identify and properly account for all amounts constituting gross proceeds of the Certificates in accordance with the Regulations. The City will monitor the yield on the investments of the proceeds of the Certificates and, to the extent required by the Code and the Regulations, will restrict the yield on such investments to a yield which is not materially higher than the yield on the Certificates. To the extent necessary to prevent the Certificates from constituting "arbitrage bonds," the City will make such payments as are necessary to cause the yield on all yield restricted nonpurpose investments allocable to the Certificates to be less than the yield that is materially higher than the yield on the Certificates.

(6) The City will not take any action or knowingly omit to take any action that, if taken or omitted, would cause the Certificates to be treated as "federally guaranteed" obligations for purposes of Section 149(b) of the Code.

(7) The City represents that not more than fifty percent (50%) of the proceeds of the Certificates will be invested in nonpurpose investments (as defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code, and the City reasonably expects that at least eighty-five percent (85%) of the spendable proceeds of the Certificates will be used to carry out the governmental purpose of the Certificates within the three-year period beginning on the date of issue of the Certificates.

(8) The City will take all necessary steps to comply with the requirement that certain amounts earned by the City on the investment of the gross proceeds of the Certificates, if any, be rebated to the federal government. Specifically, the City will (i) maintain records regarding the receipt, investment, and expenditure of the gross proceeds of the Certificates as may be required to calculate such excess arbitrage profits separately from records of amounts on deposit in the funds and accounts of the City allocable to other obligations of the City or moneys which do not represent gross proceeds of any obligations of the City and retain such records for at least six years after the day on which the last outstanding Certificate is discharged, (ii) account for all gross proceeds under a reasonable, consistently applied method of accounting, not employed as an artifice or device to avoid in whole or in part, the requirements of Section 148 of the Code, including any specified method of accounting required by applicable Regulations to be used for all or a portion of any gross proceeds, (iii) calculate, at such times as are required by applicable Regulations, the amount of excess arbitrage profits, if any, earned from the investment of the gross proceeds of the Certificates and (iv) timely pay, as required by applicable Regulations, all amounts required to be rebated to the federal government. In addition, the City will exercise reasonable diligence to assure that no errors are made in the calculations required by the preceding sentence and, if such an error is made, to discover and promptly correct such error within a

reasonable amount of time thereafter, including payment to the federal government of any delinquent amounts owed to it, interest thereon and any penalty.

(9) The City will not directly or indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Certificates that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if such arrangement had been at arm's length and had the yield on the Certificates not been relevant to either party.

(10) The City will timely file or cause to be filed with the Secretary of the Treasury of the United States the information required by Section 149(e) of the Code with respect to the Certificates on such form and in such place as the Secretary may prescribe.

(11) The City will not issue or use the Certificates as part of an "abusive arbitrage device" (as defined in Section 1.148-10(a) of the Regulations). Without limiting the foregoing, the Certificates are not and will not be a part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the Regulations, by (i) enabling the City to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, or (ii) increasing the burden on the market for tax-exempt obligations.

(12) Proper officers of the City charged with the responsibility for issuing the Certificates are hereby directed to make, execute and deliver certifications as to facts, estimates or circumstances in existence as of the date of issuance of the Certificates and stating whether there are facts, estimates or circumstances that would materially change the City's expectations. On or after the date of issuance of the Certificates, the City will take such actions as are necessary and appropriate to assure the continuous accuracy of the representations contained in such certificates.

(13) The covenants and representations made or required by this Section are for the benefit of the Certificate holders and any subsequent Certificate holder, and may be relied upon by the Certificate holders and any subsequent Certificate holder and bond counsel to the City.

In complying with the foregoing covenants, the City may rely upon an unqualified opinion issued to the City by nationally recognized bond counsel that any action by the City or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Certificates to be includable in gross income for federal income tax purposes under existing law.

Notwithstanding any other provision of this Ordinance, the City's representations and obligations under the covenants and provisions of this Section 6.5 shall survive the defeasance and discharge of the Certificates for as long as such matters are relevant to the exclusion of interest on the Certificates from the gross income of the owners for federal income tax purposes.

Section 6.6: Related Matters. In order that the City shall satisfy in a timely manner all of its obligations under this Ordinance, the Mayor, Mayor Pro Tem, City Secretary and all other appropriate officers, agents, representatives and employees of the City are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance and delivery of the Certificates, including, without limitation, executing and delivering on behalf of the City all certificates, consents, receipts, requests, notices, and other documents as may be reasonably necessary to satisfy the City's obligations under this Ordinance and to direct the transfer and application of funds of the City consistent with the provisions of this Ordinance..

ARTICLE VII

CONTINUING DISCLOSURE UNDERTAKING

Section 7.1: Continuing Disclosure Undertaking. The City shall provide annually to the MSRB, within six (6) months after the end of each fiscal year and in an electronic format prescribed by the MSRB, financial information and operating data with respect to the City of the general type described in the Official Statement, being the information described in Exhibit F attached hereto. Any financial statements so to be provided shall be (a) prepared in accordance with generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time, as such principles may be changed from time to time to comply with state or federal law or regulation and (b) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available at the time the financial information and operating data must be provided, then the City shall provide unaudited financial statements for the applicable fiscal year to the MSRB and shall provide to the MSRB audited financial statements, when and if the same become available.

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

The financial information and operating data to be provided pursuant to this Article may be set forth in full in one or more documents or may be included by specific reference to documents (i) available to the public on the MSRB's internet web site or (ii) filed with the SEC.

Section 7.2: Material Event Notices. The City shall file notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

(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 exempt status of the Certificates, or other material events affecting the tax status of the Certificates;

(7) Modifications to rights of 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, which shall occur as described below;

(13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of 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.

As used in clause (12), above, the phrase "bankruptcy, insolvency, receivership or similar event" means the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the United States 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 of the City, or if jurisdiction has been assumed by leaving the City Council and officials or officers of the City 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. The City intends that the words used in clauses (15) and (16), above, and the definition of Financial Obligation in this Ordinance have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

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 7.1 hereof by the time required by Section 7.1 hereof.

Section 7.3: Limitations, Disclaimers and Amendments. The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give the notice required by Section 7.2 of any Certificate calls and defeasance that cause the City to be no longer such an "obligated person."

The provisions of this Article are for the sole benefit of the Holders and beneficial owners of the Certificates, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, principal statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except 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 HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

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

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

The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change, legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision 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 interest of the Holders and beneficial owners of the Certificates. If the City so amends the provisions of this Article it shall include with any amended financial information or operating data next provided in accordance with Section 7.1 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. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates.

Section 7.4: Information Format. The City information required under this Article shall be filed with the MSRB through EMMA in such format and accompanied by such identifying information as may be specified from time to time thereby. Under the current rules of the MSRB, continuing disclosure documents submitted to EMMA must be in word-searchable portable document format (PDF) files that permit the document to be saved, viewed, printed, and retransmitted by electronic means and the series of obligations to which such continuing disclosure documents relate must be identified by CUSIP number or numbers.

Financial information and operating data to be provided pursuant to this Article may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public through EMMA or filed with the SEC.

ARTICLE VIII

MISCELLANEOUS

Section 8.1: Defeasance. The City may defease the provisions of this Ordinance and discharge its obligations to the Registered Owners of any or all of the Certificates to pay the principal of and interest thereon in any manner now or hereafter permitted by law, including by depositing with the Paying Agent/Registrar or with the State Treasurer of the State of Texas either:

(a) cash in an amount equal to the principal amount of such Certificates plus interest thereon to the date of maturity or redemption; or

(b) pursuant to an escrow or trust agreement, cash and/or (i) direct noncallable obligations of United States of America, including obligations that are unconditionally guaranteed by the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; or (iii) noncallable obligations of a state or an agency or a City, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves

the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, which, in the case of (i), (ii) or (iii), may be in book-entry form, and the principal of and interest on which will, when due or redeemable at the option of the holder, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, provide money in an amount which, together with other moneys, if any, held in such escrow at the same time and available for such purpose, shall be sufficient to provide for the timely payment of the principal of and interest thereon to the date of maturity or earlier redemption;

provided, however, that if any of the Certificates are to be redeemed prior to their respective dates of maturity, provision shall have been made for giving notice of redemption as provided in this Ordinance. Upon such deposit, such Certificates shall no longer be regarded to be Outstanding or unpaid. Any surplus amounts not required to accomplish such defeasance shall be returned to the City.

Section 8.2: Ordinance a Contract - Amendments. This Ordinance shall constitute a contract with the Registered Owners from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Certificate remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Registered Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Registered Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Registered Owners who own in the aggregate 51% of the principal amount of the Certificates then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Registered Owners of Outstanding Certificates, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required to be held by Registered Owners for consent to any such amendment, addition, or rescission.

Section 8.3: Legal Holidays. In any case where the date interest accrues and becomes payable on the Certificates or principal of the Certificates matures or the date fixed for redemption of any Certificates or a Record Date shall be in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal need not be made on such date, or the Record Date shall not occur on such date, but payment may be made or the Record Date shall occur on the next succeeding day which is not in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close with the same force and effect as if (i) made on the date of maturity or the date fixed for redemption and no interest shall accrue for the period from the date of maturity or redemption to the date of actual payment or (ii) the Record Date had occurred on the fifteenth day of that calendar month.

Section 8.4: No Recourse Against City Officials. No recourse shall be had for the payment of principal of or interest on any Certificates or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Certificates.

Section 8.5: Further Proceedings. The Mayor, Mayor Pro Tem, City Secretary and other appropriate officials of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Ordinance.

Section 8.6: Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 8.7: Open Meeting. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at City Hall for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 8.8: Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 8.9: Effective Date. This Ordinance shall be in force and effect from and after its passage on the date shown below.

Section 8.10: Preamble. The facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct.

[signature page follows]

PASSED AND APPROVED this 5th day of October, 2020.

_____
Mayor
City of West University Place, Texas

ATTEST:

_____
City Secretary
City of West University Place, Texas

EXHIBIT A

FORM OF CERTIFICATE

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF WEST UNIVERSITY PLACE, TEXAS
CERTIFICATE OF OBLIGATION, SERIES 2020

NUMBER				DENOMINATION
[1]R-				$_____
REGISTERED				REGISTERED
[2]INTEREST RATE:	DATED DATE:	DELIVERY DATE:	[2]MATURITY DATE:	[2]CUSIP:
_____%	October 1, 2020	October 29, 2020	,	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

[3]THE CITY OF WEST UNIVERSITY PLACE, TEXAS, a municipal corporation of the State of Texas (the "City"), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on the maturity date specified above, upon presentation and surrender of this Certificate at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, or its successor (the "Paying Agent/Registrar"), 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 to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of the Delivery Date identified above or the most recent interest payment date to which interest has been paid or duly

---

[1] Initial Certificate shall be numbered T-1.

[2] Omitted from the Initial Certificate.

[3] The first sentence of the Initial Certificate shall read as follows:

> "THE CITY OF WEST UNIVERSITY PLACE, TEXAS, a municipal corporation of the State of Texas (the "City"), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on February 1 of each of the years and in the principal amounts set forth in the following schedule: [Insert information regarding years of maturity, principal amounts and interest rates from Section 2.3 of the Ordinance], upon presentation and surrender of this Certificate at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, or its successor (the "Paying Agent/Registrar"), 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 to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of the Delivery Date identified above or the most recent interest payment date to which interest has been paid or duly provided for."

provided for. Interest on this Certificate is payable on February 1, 2021, and each August 1 and February 1 thereafter until maturity of this Certificate, by check sent by United States mail, first class, postage prepaid, by the Paying Agent/Registrar to the Registered Owner of record as of the close of business on the fifteenth calendar day of the calendar month immediately preceding the applicable interest payment date, as shown on the registration books kept by the Paying Agent/Registrar. Any accrued interest payable at maturity shall be paid upon presentation and surrender of this Certificate at the principal corporate trust office of the Paying Agent/Registrar.

THIS CERTIFICATE IS ONE OF A DULY AUTHORIZED SERIES OF CERTIFICATES (the "Certificates") in the aggregate principal amount of $23,730,000 issued pursuant to an ordinance adopted by the City Council of the City on October 5, 2020 (the "Ordinance") for the purpose of providing all or part of the costs associated with (i) City-wide street, drainage and water system improvements, including street, drainage and water system improvements to Buffalo Speedway, (ii) the purchase of land for the West University Place Community Building/Senior Center, and (ii) costs of professional services incurred in connection therewith.

[4]THIS CERTIFICATE shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Certificate is authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE CITY RESERVES THE RIGHT, at its option, to redeem prior to maturity the Certificates maturing on or after February 1, 2031, in whole or in part, in principal installments of $5,000 or any integral multiple thereof, on February 1, 2030, or any date thereafter, at a price equal to the principal amount of the Certificates or portions thereof called for redemption plus accrued interest to the date of redemption.

CERTIFICATES MAY BE REDEEMED IN PART 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. In selecting portions of Certificates for redemption, each Certificate shall be treated as representing that number of Certificates of $5,000 denomination which is obtained by dividing the principal amount of such Certificate by $5,000. Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of the Ordinance, shall authenticate and deliver in exchange therefor a Certificate or Certificates of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered.

NOTICE OF ANY SUCH REDEMPTION, identifying the Certificates or portions thereof to be redeemed, shall be sent by United States mail, first class, postage prepaid, to the Registered Owners thereof at their addresses as shown on the books of registration kept by the Paying Agent/Registrar, not less than thirty (30) days before the date fixed for such redemption. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the

[4] In the Initial Certificate, this paragraph shall read: "THIS CERTIFICATE shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Certificate is registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto."

payment of the redemption price of the Certificates called for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Certificates which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid with the funds so provided for such payment.

THIS CERTIFICATE IS TRANSFERABLE only upon presentation and surrender at the principal corporate trust office of the Paying Agent/Registrar, accompanied by an assignment duly executed by the Registered Owner or its authorized representative, subject to the terms and conditions of the Ordinance.

THIS CERTIFICATE IS EXCHANGEABLE at the principal corporate trust office of the Paying Agent/Registrar for a Certificate or Certificates of the same maturity and interest rate and in the principal amount of $5,000 or any integral multiple thereof, subject to the terms and conditions of the Ordinance.

THE PAYING AGENT/REGISTRAR is not required to accept for transfer or exchange any Certificate called for redemption, in whole or in part, during the forty-five (45) day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Registered Owner of an unredeemed portion of a Certificate called for redemption in part.

THE CITY OR PAYING AGENT/REGISTRAR may require the Registered 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 a Certificate. Any fee or charge of the Paying Agent/Registrar for a transfer or exchange shall be paid by the City.

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

IT IS HEREBY DECLARED AND REPRESENTED that this Certificate has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, 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; that the Certificates do not exceed any constitutional or statutory limitation; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied, within the limits prescribed by law, against all taxable property in the City and have been irrevocably pledged for such payment.

IT IS FURTHER DECLARED AND REPRESENTED that the revenues to be derived from the City's water and sewer system, after the payment of all operation and maintenance expenses thereof (the "Net Revenues"), in an amount not to exceed $1,000, are pledged to the payment of the principal of and interest on the Certificates provided that the pledge of Net Revenues is and shall be junior and subordinate in all respects to the pledge of Net Revenues to the payment of any obligation of the City, whether authorized heretofore or hereafter, which the

City designates as having a pledge senior to the pledge of the Net Revenues to the payment of the Certificates. The City also reserves the right to issue, for any lawful purpose at any time, in one or more installments, bonds, certificates of obligation and other obligations of any kind, secured in whole or in part by a pledge of Net Revenues, that may be prior and superior in right to, on a parity with, or junior and subordinate to the pledge of Net Revenues securing the Certificates.

REFERENCE IS HEREBY MADE TO THE ORDINANCE, a copy of which is filed with the Paying Agent/Registrar, for the full provisions thereof, to all of which the Registered Owners of the Certificates assent by acceptance of the Certificates.

IN WITNESS WHEREOF, the City has caused its corporate seal to be impressed or placed in facsimile hereon and this Certificate to be signed by the Mayor or Mayor Pro Tem and countersigned by the City Secretary by their manual, lithographed or printed facsimile signatures.

CITY OF WEST UNIVERSITY PLACE,
TEXAS

_____
Mayor

(CITY SEAL)

COUNTERSIGNED:

_____
City Secretary

* * *

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE

The following form of Comptroller's Registration Certificate shall be attached or affixed to each of the Certificates initially delivered:

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

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 OF OFFICE this _____.

_____
Comptroller of Public Accounts
of the State of Texas

(SEAL)

* * *

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

The following form of authentication certificate shall be printed on the face of each of the Certificates other than those initially delivered:

AUTHENTICATION CERTIFICATE

This Certificate is one of the Certificates described in and delivered pursuant to the within mentioned Ordinance; and, except for the Certificates initially delivered, this Certificate has been issued in exchange for or replacement of a Certificate, Certificates, or a portion of a Certificate or Certificates of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

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

By_____
Authorized Signature
Date of Authentication:_____

* * *

FORM OF ASSIGNMENT

The following form of assignment shall be printed on the back of each of the Certificates:

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 such certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED:_____

Signature Guaranteed:

_____

_____

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

_____

_____

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.

* * *

EXHIBIT B

PAYING AGENT/REGISTRAR AGREEMENT

SEE TAB __

EXHIBIT C

BOND PURCHASE AGREEMENT

SEE TAB __

EXHIBIT D

PRELIMINARY OFFICIAL STATEMENT

SEE TAB __

EXHIBIT E

OFFICIAL STATEMENT

SEE TAB __

EXHIBIT F

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 7.1 of this Ordinance.

Annual Financial Statements and Operating Data

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

1. The audited financial statements of the City, but for the most recently concluded fiscal year, and, to the extent that such statements are not completed and available, unaudited financial statements for such fiscal year.

2. The quantitative financial information and operating data with respect to the City of the general type included in this Official Statement under the headings "OFFICIAL STATEMENT SUMMARY - Selected Financial Information," "CITY TAX DEBT" (except for "Estimated Overlapping Debt"), "TAX DATA," "SELECTED FINANCIAL DATA," "INVESTMENT AUTHORITY AND INVESTMENT OBJECTIVES OF THE CITY - Current Investments," and in APPENDIX B.

Accounting Principles

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

S&P Global
Ratings

RatingsDirect®

Summary:

West University Place, Texas; General Obligation

Primary Credit Analyst:
Bobbi Gajwani, Chicago (1) 312-233-7001; bobbi.gajwani@spglobal.com

Secondary Contact:
Andy A Hobbs, Farmers Branch + 1 (972) 367 3345; Andy.Hobbs@spglobal.com

Table Of Contents

Rating Action

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Credit Opinion

Related Research

Summary:

West University Place, Texas; General Obligation

Credit Profile		
US$23.19 mil certs of oblig ser 2020 dtd 10/01/2020 due 02/01/2050		
Long Term Rating	AAA/Stable	New
West University Place certs of oblig		
Long Term Rating	AAA/Stable	Affirmed
West Univ Place GO		
Long Term Rating	AAA/Stable	Affirmed

Rating Action

S&P Global Ratings has assigned its 'AAA' long-term rating to the city of West University Place, Texas' series 2020 certificates of obligation. At the same time, we affirmed our 'AAA' long-term rating on the city's general obligation (GO) debt outstanding. The outlook is stable.

The city's certificates of obligation and previously issued GO debt constitute direct obligations of the city, payable from the proceeds of a continuing, direct annual ad valorem tax, within the limits prescribed by law, on all taxable property within its borders. The series 2020 certificates also have a limited pledge of surplus net revenues of the city's water and sewer system, not to exceed $1,000. Given the limited revenue pledge, we rate the certificates based on the city's ad valorem pledge.

Following this issuance, the city will have $48 million of debt. The series 2020 COs will be used to fund street, drainage, and water system improvements and for the purchase of land for a senior center.

Credit overview

West University Place is a relatively small community that benefits from its favorable location just outside of downtown Houston. Its predominantly single-family residential tax base forms the foundation of a local economy characterized by extremely strong resident wealth levels. Historically, the city's financial metrics have remained stable, demonstrated by its maintenance of very strong reserves and liquidity. While we consider the city's debt burden and overall carrying charge to be elevated, we do not expect these to become challenges or to have a negative impact on financial performance in the near term, given the city's built-out nature and limited future capital needs. We believe the city's strong reserves, supported by sound financial policies, position it to withstand the sluggish recovery posed by COVID-19 in the near term, particularly as property taxes are more insulated against softening in business activity. Though our outlook is typically up to two years, our analysis is focused on the next six to 12 months as the severity of the impact depends on the duration of the pandemic. (For more information, see "The U.S. Economy Reboots, with Obstacles Ahead," published Sept. 24, 2020.)

The rating reflects our view of the city's:

- Very strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Strong management, with good financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Strong budgetary performance, with operating surpluses in the general fund and at the total governmental fund level in fiscal 2019;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2019 of 48% of operating expenditures;
- Very strong liquidity, with total government available cash at 128.0% of total governmental fund expenditures and 4.2x governmental debt service, and access to external liquidity we consider strong;
- Weak debt and contingent liability profile, with debt service carrying charges at 30.3% of expenditures and net direct debt that is 165.9% of total governmental fund revenue, but low overall net debt at less than 3% of market value; and
- Strong institutional framework score.

Environmental, social, and governance (ESG) factors

Our rating and analysis incorporate our view of the health and safety risks posed by the COVID-19 pandemic, which we believe could pressure city budgets, given some exposure to economically sensitive revenues in the short to medium term. The city's location 50 miles inland of the Gulf Coast makes it susceptible to high winds, heavy rain, and flooding caused by tropical storms and hurricanes; however, healthy reserves are available to provide support during such emergencies. Overall, we consider the city's social and governance risks in line with those of the sector.

Stable Outlook

Downside scenario

While we view this as unlikely, we could lower the rating if the city's financial performance deteriorates, leading to material draws on its reserves to levels we no longer consider very strong. We could also lower the rating if rising fixed costs were to cause significant budgetary pressures or challenge finances.

Very strong economy

We consider West University Place's economy very strong. The city, with an estimated population of 15,589, is located in Harris County in the Houston-The Woodlands-Sugar Land, TX MSA, which we consider to be broad and diverse. The city has a projected per capita effective buying income of 279% of the national level, which we view as extremely high, and a positive credit factor and per capita market value of $432,386. Overall, the city's market value grew by 3.4% over the past year, to $6.7 billion in 2021. The county unemployment rate was 3.8% in 2019.

Credit Opinion

West University Place is located approximately five miles southwest of Houston's central business district. The city's close proximity to Houston and participation in the Houston MSA bolsters the local economy and property values. The city's total AV continues to grow at a steady pace, including 3.4% growth over the previous year in the most recent certification. The city's taxing base is primarily residential, as single-family homes make up 94% of the total base.

While the city is practically fully built out, its favorable location has a positive impact on property values. The city's top 10 taxpayers are stable, make up less than 2% of the total tax base, and include several commercial developments, utilities, a shopping center, and primary residences. With its favorable location to Houston and mostly residential tax base and recent focus on remodeling and rebuilding homes even during the pandemic, we anticipate the city's tax base will remain stable in the near term, contributing to the stable outlook.

Strong management

We revised our view of the city's management to strong from adequate, with good financial policies and practices under our FMA methodology, as a result of the city's recent adoption of an annually updated five-year capital improvement plan (CIP). Our assessment reflects our view that financial practices exist in most areas, but that governance officials might not formalize or monitor all of them on a regular basis.

When drafting the budget, management uses historical trends to forecast revenue and expenditure assumptions, as well as working closely with department heads during the budget process to identify departmental needs. Officials monitor the budget monthly through budget-to-actual financial reports, and adjustments to the budget can be made as needed.

The city has a formal investment policy, and provides quarterly updates regarding holdings and earnings to the city council. The city maintains a formal reserve policy, which it has historically remained in compliance with, that requires reserves of at least 20% of estimated operating revenues to mitigate financial risk that can occur from unforeseen budgetary fluctuations. The city plans to update the fund balance policy later this year to increase the required reserve level to 30% and base it on expenditures, instead of revenues. Officials indicate they want to maintain sufficient levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances while also earmarking funds for 1x purposes, which we view favorably.

Though the city does not currently have a formal debt management policy in place, it has developed one to be submitted to the council in late 2020. Furthermore, though the city does not currently conduct formalized long-term financial forecasting, management indicated it plans to have a long-term financial plan for the fiscal year 2022 budget. Additionally, as expected, the city adopted a formal five-year CIP to be updated annually. Future credit reviews will take into consideration any future planning that is formalized by the city.

Strong budgetary performance

West University Place's budgetary performance is strong, in our opinion. The city had operating surpluses of 8.5% of expenditures in the general fund and of 9.5% across all governmental funds in fiscal 2019. Our assessment incorporates our view that the pandemic could pressure the budgets of municipalities.

The city has maintained a history of stable financial performance. In fiscal 2019, general fund revenues outpaced expenditures $18.9 million to $18.2 million, prior to transfers. Following transfers in and out of the fund, the fund experienced a $2.0 million operating surplus. General fund revenues were primarily derived from property taxes (61.4% of total general fund revenues), charges for services (16%), sales taxes (7%), and franchise taxes (5.5%). The city also logged solid and stable financial performance across all governmental funds.

For fiscal 2020 ending in December, it is expected that the general fund will have a net surplus of approximately $765,000. Officials expect revenue to be $2 million under budget, with ad valorem and sales taxes having favorable variances while charges for services, fines, and investment earnings will be under budget. As for expenditures, officials note $2.7 million in savings to date as a result of vacancies, medical insurance savings, and decreased expenditures in parks and recreation related to the pandemic, which will more than offset the revenue shortfall. For fiscal 2021, with the certified AV showing a 3.4% increase, the city expects overall stability related to revenues and expenditures but is budgeting a decrease for parks and recreation, which comprises most charges for services. The city plans to have a $266,000 drawdown in the general fund resulting from a $300,000 transfer to the capital project fund for planned projects. We expect the city will continue to adjust its budget accordingly to maintain at least strong and stable financial performance overall.

Very strong budgetary flexibility

West University Place's budgetary flexibility is very strong, in our view, with an available fund balance in fiscal 2019 of 48% of operating expenditures, or $9.4 million. We expect the available fund balance to remain above 30% of expenditures for the current and next fiscal years, which we view as a positive credit factor.

The city has historically maintained a very strong reserve position, well above its formalized policy of 20% of estimated general fund revenues. Based on fiscal 2020 trends, the city anticipates adding modestly to currently very high balances at fiscal year-end. While management does not intend to materially draw on reserves over the next two years, the city plans to continue using reserves for various one-time capital expenditures. Even with the small expected draw in fiscal 2021, the ending unassigned fund balance is expected to stand at $9.6 million, above the $9.2 million at fiscal 2019 and equal to 46% of budgeted expenditures of $20.9 million. The city plans to update the fund balance policy later this year to increase the required reserve level to 30%, basing it on expenditures instead of revenues. With this change in policy and expectations for continued additions to the fund balance, we expect the fund balance to remain at least 30%.

Very strong liquidity

In our opinion, West University Place's liquidity is very strong, with total government available cash at 128.0% of total governmental fund expenditures and 4.2x governmental debt service in 2019. In our view, the city has strong access to external liquidity, if necessary.

West University Place has historically maintained a very strong liquidity position, which is expected to continue, given its trend of stable financial performance. The city's strong access to external liquidity is demonstrated by its issuance of GO debt over the past 20 years. The city does not currently have any investments or obligations that would challenge the city's liquidity in the near term.

The city's series 2016 bonds and 2017 bonds are privately placed, which account for $1.135 million and 9.755 million in debt outstanding, for a total of $10.9 million, or about 22% total debt. The privately placed documents do not include any nonstandard events of default, cross-default, or acceleration provisions that present a contingent liquidity pressure, in our opinion.

Weak debt and contingent liability profile

In our view, West University Place's debt and contingent liability profile is weak. Total governmental fund debt service is 30.3% of total governmental fund expenditures and net direct debt is 165.9% of total governmental fund revenue. Overall net debt is low, at 2.6% of market value, which is in our view a positive credit factor.

Despite a high carrying charge of 30%, we believe the city's heavy debt load is somewhat offset by the fact that overall net debt as a percent of market value is relatively low and liquidity is very strong. This issuance is funding the preliminary engineering report and design of citywide street and drainage improvements. Depending on the report's findings, the city plans to issue additional debt, possibly in one or two issuances, to fund the project. The estimated cost for the bid and construction phase totals about $53.4 million. Total governmental fund debt service, pension annual required contribution (ARC), and other postemployment benefits (OPEB) contribution as a percent of total governmental fund expenditures is high, at 34.6%.

Pension and other postemployment benefits

West University Place's combined required pension and actual (OPEB) contributions totaled 4.3% of total governmental fund expenditures in 2019. The city made its full annual required pension contribution in 2019.

We do not view pension and OPEB liabilities as an immediate source of credit pressure, as required contributions represent an affordable share of total governmental expenditures. West University's pension contributions totaled 4.3% of total governmental fund expenditures in 2019. The city made its full annual required pension contribution.

The city participated in the following plans as of December 30, 2018:

- Texas Municipal Retirement System (TMRS): 82.6% funded, with a net pension liability of $9.1 million.
- TMRS Supplemental Death Benefit OPEB Plan, which provides group-term life insurance benefits to active and retired members of the TMRS pension plan: unfunded, with a net OPEB liability of $4.1 million.
- OPEB plan providing continuing health care benefits to eligible retirees of the city. The net OPEB liability is $444,033. Health care benefits are also paid on a pay-go basis.

TMRS' actuarially determined contributions fell slightly short of our minimum funding progress (MFP) metric. The MFP metric assesses whether the most recent employer and employee contributions cover total service cost, plus unfunded interest cost, plus one-30th of the principal. When MFP is achieved, this indicates that an issuer has strong funding discipline that aims to ensure timely progress on reducing its plans' liabilities. Given that this is an agent plan, assets are jointly managed. The plan uses certain assumptions that could increase contribution volatility, including a 6.75% discount rate, though there are offsetting factors. For more information, see "Pension Spotlight: Texas," published Feb. 25, 2020, on RatingsDirect.

The city also participates in the cost-sharing, multiple-employer, defined-benefit group-term life insurance coverage operated by TMRS, known as the Supplemental Death Benefits Fund. The city may terminate coverage and discontinue participation by adopting an ordinance before Nov. 1 of any year, to be effective the following Jan. 1. It has historically fulfilled the contractually required rate as determined by an annual actuarial valuation.

Strong institutional framework

The institutional framework score for Texas municipalities is strong.

Related Research

- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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AGENDA MEMO

Business of the City Council
City of West University Place, Texas

Meeting Date	10.05.2020	**Agenda Item**	9
Approved by City Manager	Yes	**Presenter(s)**	A. Taylor, EMC, Fire Chief
Reviewed by City Attorney	N/A	**Department**	Fire
Subject	Information and Update Related to COVID-19 and City Response		
Attachments	None		
Financial Information	Expenditure Required:	None	
	Amount Budgeted:	None	
	Account Number:	None	
	Additional Appropriation Required:	None	
	Additional Account Number:	None	

Executive Summary

Update and discussion between City Council and staff on the COVID-19 emergency and City's response to this declared emergency.

Recommended Action

Discussion purposes only, no action recommended.

AGENDA MEMO

Business of the City Council
City of West University Place, Texas

Meeting Date	10.05.2020	**Agenda Item**	10
Approved by City Manager	Yes	**Presenter(s)**	J. Urban, HR Director
Reviewed by City Attorney	N/A	**Department**	Administration
Subject	Personnel Policies and Employee Handbook		
Attachments	Proposed Ordinance (with Exhibit A - Proposed Personnel Policies and Employee Handbook)		
Financial Information	Expenditure Required:	N/A	
	Amount Budgeted:	N/A	
	Account Number:	N/A	
	Additional Appropriation Required:	N/A	
	Additional Account Number:	N/A	

Executive Summary

The City Charter requires the Personnel Policies and Employee Handbook be approved by City Council. The last time revisions were approved by Council was in 2015. Staff has undertaken a review and made necessary revisions to the policy manual. These changes were presented to City Council in a workshop on July 27, 2020. The proposed ordinance formalizes those changes and allows for a January 1, 2021 implementation.

Recommended Action

Staff recommends that City Council approve the ordinance adopting the Personnel Policies and Employee Handbook on the first of two readings.

City of West University Place
Harris County, Texas

Ordinance No. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST UNIVERSITY PLACE, TEXAS, RELATING TO PERSONNEL POLICIES; ADOPTING A NEW PERSONNEL POLICIES AND EMPLOYEE HANDBOOK; PROVIDING AN EFFECTIVE DATE; AND CONTAINING FINDINGS AND PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, a *Personnel Policies and Employee Handbook* was heretofore approved and adopted by the City Council on October 13, 2014 and became effective January 1, 2015; and

WHEREAS, it is the desire of the City Council to replace the existing *Personnel Policies and Employee Handbook* with a revised *Personnel Policies and Employee Handbook*.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WEST UNIVERSITY PLACE, TEXAS THAT:

Section 1. Section 2-62(a) of Chapter 2 of the Code of Ordinances of the City of West University Place, Texas is hereby amended to read in its entirety as follows:

(a) *Handbook Adopted.* The City Council approves and adopts the "Personnel Policies and Employee Handbook, 2021 Edition," which is on file in the office of the City Secretary, together with all amendments adopted by ordinance. Nothing in this section or the adopted handbook creates any contractual or vested rights of any kind. The City Council has the continuing right to repeal and to amend this section and the handbook at any time, and the City Council does not purport to surrender or abrogate any of its legislative or regulatory authority.

Section 2. The *Personnel Policies and Employee Handbook* attached as "Exhibit A" is hereby approved and adopted by the City Council of the City of West University Place and shall amend, supersede and replace the comparable provisions of all prior personnel policies and procedures heretofore adopted by the City Council or by any officer or agency of the City.

Section 3. This ordinance shall take effect and be in force as of January 1, 2021.

Section 4. If any word, phrase, clause, sentence, paragraph, section or other part of this ordinance or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder

of this ordinance and the application of such word, phrase, clause, sentence, paragraph, section or other part of this ordinance to any other persons or circumstances shall not be affected thereby. All ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict only.

Section 5. The City Council officially finds, determines and declares that a sufficient written notice of the date, hour, place and subject of each meeting at which this ordinance was discussed, considered or acted upon was given in the manner required by the Open Meetings Law, Chapter 551, Texas Government Code, as amended, and that each such meeting has been open to the public as required by law at all times during such discussion, consideration and action. The City Council ratifies, approves and confirms such notices and the contents and posting thereof.

PASSED, APPROVED AND ADOPTED ON FIRST READING on the ____ day of _____, 2020.

PASSED, APPROVED AND ADOPTED ON SECOND READING AND SIGNED, on the ____ day of _____, 2020.

Attest: _____ **Signed:** _____

City Secretary (Seal) Mayor

Recommended: _____

City Manager

Approved as to legal form: _____

City Attorney

Exhibit "A"
Personnel Policies and Employee Handbook

I. General Provisions

The City of West University Place welcomes you to our staff. We want to make your first days on the job as pleasant and comfortable as possible.

As a new employee you may have questions about City policies, procedures, and expectations of you as an employee. This handbook will answer most of those questions.

The information in this handbook is meant to provide a consistent guide to you on policies and other personnel matters. It is not intended to give specific guidelines for every conceivable personnel interaction. These guidelines are sufficiently broad to provide a latitude of discretion, which may be needed in individual situations. However, the degree of discretion shall not be permitted to violate the Policy's intent. This handbook should be referred to regularly when making decisions affecting City personnel. It will help ensure that decisions are fair, consistent, and in accordance with the desires of City Management. It is your responsibility to ask questions if you do not understand any policy or procedure. The more you know about West U, the easier it will be for you to understand your role in relation to other positions.

The City retains the right to change, modify, suspend, interpret or cancel any of its benefits, policies or procedures at its sole discretion. Any employee who continues to work after a policy has been revised and implemented is deemed to have accepted the change in policy. This handbook is subject to the City Charter as well as the constitution and laws of the State of Texas and the United States. The City of West University Place is an At-Will employer (see Section III Employment Status). This handbook does not create, reflect or imply any contractual or vested right. Either you or the City may terminate this relationship at any time with or without cause.

References to benefits, insurance coverage, leave accruals and holiday pay are applicable to regular full-time employees and may be applicable to part-time employees on a pro-rated basis.

The City Manager or his/her designee is authorized and directed to administer this handbook, including the right to establish whatever detailed regulations and procedures may be necessary to further explain and clarify the provisions of this handbook, except with respect to those employees appointed directly by the City Council, unless further delegated to do so by the City Council.

The City Council appoints the City Manager to administer the day-to-day operations of City government. The City Council recognizes that delegation of authority is appropriate when the delegation will enhance the effectiveness and efficiency of the City operations without risking the integrity of the internal control necessary for accountability to protect the City's interests.

This policy is established to define the scope and limits of policy setting authority delegated to the City Manager for such administration. City Council delegates express authority to the City Manager for the following:

- To adopt compliance policies that are consistent with federal, state or local laws with which the City is required to comply. These legal authorities may also include guidance from federal, state or local enforcement agencies.
- To adopt policies that are geared toward maintaining a productive and efficient workforce, including for example the use of social media and the internet, or safe driving policies.
- To clarify existing policies and correct grammatical or typographical errors, which do not change the intent of existing policies.

The City Council shall, however, approve any policy which directly or indirectly encumbers or exposes the City to financial liability in any way such as changing or adding benefits that have not been expressly approved by Council.

In addition to the policies outlined in the City's Personnel Policies and Employee Handbook (Handbook), it is the prerogative of each Department Director to develop and implement standard operating procedures, guidelines or general orders, which are separate from or in addition to the policies contained in this Handbook. Department procedures must be consistent with City policies and in no case will departmental policies supersede those contained in this Handbook. The City Manager or his/her designee will resolve any conflicts between department policies and citywide policies. In order to be in effect, all policies and commitments regarding your employment must be in writing and on file with Human Resources.

Many of the policies and descriptions in this Handbook are summarized from laws, rules, plans, insurance policies and other official documents which actually control specific matters. These official documents take precedence over this Handbook in all cases. The Human Resources representative is responsible for providing access to the official documents during normal working hours.

It is the City's Policy to fully comply for all applicable state and federal law, including any amendments to such law that become effective after this Handbook is adopted by City Council. Accordingly, to the extent protections provided by state and federal law ever exceed those provided in this Handbook for any reason it is the City's Policy to comply with such law as if it were fully incorporated into the City's Handbook.

No statements in this Handbook should be interpreted to limit an employee's exercise of constitutional or statutory rights, including the First Amendment right of a public employee, in certain circumstances, to speak as a citizen addressing matters of public concern. On the other hand, statements that are prohibited by the Political Activity policy or that are made pursuant to an employee's official capacity or in connection with his or her official duties as a City employee may be restricted by the City and, under some circumstances subject the employee to discipline.

Nothing in this Handbook should be interpreted as limiting an employee's rights under the National Labor Relations Act or prohibit discussions among employees outside the workplace concerning work terms or conditions.

Any employee with a work-related concern or complaint is encouraged to express such concerns

and/or complaints through the various complaint and grievance procedures provided in this Handbook.

It is your responsibility as an employee to read, understand and comply with all policies, procedures, guidelines and practices of both the City and individual departments.

This version of the Handbook supersedes all prior versions issued by the City. This Handbook was approved by the City of West University Place City Council by Ordinance Number XXXX and became effective on January 1, 2021.

MISSION:

The City of West University Place strives to provide superior municipal services and to protect the community and property values while serving as responsible fiscal stewards and focusing on serving our neighbors.

As "Good Will Ambassadors" for our City, employees consistently demonstrate the City's guiding values of S.P.I.R.I.T.:

Superior Service:

- Listen to customers and strive to understand their issues;
- Be friendly, courteous, and polite;
- Take ownership of your services and decisions;
- Solve problems;
- Strive to exceed customer expectations.

Professionalism:

- Present a professional image;
- Demonstrate competence in your job;
- Pay attention to details;
- Provide analytical, factual, and accurate reports;
- Develop and maintain knowledge and skillsets.

Integrity:

- Deliver on your promises and commitments;
- Be honest and forthcoming;
- Have a positive, can-do attitude;
- Take responsibility and ownership of the tasks and your decisions;
- Communicate with a consistent, complete message.

Results:

- Take pride in your work product;
- Take the initiative;
- Be a proactive problem solver;
- Complete the task on time and within budget;
- Do the job right the first time;
- Follow through to complete the task;
- Be self-motivated.

Innovation:

- Look for ways to continuously improve services, processes, and operations;
- Learn from setbacks and failures;

- Know current “Best Practices”;
- Make suggestions for improvement;
- Be open to new ideas and look for them.

Teamwork:

- Work as a team;
- Communicate in an open, direct and timely manner;
- Keep others informed;
- Recognize the contributions of other team members;
- Represent the City in a positive manner;
- Respect other team members.

II. Recruitment & Employment

Equal Employment Opportunity. The City of West University Place is an equal opportunity employer. The City does not discriminate against qualified applicants or its employees in its employment policies, practices or access to its services. Title VII of the Civil Rights Act of 1964, as amended, and other federal civil rights laws, prohibit discrimination against or preference for any person in recruitment hiring, discharge, pay, fringe benefits, membership, training, examination, appointment, promotion, retention, discipline or any other aspect of employment because of race, color, sex, age, religion, national origin, marital status, disability or on the basis of genetic information. The City will not allow illegal discrimination in the workplace and conduct found to violate the City's policies relating to discrimination and harassment may lead to discipline, up to and including termination. With respect to Criminal History Records, in determining the eligibility or the disqualification of a candidate from employment based on their criminal history background, the City of West University Place will consider the nature of the job, the nature and seriousness of the offense, and the length of time since it occurred. Culpability of any offenses, as shown by conviction**,** including a plea of no contest or deferred adjudication, may constitute grounds for disqualification of employment and/or volunteer opportunities with the City of West University Place. The City will exercise careful and sound business judgment when making a determination of eligibility or disqualification, which will be job related and consistent with business necessity on a case-by-case basis.

Sexual Harassment and Discrimination. It is the right of all employees to perform their jobs in an environment free from all forms of harassment, including innuendo, physical contact, verbal suggestiveness or derogatory ethnic/racial/sexual remarks. While supervisors are responsible for creating and maintaining an atmosphere free of harassment, employees are responsible for respecting the rights of co-workers. The City will not tolerate conduct or material that is offensive to a reasonable employee.

Title VII of the Civil Rights Act of 1964, as amended prohibits discrimination on the basis of sex. Additionally, the Equal Pay Act of 1963 prohibits sex discrimination in payment of wages to women and men performing substantially equal work in the same establishment; recognizing that not all employees perform at the same level, employee salaries may be different based on factors other than sex, including individual performance evaluations.

The Equal Opportunity Commission defines unlawful Sexual Harassment as unwelcome, sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when:

1. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, including hiring, promotion, pay, fringe benefits, job training, classification, referral and other aspects of employment; and
2. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or
3. The conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

It is the City's policy to prohibit sexual harassment and discrimination in the workplace and this

policy covers vendors, customers and/or others who enter our workplace as well as all employees.

Harassment and Anti-Violence Workplace. The City prohibits and will not tolerate employee conduct that is harassing, intimidating, threatening or violent, including, but not limited to: inappropriate or harassing comments, jokes, references, or mannerisms; threats of violence; physical challenges to fight; stalking; inappropriate or harassing physical conduct; attempted assault or assaulting of fellow employee(s), vendors, customers and/or or any others who enter our workplace. This policy covers vendors, customers and others who enter City facilities as well as all employees. Employees should make any complaint that they may have under this policy through the City's complaint procedure. Any employee found in violation of this policy will be subject to disciplinary action, up to and including termination.

Online Harassment. Consistent with the spirit and intent of the Sexual Harassment and Discrimination Policy and the Harassment and Anti-Violence Workplace Policy mentioned above, the City will not tolerate harassing, intimidating, threatening or violent employee conduct or behavior by an employee that creates intimidating, hostile or offensive environments online or through electronic means. The City prohibits such conduct whether it occurs at work or outside of work via social media, including but not limited to chats, Twitter, message boards, blogs, social networking sites such as Facebook or LinkedIn, instant messaging, avatars, spam, redirected or automatic linking, popups, or other Internet sources or through electronic means such as text messages, email messages, voicemail messages, or images relayed on cell phones, computers, or tablets when they are directed toward, or concern a City employee, City representative or when they create a harassing or intimidating environment at work. These forms of harassment, commonly referred to as online harassment, cyberstalking, cyberbullying, or textual harassment, are prohibited to the same extent as prohibited in-person conduct or comments described in the Sexual Harassment and Discrimination Policy. The sending of offensive messages, humiliating comments, threats, or erotic, pornographic, or lewd images or recordings by City employees to or about any other employee or representative, whether on City-provided equipment or otherwise, constitutes a violation of this policy. An employee who suspects he or she has been subjected to online harassment should save a copy of the harassing material and forward the material together with his or her complaint under the City's complaint procedures. Any employee who violates this policy will be subject to disciplinary action, up to and including termination.

Additionally, employees should be aware that Section 33.07 of the Texas Penal Code states, in part: ONLINE IMPERSONATION: (a) A person commits an offense if the person, without obtaining the other person's consent and with the intent to harm, defraud, intimidate, or threaten any person, uses the name or persona of another person to:

1. to create a web page on a commercial social networking site or other Internet website; or
2. post or send one or more messages on or through a commercial social networking site or other Internet website, other than on or through an electronic mail program or message board program.

(b) A person commits an offense if the person sends an electronic mail, instant message, text message, or similar communication that references the name, domain address, phone number, or other item of identifying information belonging to any person:

1. without obtaining the other person's consent;

2. with the intent to cause a recipient of the communication to reasonably believe that the other person authorized or transmitted the communication; and
3. with the intent to harm or defraud any person.

Any employee found in violation of this policy will be considered to have violated the City's policy concerning online harassment and will be subject to disciplinary action, up to and including termination.

Americans with Disabilities Act. It is the City's policy to prohibit discrimination on the basis of disability in employment and in connection with the admission to or access to City-provided services. The Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990 (ADA), as amended, and the ADA Amendment Act of 2008, prohibits discrimination against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, job training and any other terms, conditions or privileges of employment.

ADA Accommodation Policy. The City is committed to complying with all applicable provisions of the ADA. It is the City's policy not to discriminate against any qualified employee or applicant with regard to any terms or conditions of employment because of such individual's disability or perceived disability so long as the employee can perform the essential functions of the job, with or without reasonable accommodations. Consistent with this policy on nondiscrimination, the City will provide reasonable accommodations determined through an interactive process, to a qualified individual with a disability as defined by the ADA, who has made the City aware of his or her disability and/or need for accommodation, provided that such accommodation does not place an undue hardship upon the City.

An employee with a disability who believes that he or she needs a reasonable accommodation to perform the essential functions of his or her job should contact Human Resources. The City encourages individuals with disabilities to make the City aware of any disability and to request a reasonable accommodation.

Procedure for Requesting an Accommodation. Accommodation requests will be evaluated on a case-by-case basis through an interactive process. In response to an accommodation request, a member of Human Resources and the employee's supervisor will meet with the employee to discuss and identify the precise limitations resulting from the disability and the potential accommodation that the City might make to enable the employee to perform the essential functions of his or her job. In the event that the employee seeks accommodation but is unable to suggest an appropriate accommodation, the City may consult with outside agencies and organizations to identify reasonable accommodation options for the specific situation.

The City will determine the feasibility of the requested accommodation considering various factors, including, but not limited to, the nature and cost of the accommodation, the City's overall financial resources, and the accommodation's impact on the operations of the City and the individual department and/or division, including its impact on the ability of other employees to perform their duties and on the City's ability to conduct business.

The City will inform the employee of its decision on the specific accommodation request, any

alternative accommodation proposed, or how to implement the approved accommodation. If the accommodation request is denied, the employee will be advised of the right to appeal the decision to the City Manager by submitting a written statement explaining the reasons for the request, within five (5) business days. If the request on appeal is denied, that decision is final. If an employee's circumstances or needs change, he or she may restart the interactive process and request a reasonable accommodation, even if an earlier request has been denied.

The City does not need to provide an accommodation if doing so would cause an undue hardship, meaning the accommodation is unduly costly, extensive, substantial or disruptive or would fundamentally alter the nature or operation of City business.

The ADA does not generally require the City to make the best possible accommodation, to reallocate essential job functions, or to provide personal use items at the City's cost (i.e. eyeglasses, hearing aids, wheelchairs, etc.).

Employee's who fail to return to work after the conclusion of an approved leave, including any extensions of leave granted as a reasonable accommodation, shall be regarded as having voluntarily resigned their position.

Complaint Procedures. The City is committed to a work place free of discrimination and harassment. Any employee that is subject to, is a witness to, or becomes aware of any conduct that might be considered discrimination or harassment of any employee must immediately report the incident to their immediate supervisor and/or Human Resources. If a supervisor is notified of a complaint, he or she will immediately notify Human Resources. If the supervisor is the person engaging in the alleged conduct that is subject of a complaint, the employee should report the conduct to Human Resources, and if a Human Resources representative is the subject of the complaint, the employee also may report the alleged conduct to the City Manager. The following steps will be followed concerning complaints:

1. Human Resources or its designee will conduct an investigation. When appropriate, local law enforcement officials will be involved to ensure the safety of employees.

2. If it is determined that discrimination or harassment did occur, the City will take prompt corrective action to end the harassment or discrimination, return any lost benefits or opportunities to the employee, restore a proper work place environment, and discipline the harasser. The discipline or corrective action taken, which may include discipline up to and including termination, will reflect the seriousness of the incident.

Complaints made in good faith will in no way be held against an employee. However, the misuse of the complaint process may result in the appropriate disciplinary action, up to and including termination.

The City will not tolerate retaliation of any kind or in any manner. This protection extends not only to individuals who complain about unlawful harassment and/or activities, but also to those who serve as witnesses or participate in investigations under this policy.

Confidentiality will be maintained as much as possible regarding complaints of unlawful harassment. However, absolute confidentiality cannot be promised as complaints may be disclosed during the course of the investigation, but only to those who need information to conduct an investigation and/or take corrective action.

Weapons. With the exception of certified law enforcement officers, City employees (including employees licensed to carry a handgun under Texas law) are prohibited from carrying any type of firearm or prohibited weapon, including but not limited to brass knuckles, explosives, long knives, or mace, in City-owned buildings and vehicles.

The Texas Public Information Act. While the Texas Public Information Act requires that many of the documents and much of the information collected by the City is subject to public disclosure upon written request, a City employee has the right to choose whether or not to allow public access to portions of his or her personnel file that reveal a home address, home telephone number, social security number and information that reveals whether or not he or she has family members. Home addresses or telephone numbers of public safety employees are automatically closed to the public. A new employee must state, in writing, no later than the 14th day after the initial date of employment, if this information is to be available upon public request or to remain confidential.

Employees are required to comply with the Texas Public Information Act as it relates to their respective department and job, including but not limited to records retention, e-mail, and e-mail addresses, among other documents and information.

Drug Free and Alcohol Free Workplace. In complying with the Drug Free Workplace Act of 1988, as amended, the City is committed to providing a safe and productive work environment for its employees, ensuring the well-being and safety of its citizens and protecting the integrity of the City through the actions of its employees. The presence or use of illegal drugs or alcohol on the job is prohibited. Further, employees are prohibited from working under the influence of illegal drugs, alcohol, or any other substance which could impair an employee's ability to safely and effectively perform the function of his/her job. The City prohibits the manufacture, distribution, dispensation, possession, sale or use of illegal drugs, intoxicants by employees at any time on or off duty. While on duty for or acting on behalf of the City, while wearing a City uniform and/or in a City vehicle, or while on City premises, employees may not be impaired by alcohol, intoxicants or have illegal substances present in their systems. Employees will be subject to drug and alcohol testing when a supervisor has reasonable suspicion of drug or alcohol use; after accidents which cause damage to a City vehicle or another vehicle, or property regardless of how minor; when returning to duty as a result of self-referral; during follow-up after a determination that the employee was in need of assistance in resolving drug or alcohol problems; when an employee is promoted to a safety-sensitive position; or when chosen for random testing if an employee works in a safety-sensitive position.

Employees are not permitted, under any circumstances, to operate a City vehicle, or a personal vehicle for City business, when the employee cannot drive safely. This prohibition includes circumstances in which the employee is temporarily unable to operate a vehicle safely or legally because of illness, medication or intoxication.

Tobacco Free Environment. Tobacco use of any kind or vaping, including e-cigarettes or similar devices, in any City building, facility or vehicle is prohibited. Employees will be allowed to smoke only in designated areas, which may not be within 15 feet of any building entrance and shall be in accordance with the Rest & Meal Period Section of this handbook. In this policy, the "use of tobacco products" means the inhaling, exhaling, burning or carrying of any lighted cigar, cigarette, or other combustible tobacco product in any manner, including cigarettes and cigars; the chewing of tobacco, the use of snuff, and the use of e-cigarettes or vaping.

Appropriate Appearance. The personal appearance and grooming of our employees plays an important role in the perception that the public and customers have of the City. Employees are expected to maintain minimum standards of dress, grooming and personal hygiene appropriate for the position and job duties and as necessary to protect the safety of the public and/or other employees.

This policy establishes the foundation for the City's dress code policy. In order to maintain a positive public image and to assist employees in determining what is appropriate, the following guidelines are established:

1. Each employee, taking into consideration their position, shall maintain a professional, appropriate and business-like appearance when representing the City.

Casual Fridays are permitted, which includes the wearing of jeans. If worn, jeans must be clean and not faded or torn. Employees whose position requires them to wear a City approved uniform may not wear jeans on casual Fridays. **Note:** In all cases, employee's attire is expected to be appropriate for daily activities, meetings or public functions and Casual Fridays may be discontinued or cancelled depending on circumstances.

Prohibited:

1. Revealing, suggestive, sheer, see-through tops, blouses, or sweaters (unless worn over another shirt).
2. No shirt that allows a bare midriff.
3. T-shirts with advertisements, political messages, or slogans (unless provided by the City for a specific City/Public event).
4. Revealing, sheer, see-through skirts, pants, shorts, etc.
5. Jeans. Pants made of a heavy denim or jean material. (Exception: Field Personnel and Casual Fridays). Supervisors may make exceptions to the dress code for certain special projects that may require to "dress down". If worn, jeans must be clean and not faded or torn.
6. Lip, nose, tongue, or any other piercing(s) on a visible part of the body (excluding ears).
7. Overalls and shorts (Department Directors may make exceptions for uniformed seasonal wear).
8. Sweats and wind suits.
9. Hair worn in a manner to create a safety hazard, including facial hair.

Exception: The Department Director may make exceptions with the City Manager's approval.

Right to Search and Inspect. City employees have no reasonable expectation of privacy with respect to the contents of any property that they bring to work on City property. The City reserves the right to question all employees and all other persons entering and leaving City property and to inspect, with or without prior notice, any City vehicle, package, parcel, purse, handbag, briefcase, lunch box, electronic device of any kind including but not limited to: any personal or City issued cell phone(s), recording devices, I-Pad, laptop, or any other personal possession or article on City property. In addition, the City reserves the right to search any office, desk, file, computer, locker or any other area or article owned by the City. In this connection all offices, desks, files (including electronic or computer files), computers, lockers, vehicle and any other piece of equipment or furniture are property of the City and are issued for the use of employees only during employment. Inspections may be conducted at any time at the discretion of the Department Director or City Manager with or without the employee's consent or approval and with or without prior notification; including property that is used exclusively by the employee, but that is secured, unsecured, or secured by a lock or locking device provided by the employee or the City. Employees should never bring to work and/or store at work personal items that he/she would not be prepared to show and possibly turn over to City officials and/or law enforcement authorities.

An employee who interferes with a search or fails to cooperate in allowing a search conducted under this policy, including giving access to City property as directed, may be subject to discipline, including termination of employment.

Internet. The City of West University Place Internet Policy is established to ensure compliance with applicable statutes, regulations and mandates regarding the use of information technology systems (System); to establish prudent and acceptable practices regarding the use of the Internet; and to educate individuals who may use the Internet, the intranet or both with respect to their responsibilities associated with such use.

All electronic information on the System remains the property of the City and employees have no right of privacy with respect to their use of the System even if for permitted personal use. Employees must recognize that it is within the capabilities of the System to recover previously deleted material at any time and such recovered material remains the property of the City.

All employees are notified that information sent, received, and stored on the City's System is subject to being monitored and recorded at any time.

Any information on the System is presumed to be subject to disclosure, upon request, as public information. Therefore, employees should use discretion in making use of the System to discuss sensitive matters or matters in litigation.

The Internet provides West University Place with significant access to and capability for dissemination of information to organizations and individuals outside the City. Misuse of the Internet may expose the City and its employees to civil and/or criminal sanctions as well as to

embarrassment, humiliation and ridicule. Internet use that violates this policy is subject to disciplinary action up to and including termination.

Additional information is contained in the Information Technology Policies and Procedures.

E-mail. The purpose of the City of West University Place's e-mail policy is to establish the rules for the use of the City's e-mail for sending, receiving or storing electronic mail. The policy is designed to ensure compliance with applicable statues, regulations and mandates regarding the management of Information Technology resources; to establish prudent and acceptable practices regarding the use of e-mail; to educate individuals using e-mail with respect to their responsibilities associated with such use. Employees are required to comply with the Public Information Act as it relates to their respective department and job, including but not limited to records retention, e-mail, e-mail addresses, etc.

E-mail users that violate this policy are subject to disciplinary action up to and including termination.

Additional information is contained in the Information Technology Policies and Procedures.

Telephone. All employees are prohibited from making non-business long distance telephone calls via the City's long distance provider, except in emergency situations. Calls placed though personal calling cards, pre-paid cards and/or credit cards are not prohibited other than the general prohibition on employees unreasonably using work time for personal business. For quality control and/or other business-related purposes, telephone calls on City equipment may be monitored and/or recorded at any time.

Cellular Phone. The City will own and provide cellular phones and services to qualified and approved City officials. This includes personal productivity devices that are capable of using the cellular telephone network or WiFi (tablet type devices). The City will maintain a single service provider contract from authorized state, local or federal cooperative contracts that offer discounted pricing and a wide range of service plans. Use of any other service provider or contract for City owned cellular phones and/or services must first be justified and approved by the IT Director.

In order to maintain standardization and compatibility, the IT Director will set the standard for cellular phone and tablet devices. The standard will be reviewed every two years and technology refreshes will occur as needed.

As an alternative to a City owned and provided cellular phone or tablet device, the City Manager may authorize the issuance of a monthly stipend to those City officials he deems to be Critical Decision Makers. The stipend is intended to only pay for City related costs incurred on personal cellular phone accounts, and eliminate the need for such officials to carry and maintain separate devices for City business. The stipend is valid as long as the required services (defined in the procedures section) are maintained on the personal account.

The stipend is determined by matching the cost of the same or equivalent service offered from the City's official service provider. With the City Manager's approval, reimbursement may be allowed

for the initial purchase of the device and technology refreshes every two years thereafter. Reimbursement also includes reasonable accessories including chargers, hands-free devices, protective covers and insurance.

Upon separation from the City, City officials to whom a City-owned device has been issued will be offered to buy-back their device, the cost of which will be determined by the then fair market value.

Absent express written permission from the City Manager obtained in advance, employees are prohibited from (1) imaging, scanning, photographing or recording video images of confidential and/or proprietary City information with a personal or City issued phone, camera or any other electronic recording device, (2) imaging, photographing or recording video images in City restrooms, locker rooms, dressing rooms or other areas where individuals dress or undress, (3) disseminating confidential or proprietary information belonging to third parties in any format. An exception to this policy exists for criminal and/or administrative investigations, but any images, photographs, video or other electronic material obtained during a criminal or administrative investigation is property of the City and is considered confidential.

Employees in violation of this policy will be subject to appropriate disciplinary action up to and including termination.

City Owned Vehicles. City-owned vehicles may be used only for City business, except as otherwise specifically authorized by department procedure approved by the City Manager. Most City-owned vehicles are equipped with GPS tracking devices. Tampering with and/or disengaging such equipment is grounds for disciplinary action up to and including termination.

Personal Vehicle Use for City Business. The City will provide for the appropriate reimbursement to employees for expenses incurred in the use of personal vehicles on City business. In that regard, when an employee uses his or her own personal vehicle for City business, he or she will subject to the same safe vehicle operating restrictions applicable to the use of City-owned vehicles, as set out in the City's Safety Policy and Procedures Handbook.

The City will reimburse employees for the use of their personal vehicle for City business at the rate periodically published by the Internal Revenue Service.

Mileage reimbursement shall cover only those miles incurred for City business and does not include an employee's normal commute to his/her place of business or any travel associated with an employee's personal business. Reimbursement requests should indicate the points of travel and the miles eligible for reimbursement. Mileage reimbursement requests shall be sent to Accounts Payable on a monthly basis.

Safe Vehicle and Equipment Use. It is the policy of the City to provide employees adequate tools, equipment and vehicles, when the employee's job requires the use of a vehicle. The City requires all employees to observe safe work practices and lawful, careful and courteous operation of vehicles and equipment, including compliance with all federal, state and local rules and regulations.

Employees whose positions require the operation of a motor vehicle must, in addition to meeting the approval requirements, exercise due diligence to drive safely, wear seat belts, follow all traffic laws, and avoid distractions while driving, such as using a cellular telephone or entering data on a Mobile Data Terminal (MDT).

Employees are prohibited from using City issued or personal cell phone devices while operating vehicles and/or City equipment. This includes receiving or placing calls, text messages, surfing the internet, receiving or responding to e-mail, or checking for phone messages. If, while operating a City owned vehicle, or while driving a personal vehicle on City business, a City employee finds it necessary to use a device in any manner mentioned above, he/she must stop safely, locate a lawfully designated area to park, secure the vehicle, and then make the call, text or response required. In limited circumstances, the City Manager or the Department Director may approve the use of hands-free devices by employees. Excessive use of City issued or personal cell phone devices while in City vehicles during work hours is prohibited. Focus should instead be on providing the intended City service to the public. Decisions regarding the use of City cellular telephones, electronic paging devices, and wireless personal communications devices which are not explicitly stated herein will be left to the discretion of the City Manager. Department Directors are authorized to administer, provide guidance on, and assure compliance with the features of this policy.

Employees are responsible for maintaining the interior and exterior cleanliness of the vehicle(s) they are assigned. Additionally, employees are responsible for the security of the vehicle and its contents.

When employees receive fines of any kind in connection with their use of a City vehicle, the employee will be responsible for that fine.

Employees are not permitted, under any circumstances, to operate a City vehicle, or a personal vehicle for City business, when the employee cannot drive safely. This prohibition includes circumstances in which the employee is temporarily unable to operate a vehicle safely or legally because of illness, medication or intoxication.

Employees who operate City vehicles and equipment and/or whose position requires driving for City-related business shall maintain a satisfactory driving record and the appropriate license at all times.

Additional information is contained in the Safety Policy and Procedure Handbook.

III. Code of Ethics

Fraud Policy. The City is committed to protecting its revenue, property, information and other assets from any attempt, either by members of the public, contractors, vendors, volunteers, or its own employees, to gain by fraud or deceit, financial or other benefits. It is everyone's responsibility to report any possible fraudulent activity or irregularity. The City will make every reasonable effort to identify and promptly investigate all instances of known or alleged instances of fraudulent activities or other fiscal irregularities.

When a suspected fraudulent incident or practice is observed by or made known to an employee, the employee shall report the incident or practice to his or her supervisor. If it is inappropriate to report the incident to the supervisor or if an employee is uncomfortable reporting the incident or practice to the supervisor, the employee may report it to his or her Department Director or Human Resources.

Unless there is a conflict of interest, the respective Department Director has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. If the City determines that fraudulent activities have occurred, the Department Director will issue a report to the appropriate designated personnel and, if appropriate, to the City Council. If, during an administrative investigation of an employee, information is found or developed indicating the employee may have committed a criminal offense, the information will immediately be referred to the appropriate law enforcement agency for investigation.

The City will take appropriate disciplinary and/or legal actions against employees or others found to have violated this policy, including possible termination of employment, restitution, and disclosure of available information to the appropriate authorities for criminal prosecution. Fraud will not be tolerated and will be appropriately dealt with regardless of the individual's past performance, position held, length of service, or relation to the City.

Additional information is contained in the Anti-Fraud Procedures.

Whistleblower. The City's policy is to comply with the Texas Whistleblower Act, and accordingly the City prohibits suspending, terminating, or taking other adverse personnel action against a City employee because he or she has in good faith, reported a violation of the law by the City or one or more of its employees to an appropriate law enforcement authority. Employees are required to promptly report any violation of this policy to the Human Resources Department under the City's communications policy in Section XII.

Political Activity. An employee may not endorse a political affiliation and/or candidate for federal, state or local public office while on-duty or permit the display of the City logo or the use of any City equipment or property in support of such candidates. As an employee, you cannot seek or hold an elective office in the City. Upon announcement of intention to seek or assume such office, you must submit your resignation.

An employee may not engage in political activity relating to a campaign for an elective public office or a proposition to be voted on by the public while in City uniform, on-duty, or while representing,

or acting on behalf of, the City. For purposes of this policy, political activity includes but is not limited to:

1. Using or granting permission to use his or her job title for political activity.
2. Making a speech to a group or gathering supporting or opposing a candidate or proposition.
3. Distributing information relating to the campaign of a political affiliation and/or candidate or a proposition.
4. Wearing a campaign button while in uniform.
5. Circulating or signing a petition for a political affiliation and/or candidate or proposition.
6. Soliciting votes for a political affiliation and/or candidate or proposition.
7. Using city equipment to promote a political affiliation and/or candidate or proposition.
8. Soliciting campaign contributions for a political affiliation and/or candidate or for or against a proposition.
9. Any activity supporting or opposing a political affiliation and/or candidate or proposition expressed in a manner, time or location that may reasonably cause a member of the public to believe such support or position represents a position of the City.
10. Any activity supporting or opposing a political affiliation and/or, candidate or proposition expressed in a manner, time or location that disrupts or interferes with the operations or effectiveness of City operations.

Outside Employment: While employed by the City, regular full-time employees must notify their supervisor before accepting additional employment and are subject to certain restrictions as outlined in the Departmental Standard Operating Procedure/Guideline or General Orders. Employment at the City is considered to be an employee's primary employment. Scheduling of outside employment requires prior approval and shall not interfere or conflict with an employee's work schedule or call-back status at any time. The City shall not be responsible to accommodate due to outside employment. Employees who are not able to work their regular work schedule due to injury or illness shall not be approved to continue to work a second job while on workers' compensation leave, medical leave and/or while restricted to light duty. With approval, employees may resume a second job once they have received a release to return to work in their regular capacity with or without reasonable accommodations.

Media Contacts. The City Manager, Department Directors and designated Public Information Officer(s) are authorized to serve as liaisons to media representatives. A Communications Team may be created and authorized to disseminate information as directed. Members of the City police and fire forces may communicate with the media in the event of disaster, threats to public safety, or other circumstances requiring immediate and specific communications to protect citizens. Other employees are not authorized to make statements on behalf of the City, unless directed to do so by the City Manager or the responsible Department Director in response to specific inquiries, and if so authorized, such responses should provide only routine factual information relating to the employee's duties. Even under a supervisor's direction, no employee, unless he or she is an authorized liaison, should address the media on behalf of the City concerning litigation, legal opinions or City personnel matters. If an employee receives a media inquiry, the employee should respond that he or she must relay the request to a supervisor and that he or she does not have

the authority to respond on behalf of the City to that type of inquiry. An employee must report any media inquiry received and response provided to the responsible Department Director.

Acceptance of Gifts and Conflicts of Interest. City employees may accept gifts in compliance with Federal and State laws and this policy. The purpose of laws and policies governing gifts to public employees is to regulate attempts to influence the employees to use their authority or discretion to the advantage of the person making the gift.

It is a crime for a public employee to agree to make a decision in return for a payment or receipt of some other benefit. Employees may not accept gifts, favors, services or promises of future employment that could relate to, or influence the performance of the employee's official duties. Employees may not use their position to gain special privileges or benefits and are to avoid participating financially in any business enterprise, which might influence their official decisions and judgments. Employees may not hold any position with any business enterprise or governmental unit, which would conflict with the proper performance of the employee's duties or responsibilities. Employees, employee's spouse and minor children are prohibited from soliciting or receiving gifts in any amount unless a specific statutory exception applies.

Benefit means any economic gain or economic advantage to an officer or employee or to a relative of an officer or employee, but does not include:

a. Political contributions made and reported in accordance with law.
b. Awards publicly presented in recognition of public service.
c. Gifts or other tokens of recognition presented by representatives of governmental bodies or political subdivisions who are acting in their official capacities.
d. Commercially reasonable loans made in the ordinary course of the lender's business.
e. Complimentary copies of trade publications.
f. Reasonable hosting, including travel and expenses, entertainment, meals or refreshments furnished in connection with public events, appearances or ceremonies related to official City business, if furnished by the sponsor of such public event; or in connection with speaking engagements, teaching or rendering other public assistance to an organization or another governmental entity.
g. Any economic gain or economic advantage conferred by any one person or organization if the economic value totals less than $50.00 per calendar year.

The City Manager and Finance Director may accept gifts to the City and issue acknowledgements on behalf of the City, subject to restrictions set forth in the City's Code of Ordinances.

Nepotism (Employment of Relatives). An applicant may not be hired as employee if that department already employs a person who is a "family member" of the applicant as defined below. A "family member" for the purposes of this policy means a person who has one (1) of the following relationships to an employee in the department:

1. Husband, wife, son, son-in-law, stepson, daughter, daughter-in-law, stepdaughter, father, stepfather, father-in-law, mother, mother-in-law, stepmother, brother, brother-in-

law, stepbrother, sister, sister-in-law, stepsister, grandfather, grandmother, grandson, granddaughter, niece, nephew, aunt, uncle and/or former family members (sometimes referred to as an "ex"); or

2. Non-married co-habitants, roommates and/or significant others who live in the same household and/or who are economically dependent on one another.

If an employee becomes a family member of another employee who works in the same department, such employee may not be promoted to any position that has any supervision or authority over the other family member either directly or through the chain of command.
If a supervisor becomes a family member of any employee under his or her supervision or authority, either directly or through the chain of command, and neither the supervisor nor the employee/family member voluntarily resigns or is transferred to another available position for which he or she is qualified, within 60 days of the date on which the employees became family members, the employee with the least amount of consecutive service time with the City immediately prior to the date on which the employees became family members, is considered to have automatically resigned his or her position of employment on the 61st day following the date on which the employees became family members.

The City may not appoint to any office, position, clerkship, or service to the City any applicant who is related to a a Department Director, the Mayor or a member of City Council within the second degree of affinity, (a relationship created by marriage and within the first and second degree includes: spouse, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law, grandparent-in-law, grandchild-in-law, uncles and aunts by marriage), or within the third degree by consanguinity (a relationship created by birth and within the first and second degree includes: grandparents, parents, brothers, sisters, children, grandchildren, aunts and uncles and within the third degree includes: nieces and nephews, great-grandfather, great-grandmother, great-grandson, great-grand-daughter).

Workplace Relationships. Managers and supervisors are prohibited from engaging in a dating, romantic and/or sexual relationship with subordinates within their direct reporting chain or for whom the manager or supervisor has authority to determine job assignments, pay or promotions. Managers and supervisors are expected to conduct themselves in a professional manner and to discuss any concerns about potential violations of this policy with Human Resources. Romantic, sexual or dating relationships with co-worker peers are normally discouraged, but, if such a relationship develops during employment, the City expects that the employees involved will act in a professional and businesslike manner at all times within the workplace.

Use of City Property. City facilities, equipment, supplies and other City resources are made available to help employees perform their job duties and not for their personal use. The City, however, recognizes that under certain circumstances the employee's occasional brief use of City telephones, computers, facsimile, e-mail, copiers, Internet, and similar resources for personal use may be necessary or beneficial to the City. The City may establish separate procedures governing the use of specific equipment. An employee who violates this policy, with excessive use of City equipment for personal use, may be subject to disciplinary action up to and including termination.

Social Media. All official use by the City of social media sites or services is considered an extension of the City's information and communications networks. All City use of social media

must be approved by the City Manager or his/her designee and be in compliance with all applicable policies and procedures. The City's Communications Team, which acts as the City's official spokesperson, also has responsibility over all aspects of the City's official web presence via social media.

The City will maintain one official page per each approved social media outlet, which is to be created, maintained and monitored by the Communications Team.

Use of social media must comply with applicable federal, state, and City ordinances, regulations, and policies, as well as proper business etiquette. This includes adherence to established laws and policies regarding copyright, records retention, release of public information, the First Amendment, privacy laws and information security policies established by the City. Wherever possible, links to more information should direct users back to the City's official website for more information, forms, documents or online services necessary to conduct business with the City.

Employees using social media for City business purposes or in representing the City via the City's social media outlets must conduct themselves at all times as representatives of the City of West University Place and in accordance with the City's values. The City reserves the right to remove any messages or postings for any reason, including those that are disrespectful, distasteful, obscene, and/or in violation of copyright, trademark right, or other intellectual property right of any third party.

For the purpose of this policy, social media consists of various online technology tools that enable people to communicate via the Internet to share information and resources including text, audio, video, images, podcasts, and other multimedia communications and may include but is not limited to: event posting, texting, photo-sharing, wall postings, video sharing, blogging, Facebook, microblogging, Twitter, LinkedIn, YouTube, Instagram, and similar platforms.

In online social networks, the lines between public and private, personal and professional may be blurred. When a City employee self-identifies as a City employee, he/she is creating a perception about the City. For this reason, content posted online relating to City business, in representing the City or in which the City is identified, must be consistent with the City's values and professional standards and not contain discriminatory remarks, harassment, threats of violence, or similar inappropriate or unlawful conduct. Further, employees may not use social media at any time to divulge confidential or private information learned through working at the City whether such information concerns other employees, citizens, City officials, or City business.

Violations of this policy may lead to disciplinary action up to and including termination.

Recording. It is the City's policy to comply with all applicable state and federal laws and regulations pertaining to recording and employee monitoring, whether through audio and/or video monitoring and recording, or otherwise. City employees do not have a reasonable expectation of privacy regarding their use of any City-issued equipment, property or their communication while at work. By way of example only, video and/or audio surveillance equipment has been or will be

installed in many City buildings, including the Recreation Center, Colonial Park, City Hall, Police Department, Fire Department, Public Works and the Community Building; some City telephones are equipped to lawfully record calls; calls made to dispatch seeking assistance from the Police Department or Fire Department are recorded; the City has the ability to monitor telephone calls/usage and computer usage; and most City vehicles are equipped with tracking devices using GPS technology, which records vehicle location. City monitoring, surveillance and recording equipment may not be used for personal purposes or in connection with any unlawful conduct.

Damage, negligence or abuse of City vehicles, equipment and/or property. All employees are required to report both damage to City vehicles and/or equipment, and accidents involving City vehicles and/or equipment. It is a violation of City policy to fail to promptly report any damage observed on any City vehicle or equipment whether such damage was caused by the employee or not. Further, it is a violation of policy to fail to report any vehicle or equipment accidents in which the employee is involved as the operator and for example, strikes an object such as a curb, boulder or other objects whether or not any noticeable damage results. Employees shall always report any such incidents and/or the damage to his/her supervisor and the supervisor shall complete a vehicle accident report within two (2) hours or by the close of business, whichever comes first.

Employees found in violation of this policy may be subject to appropriate disciplinary action up to and including termination.

IV. Employment Status

At-Will Employer. Employment at the City of West University Place is at-will for an indefinite period of time, until terminated by either the City or the employee, with or without cause. That means either party may end the relationship with or without prior notice or cause.

No written or oral representation by City personnel will create a contract of employment. No employment practices of the City are intended to create a contract of employment. No changes in the City's employment-at-will policy will be effective unless executed in writing and signed by both the City Manager and Human Resources Director. No other employees are authorized to alter the at-will nature of employment with the City.

Provisional Period. All employees serve an initial six (6) month provisional period, which, in the City's discretion, may be extended for a period not to exceed twelve (12) months. By providing for a provisional period, however, the City in no way has waived or altered the at-will nature of employment with the City.

Provisional Employment. All new employees are placed into a provisional status until they complete a provisional period. The provisional period allows the supervisor or department director an opportunity to evaluate, train, coach and observe the employee's ability to perform assigned duties. Throughout the provisional period, the supervisor shall communicate and document the provisional employee's progress in his/her performance. If the employee's performance meets expected levels, they complete their provisional after six (6) months. If the employee's performance during the provisional period is less than satisfactory, the provisional period may, at the discretion of the supervisor and with approval of the Department Director, be extended for an additional six (6) months. At any time during the provisional period an employee may be dismissed without further recourse. Even after completing the provisional period, an employee's employment with the City remains at-will in nature.

Full-time Employment. An employee whose normal duty assignment is to work a minimum of 40 hours a week (2,080 hours annually) or an average of 56 hours a week (2,912 hours annually) in a full-time shift Fire Service position is eligible for all City benefits.

¾-time Employment. An employee whose normal duty assignment is to work a minimum of 30 hours (1,560 hours annually) in a ¾ time position is eligible for City benefits as defined for ¾ time employees.

Part-time Employment. An employee whose normal duty assignment is to work less than 999 hours per calendar year on a continuous basis is not eligible for any City benefits except those required by law.

Seasonal Employment. An employee whose normal duty assignment is to work during a specific period of time per calendar year and is not eligible for any City benefits except those required by law.

Temporary Employment. Employees hired directly by the City whose services, regardless of the number of hours worked per week, are intended to be of limited duration (999 hours or less in a calendar year) are classified as Temporary. Employees who are assigned temporary status are not eligible for any City benefits, except those required by law. Employees hired through a temporary agency are not subject to the 999-hour limitation. Temporary positions are subject to budget restrictions, however.

Internship. The City supports internships for the purpose of providing practical application of material taught in a classroom. Summer internships offer short-term opportunities, with no entitlement to a job upon completion, for degree-seeking college students to allow them to obtain valuable hands-on experience to complement their education. The goal of an internship at the City is for the intern(s) to gain insight into local government and municipal operations and prepare for future leadership positions. The experience is for the intern's benefit, not the City's advantage, and interns will not be used to displace regular employees. Interns may be asked to complete tasks that enable them to gain job related experience, including tasks not directly related to their course of study. Any paid internships shall be established annually during the budget process and are subject to the availability of funds.

V. Pay Plan & Compensation Guidelines

Purpose. The purpose of the City's pay system is to attract, retain and motivate employees by offering pay opportunities commensurate with their position's internal and external value, and positioning the City as an "employer of choice."

Compensation Philosophy. The City's compensation program will provide compensation opportunities (direct pay and indirect pay, career opportunities, benefits, etc.) that are a blend of those offered by its competitors.

Each job classification in the organization will be assigned to the pay structure and will have a pay grade defined by minimum and maximum dollar limits. The pay grade defines the pay opportunities for the job.

Pay structures shall be reviewed periodically to reflect the organization's changing competitive position, economic conditions, and compensation objectives and shall be subject to the budgetary guidelines established by the City.

Additionally, the City recognizes that it is important to be able to recruit experienced professionals. As part of its overall compensation package, the City Manager or his/her designee may extend employment offers that allow for vacation and/or sick leave accruals in certain positions to be based on a candidate's total number of years of **specific job-related experience or actual number of years of service in the Texas Municipal Retirement System (TMRS). Service credit from other sources (non-TMRS city credit, county, education, etc.) shall not automatically apply to the calculation of the number of years of service for which the candidate is eligible but will be considered on a case-by-case basis**. Additionally, in certain circumstances, the City Manager may authorize a one-time vacation leave credit to a candidate's accrual banks based on a candidate's **specific job-related experience**.

Establishment of Plan. The City Council shall establish the pay plan annually during the budget process, which includes compensation and salary structure recommendations made by the City Manager or his/her designee.

The City has generally adopted a strategy of achieving and maintaining a market-competitive position using established benchmarks. The range mid-point shall be approximately 100% of the 75th percentile as the designated market average for all employees' pay structures.

One of the functions of the budget process is to consider the competing priorities for limited revenue resources. It may be determined that the City's current financial status cannot support the total cost. Conversely, in a positive financial condition, the City may consider increasing the percentages allotted. Clearly, the financial status will affect both structure adjustments and individual salaries during any future fiscal years.

Generally, when any salary structure is adjusted, the employee's salary will be adjusted by the same percentage in order to maintain the employee's position in the structure. In addition, the

employee may receive a budgeted merit increase. Conversely, if the City's financial status cannot support a structure adjustment and a merit increase in the same year, the City may elect to adjust the structure one year and in the following year provide a merit increase to employees with no structure adjustment.

Salary Ranges. Each position in the City has a salary range defined by minimum and maximum salary limits and a midpoint. The salary range defines the pay opportunities for the job. The salary ranges and midpoints are to be reviewed and revised to reflect changing competitive positions, economic conditions and compensation objectives.

Employees shall not be paid less that the minimum of the pay grade established for their position and increases shall not provide for employee salaries to exceed the maximum of the pay range for their position. The midpoint of the range is equivalent to the average salary paid in the market at the 75th percentile.

Employees whose salary is at or above the maximum of their pay grade will be frozen until the structure "catches up" with the individual's rate of pay. Employees at the maximum of their pay range may, with the approval of the City Manager and as provided for in the budget, be eligible for lump sum payments that are not included in the base pay of the employee. The pay described above is nonrecurring and will not extend beyond the end of the fiscal year in which such pay is authorized.

Occasionally it may become necessary for the City Manager to recommend and City Council to approve implementing "premium pay" for a position that has been difficult to fill due to a strong economy. Premium pay means the position will continue to be classified in the same pay range, and a sub-range will be created that is not greater than a 15% increase over the established salary range for the position. Premium pay is a temporary increase in pay and shall be recorded as a separate line item on a pay check and may be removed when economic conditions return to a more normal state. The City Council must approve the continuation of any premium pay during each year's budget cycle.

Hiring Rate. Maintaining equity within the organization and avoiding and/or limiting salary compression is an important component of the City's hiring philosophy of external candidates. The hiring rate offer should take into consideration a candidate's relevant experience compared with experience of similar employees in similar positions. A hiring rate above the minimum needs to be recommended to the Human Resources Director and approved by the City Manager.

Job Description. Each position in the City will have a written job description using a standard format. The main objectives of the job description are:

a. To serve as a means of communication between the supervisor and the employee to clarify the responsibilities and expectations of the job;
b. To serve as the main resource to determine the salary range;
c. To serve as the basis for the annual performance appraisal;
d. To identify minimum qualifications and applied skills, as well as knowledge and ability for the purpose of recruitment, selection, promotion and training.

Evaluation of Performance. Employees will be evaluated at least annually. This evaluation will include a discussion between the employee and his/her immediate supervisor to determine goals and evaluate progress toward better performance and personal development. A record of the evaluation will be made as prescribed by Human Resources. Employees will be given a copy of the evaluation prepared by their supervisor. The formal evaluation tool should be seen as an aid for supervisors and managers to converse openly with employees on their performance and identify areas where a performance improvement plan may be necessary.

Performance-based Compensation. Salary increases may be given to reward individual performance and are subject to budgetary guidelines established by the City. Such performance-based compensation increases shall be tied to the annual evaluation of performance and subject to budgetary restrictions.

Pay for Exceptional Performance. Performance pay adjustments for employees to reward superior performance may be awarded in the sole discretion of the City at or near the end of the fiscal year and such amounts as are authorized may be paid as either a lump sum or pro-rated over the remaining portion of the fiscal year as directed by the City Manager. The performance pay described above is nonrecurring, will not extend beyond the end of the fiscal year in which such performance pay is authorized, and is subject to prior budget approval.

Step Up Pay. Step–up pay applies only to non-exempt employees in certified public safety positions who are temporarily assigned or promoted to perform the full range of duties of a higher-classified position on a short-term basis due to the absence of an employee in a higher-classified position or the vacancy of such position. The employee who is temporarily assigned or promoted will receive an increase in pay in the amount of 5% for 1 salary range or 10% for 2 or more salary ranges, or the minimum of the range of the position, whichever is greater, for performing the duties of a higher classification on a short-term basis.

Interim Pay. Similar to step-up pay, interim pay is provided for employees who are selected to perform interim assignments in a higher pay grade caused by a vacancy. Interim assignments are intended to be short-term to fill a critical need while a recruitment process is being conducted for a replacement. Interim pay is not intended for employees filling a role for an employee out on vacation, sick, FMLA, or other extended leave. An employee who serves an interim role may receive 5% increase for 1 salary range or 10% for 2 or more salary ranges. An employee who is currently a non-exempt role and fills an exempt role on an interim basis will retain their non-exempt status for purposes of the Fair Labor Standards Act.

Certification/Educational Pay. Certain positions may be eligible to receive certification pay and/or educational pay. Certification pay shall be determined annually during the budget in conjunction with departmental needs and the City's compensation philosophy. One of the functions of the budget process is to consider the competing priorities for limited revenue sources. Clearly, the City's financial status will affect certification and/or educational pay available for each budget year.

VI. Personnel Moves

Succession Planning. The City, recognizing that changes in management are inevitable, has established an informal succession plan to provide continuity in leadership and avoid extended vacancies in key positions. The City's succession plan is designed to identify and prepare candidates for management positions which may become vacant due to retirements, resignations, or otherwise.

The City values diversity and seeks to encourage diversity through its succession plan. The City assesses the leadership needs of the organization to ensure the selection of qualified leaders who are a good fit for the organization's mission, goals, values, vision and objectives and who possess the necessary skills for the position.

The succession plan identifies executive and management positions and forecasts future vacancies in those positions and identifies potential managers for future vacancies. The City reserves the right to groom one or more potential managers for a single vacancy. Participation in the succession planning does not obligate the City to offer an open position to any of those individuals identified during the succession planning process. The City actively encourages the professional development and advancement of current employees so that when possible, vacancies may be filled by selecting from among current City employees. The City may appoint an individual on an interim basis and continue to conduct recruiting efforts for a candidate. Temporary coverage of a management position due to an unforeseen or emergency situation also may use the same interim appointment process.

In addition, the City desires to encourage a smooth transition when identified executives or managers leave the organization and thus, the City may permit more than one employee to occupy the same position during a transition period. The overlap benefits the departing employee and the incoming employee in that the departing employee may formally coach his or her replacement on departmental processes, procedures, and practices. The City Manager may at times re-classify a position as ¾ time or part-time to permit the departing employee to provide support to the new executive or manager or to permit the departing employee to continue on a reduced schedule for a set period of time.

Promotions. It is the policy of the City to encourage and provide opportunities for promotion. Employees are responsible for monitoring vacancies and are encouraged to apply for vacant positions in which they are interested and for which they are qualified. A promotion is defined as the assumption of job duties and responsibilities that are higher in character and scope than the previous job. A promotion occurs when the new job is of a higher salary range than the prior job and is accompanied by a job title change.

When a non-exempt employee is promoted to an exempt employment status, the employee shall have his or her compensatory time balance cashed out prior to the effective date of the promotion. Payment shall be made at the employee's rate of pay on the effective date of the cash out.

Promotional Increase. If an employee is promoted, the resulting salary increase shall be five percent of his or her current salary for an increase of one pay grade, or 10% for two or more pay

grades, or an amount sufficient to reach the minimum salary range for the new job, whichever is greater. This sometimes creates compression issues with other positions. For example a promotion to a public works crew leader position may take an employee's salary higher than other crew leaders with more years of time in position. The City will make an attempt to limit compression whenever reasonable but CANNOT guarantee it will not occur. The City is not obligated to adjust any employee's salary because of compression.

Promotions and Provisional Period. Promotions are subject to a six-month provisional period. If the employee fails to meet the provisional requirements, he/she may return to his/her previous position or a similar position, if a position is available.

Lateral Transfer. A lateral transfer is a move from one job position of equal salary range to another with a job title change only. A lateral transfer will require a six-month provisional period unless it is a position previously held by the employee.

Demotion. A demotion occurs when an employee moves from one job position to a position of a lower salary range and, therefore, may result in a lower salary based on the minimum and maximum of the salary range for the position. The employee's salary shall be evaluated and will be reduced accordingly in an effort to prevent compression issues within the salary range.

Reorganizations. An employee may be transferred, have a job title change or have salary increased or decreased due to a department or City-wide reorganization.

Reclassifications. From time to time, a position may be evaluated for reclassification when the overall responsibilities, supervisory responsibilities and/or minimum required qualifications have changed significantly. Reclassifications shall be requested by the Department Director, approved by the City Manager and paid for by the requesting department, unless the cost has been included as part of an overall compensation study. A change in a process (how the job is done) does not in and of itself warrant a reclassification. A salary increase for a reclassification is not automatic or guaranteed. Rather, salary will be evaluated on a case by case basis. For example, an employee's salary that is already above the minimum of the reclassified salary range may not be increased.

Title Changes. Periodically, a job title change may be warranted to more accurately reflect a job and is more reflective of the market title for a position. A change in title without significant changes in responsibilities, supervisory responsibilities and/or minimum required qualifications may not warrant a reclassification. Title changes shall be requested by a Department Director and reviewed by Human Resources for consistency throughout the organization prior to being submitted to the City Manager for approval.

Reduction-in-force. From time to time economic conditions or the changing staffing needs of the City create situations which will require a reduction in force or layoff from specific positions.

Resignation. In the event an employee finds it necessary to resign, the City requests as a courtesy that he or she provide a minimum of two weeks written notification to the immediate supervisor.

Exit Interviews. Exit interviews with a representative of the Human Resources office will be scheduled if an employee's service with the City is terminated. During the exit interview, employees will be provided with an opportunity to discuss job-related experiences in a confidential setting. Exit interviews are used to analyze employee turnover and to process benefits for departing employees.

Final Pay. Upon termination of employment, departing employees will be paid for all unused vacation, vacation that has been converted from sick leave in accordance with the sick leave incentive policy, compensatory time and longevity pay which was accumulated at the time of termination. Departing employees may be eligible for payment of accumulated sick leave if they are retiring in accordance with the requirements of the Sick Leave Policy set out in this handbook. Uniforms, keys, vehicles and other City-owned equipment must be returned in good condition to the employee's supervisor prior to separation. The City will deduct the value of unreturned City property from the separating employee's final paycheck as outlined in the Payroll Deduction Authorization. Any authorized deductions, which include for example, Federal Insurance Contribution Act (FICA), social security, insurance premiums, Texas Municipal Retirement System (TMRS) payments, and tuition reimbursement, if applicable, will also be withheld from the departing employee's final paycheck.

Employees who depart prior to the completion of the six (6) month provisional period (or 12-months if the provisional period is extended) shall not receive payment for unused, accrued vacation.

Personal Time (P-time) is paid annually in December. Any employee departing for any reason prior to receiving payment for P-time in December shall not be eligible for payment of such P-time.

Final paychecks shall be issued on the next normal pay date for employees who resign or retire. Final paychecks for employees who are terminated shall be issued as required by law.

Unless otherwise approved in writing in advance by the City Manager, the effective date for separation refers to the last date which the employee actually worked. Employees shall not use compensatory time, vacation, holiday, floating holiday, personal time or any other accrued leave time to extend the employee's "last" work day. Additionally, any unused holidays shall not be paid on a final paycheck.

Reappointment. Former City employees are eligible for rehire providing prior service with the City was satisfactory.

VII. Benefits & Services

The City provides a benefits program for its full-time employees. The actual terms of the coverage are as described in the individual summary plan documents. The summary provided below is only to inform employees of the general benefits and procedures in a more concise manner. The terms of the coverage are subject to change.

Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The Consolidated Omnibus Budget Reconciliation Act of 1985 (CORBA) became effective on April 7, 1986. Through COBRA, employees and their dependents that are currently enrolled in qualified group benefits are afforded the opportunity to extend those benefits at 102% of the premium (subject to change from time to time) in situations by which the benefit coverage would otherwise end. The length of COBRA varies depending on the nature of the qualifying event, but could range between 18 and 36 months.

Health and Dental Insurance. Full-time and ¾ time employees are eligible for health and dental benefits and will be advised of group health and dental insurance plans, dependent coverage availability as well as current premium costs and will be enrolled in such plans during orientation. Employees and their eligible dependents will usually be covered on the first day of employment. Employees will be allowed to make changes in their plan election only during the annual enrollment period or if they have a qualifying event. The City may subsidize a portion of the monthly premium. The percentage of subsidy may vary between plans and/or between employees classified as full-time versus ¾ time, and is subject to change. See Plan documents for specific information concerning coverage.

All group benefits are benefits for ¾ time and full-time employees working a minimum of 30 hours per week. When an employee is out on extended and unpaid leave (no longer meeting the minimum of 30 hours per week for eligibility), the employee shall be responsible, as required, for premiums for their own insurance coverage elections and any dependent premiums.

IMPORTANT NOTICE: The City may require employees and covered spouses and retirees to complete the Self Health Assessment and biometrics screening on an annual basis. The City may choose to subsidize the health insurance premium for covered individuals who choose to complete the Self Health Assessment including any required health coaching and biometrics screening on an annual basis. The City may choose not to subsidize covered individuals health insurance premiums for those who choose not to complete the Self Health Assessment and biometrics screening on an annual basis as required.

An employee, retiree or covered individual for whom it is unreasonably difficult or medically inadvisable to complete the Self Health Assessment and biometrics screening, may request a reasonable alternative within the specified time frame.

The City's wellness program complies with the requirements of the Health Insurance Portability and Accountability Act (HIPAA) and the Genetic Information Non-discrimination Act (GINA) and is a term of the City's group health plan for purposes of the ADA Safe Harbor provision.

Wellness Program The goal of the Employee Wellness Program is to identify risk and provide avenues for behavior modification thus reducing chronic disease and reducing medical cost(s) associated with unhealthy lifestyles. The Employee Wellness Program provides the foundation for the City to develop activities and modify work environments to support the health and well-being of City employees. In addition to the benefits for employees, positive benefits are likely to accrue to families of employees resulting in better health for employees, families and the community. The City may offer a variety of activities or programs in furtherance of these wellness goals, to include both mental, physical, and financial well-being.

Physical fitness programs for Police and Fire Department personnel shall be established by the respective Chief and approved by the City Manager.

The City's Wellness Program is a term of the City's group health plan for purposes of the ADA Safe Harbor provision and complies with the requirements of the ADA Safe Harbor provision and the Health Insurance Portability and Accountability Act (HIPAA) and the Genetic Information Non-discrimination Act (GINA).

Flexible Spending Account. Employees have the option of participating in a flexible spending plan that allows the employee to contribute pre-tax salary to an account. Money allocated to this account can be used to reimburse the employee for medical, dental and prescription co-payments, uncovered medical or dental charges and dependent care coverage. Employees make an annual determination of the amount to be allocated to this account. Once the employee makes a decision to participate, the decision cannot be revoked unless the employee has a qualifying event or during annual enrollment. Medical and dental premiums will be deducted on a pre-tax basis. Unused funds revert to the City.

Life/Accidental Death & Dismemberment Insurance. Employees will be provided term life, accidental death and dismemberment insurance with a minimum value of $20,000. The City may subsidize a portion of the monthly premium. The percentage of subsidy may vary between plans, between employee's classified as full-time or ¾ time, and is subject to change. See Plan documents for specific information concerning coverage.

Disability Insurance. Disability insurance is provided for periods of extended disability due to an accident or illness. Coverage is generally available after an elimination period of 60 days or 180 days, whichever applies. The City may subsidize a portion of the monthly premium. The percentage of subsidy may vary between plans, between employee's classified as full-time or ¾ time, and is subject to change. See Plan documents for specific information concerning coverage.

Retiree Health Benefits – Employees hired January 1, 2009 and thereafter.
A retiree and his or her covered dependent(s) may be eligible for continued coverage through COBRA according to regulatory requirements. Retirees may not add dependents after retiring.

Retirees are responsible for all costs, including premiums and administrative fees, associated with COBRA benefits. Retiree/Dependent COBRA benefits will be terminated if the City (or the City's Third Party Administrator) does not receive the required contributions by the date due. Retirees

may elect to seek health insurance through the state-based insurance exchanges after their creation by 2014 as currently mandated by the Patient Protection and Affordable Care Act ("ACA" or "Act").

AND –

Retiree Health Benefits – Employee's hired prior to January 1, 2009.
Non-exempt Employees – If an employee retires through the Texas Municipal Retirement System (TMRS) and has been employed full-time for the City for at least 10 years immediately preceding the date of the retirement, the employee may continue coverage with the City's health plan.

Exempt Employees – If an employee retires through the TMRS and has a minimum of 10 years of actual service (not service credit transfers) with TMRS of which five years immediately preceding the date of retirement, were with the City, the employee may continue to be covered through the City's health plan. The benefit includes basic medical coverage, excluding accidental death, life, disability and dental.

An employee's/retiree's spouse and dependent(s) are also eligible for continued coverage on the City's plan. Employees/retirees are responsible for all costs, including premiums, associated with spouse and dependent benefits. If the retiree is eligible for this benefit under the criteria described above, his or her spouse and dependents are also eligible for continued coverage on the City's plan at the retiree's cost. The benefit includes the same medical coverage approved by the City Council and selected for current employees and excludes accidental death, life, disability and dental coverage. In the future, if changes are made to current employee medical coverage as permitted by or in order to comply with the ACA, the City will analyze the applicability of the Act at that time.

An employee must declare his/her intention to continue health insurance coverage no later than the effective date of the retirement. If a retiree elects not to participate, this decision is final and irrevocable. Additionally, a retiree who loses retiree coverage through the City at any time or for any reason shall not be eligible to return to the City's health insurance at any time in the future. The City is not a participant in the Early Retiree Reinsurance Program authorized by the ACA. Beginning in January 2014, as contemplated under the current version of the ACA, retirees or their spouse or dependents may choose to participate at their own cost in the state insurance exchanges for any reason including cost savings on spouse or dependent coverage.

All benefits terminate when a retiree becomes eligible for Medicare or other federal or state health insurance plans, not including retiree-funded participation in state insurance exchanges under the ACA, or if the retiree becomes employed, including self-employment. Employed is defined as having access to employer sponsored group health insurance benefits.

Retirees, including covered spouse and dependents, shall annually certify their eligibility for continued health insurance benefits on the City provided Eligibility Certification form. Failure to provide the Eligibility Certification form by the deadline will result in discontinuation of coverage.

Employee Privacy. The City will retain its duties and privileges as an employer consistent with good business practices. This includes collection, retention, use, disclosure and confidentiality of employee information.

The Health Insurance Portability and Accountability Act (HIPAA) Standards for Privacy of Identifiable Health Information (the Privacy Rule) is effective April 14, 2004 and the Hi-Tech Omnibus rule enacted as part of the American Recovery and Reinvestment Act of 2009, including genetic information required by the Genetic Information and Non-discrimination Act (GINA) of 2008. The Privacy Rule provides the first comprehensive Federal protection for the privacy of health information. In accordance with the Privacy Rule, the City will implement reasonably minimum necessary policies and procedures that limit how much protected health information is used, disclosed, and requested for certain purposes. The City is required by applicable federal and state law to maintain the privacy of protection health information. The HIPAA privacy rule permits disclosure of health information for workers' compensation purposes as governed by the State of Texas Labor Code and the Texas Workers' Compensation Commission associated rules. In addition, the HIPAA Privacy Rule permits the employer to collect health information as needed for employment. The HIPAA Privacy Rule does not affect medical information the employer collects and uses to carry out obligations under the Family and Medical Leave Act, the Americans with Disabilities Act, and other similar laws.

All employees are entitled to have personal and medical information private. Under no circumstances will a City employee disclose Personal Health Information (PHI) regarding another City employee through the electronic mail system or written correspondence, unless the affected employee provides written authorization. Unauthorized disclosure of PHI may constitute a federal crime and will subject an employee to immediate disciplinary action up to and including termination.

The Privacy Officer for the City of West University Place is the Human Resources Director. Anyone who believes that the City is not complying with a requirement of the Privacy Rule may submit a written complaint to the Privacy Officer. The writing must contain a description of the complaint and an explanation of the circumstances surrounding the complaint.

Complaints may also be filed with the Secretary of the United States Department of Health and Human Services. No retribution or negative action will be taken or tolerated because a member files a complaint with the Privacy Officer or Department of Health and Human Services.

Texas Municipal Retirement System (TMRS). The Texas Municipal Retirement System is the primary retirement plan offered by the City. Effective the first day of employment, participation in TMRS is mandatory if the employee's position normally requires at least 1,000 hours of work per year. Through payroll deduction, employees will contribute seven (7%) percent of their gross income and the City will contribute approximately twice that amount (2:1), depending on actuarial needs. The employee contribution is tax deferred.

Vesting occurs when an employee has made deposits into TMRS for five (5) years. Employees may retire with benefits after five (5) years of service at age 60; or at any age if the employee has 20 or more years of service.

If an employee can no longer perform his or her job at the City as a result of an illness or injury, TMRS provides an occupational disability retirement regardless of whether the age or service requirements have been met. Employees are responsible for contacting TMRS to make the appropriate arrangements.

Should an employee die while still in the City's employment, TMRS provides a death benefit to the employee's beneficiary approximately equal to the employee's current annual salary. Retirees are provided a death benefit in an amount set by TMRS.

If an employee has exhausted all accrued leave benefits and is on unpaid leave status, the employee will not be able to contribute to TMRS. If this occurs, TMRS requires the employee to request an extension of your Supplemental Death Benefit and have it approved by the TMRS Medical Board. Employees are responsible for contacting TMRS to make the appropriate arrangements.

If an employee's employment with the City terminates and he or she is not eligible to retire or not vested in the retirement system, the employee's retirement contributions may remain in an inactive TMRS account no longer than five years. An employee must apply for a refund of his/her contributions before the end of five years from the time of termination. The refund includes the employee's contributions as well as any accrued interest.

Longevity. This policy applies to City employees employed full time for a minimum of thirteen consecutive months. Employees will receive longevity pay of $5.00 per month for each year of continuous service. Longevity pay shall be in addition to an employee's base salary and shall be paid annually in December at the same time unused Personal Time is paid. Regardless of an employee's beginning date, annual longevity pay applies to employment for the twelve-month period from December 1 to November 30, after completion of thirteen consecutive months. Longevity pay is subject to TMRS and income tax withholding.

Eligible employees who separate from the City will receive the longevity pay upon separation. Upon termination, the employee's longevity pay will be calculated as follows: Number of whole months since last pay (November), which equals the amount to be paid. An employee who leaves the service of the City must have worked through the fifteenth (15th) day of the month in order to earn longevity pay for that month.

Former employees who are re-hired will be paid longevity pay without regard to their prior employment.

Deferred Compensation. Deferred compensation plans are offered for employees to choose on a voluntary basis. Employees may defer the maximum amount annually as established by the Internal Revenue Service. This program allows City employees to defer a portion of their income and the taxes on that income to build an additional supplemental retirement income.

Employee Assistance Program. Recognizing that a variety of problems and issues can adversely affect an employee's health and job performance, the City offers an Employee Assistance Program (EAP), which provides free, confidential and professional assistance to help the employee

and their immediate family members.

An employee or an employee's immediate family member may contact the EAP directly. The City is not advised of any self-referral. There is no charge to an employee or family member for the assessment and referral services provided by the EAP. If the EAP counselor believes that a participant needs further assistance, the counselor will refer the participant to an appropriate agency or individual for continuing care. Costs incurred for other treatment, which is not covered by the City's health benefits, shall be an employee's responsibility.

A supervisor may refer an employee to the EAP if the employee's performance is considered unsatisfactory and the supervisor believes the services provided by EPA could be beneficial to the employee. The City is only advised if the employee is or is not participating, as required by the supervisory referral.

Training Schools. The City will pay appropriate costs for mandatory training for certification purposes, or to maintain such certification. The employee's department director must approve training in advance and it shall generally be established as part of the budget process. The Director will have final say on where and when an employee's training will occur.

Tuition Reimbursement. The City provides an incentive for employees to improve their skills and upgrade their performance by assisting employees with educational assistance for courses directly related to the essential functions of an employee's present job, or in line with a position that the City believes an employee can reasonably achieve. The availability of tuition reimbursement is subject to City Council approved funding levels and will be established annually as part of the budget process based upon anticipated participation and available funding.

If an employee resigns or is terminated for any reason prior to course completion, the City shall not be obligated to reimburse any part of the expense. An employee who resigns or is terminated less than two years after completion of a reimbursed course must return the monies to the City upon resignation or termination. Such reimbursement will be deducted from an employee's final paycheck. Employees terminated due to a reduction in force shall not be required to reimburse the City for tuition monies received. If an employee is taking a leave of absence for educational purposes, the employee will not be eligible for reimbursement.

Telecommuting. Telecommuting is an alternative work arrangement in which employees work at home, and are linked electronically via computer, fax or telephone to the central worksite. The City supports telecommuting when it contributes to the effectiveness of an employee in his or her job and supports the business strategies of the City. Each department will determine the feasibility of telecommuting arrangements for the department and for individual positions.

Employee participation is voluntary. An employee may submit a written request for a telecommuting work arrangement to the Department Director. Each request for telecommuting will be reviewed on a case-by-case basis. **ALL telecommuting arrangements, which are recommended by a Department Director, will not be effective until they are reviewed and formally approved, in writing, in advance, by the City Manager.** Employees may be required to complete a written telecommuting agreement with a specified duration and to undergo review and renewal of the

agreement on a regular basis. Employees approved for the program must continue to maintain satisfactory job performance. Failure to do so will result in termination of the arrangement and may result in other discipline up to and including termination. An employee whose telecommuting arrangement or agreement is terminated may again request to participate in the program if performance improves to a satisfactory level.

Telecommuting is not available to all employees or departments. Some job responsibilities and roles do not allow for telecommuting. No employee is entitled to or guaranteed the opportunity to telecommute and the City maintains the right to require adequate staffing levels at the central worksite to ensure the appropriate level of customer service. An employee may be called to the central worksite on a scheduled telecommuting day if necessary to meet workload or staffing demands.

Telecommuting employees are expected to be available during business hours by telephone at the set location. The employee has the same duties, obligations, and responsibilities to the City on a day when telecommuting as when working at the central worksite. A telecommuting employee must request sick leave, personal leave, vacation, or floating holidays in the same manner as an employee who reports to the central worksite for work. Telecommuting is **NOT** a substitute for dependent care and telecommuters shall have regular dependent care arrangements. Employees who telecommute are expected to work from their home, not off-site locations such as coffee shops or libraries. A telecommuting employee assumes the expense of arranging a workspace and appropriate technological support such as phone lines and Internet connections in the home to permit the efficient completion of tasks. The employee is also responsible for creating a safe work environment away from the central worksite and for reporting any job-related incidents, accidents, or injuries to his or her supervisor in the same manner as required for employees working at the central worksite. Employees should not conduct in-person business meetings on behalf of the City in their homes, despite telecommuting arrangements.

The City may, in its discretion, terminate the telecommuting arrangement for any reason. If the employee chooses not to return to the previous work arrangement, his or her employment with the City will be terminated immediately.

VIII. Overtime & Compensatory Time

Overtime. Overtime hours are those hours worked which exceed a 40 hour work week, or in the case of Fire Department shift employees, overtime will be paid for "actual hours" worked in excess of 91 during the 12-day FLSA work period.

On-Call and Callback. On-call time is not considered time worked and is not compensable at the employee's regular hourly rate of pay. On-call time is the time outside of regularly scheduled working hours when an employee is designated to be available for callback. The employee is free to pursue personal activities but must respond to summons (paging, telephone, or radio) within the designated guidelines determined by the Department Director. Employees must abide by the guidelines determined by the Department Director. Employees must abide by the guidelines set in the Drug-Free and Alcohol-Free Procedure. An employee may receive a stipend for the inconvenience of being available for callback at the rate determined. Work that is considered incidental (seven minutes or less) shall not be considered time worked. Overtime pay/call out pay will begin with the eighth minute and will be calculated in 15 minute intervals.

Callback time is defined as the time the City requires an "on-call" employee to return to work on an unscheduled or emergency basis to work outside of the employee's regularly scheduled work hours. The time that a non-exempt "on-call" employee is assigned to callback time will be considered as hours worked if during that time the employee is required to:

Return to the employee's usual place of work;
Remain near a telephone at a fixed location;
Perform the employee's regular duties whether by telephone or otherwise.

When an employee is on an "on-call" status and is called to work, compensation will be given to the employee as follows:

When an on-call employee is called back to work on-site, any time worked less than 2 hours will still be deemed two hours of work. Any incident exceeding two hours will be paid according to the length of time requiring the employee's attention. Callback time does not change the number of hours scheduled as on call.

If a "non-exempt" employee is subject to call back, any hour(s) worked during the period of callback will be paid at the employee's regular rate of pay. Overtime rates apply if the hours worked qualify as actual hours work for overtime calculation purposes.

Exempt employees are not eligible for callback pay. However, may receive compensation or time off for extensive hours worked during an emergency situation, as defined by the City Manager.

Remote Call-In. Non-exempt employees who are required to call-in, log-in or utilize technology to resolve an issue remotely outside of their normally scheduled work day will receive a minimum of one hour of compensation for activity that takes 15-minutes or longer is not considered de minimus in nature and requires more than a short phone call, text message or e-mail to address.

Employees will not receive more than one hour of pay for multiple calls in the same hour period. Work that is considered incidental (seven minutes or less) shall not be considered time worked. Overtime pay will begin with the eighth minute and will be calculated in 15 minute intervals.

Exempt Employees. Certain employees, due to their position title and responsibilities are exempt from the minimum wage and overtime provisions, including executive, administrative personnel and professional employees. All positions are evaluated to ensure accurate FLSA Exempt or Non-Exempt classifications and may be re-evaluated as necessary to ensure the position is classified appropriately. Exempt employees are expected to work a minimum of 40-hours per work week as a full-time employee and a minimum of 30-hours per week as a ¾ time employee. Full and partial day deductions for exempt personnel shall be consistent with the FLSA requirements.

Non-exempt Employees. Employees in all other position classifications may receive overtime pay or be offered compensatory time at the rate of time and one-half in lieu of overtime pay. Time and one-half is used in calculating overtime and compensatory time in situations where the actual hours worked exceed standard work week hours. Holidays are considered actual hours worked for the purpose of calculating overtime. Vacation, compensatory time, floating holiday, sick leave, etc. are not considered actual hours worked for the purpose of calculating overtime.

Emergency Pay: This policy applies to all employees, and is intended to outline the compensation policy for employees when a state of emergency is imminent or has been declared by the City Manager and/or Mayor. This policy recognizes that some emergencies provide no advanced warning.

In the event of Disaster Declaration, State of Emergency, and/or a long term emergency impacting routine municipal operations, all exempt and non-exempt employees that are declared “Essential Personnel” and are required to work the duration of the event, will be eligible for overtime at the rate of 1.5x their regular hourly rate of pay for actual hours worked for emergency-related activities outside their regularly scheduled hours. By providing for the payment of overtime for exempt personnel during a declared emergency, the City in no way has waived or altered the FLSA “exempt” status of those employees.

When City offices are declared closed by the City Manager, employees who are determined not to be “Essential Personnel” will be paid as Administrative Leave for the hours and/or day(s) when the employee is not working. These employees may be offered alternative work arrangements, including temporary Telecommuting (Section VII), to allow productivity continue when offices are closed.

Work Week. Employees in all City departments, with the exception of certain shift positions in the Fire Department, will observe a forty-hour workweek. The work period begins 12:01 AM Sunday (6:30 AM for shift Fire personnel) and consists of seven consecutive 24-hour periods. Employees working a standard forty-hour workweek schedule will consist of five eight-hour shifts. Departments may, with the written approval of the City Manager, utilize a workweek schedule consisting of four ten-hour shifts, or twelve-hour shifts, provided the service level to the community can be adequately maintained.

Employees working a 9/80 schedule will have a work cycle defined as beginning mid-day on Friday or Monday depending upon the employee's schedule.

Work Period. Shift Personnel in the Fire Department will observe a twelve (12) day work period. The work period begins at 6:30 p.m. on the first day of the period and shall consist of 48 hours on duty, followed by 96 hours off duty, which shall then repeat. Days off and shifts may change to meet the business needs of the organization.

Accrual. Non-exempt Police and Fire Department employees may not accumulate more than 120 hours of compensatory time for hours worked (80 hours of actual overtime worked). All other nonexempt employees cannot accrue more than 80 hours of compensatory time (53.33 hours of actual overtime worked).

Assignment and Authorization for Overtime. Non-exempt employees, who are subject to being paid overtime or provided compensatory (comp) time, are responsible for notifying their immediate supervisor as early as possible if their normal work assignment cannot be completed within the established work hours; however, such employees shall not perform any work outside of their normal workweek schedule, unless expressly authorized to do so in writing, **in advance** by a supervisor. If instructed to do so by a supervisor in writing, employees are expected to work hours beyond their normal schedule. Employees are advised that with rare exceptions, which are within the City Manager's discretion to make, the City generally will provide comp time rather than overtime pay and will require employees to flex their work week so that overtime or comp time accumulation is minimal. Any overtime work performed outside of an employee's normal workweek must be promptly recorded and documented for purposes of maintaining an accurate payroll as set out below. By issuing an employee a PDA, cell phone, laptop, Blackberry or any similar remote access software, or by facilitating an employee's access to the City's e-mail system through a personal device, the City does not give such employee permission to work outside of a normal workweek schedule and any overtime work involving such equipment also must be approved in advance.

Waiver Prohibited. The requirement that overtime must be paid after 40 hours a week or 91 hours during the 12-day work period for shift fire personnel, may not be waived by agreement between the employee and the City.

Overtime and Absenteeism. If, during a regular work-week, a non-exempt employee works in excess of 40 hours, or 91 hours during the 12-day work period for shift fire personnel, the employee will be compensated for overtime hours in the biweekly payroll through direct deposit or compensatory time. Any paid vacation, personal or sick hours used by an employee during the same work week, will be calculated at the employee's regular rate of pay. In short, an employee will receive overtime compensation only after the employee has physically worked 40 hours during a regular workweek or 91 hours during the 12-day work period for shift fire personnel. Holidays are considered time worked for the purpose of calculating overtime.

Administrative Leave. Reasonable time off as administrative leave may be granted from time to time for exempt employees with approval of the Department Director or City Manager.

Responsibility for Controlling Work Time. Each department director is responsible for exercising adequate supervision to ensure that employees are complying with established work schedules and that unscheduled work is performed only in bona fide emergencies. The department director is responsible for controlling starting and stopping times and all work times. If you start work early or late and the time for either period is seven minutes or less, that time is considered incidental and will not require compensation. Pay will begin the eighth minute and will be calculated in 15 minute intervals.

Employee Responsibility. It is the employee's responsibility to comply with department work schedules and to avoid work that is unscheduled or unauthorized. Employees shall not stay at or on city facilities, worksites, etc. for personal purposes (using city facilities and equipment for personal purposes) beyond their scheduled work day unless it has been **approved in writing in advance** by the Department Director. Obviously a city sponsored function outside of normal business hours is acceptable and generally does not require approval.

IX. Recording Time

Recording Time. Non-exempt employee positions shall record each workday separately with respect to hours worked. Any hours worked outside of a normal workweek schedule must be recorded on the timesheet applicable to each workday. As set out above, any overtime must be approved in advance in writing by a supervisor. If an employee leaves a work site periodically during the workday for personal reasons the employee shall reflect the lost time on time sheets (i.e vacation, sick leave, compensatory time, etc.). Hours must be recorded in increments of .25, (i.e. .25, .50, or .75), representing 15 minutes, 30 minutes, and 45 minutes respectively.

Exempt position employees work at the discretion of the City Manager or Department Director and may be required to work hours in excess of the normal workweek. Exempt positions are not eligible for overtime payment or the accrual of compensatory time. However, while not required by law, exempt employees may be allowed reasonable time off to compensate employees for an unusual number of hours worked. An exempt employee may not "accrue" work leave hours and may not receive additional compensation for any work beyond the normal workweek. This is not intended to be granted on an hour for hour and no entitlement is intended to be created by this policy.

Shift Firefighters. Under the 207K exemption of the FLSA, City certified Fire Department shift personnel will work an average of 2,912 hours per year, which averages 56 hours per calendar week. Fire shift personnel are regularly scheduled to operate on a 12-day FLSA work period. Fire shift personnel will be paid an additional one-half times the regular rate for each hour worked in excess of 91.

Falsification of time records violates the Texas Penal Code and City policy and shall be grounds for disciplinary action up to and including termination.

Rest & Meal Periods. The Fair Labor Standards Act does not require an employer to provide break/rest periods. The City, however, may allow two 15 minute rest periods, which may be provided each day and are to be taken within the work area. The supervisor is responsible for scheduling breaks to ensure continuity of workflow and adequate representation of personnel throughout the entire workday. The meal period shall be of one-hour length and shall normally be taken between 11:00 AM and 2:00 PM for those employees working a standard eight-hour shift. Any meal period of less than 30 minutes will be recorded as hours worked. Supervisors are responsible for making every effort to avoid situations in which an employee is expected to work more than five and one-half continuous hours without taking at least a 30 minute rest period or break. Rest periods and lunch breaks are to be taken as assigned and cannot be stored or banked. Schedules for Police and Fire Department personnel shall be established by the respective Chief.

Holiday and Overtime. Employees who are required to work on an official holiday shall, in addition to the regular pay for the hours worked, receive one and one-half time pay for the holiday hours worked. Holidays that fall on an employee's regular day off shall be paid as they occur. Holiday hours shall not be "banked" for future use.

Pay Period and Payroll. Payroll is prepared on a biweekly basis and will be direct-deposited into your checking or savings account every other Friday. Each employee shall check each biweekly paycheck or deposit confirmation for accuracy. If an employee believes that a mistake was made in his or her pay for that biweekly pay period, the employee is required to submit a complaint to Human Resources within 10 calendar days of receiving a biweekly paycheck or deposit confirmation relating to any error that he or she believes has been made, including payment for an incorrect number of hours, as well as any other mistake.

Improper Deductions from Pay. It is the City's policy to prohibit any improper deductions from an employee's pay. If any employee, whether or not his/her job is classified as exempt under the Fair Labor Standards Act (FLSA) believes that in improper deduction has been made to his/her pay, he/she should file a written complaint with Human Resources relating to any such deduction. The City will investigate the complaint and if the deduction was made improperly, it will reimburse the employee for any such amount improperly deducted.

X. Attendance & Leaves

Attendance. The City is committed to providing an equitable and fair attendance and leave policy so that employees understand their responsibility to be at their place of work according to their established work schedules, which, insofar as possible, shall be uniform within occupational groups and shall be determined in accordance with the needs of the City and the reasonable needs of the public.

The City recognizes that employees need leave for a variety of reasons and that a fair and equitable leave policy ensures the City's commitment to maintaining a high performance organization that optimizes the use of its human resources.

The City depends on its employees to be at work as scheduled and regular attendance is an essential job function Employees are expected to report for work, mentally and physically able and willing to perform the essential functions of their jobs. The City, of course, will provide reasonable accommodations to disabled employees as set out in Section II above. Employees are required to be at their places of work or performing their assigned duties in accordance with the work schedules established for their department or division, unless officially excused by their supervisor. Failure to observe working hours reduces the productivity and places an unfair burden on fellow employees and subjects the employee to disciplinary action up to and including termination.

The Work Week or Work Period. The normal workweek for City employees shall be 40 hours. The Work Period for Shift Fire personnel shall be 12 days. Since certain departments must operate seven days per week, some employees may be required to work during any day of the week on a regular schedule. The specific arrangement and adjustment of the hours of the work week or work period shall be the function of the department director and the city manager.

Emergency Conditions. The citizens of West University Place depend on City employees before, during and after an emergency or disaster to provide or restore essential public services for the health, safety and quality of life for our community. In the event of a wide scale emergency that could impact our community, **all employees must be ready to assist in managing the crisis and will be considered essential personnel for the continuity of governmental operations until they are specifically relieved by the City Manager or his or her designee.**

Holidays. Holiday pay is determined by the employee's regular scheduled daily hours on the given holiday (12 hours for Shift Fire personnel). The following paid holidays will be observed, although certain employees may be required to report for duty:

New Years' Day;
Good Friday;
Memorial Day;
Independence Day;
Labor Day;
Thanksgiving Day;

Day following Thanksgiving;
Christmas Day;
An additional Christmas holiday; and
One “floating holiday”, (after a minimum of six months of employment) which must be scheduled and taken during the calendar year and must be taken as “an entire day” and shall not be subject to carry-over or payment if not used.

9-11; The City has designated the floating holiday as the September 11th Memorial holiday for firefighters only and if the firefighter chooses to use the floating holiday for that purpose on this day and its use does not unduly disrupt the departments operation. For all other employees, the floating holiday is unchanged.

While fire fighters have the same number of holidays as all other City employees, in accordance with H.B. 2113, the Texas legislature has amended Section 142. 0013 (c) of the Local Government Code mandating that one of the City's holidays be designated as September 11th Memorial Holiday for all fire fighters.

All City employees have the same number of holidays on the same days; however, this amendment mandates that the City refers to one of those holidays by a different name for a particular category of employees.

Paid holidays are intended as a benefit for full-time and ¾ time employees. An employee will not be eligible for Holiday pay when the employee is not working the minimum number of hours required to be eligible for this benefit and who may be on extended, authorized and unpaid leave of any kind.

Holidays Falling on Weekends. Holidays which fall on a Saturday will be observed on the preceding Friday. Holidays which fall on Sunday will be observed on the following Monday. Shift Fire personnel shall follow the Fire Department Standard Operating Guideline (SOG).

Holidays Falling on a Regular Day Off. Holidays that fall on an employee’s regular day off shall be paid as they occur. Holiday hours shall not be “banked” for future use.

Additional Christmas Holiday. When Christmas falls on Tuesday, Wednesday, Friday, or Saturday, in addition to the legal holiday observance, the preceding workday shall also be observed as a holiday. When Christmas falls on Sunday, Monday, or Thursday, in addition to the legal holiday observance, the following workday shall also be observed as a holiday. Shift Fire personnel shall follow the Fire Department SOG.

Personal Leave. Personal leave is provided at the rate of 8 hours (12 hours for Shift Fire personnel) per quarter for all full-time employees and at the rate of 6 hours for ¾ time employees at the beginning of each quarter (January, April, July & October). Leave is subject to the attendance and leave approval provisions of this policy. Personal leave does not accrue beyond the calendar year and unused hours shall be paid at the end of each year.

Personal leave shall not be taken beyond the last pay period of given the calendar year. If the last

day(s) and/or weeks of the given calendar year are paid the following year, an employee taking personal leave during the time referenced above will use the personal leave time from the new year.

Personal leave accruals will cease to accrue when an employee is not working and on extended, authorized and unpaid leave of any kind.

Vacation Leave. Vacation **leave credits for all full time employees shall accrue as follows:**

- Less than five (5) years of service – 6.667 hours per month
- At the start of the fifth (5) year of service – 10 hours per month
- At the start of the twelfth (12) year of service – 13.333 hours per month
- At the start of the twentieth (20) year of service – 16.6667 hours per month

Employees classified as shift Fire Department personnel shall accrue as follows:

- Less than five (5) years of service – 10 hours per month
- At the start of the fifth (5) year of service – 15 hours per month
- At the start of the twelfth (12) year of service – 20 hours per month
- At the start of the twentieth (20) year of service – 25 hours per month

Employees classified as ¾ time employees shall accrue as follows:

- Less than five (5) years of service– 3.75 hours per month;
- At the start of the fifth (5) year of service – 6.25 hours per month
- At the start of the twelfth (12) year of service – 7.50 hours per month
- At the start of the twentieth (20) year of service – 9.375 hours per month

Provisional employees will accrue vacation during the provisional period, but will be eligible to use such vacation leave only upon completion of six months of service. If the provisional employee is separated prior to regular employee status, no vacation accrual shall be credited. If the provisional period is extended beyond six months, the employee shall not be eligible to use vacation until the employee has successfully completed the extended provisional period. An employee whose provisional period has been extended beyond six months and is separated for any reason prior to regular employee status, no vacation accrual shall be credited and shall not be paid at separation.

Vacation accruals are intended as a benefit for full-time and ¾ time employees. An employee will not be eligible to accrue vacation when the employee is not working the minimum number of hours required to be eligible for this benefit and who may be on extended, authorized and unpaid leave of any kind.

Attendance and Leave Approval. An employee's supervisor must approve all leave requests, giving due consideration to the needs of the department and the ability of the remaining staff to perform the work of the department or division and the preference of the employee. Each employee is requested to give his/her supervisor notice of the leave requested as soon as practicable before the beginning of the leave (generally at least 10 business days in advance), and in accordance with departmental procedures. If an employee is requested to work during a scheduled vacation, the employee can schedule vacation at another time. An employee may not be granted vacation leave in excess of the actual amount accrued. An employee may not request unpaid leave if they have vacation accrued and are eligible to use. Employee's approved leave shall be charged and used in amounts of not less than one-half (1/2) hour increments.

Unused vacation credit, up to certain limits, may be carried forward. An employee may accumulate credits up to the maximum amounts as follows:

- **Fewer than four years of service**
  All full time employees-- 160 hours
  Shift Fire Department personnel – 240 hours
  ¾ time employees – 120 hours

- **More than four years of service, but fewer than 12 years of service**
  All full-time employees - 240 hours
  Shift Fire Department personnel – 360 hours
  ¾ time employees – 180 hours

- **More than 12 years of service**
  All full time employees - 320 hours
  Shift Fire Department personnel – 480 hours
  ¾ time employees – 240 hours –

- **More than 20 years of service**
  All full time employees - 400 hours
  Shift Fire Department personnel – 600 hours
  ¾ time employees – 225 hours

If an employee reaches the maximum amount of vacation credit, no additional time will be credited until the vacation time is used.

Vacation accruals are intended as a benefit for full-time and ¾ time employees. An employee will not be eligible to accrue vacation when the employee is not working the minimum number of hours required to be eligible for this benefit and who may be on extended, authorized and unpaid leave of any kind.

Accrued vacation will be paid upon separation. The effective date for separation refers to the last date which the employee actually worked.

Sick Leave. Sick leave with pay shall be granted when an employee has a physical incapacity not incurred in the line of duty, a personal illness or immediate family member illness; or enforced quarantine. For the appropriate use of sick leave an immediate family member is defined as spouse, children, step-children, a child to whom the employee has served "in loco parentis" or foster child(ren) or for a family member when the employee is on approved Family Medical Leave with, for example, a parent. Sick leave time begins the first working day of the illness. Leave will be without pay if no sick leave, vacation, compensatory or personal-time is available.

The City depends on its employees to be at work as scheduled. Employees are expected to report for work, mentally and physically able and willing to perform the essential functions of their jobs. The City, of course, will provide reasonable accommodations to disabled employees as set out in Section II above. However, when an employee needs to be out because of illness or injury, the employee or the employee's representative is required to report directly to the immediate supervisor or department director on the first day, and each subsequent day thereafter, of the employee's absence before the beginning of the employee's scheduled shift or as prescribed by the department. Unless otherwise approved in writing, texts, e-mail and/or voicemail messages left with supervisors or non-supervisory personnel will not be accepted and shall not be considered a substitute for the required report. When the employee returns to work after absences of three or more days (four days for Shift Fire personnel) he or she shall be required to provide a limited doctor's certification that confirms that the employee's absence constituted an appropriate use of sick leave.

Department directors who have reason to believe that sick leave has been abused may request such certification when an employee has been absent for less than three days.

Abuse of Sick Leave. The frequent claiming of sick leave benefits may under certain circumstances constitute grounds to believe that an employee's physical condition is below that required to perform the essential functions of his or her job. Evidence of abuse of this benefit will be considered grounds for disciplinary action, up to and including termination.

Sick leave shall be accrued for all provisional and regular employees at the rate of 120 hours per year. All employees not classified as shift Fire Department personnel shall accrue sick leave at a rate of 10 hours for each month of service, with no limit to accumulation. For shift Fire Department personnel, the accrual rate shall be 15 hours for each month of service. ¾ time employees shall accrue 7.5 hours for each month of service.

Sick leave accruals are intended as a benefit for full-time and ¾ time employees. An employee will not be eligible to accrue sick leave benefits when the employee is not working the minimum number of hours required to be eligible for this benefit and who may be on extended, authorized and unpaid leave of any kind.

Upon separation from the City, an employee will be paid for up to 720 hours (1080 hours for Fire Shift Personnel) of accrued sick leave credit if the employee retires through TMRS. In the event of the death of an employee whom is vested in TMRS, the City will pay up to 360 hours (540 for Fire Shift Personnel) of accrued sick leave and other eligible accrued leave to the employee's TMRS pension designated beneficiary.

Sick Leave Incentive Program. The sick leave incentive program is designed to reward employees for good attendance. The sick leave incentive program allows employees with good attendance the opportunity to convert sick leave to vacation annually.

All full-time employees who have completed 12 months of service with the city and are in "good standing" (have not received a reprimand or disciplinary suspension within the preceding 12 months) are eligible to participate in the sick leave incentive program.

The annual conversion of sick leave to vacation leave is based on the amount of sick leave used from January 1 through December 31. The effective date of the conversion shall be the 1st pay period in February. Sick leave shall be converted to vacation based on the following chart.

Sick Days Used from 01/01 to 12/31	**Eligible Sick Days for Conversion to Vacation**
0 days taken	3 days
Up to 1 ½ days	2 days
More than 1 ½ days and up to 3 days	1 day
More than 3 days	0 day

NOTE: For all employees the conversion shall be provided at the rate of 8 hours (12 hours for

Shift Fire personnel). Donating hours to the sick leave bank shall not count against an employee's sick leave hours in connection with being eligible to covert sick leave hours to vacation hours. Conversion hours must be taken by January 31st of the following year or the time will revert back to sick leave. Conversion hours which are currently accrued shall be taken within 12 months from the effective date of this policy.

Sick Leave Bank. Employees may voluntarily participate in the sick leave bank. The sick leave bank provides an added source of sick leave for those employees who have suffered their own catastrophic illness or injury and have exhausted all accrued sick and annual leave balances as a result of their own catastrophic illness or catastrophic injury.

Employees are responsible for contacting Human Resources and requesting, in writing, activation of the sick leave bank for their own catastrophic illness or catastrophic injury. In order for an employee to request activation of the sick leave bank the employee must be eligible to receive voluntarily donated hours from the sick leave bank. The employee must first meet the minimum eligibility requirement of Family Medical Leave (having been employed by the City at least 12 months and have worked at least 1,250 hours) immediately prior to the leave.

Further, the employee's sick leave bank activation request shall include sufficient information to determine whether or not the employee's illness/injury meets the definition of a catastrophic medical condition as intended by the policy.

The employee must also have exhausted his/her own accrual banks as a result of the catastrophic illness or catastrophic injury and he/she must have used least 160 hours (240 hours Shift Fire personnel) from their own accrual bank(s) immediately preceding the request in order to be eligible to request activation of the sick leave bank.

A catastrophic illness is defined as a severe illness requiring prolonged (long-term) hospitalization or recovery; usually involves high costs for hospitals and doctors and medicine (examples include: coma, cancer, leukemia, heart attack, stroke, spinal cord or brain illness). A catastrophic injury means the consequences of an injury that permanently prevent an individual from performing any gainful work; 42 USCS section 3796(b).

Voluntary contributions to the sick leave bank must be in hourly increments and may be contributed from any unused leave accrual. The maximum number of sick leave hours an employee may donate in a 12-month period is 16 hours. Other voluntarily donated hours may be unlimited. Employees may use sick leave assigned from the bank in the same manner as accrued sick leave. The maximum number of voluntarily donated hours that a single employee may receive through the Sick Leave Bank is 400 hours per incident. If no hours are voluntarily donated to support the employee's request, the employee will not be eligible to receive hours through the sick leave bank.

An employee shall not be eligible to accrue any leave while utilizing sick leave bank hours.

Sick leave bank activation requests shall not be retroactive.

Job Related Injuries. If you sustain a job related injury, the injury is to be reported immediately to your supervisor or department director. A First Report of Injury Form is also to be immediately completed. To the extent provided by State law, worker's compensation insurance will cover medical expenses for treatment of such job related injuries.

Under Texas Workers' Compensation provisions, there is a seven-day waiting period for paid benefits to begin. You may wish to take accumulated sick, vacation, personal or compensatory time during the first five working days for an on the job injury or illness. If you are absent for more than 15 consecutive days, the City's insurance carrier will pay you for the initial waiting period.

If you are absent for a period of more than 15 days and the City's carrier has made a back payment to you for the first seven day waiting period and you have used accumulated sick, vacation, personal or compensatory leave, you may purchase the leave back by reimbursing the City in the amount of the payment you received for the first seven day waiting period. This request and payment is to be made within 10 days of returning to work.

If you are absent for a period of less than 15 days, the City will reinstate any used sick, vacation, personal, or compensatory leave used during the initial waiting period upon returning to work.

If you are absent due to an on the job injury or illness, you will continue to accrue sick and vacation leave benefits for the first three months of the injury. Accruals will cease after three months until you return to work.

Leave of Absence. Department Directors, with approval of the City Manager, may allow employees a leave of absence for a reasonable length of time provided the absence does not interrupt the efficient operation of the City or place an undue burden on fellow employees. All leave accruals will cease when an employee enters into an authorized and extended leave of absence. In an extended leave of absence, the employee shall pay all health insurance and/or other premiums.

Return to Work. Employees who have been absent from work because of any extended leave due to their own on-the-job or off-the-job injury or illness shall be required to complete a return to work authorization and/or fit for duty testing prior to returning to work. This testing shall vary by department and position based on the essential functions of the position. The testing will be job-related and consistent with business necessity and in some instances, may be limited based on the nature of the illness or injury. The City seeks to ensure that employees are able to safely return to work following leave and are able to perform the essential functions of their jobs, with or without reasonable accommodations. However, in the event that an employee is not able to perform the essential functions of his/her position, with or without a reasonable accommodation, the employee may apply for any open position, for which he or she is qualified. In the absence of an opening, the City may terminate the employee's employment.

Funeral/Emergency Leave. Employees may be granted up to five days of paid leave to attend or arrange the funeral, and settle the affairs of, an immediate family member. An immediate family member is a spouse, child or parent or "step" child or "step" parent or a parent who has served "in loco

parentis" to a child. Up to three days of paid leave may be granted upon the death of the following family members i.e., siblings, in-laws, grandparents or any relative living in the same household. Additionally, employees may use their own accrued leave for funeral leave for other individuals not specifically mentioned in this policy, provided the supervisor has approved the leave.

Dependent Care Leave. Employees completing twelve (12) months or one year of service may be granted up to ten (10) days of paid leave for Dependent Care Leave to attend to personal situations involved with the following:

- Birth of a child.
- Adoption of a child.
- Serious health condition of a dependent, as defined by the Family and Medical Leave Act, requiring extended care. See Family & Medical Leave Section for definition.
- Because of any qualifying exigency arising out of the fact that the spouse, or a son, daughter or parent of the employee is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support on a contingency operation.

Up to 10-days of cumulative leave may be granted every three (3) years. Employees are responsible for requesting Dependent Care Leave, on the appropriate form, which must be approved by Human Resources. Employees will be required to provide proof of situation warranting leave. Dependent Care Leave requests are not retroactive.

Jury Leave. The City shall grant jury duty leave for an employee summoned to serve on any grand, petit, or municipal court jury. The City shall not dismiss an employee from employment because of the nature or length of the employee's jury service. When an employee is on jury leave, he or she shall continue to receive his or her regular rate of pay in addition to any per diem received by the employee from the state or the court for jury service. The time spent on jury duty that coincides with the employee's regular work time is counted as straight time for overtime calculation purposes.

If an employee is chosen as a juror, they must notify their supervisor immediately and fulfill the citizenship obligation. If the employee is not selected as a juror, the employee is required to report back to work upon being released from service. If more than 50% of the employee's shift remains at the time the employee is released from service, the employee is expected to report back to work during that shift. If less than 50% of the employee's shift is left at the time the employee is released from service, the employee is expected to report to work on their next scheduled shift.

All employees must provide proof of attendance from the presiding court to their supervisor upon their return to work. Proof of attendance must be attached to the employee's time sheet.

Court Appearances. Employees who are subpoenaed to appear in court or before any other judicial or administrative body on behalf of official city business or as a "Good Samaritan" will be compensated in accordance with this policy.

Employees that request time off to appear in court in a matter personal to the individual (divorce,

liability suit, etc.) either as a defendant or plaintiff, or witness, shall be required to use accrued leave in accordance with the appropriate policy.

Voting. On the day of an election, an employee who does not have at least two (2) consecutive hours outside the employee's work hours to vote, may, upon the employee's request, be given time off to vote during the employee's work hours.

Military Leave. This policy applies to employees who are members of the United States uniform services or the Texas National guard who undertake military leave, either voluntarily or involuntarily, whether for training, active duty, or related obligations, and who are covered under the Uniformed Services Employment and Reemployment Rights Act (38 U.S.C. § 4301 et seq.) and other applicable law. This policy only applies to eligible employees under 38 U.S.C. § 4301 and/or Chapter 431 of the Texas Government Code.

The City shall pay the employee the difference between his/her military pay and his/her normal base pay up to 15 workdays, per fiscal year, in accordance with Section 431 of the Texas Government Code, during any military leave. There is no accrual of military leave time benefit. Unused military leave time shall not be paid out at the employee's separation from employment.

Other benefits (i.e. vacation and sick leave) shall continue to accrue while the employee is on military leave.

An employee may, but is not required to, use vacation leave after exhausting the 120 hours, or 180 hours for shift firefighters, of paid military leave. Thereafter, military leave shall be unpaid.

For those employees who are active from a military reserve of the Texas National Guard unit, if the employee exhausts all accrued vacation leave, the City shall supplement the employee's military wage or salary in an amount equal to the difference between the employee's military wage or salary and the employee's City base wage or salary, if the employee's military leave wage of salary is less than the employee's City base wage of salary for a period of up to 18 months calculated from the date of military activation. NOTE: This supplementation by the City only applies to those employees who are activated from a military reserve of Texas National Guard unit.

To the extent that an employee had coverage under a health plan through the City, the employee may elect to continue such coverage and pay premiums for leave longer than 30 days or the employee share for leave less than 31 days as prescribed in 28 U.S.C. § 4317.

If the employee qualifies for reinstatement under 38 U.S.C. § 4312 (a), upon the end of the leave, the employee shall, upon request, be reinstated to the same position or a similar position with the same seniority, status, and pay to the position held prior to taking the military leave unless:

> (1) the City's circumstances have changed as to make such reemployment impossible or unreasonable; or
>
> (2) in the case of a person entitled to re-employment under subsection (a)(3), (a)(4), or (b)(2)(B) of section 4313 [38 USCS § 4313], such employment would impose an undue

hardship on the City; or

(3) the employment from which the employee leaves to serve in the uniformed services is for a brief, non-recurring period and there is no reasonable expectation that such employment will continue indefinitely or for a significant period.

Holiday pay shall be granted (paid) during the expenditure of the paid military leave at straight time.

Employees shall only be paid for hours that he/she is absent from work at the City as a direct result of military leave, but not for other reasons. For example, if a City employee works a standard five-day workweek on Monday through Friday, the employee shall not be paid for hours when he/she is absent on a Saturday or Sunday since such absence was not due to military leave.

In accordance with 38 U.S.C. § 4316(c), a person who is re-employed by the City after taking military leave shall not be discharged from such employment, except for cause,

(1) within one year after the date of such re-employment, if the person's period of service before the re-employment was more than 180 days; or

(2) within 180 days after the date of such re-employment, if the person's period of service before the re-employment was more than 30 days but less than 181 days.

The City prohibits any and all discrimination against an applicant or employee who is a member of, applies to be a member of, performs, has performed, applies to perform, or has an obligation to perform service in a uniformed military service on the basis of that membership, application for membership, performance of service, application for service, or obligation.

Absence without Leave. If an employee is absent from work, without proper authorization, whether for part or all of a working day or for a longer period, such absence shall be grounds for disciplinary action up to and including termination.

Job Abandonment. An employee voluntarily and irrevocably resigns City employment if the employee:

Fails to return from an approved leave of absence on the date specified or the date agreed upon by the City and employee without prior notice or sufficient cause, including failure to return after an approved and extended medical leave period.

Fails to report to work without notice to the City for three (3) consecutive workdays or shifts without sufficient cause.

Employees who abandon their jobs will not be eligible for rehire.

Family & Medical Leave Act. All eligible City employees are entitled to the protection offered by the Family and Medical Leave Act of 1993 (the "FMLA"), 29 U.S.C. 2601, as amended et seq. and

the regulations adopted there under.

An employee who has been employed by the City for at least 12 months and has worked at least 1,250 hours during the 12 months immediately prior to the leave, shall be entitled to up to 12 weeks of leave for one or more of the following:

1. Birth of a son or daughter, and in order to care for that son or daughter;
2. Placement of a child with the employee for adoption or foster care;

   NOTE: An employee's entitlement to leave under 1 or 2 above shall expire at the end of the 12-month period beginning on the date of the birth or placement of the son or daughter.

3. To care for the employee's spouse, child or parent, if the spouse, child or parent has a serious health condition; or
4. A serious health condition that makes the employee unable to perform the functions of the employee's position.
5. Because of any qualifying exigency arising out of the fact that the spouse, or a son, daughter or parent of the employee is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support on a contingency operation.

If the leave is foreseeable, an employee must give the City a 30-day notice of the intention to take FMLA leave. Otherwise, notice should be given as soon as possible. The City reserves the right to retroactively designate leave as FMLA if the leave qualifies under the FMLA regulations.

An eligible employee's FMLA leave entitlement is limited to a total of 12 workweeks of leave during a 12-month period. The City observes a "rolling" year. FMLA shall be taken concurrently with sick leave, vacation and/or other paid leave accruals.

The Return to Work policy contained in Section IX of this Handbook is also applicable to an employee returning following leave under FMLA.

An employee shall not be subject to discrimination or retaliation for having exercised their FMLA rights. An employee's exercise or attempt to exercise their rights under FMLA shall not be interfered with, restrained, or denied, nor shall an employee's use of FMLA leave be used as a negative factor in employment actions, including but not limited to hiring, promotion, transfers, training, disciplinary actions, or other terms and conditions of employment. However, any employee who fails to provide information and/or does not cooperate with staff by providing the required FMLA paperwork in the time-frame prescribed on the approved Department of Labor form, may not be approved for FMLA leave, and unexcused absence may subject an employee to discipline. The time during which an employee is on FMLA leave shall not be counted for purposes of any department's attendance policies.

XI. Disciplinary Actions

It is the intent of the City to compensate its employees fairly; to make all reasonable provisions for their safety and health; to provide adequate instruction, direction and equipment; and to treat all employees with dignity and respect. All employees are expected to work diligently and conscientiously for the benefit of the City as directed by their supervisors and maintain a high level of conduct on and off the job.

The City encourages the use and application of progressive discipline whenever practical. Accordingly, mild disciplinary action may be taken when an employee first has problems with attendance, work performance, or conduct that is disruptive or inappropriate in nature. If the employee fails to correct the problem or develops other problems, more severe disciplinary action shall be taken. Using progressive discipline in such a manner maximizes an employee's opportunity to correct problems.

By providing for the possible use of progressive discipline, however, the City in no way has waived or altered the "At-Will" nature of employment with the City, nor does it preclude or inhibit the City from exercising its right to impose severe discipline, including immediate termination of an employee, whenever such action is deemed appropriate without the prior use of progressive discipline. While in most cases the disciplinary action taken will depend upon the degree of severity of the offense(s), the record of the offender, and the seriousness of the consequences of the offense(s), there are certain offenses, which will result in severe disciplinary action regardless of the disciplinary record of the offender.

The purpose of standard disciplinary procedures is to make it easier to be consistent by applying similar penalties for similar offenses. However, Department Directors and immediate supervisors have the discretion to take all relevant circumstances into account when taking disciplinary action.

Basis for Discipline. The specific descriptions following each general heading are examples of that type of conduct and are not intended to be all-inclusive. Offenses constituting grounds for disciplinary action, up to and including termination, include, but shall not be limited to the following:

1. Unsatisfactory Attendance

a. Unauthorized absences
b. Abuse of leave
c. Tardiness

2. Unsatisfactory Performance

a. Inability or unwillingness to satisfactorily perform assigned work.
b. Failing to perform duties at an acceptable level.

3. Indifference Toward Work

a. Inefficiency, negligence, loafing, carelessness, leaving work without permission, excessive use of City time for performing personal business during work hours,

abuse of eating or rest periods, sleeping (other than designated times for Fire Shift personnel) or otherwise being inattentive during work hours, interfering with the work of others, mistreatment of the public or other employees.

b. Negligently causing damage to City property.

c. Failure to meet or maintain specified conditions of employment, such as failure to obtain or maintain a license or certificate required as a condition for performing a job.

d. Misusing or failing to use delegated authority in performance of duties.

4. Dereliction of Duty

a. Failure to observe and follow the policies of the city and/or employee's department procedures, rules or orders.

b. Failure of an employee to take appropriate action when a violation of policies, rules or regulations comes to his/her attention, regardless of the violator's assignment or position in the City.

c. Failure to promptly report or deliver to a Supervisor any property found by, confiscated by, or relinquished to an employee of the City without undue delay.

d. Damage, negligent use of or abuse to City vehicles, equipment and/or property. Failure to promptly report vehicle and equipment damage whether caused by the employee or not, and/or the failure to report accidents whereby the operator is involved in an accident or strikes an object (for example curbs, boulders or other objects) regardless of whether or not any noticeable damage results.

5. Insubordination

Willful failure or refusal by an employee to perform assigned work or to fully comply with lawful instructions or orders from a supervisor or other appropriate manager. Insubordination may also include the use of abrasive language and displaying hostility in response to supervision and/or the refusal to submit to corrective action or performance improvement as required by a supervisor. The following procedures apply in the event that an employee questions an order given by a supervisor.

a. If an employee believes that the instruction or order is improper, the employee should obey the order or instruction and question the order later in a responsible manner.

b. If an employee believes an instruction or order, if followed, would result in personal injury or damage to City equipment, he or she should notify the supervisor who issued the order, or if necessary, another supervisor.

c. If an employee believes an instruction or order is illegal, he or she should immediately notify a supervisor above the supervisor giving the instruction or order.

6. Violation of Safety Rules

a. Improper removal of safety guards (e.g. fire extinguishers); failure to use safety equipment; failure to follow safety practices and rules, which includes failure or refusal to participate in required post-accident drug and/or alcohol testing; failure to report an on-the-job injury, vehicle accident, or unsafe condition on the day of the occurrence; or smoking in prohibited areas.

b. Unsafe driving practices, which result in more than two at-fault-accidents by an employee in a given calendar year.

7. Dishonesty/Fraud

Fraud generally involves a willful or deliberate act with the intention of obtaining unauthorized benefits such as money or property, by deception or other unethical means. Dishonest or fraudulent activities include, but are not limited to:

a. Misuse or misappropriation of City property, funds, securities, supplies, furniture, fixtures, equipment, or any other asset or unauthorized charges against the City's accounts including credit card accounts.
b. Forgery or falsifying or altering City documents (i.e. checks, time sheets, contractor agreements, purchase orders, etc.).
c. Authorizing or receiving payments for goods not received or services not performed.
d. Unauthorized use or misuse of City property, equipment, materials or records.
e. Improprieties in handling or reporting of money transactions.
f. Authorizing or receiving payments for hours not worked with the exception of those allowed under City policy.
g. Theft, destruction or removal of any asset or inappropriate use of records.
h. Embezzlement.
i. Seeking or accepting anything of material value from vendors, consultants, or contractors doing business with the city in violation of the City's policy. Exception: gifts less in value than the rate established by the State of Texas.
j. Any computer related activity involving the alteration, destruction, forgery, sale or manipulation or misappropriation/misuse of data for fraudulent purposes.
k. Any misrepresentation or falsification that is relied upon by, or detrimental to the City; cheating; lying to any City official or member of City Management, including the immediate supervisor.
l. Falsely reporting illness or injury, or otherwise attempting to deceive any official of the City as to a health or medical condition. Falsifying origin of personal injury to collect workers' compensation. Misuse of paid leave of absence.
m. Any violation of federal, state or local laws related to dishonest activities or fraud.

8. Disturbance

a. Participation by an employee in a disturbance occurring on City property or while on duty; fighting on City property; possession of dangerous weapons, firearms, explosives on City property without permission.
b. Entering City property for unauthorized reasons.
c. Use of abusive, profane, or threatening language; horseplay; deliberately causing injury to fellow employees.
d. Harassment of other City employees or citizens; discourtesy to citizens; creating dissension or discord between employees, or between employees and citizens.
e. Using confidential information in ways that may be detrimental to the City or to another employee.

9. Misuse of City Equipment or Services

a. Careless, negligent or improper use of property or equipment;
b. Abuse, misuse, deliberate destruction, abandonment, or damaging of property, tools, facilities, or equipment belonging to other employees, citizens or the City.

10. Sabotage

a. Deliberate damage or destruction of City equipment or property; advocacy of, or participation in unlawful trespass or seizure of City property; encouraging, communicating or engaging in slowdowns, sit-ins, strikes or any other activity in an effort to limit or restrict City employees from working.

11. Misconduct

a. The violation of any federal or state law, rule, regulation or city ordinance while on duty, or the violation of any federal or state law, rule, regulation, or city ordinance while off-duty, including a criminal act, that may have an adverse impact upon the City or on the public confidence in the integrity of City government, or on the relationship of the employee and other employees or acts which reflect poorly upon the City's image.

b. Theft of, aiding, or encouraging the theft of cash, City property, or equipment.

c. Operating or conducting illegal activity on the job or on City property.

d. Any criminal offense shall be cause for disciplinary action up to and including termination.

12. **Disqualification from operating city vehicles and/or equipment.**

Types of Disciplinary Actions. All or a combination of the following disciplinary measures may be taken by supervisors. Supervisors will evaluate each situation and take the appropriate level of discipline. The nature of the infraction may warrant skipping steps in the process.

Counseling: The supervisor should document and verbally advise the employee of their unsatisfactory performance or conduct and recommend areas for improvement.

Reprimand: Reprimands are written memos to employees given for unsatisfactory performance, for policy, procedural, or conduct violations or in instances where counseling has already been given and the violation has occurred again or where unsatisfactory performance has continued.

When a written reprimand is given, it is to be administered in a timely manner. The employee concerned is to be informed directly of the conduct, the rule it violates, the action being taken, the terms and conditions of that action, the consequences of that action, and consequences of future violations.

Supervisors shall provide the employee with a copy of the reprimand. Originals of all reprimands shall be sent to Human Resources for inclusion in the employee's personnel file.

Suspension or Involuntary Demotion: A suspension without pay or a demotion may be administered in situations where reprimands have already been given for previous infractions or lack or performance, or in situations that are serious enough to warrant this level of discipline without prior discipline. Suspension of exempt employees must be

in compliance with FLSA regulations. An involuntary demotion may not be possible in situations where there is no vacant position in the organization for the employee.

Termination: Termination may be the culmination of a progressive discipline or performance improvement process. Alternatively, it may occur as the first disciplinary measure undertaken if the situation warrants it.

Disciplinary Process: Any Department Director who proposes to suspend an employee without pay, demote an employee, or terminate an employee, is required before making a final decision to give the employee notice of the proposed disciplinary action and an opportunity to respond. If the Department Director receives information from the employee that may affect the disciplinary action, the Department Director should consider the proposed discipline in light of such new information, conduct any investigation that is warranted, and then make a decision based on all of the information to impose the disciplinary action as originally planned, modify such discipline, or forgo any discipline.

Department Directors must follow procedures outlined by Human Resources in connection with any planned or actual disciplinary actions.

An employee who has passed his/ her provisional period may appeal a suspension, involuntary demotion, or termination that results in a loss or reduction of employee compensation to the City Manager by submitting a request to Human Resources on or before 4:00 p.m. on the fifth business day following the date the employee receives the Disciplinary Action. Employees do not have the right to appeal counselings, reprimands, lateral transfers, reorganizations, elimination of a position from the budget, etc. This section does not apply to provisional employees.

Human Resources will schedule a date to hear the appeal and give notice to the interested parties. Every effort will be made to schedule the appeal on the appealing employee's work time, but due to the various work schedules, this may not always be possible. In the event the Appeal Hearing is scheduled on the appealing employee's day off, they will not be paid for the time spent in such hearing.

Department Directors and appealing employees must follow procedures and timelines outlined by Human Resources for the Disciplinary Action Appeals process.

Employees may designate a person to represent them in the appeal or they may represent themselves. Any representative must be designated at the time the employee submits his or her request for an appeal by providing the full name, telephone number and address for such representative. If an employee fails to designate a representative at that time he or she submits an appeal, no such representative will be allowed to attend or participate in the appeal hearing. Disciplinary Action Appeals shall be considered closed and not open to the public or other employees.

The City may also choose to have legal representation at the hearing.

The City Manager shall render a decision within ten working days of the conclusion of the appeal hearing. The City Manager's decision is final and not subject to further appeals.

Notification to Council. The City Manager shall notify the City Council of all disciplinary matters acted on by the City Manager where the decision includes a demotion, a suspension for more than five days or dismissal.

What is not discipline. Layoffs, reductions in force, expiration of temporary appointments, separations allowed by other sections of this handbook, pay reductions or other measures resulting from economic issues, reorganizations, denial or termination of a telecommuting arrangement or other similar policies are not considered discipline and cannot be appealed under the City's policies and procedures.

Applicability. This section is not applicable to persons holding the following positions: City Manager and the City Attorney who hold their positions at the pleasure of the Council, subject to the Charter; all Assistant City Attorneys who serve at will; Municipal Court Judges who serve at will subject to the Charter and state law; Department Directors who serve at the pleasure of the City Manager subject to the Charter; part-time, seasonal and temporary employees who serve at will; provisional employees who serve at will; and all other positions for which the Charter or state law prescribes disciplinary or dismissal requirements different from those stated in this section.

XII. Communication

Open communication between an employee and his/her supervisor is encouraged. If an employee has a concern or suggestion about any aspect of his or her work at the City, including but not limited to, any work rule, work-related decision, promotion, promotion procedure, safety condition, work condition, treatment at work, or violation or any City policy or procedure, the employee should talk directly to his or her immediate supervisor or Department Director. If the Supervisor or Department Director is not responsive or if the employee is uncomfortable discussing the matter with him or her, the City encourages employees to contact Human Resources.

EXHIBIT A

NOTES, ADDITIONS & CORRECTIONS

AGENDA MEMO

Business of the City Council
City of West University Place, Texas

Meeting Date	10.05.2020	**Agenda Item**	11
Approved by City Manager	N/A	**Presenter(s)**	Harrison Nicholson, Treasurer
Reviewed by City Attorney	N/A	**Department**	Finance
Subject	Resolution		
Attachments	Resolution (with Exhibit A – Investment Policy)		
Financial Information	Expenditure Required:		N/A
	Amount Budgeted:		N/A
	Account Number:		N/A
	Additional Appropriation Required:		N/A
	Additional Account Number:		N/A

Executive Summary

The City of West U's Investment Policy (Policy) ensures that the City is in compliance with the Texas Government Code's Public Investment Act requirement to adopt a written investment policy regarding investment of funds under its control.

The Policy is reviewed annually by staff and approved by the City Council. In addition, every two years staff submits the City's Policy for review by the Government Treasurer's Organization of Texas (GTOT). The Policy was submitted and reviewed by the GTOT last year and the City was awarded a Certificate of Distinction on July 26, 2019.

In reviewing the policy for Council's approval this year, staff is recommending changes to:

- Page 7 Section A. Eligible Investments number 7. "Obligations of municipalities located in the State of Texas with a rating of no lower than AAA by Standard and Poor's or equivalent rating by Moody's Investor Services and not more than 10% of total investment portfolio value;" and
- Page 12 Exhibit C. Local Government Investment Pool. "Texas Class."

Recommended Action

Staff recommends that the City Council approve the resolution adopting the West University Place Investment Policy.

City of West University Place
Harris County, Texas

RESOLUTION NO. XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST UNIVERSITY PLACE, TEXAS, REVIEWING AND ADOPTING THE CITY OF WEST UNIVERSITY PLACE'S INVESTMENT POLICY IN ACCORDANCE WITH THE TEXAS PUBLIC FUNDS INVESTMENT ACT; PROVIDING AN EFFECTIVE DATE AND CONTAINING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT.

WHEREAS, the City of West University Place, Texas, established policies and procedures for the investment of funds (the "Investment Policy") on March 21, 1988 by Resolution Number 88-03; and

WHEREAS, in 1995, 2009 and 2016, the City Council amended the City's Investment Policy to incorporate amendments made by the Texas Legislative to the Texas Public Funds Investment Act, Texas Government Code, Chapter 2256, (the "Act") and to incorporate organizational changes within the City; and

WHEREAS, Section 2256.005(e) of the Act requires the governing body of the City to review its Investment Policy and investment strategies not less than annually and to record such review, including any changes, by written instrument; and

WHEREAS, the Investment Policy must address safety of principal, liquidity, yield, diversification and maturity, with primary emphasis on safety of principal.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST UNIVERSITY PLACE, TEXAS THAT:

Section 1. The City Council of the City of West University Place, Texas, has reviewed the City's Investment Policy and its investment strategies and the policy and strategies adopted in Section 2 hereof records any changes made by the City Council to such document.

Section 2. The City Council of the City of West University Place, Texas, hereby adopts the Investment Policy, including the investment strategies, of the City of West University Place, which is attached hereto as "Exhibit A" and incorporated herein for all purposes.

Section 3. This Resolution shall take effect immediately from and after its passage by the City Council of the City of West University Place, Texas.

PASSED, APPROVED AND ADOPTED, by the affirmative vote of the City Council of the City of West University Place, Texas, this the ___ day of _____ , 2020.

(SEAL)

_____
Mayor

ATTEST

_____
City Secretary

RECOMMENDED

_____
City Manager

APPROVED AS TO LEGAL FORM

_____
City Attorney

EXHIBIT "A"

Investment Policy

EXHIBIT A

CITY OF WEST UNIVERSITY PLACE, TEXAS

INVESTMENT POLICY

City of
West University
Place

October 5, 2020

EXHIBIT A

City of West University Place
Investment Policy

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I. Policy

It is the policy of the City of West University Place (the "City") to administer and invest its funds in a manner that will preserve the principal, maintain liquidity, and optimize interest earnings while meeting the daily cash flow requirements of the City. The City will conform to all federal, state and local statutes, rules and regulations governing the investment of the City's funds. This Policy sets forth the investment program of the City and the guidelines to be followed in achieving its objectives.

The City's policy is to hold investments to maturity; however, securities may be sold in order to minimize the potential loss of principal on a security whose credit quality has declined; or to meet unanticipated liquidity needs of the City.

Not less than annually, City Council shall adopt a written instrument by resolution stating that it has reviewed the Investment Policy and investment strategies and that the written instrument so adopted shall record any changes made to the Investment Policy or investment strategies.

II. Purpose

The purpose of this policy is to comply with Chapter 2256 of the Texas Government Code ("Public Funds Investment Act" or "PFIA" or "Act"), which requires each entity to adopt a written investment policy regarding the investment of its funds and funds under its control. The investment policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the entity's funds.

III. Scope

This investment policy applies to all funds and investments of the City. These funds are accounted for in the City's **Comprehensive Annual Financial Report** and include all funds managed by the City, including but not limited to tax revenues, charges for services, bond proceeds, interest income, loans and funds received by the City where the City performs a custodial function. However, this policy does not apply to the assets administered for the benefit of the City by outside agencies under deferred compensation programs or other retirement programs.

The City will consolidate cash balances from all funds to maximize investment earnings, (except as otherwise required by covenants in bond ordinances, credit agreements as defined in V.T.C.A., Government Code § 1371.001 or other applicable regulations). Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

IV. General Objectives

The primary objectives, in priority order, of the City's investment activities shall be safety, liquidity, and yield:

A. **Safety** – Safety of the principal is the primary objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital for the overall portfolio. The objective will be to minimize credit risk and interest rate risk.

i. **Credit Risk and Concentration of Credit Risk** – The City will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, and concentration of credit risk, the risk of loss attributed to the magnitude of investment in a single issuer, by:

- Limiting investments to the types listed in Section VII ("Suitable and Authorized Investments") of this Policy,
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business in accordance to Section VI.A ("Authorized Financial Dealers and Institutions"), and;
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

ii. **Interest Rate Risk** – The City will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity,
- Investing operating funds primarily in shorter-term securities, money market funds that seek a stable $1.00 price per share or stable $1.00 net asset value (NAV) to avoid potential liquidity fees or redemption gates, or similar local government investment pools, limiting the weighted average maturity of the portfolio in accordance with Section IX ("Investment Strategies"), and;
- Diversify maturities and stagger purchase dates to minimize the impact of market movements over time in accordance with Section VIII ("Investment Parameters").

B. **Liquidity** – The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore,

since all possible cash demands cannot be anticipated, a portion of the portfolio will be invested in money market funds that seek a stable $1.00 NAV or local government investment pools that offer same-day liquidity for short-term funds. Additionally, a portion of the portfolio will consist of securities with active secondary or resale markets.

C. **Public Trust** – All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Investment Officers shall at all times be cognizant of the standard of care and investment objectives and shall avoid any transaction that might impair public confidence in the City's ability to govern effectively.

D. **Yield** – The investment portfolio shall be designed with the objective of attaining a market rate of return, throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs of the portfolio. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal
- Liquidity needs of the portfolio require that the security be sold

V. Standards of Care

A. **Prudence -** The standard of prudence to be used by investing officers or designated investing officials shall be the "**prudent person**" rule. This rule states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The determination of whether an investing official has exercised prudence with respect to an investment decision shall be applied in the context of managing an overall portfolio rather than a consideration as to the prudence of a single investment.

Investment Officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely fashion and appropriate action is taken to control unfavorable developments.

B. **Ethics and Conflicts of Interest** Investment Officer(s) and employees involved in the investment process agree to refrain from personal business activity that could conflict with proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. Investment Officer(s) and Investment Official(s) shall agree to disclose to the City Council with said disclosure held on file within the Finance Department any conflicts of interests or personal business relationship with financial institutions that conduct business with the City. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. (See Exhibit B.)

A statement required under this subsection must be filed with the Texas Ethics Commission and the City Council if:

a. The Investment Officer or Investment Official has a personal business relationship with a business organization offering to engage in an investment transaction with the City; or
b. An Investment Officer or Investment Official who is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the.

C. **Delegation of Authority** - Authority to manage the City's investment program is granted to the Finance Director, hereinafter referred to as Investment Officer, and derived from the following: City Charter Article VII, Section 7.01c. Responsibility for the operation of the investment program is hereby delegated to the Investment Officer, who shall act in accordance with established procedures and internal controls for the operation of the investment program consistent with this investment policy. This policy includes explicit delegation of authority to persons responsible for investment transactions. (See Exhibit A) No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate activities of subordinate Investment Officials (Treasurer and Fiscal Services Officer).

D. **Training** - Investment Officer(s) and persons authorized to execute investment transactions must complete at least 10 hours of investment training within 12 months of taking office or assuming duties, and shall attend an investment training session not less than once in a two year period and receive not less than eight (8) hours of training after the initial 10 hours of instruction relating to investment controls, security risks,

strategy risks, market risks, diversification of investment portfolio, and compliance with the Act. The City shall provide the training through courses and seminars offered by professional organizations and associations in order to insure the quality and capability of the City's investment personnel are in compliance with PFIA. Professional organizations and associations that may provide investment training including the Government Treasurer's Organization of Texas, the University of North Texas, the Government Finance Officers Association of Texas, Treasury Management Association, or the Texas Municipal League.

E. **Internal Controls** - The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that public funds of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (a) the cost of a control should not exceed the benefits likely to be derived and (b) the valuation of costs and benefits requires estimates and judgments by management. Therefore, the Finance Director shall establish a process for annual independent review by an external auditor during the annual audit to assure compliance with policies and procedures.

VI. Safekeeping and Custody

A. **Authorized Financial Dealers and Institutions** –The Investment Officer or Investment Official(s) will maintain a list of financial institutions and security broker/dealers authorized to provide investment services (Exhibit C) to the City. This list shall be reviewed, revised as necessary and adopted at least annually. Investment Officers or Investment Official(s) shall not conduct business with any firm not approved by City Council. No public deposit shall be made except in a qualified public depository as established by state laws.

Those firms that request to become qualified bidders for securities transactions will be required to provide 1) information regarding creditworthiness, experience, references and reputation, and 2) a certification stating the firm has received, read and understood the City's investment policy and agree to comply with the policy. Authorized firms may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule), and qualified depositories. All investment providers, including financial institutions, banks, money market funds, and local government investment pools, must sign a certification acknowledging that the organization has received and reviewed the City's investment policy and that reasonable procedures and controls have been implemented to preclude

investment transactions that are not authorized by the City's policy. (See Exhibit D)

Should an approved institution merge with or be acquired by another while on the City's approved list, the new institution must agree to meet the same collateralization and certification requirements or will be removed from the approved list.

B. **Competitive Bids** – The City's policy requires that at least three competitive bids or offers must be solicited for all individual security purchases and sales except for **a)** transactions with money market funds and local government investment pools (which are deemed to be made at prevailing market rates) and **b)** treasury and agency securities purchased at issuance through an approved broker/dealer or financial institution **c)** fully insured certificates of deposit placed in accordance with the conditions prescribed in Section 2256.010(b) of the Act. In situations where the exact security being offered is not offered by other dealers, offers on the closest comparable investment may be used to establish a fair market price for the security.

C. **Delivery vs. Payment** – All trades with the exception of investment pools and money market funds will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities and collateral will be held in the City's name by a third-party custodian as evidenced by safekeeping receipts of the institution with which the securities are deposited.

VII. Suitable and Authorized Investments

A. **Eligible Investments** – Funds of the City may be invested in the following instruments described below. All of these investments are authorized by the Public Funds Investment Act. Only those instruments listed in this section are authorized.

1. Direct Obligations of the United States of America, its agencies and instrumentalities, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States or its respective agencies and instrumentalities.

2. Other Obligations of the United States of America, its agencies and instrumentalities that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.

3. Certificates of Deposit issued by a depository institution that has

its main office or a branch in Texas. The certificate of deposit must be guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor and secured by obligations in a manner and amount as provided by law. In addition, certificates of deposit obtained through a depository institution that are fully collateralized under a pledge agreement approved by the City, are authorized investments.

4. No-load Money Market Funds that 1) are registered and regulated by the Securities and Exchange Commission, 2) have a dollar weighted average stated maturity of 90 days or less, 3) seek to maintain a stable net asset value of $1.00 per share and 4) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service.

5. Local Government Investment Pools, authorized by a separate resolution, which meet the requirements of Chapter 2256.016 of the Public Funds Investment Act and are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service. To become eligible, investment pools must be approved by City Council action. Investments will be made in a local government investment pool only after a thorough investigation of the pool, which shall at least annually be reviewed, revised and adopted.

6. Interest bearing checking accounts that are fully collateralized at 102% of the ledger balance.

7. Obligations of municipalities located in the State of Texas with a rating of no lower than AAA by Standard and Poor's or equivalent rating by Moody's Investor Services and not more than 10% of total investment portfolio value.

B. **Collateralization** – Collateralization will be required for all funds on deposit with a depository bank, other than investments in accordance with the requirements of this Policy and Chapter 2257, Governmental Code (Public Funds Collateral Act") and Financial Institution Reform, Recovery, and Enforcement Act of 1989 (FIRREA). In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be one hundred and two percent (102%) of market value of principal and accrued interest on the deposits, less an amount insured by the FDIC.

Securities pledged as collateral will be held in the City's name by an independent third party with whom the City has a current custodial agreement. The Finance Director is responsible for entering into collateralization agreements with third party custodians in compliance with this Policy. The collateralization agreements are to specify the acceptable investment securities for collateral, including provisions related to possession of the collateral, the substitution or release of investment

securities, ownership of securities, and the method of valuation of securities. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained.

Collateral shall be reviewed at least quarterly to assure that the market value of the pledged securities is adequate.

Eligible collateral includes **a)** direct obligations of the United States or other obligations of the United States or other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States, **b)** direct debt obligations of an agency or instrumentality of the United States, **c)** direct debt obligations of states, agencies, counties, cities, and other political subdivisions of any state rate as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent. The City's Investment Officer or Investment Official(s) reserve(s) the right to accept or reject any form of collateral or enhancement at their sole discretion.

C. **Existing Investments –** Any investment currently held that does not meet the guidelines of this policy, but was an authorized investment at the time of purchase, is not required to be liquidated; however, the City shall take all prudent measures consistent with this Investment Policy to liquidate an investment that does not or no longer qualifies as an authorized investment.

VIII. Investment Parameters

A. **Diversification** – The investments shall be diversified by security type and institution. With the exception of U.S. Treasury securities, Government-sponsored enterprises (GSE's), interest-bearing checking accounts that are fully collateralized, and authorized local government pools, the City will diversify the entire portfolio to comply with the investment strategy. In no case shall any single investment transaction be more than twenty five-percent (25%) of the entire portfolio at the time of purchase of the security.

B. **Maximum Maturities** – To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than three (3) years from the date of purchase. The composite portfolio will have a weighted average maturity of 365 days or less. This dollar weighted average maturity will be calculated using the stated final maturity date(s) of each security.

IX. Investment Strategies

The City maintains separate portfolios for individual funds or groups of funds that are managed according to the terms of this Policy and the corresponding

investment strategies listed in Exhibit E. The investment strategy for portfolios established after the annual Investment Policy review and adoption will be managed in accordance with the terms of this Policy and applicable agreements until the next annual review, when a specific strategy will be adopted.

The City maintains a pooled fund group that is an aggregation of the majority of City funds including tax receipts, enterprise fund revenues, fine and fee revenues, as well as some, but not all, bond proceeds, and grants. This portfolio is maintained to meet anticipated daily cash needs for City operations, capital projects and debt service. The objectives of this portfolio are to ensure safety of principal; ensure adequate investment liquidity; limit market and credit risk through diversification; and attain a market rate of return in accordance with the objectives and restrictions set for in this Policy.

X. Reporting

A. **Methods** – The Investment Officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner consistent with the requirements of Section 2256.023 (Internal Management Reports) of the PFIA, and that will allow the City to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will be provided to the City Council.

An independent auditor shall formally review the reports prepared under this section at least annually, and that auditor shall report instances of non-compliance to City Council in the annual audit management letter.

B. **Performance Standards** – The investment portfolio shall be managed in accordance with the objectives specified in this policy (safety, liquidity, and yield). The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. The Investment Officer shall determine whether market yields are being achieved by comparing the portfolio market yield to the three (3) month U.S. Treasury Bill, the six (6) month U.S. Treasury Bill and the two (2) year U.S. Treasury Note.

C. **Marking to Market** – The market value of the portfolio shall be calculated at least monthly and a statement of the market value of the portfolio shall be issued at least monthly. The market value of each investment shall be obtained from a source such as the Wall Street Journal, or a reputable brokerage firm, or security pricing service, and reported on the investment reports.

EXHIBIT A

City of West University Place
Authorized Investment Officer and Investment Officials

Finance Director – Investment Officer

Treasurer – Investment Official

Fiscal Services Officer – Investment Official

EXHIBIT B

City of West University Place
Statement of Ethics and Conflicts of Interest

Investment Officer(s) and designated Investment Official(s) for the City of West University Place shall refrain from personal business relationships with business organizations that could conflict with the proper execution of the investment program, or which could impair their ability to make partial investment decisions. This would only apply to personal business relationships with business organizations that have been approved by City Council to conduct investment transactions with the City of West University Place.

An Investment Official or Investment Officer is considered to have a personal business relationship with a business organization if:

(1) The Investment Official or Investment Officer owns 10 percent or more of the voting stock or shares of the business organization, or owns $5,000 or more of the fair market value of the business.

(2) Funds received by the Investment Official or Investment Officer from the business organization exceed 10 percent of the Investment Official's gross income for the previous year.

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

☐ I do hereby certify that I do **not** have a personal business relationship with any business organization approved to conduct investment transactions with the City of West University Place, nor am I related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to sell an investment to the City of West University Place as of the date of this statement.

☐ I do hereby certify that I **do** have a personal business relationship with a business organization approved to conduct investment transactions with the City of West University Place, and/or I am related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to sell an investment to the City of West University Place as of the date of this statement, and willfully remove myself from any activities or areas of professional conduct that would cause a perception of ethical conflict and acknowledge that I am required to disclose said relation to the City Council and Texas Ethics Commission.

City of West University Place
Investment Officer/Official(s)

_____	_____
Finance Director/Officer	Date
_____	_____
Treasurer/Official	Date
_____	_____
Fiscal Services Officer/Official	Date

EXHIBIT C

City of West University Place
Approved Broker/Dealers, Financial Institutions and Investment Pools

Broker/Dealers

Cantor Fitzgerald & Company
FTN Financial (formerly "Coastal Securities")
Hilltop Securities (formerly "First Southwest Company")
Multi-Bank Securities
Wells Fargo Securities LLC

Public Depositories

JP Morgan Chase, NA (Primary)

Local Government Investment Pools

TexPoolTexas Class

EXHIBIT D

City of West University Place
Certification by Business Organization

(date)

City of West University Place, Texas
(Attn: Designated Investment Official)
3800 University Blvd.
West University Place, TX 77005

Dear Mr/s. *(Investment Official):*

This certification is executed on behalf of the City of West University Place, Texas (the Investor) and _____ (the Business Organization),

pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code, (the Act) in connection with investment transactions conducted between the Investor and the Business Organization.

The undersigned Registered Principal or authorized representative of the Business Organization hereby certifies on behalf of the Business Organization that:

1. The undersigned is a Registered Principal or authorized representative of the Business Organization offering to enter an investment transaction with the Investor (Note: as such terms are used in the Public Funds Investment Act, chapter 2256, Texas Local Government Code) and;

2. The Registered Principal or authorized representative of the Business Organization has received and reviewed the Investment Policy furnished by the Investor and;

3. The Registered Principal or authorized representative of the Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Business Organization and the Investor that are not authorized by the Investor's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the investor's entire portfolio or requires and interpretation of the subjective investment standards.

Registered Principal or authorized representative	**Broker Assigned to the Account**
Signed By: _____	_____
Printed Name _____	_____
Title _____	_____
Date _____	_____

EXHIBIT E

INVESTMENT STRATEGIES

The City of West University's investment portfolio will be designed and managed to ensure that it will meet all the requirements established by the City of West University's investment policy and the Public Funds Investment Act. The overall investment strategy outlined in the investment policy has been further refined in this investment strategy statement by the following fund types.

Operating Funds:

Operating Funds generally have greater cash flow needs than other funds types. The operating fund portfolio may consist of any approved investment type with the understanding that the financial requirements of the operating funds will dictate the maturity dates of the investment. Of utmost importance is the preservation and safety of the investment principal.

Additionally, each investment will be viewed for its liquidity and marketability of the investment if the need arises to liquidate the investment before maturity. The final determining factors for the investment strategy will be the diversification of the investment portfolio and the yield of the investment.

To achieve short-term needs of one (1) to one hundred and eighty (180) days, funds will be invested in approved investment pools. For longer-term needs of six (6) months to three (3) years, funds will be invested in approved investments with objectives prioritized as follows:

1) understanding the suitability of the investment to the financial requirements of the City of West University Place;

2) preservation and safety of principal;

3) liquidity;

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

5) diversification of the investment portfolio; and

6) yield.

INVESTMENT STRATEGIES (Continued)

Debt Service Funds:

The debt service requirements are usually semi-annual, thus allowing the investment strategy to mirror debt obligation payment dates. The strategy for debt service funds allows greater flexibility since the actual requirements are known into the future. Investments will still meet the adopted policies; however, planning maturity dates to match debt requirement dates will be the primary objective.

The investment instruments will be invested primarily in approved investment types with maturities at six (6) or twelve (12) months established to match debt requirement dates. Shorter-term investment may be used to meet these objectives and longer-term investments may be used when fund balance reserves exceed one year's debt service requirements.

To achieve this strategy the following objectives are prioritized to evaluate investment opportunities:

1) understanding the suitability of the investment to the financial requirements of the City of West University Place;

2) preservation and safety of principal;

3) yield;

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

5) diversification of the investment portfolio; and

6) liquidity.

INVESTMENT STRATEGIES (Continued)

Capital Improvement Funds:

Bond proceeds can be invested over the life of the project; however, the exact disbursement of the funds is not always known. The investment objective of the capital improvement funds is to schedule maturities to maximize investment earnings while preserving principle. The key to an effective strategy is to be aware of the project needs and match maturities to the period funds are needed.

The investment objective for capital projects funds is still to match investment maturities with funding needs. As short-term needs are recognized, investment maturities will be moved into approved investment pools to meet financial requirements. Longer-term needs will be invested with the following objectives as prioritized for capital improvement funds:

1) understanding the suitability of the investment to the financial requirements of the City of West University Place;

2) preservation and safety of principal;

3) diversification of the investment portfolio;

4) yield;

5) liquidity; and

6) marketability of the investment if the need arises to liquidate the investment before maturity.

INVESTMENT STRATEGIES(Continued)

Reserve Funds:

Certain reserve funds have been established as required by bond covenants. The investment objective is to invest reserve funds to the extent that maturities are established to the limit of the investment policy or to the end of the bond requirements whichever is shorter.

The overall investment strategy for reserve funds will not rely on investment pools; however, the use of pools is not prohibited. Longer-term investment objectives are prioritized as follows:

1) understanding the suitability of the investment to the financial requirements of the City of West University Place;

2) diversification of the investment portfolio;

3) preservation and safety of principal;

4) yield;

5) liquidity; and

6) marketability of the investment if the need arises to liquidate the investment before maturity.

INVESTMENT STRATEGIES (Continued)

Investment Pool:

The City's Investment Pool is an aggregation of the majority of City funds, which includes tax receipts, enterprise fund revenues, fine and fee revenues, and grants. This portfolio is maintained to meet anticipated daily cash needs for the City operations, capital projects and debt service.

1) understanding the suitability of the investment to the financial requirements of the City of West University Place;

2) diversification of the investment portfolio;

3) preservation and safety of principal;

4) yield;

5) liquidity; and

6) marketability of the investment if the need arises to liquidate the investment before maturity.

GLOSSARY

ACCRETION OF DISCOUNT: Periodic straight-line increases in the book or carrying value of a security so the amount of the purchase price discount below face value is completely eliminated by the time the bond matures or by the call date, if applicable.

ACCRUED INTEREST: The interest accumulated on a security from its issue date or since the last payment of interest up to but not including the purchase date. The purchaser of the security pays to the seller the market price plus accrued interest.

AMORTIZATION OF PREMIUM: Periodic straight-line decreases in the book or carrying value of a security so the premium paid for a bond above its face value or call price is completely eliminated.

ASK: The price at which securities are offered by sellers.

BARBELL MATURITY STRATEGY: A maturity pattern within a portfolio in which maturities of the assets in the portfolio are concentrated in both the short and long ends of the maturity spectrum.

BASIS POINT: One one-hundredth (1/100) of one percent; 0.0001 in decimal form.

BENCHMARK: A comparative base for performance evaluation. A benchmark can be a broad-based bond index, a customized bond index, or a specific objective.

BID: The price offered for securities by purchasers. (When selling securities, one asks for a bid.)

BOND EQUIVALENT YIELD: Used to compare yields available from discounted securities that pay interest at maturity with yields available from securities that pay interest semi-annually.

BOOK ENTRY SECURITIES: Stocks, bonds, other securities, and some certificates of deposit that are purchased, sold, and held as electronic computer entries on the records of a central holder. These securities are not available for purchase in physical form; buyers get a receipt or confirmation as evidence of ownership.

BOOK VALUE: The original cost of the security as adjusted for amortization of any premium paid or accretion of discount since the date of purchase.

BROKER: A party who brings buyers and sellers together. Brokers do not take ownership of the property being traded. They are compensated by commissions. They are not the same as dealers; however, the same firms that act as brokers in some transactions may act as dealers in other transactions.

CALLABLE BOND: A bond that the issuer has the right to redeem prior to maturity at a specified price. Some callable bonds may be redeemed on one call date while others may have multiple call dates. Some callable bonds may be redeemed at par while others can be redeemed only at a premium. Some callable bonds are step-up bonds that pay an initial coupon rate for the first period, and then the coupon rate increases for the following periods if the bonds are not called by the issuer.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination (over $100,000) CD's are typically negotiable.

CODE: The Internal Revenue Code of 1986, as amended.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATION (CMO): A type of mortgage-backed security created by dividing the rights to receive the principal and interest cash flows from an underlying pool of mortgages in separate classes or tiers.

COMMERCIAL PAPER: Short-term unsecured promissory notes issued by corporations for a maturity specified by the buyer. It is used primarily by corporations for short-term financing needs at a rate which is generally lower than the prime rate.

CONFIRMATION: The document used to state in writing the terms of the trade which had previously been agreed to verbally.

COUPON RATE: The stated annual rate of interest payable on a coupon bond expressed as a percentage of the bond's face value.

CREDIT RISK: The risk that (1) the issuer is downgraded to a lower quality category and/or (2) the issuer fails to make timely payments of interest or principal.

CUSIP NUMBER: A nine-digit number established by the Committee on Uniform Securities Identification Procedures that is used to identify publicly traded securities. Each publicly traded security receives a unique CUSIP number when the security is issued.

CUSTODY: The service of an organization, usually a financial institution, of holding (and reporting) a customer's securities for safekeeping. The financial institution is known as the custodian.

DEALER: A firm which buys and sells for its own account. Dealers have ownership, even if only for an instant, between a purchase from one party and a sale to another party.

They are compensated by the spread between the price they pay and the price they receive. Dealers are not the same as brokers; however, the same firms which act as dealers in some transactions may act as brokers in other transactions.

DELIVERY VERSUS PAYMENT (DVP): The safest method of settling a trade involving a book entry security. In a DVP settlement, the funds are wired from the buyer's account and the security is delivered from the seller's account in simultaneous, interdependent wires.

DEPOSITORY TRUST COMPANY (DTC): An organization that holds physical certificates for stocks and bonds and issues receipts to owners. Securities held by DTC are immobilized so that they can be traded on a book entry basis.

DERIVATIVE: A security that derives its value from an underlying asset, group of assets, reference rate, or an index value. Some derivatives can be highly volatile and result in a loss of principal in changing interest rate environments.

DISCOUNT: The amount by which the price paid for a security is less than its face value.

DISCOUNT SECURITIES: Securities that do not pay periodic interest. Investors earn the difference between the discount issue price and the full face value paid at maturity.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns, to reduce risk inherent in particular securities.

DURATION: A sophisticated measure of the weighted average maturity of a bond's cash flow stream, where the present values of the cash flows serve as the weights.

ECONOMIC CYCLE (BUSINESS CYCLE): As the economy moves through the business cycle, interest rates tend to follow the levels of production, output, and consumption - rising as the economy expands and moves out of recession and declining after the economy peaks, contracts, and heads once again into recession.

EFFECTIVE MATURITY: The average maturity of a bond, given the potential for early call. For a non-callable bond, the final maturity date serves as the effective maturity. For a callable bond, the effective maturity is bounded by the first call date and the final maturity date; the position within this continuum is a function of the call price, the current market price, and the reinvestment rate assumed.

FACE VALUE: The principal amount due and payable to a bondholder at maturity; par value. Also, the amount on which coupon interest is computed.

FAIL: The event of a securities purchase or sale transaction not settling as intended by the parties.

FAIR VALUE: The amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits.

FEDERAL FARM CREDIT BANKS (FFCB): A government-sponsored corporation that was created in 1916 and is a nationwide system of banks and associations providing mortgage loans, credit, and related services to farmers, rural homeowners, and agricultural and rural cooperatives. The banks and associations are cooperatively owned, directly or indirectly, by their respective borrowers. The Federal Farm Credit System is supervised by the Farm Credit Administration, an independent agency of the U.S. government. (See Government Sponsored Enterprise)

FEDERAL FUNDS: Monies within the Federal Reserve System representing a member bank's surplus reserve funds. Banks with excess funds may sell their surplus to other banks whose funds are below required reserve levels. Normally, Federal funds are employed in settling all government securities transactions. The Federal Funds Rate is the rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government-sponsored wholesale banks (currently twelve regional banks) which lend funds and provide correspondent banking services to member commercial bank, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank. (See Government Sponsored Enterprises)

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or "Freddie Mac"): A government-sponsored corporation that was created in July 1970, by the enactment of Title III of the Emergency Home Finance Act of 1970. Freddie Mac was established to help maintain the availability of mortgage credit for residential housing, primarily through developing and maintaining an active, nationwide secondary market in conventional residential mortgages. (See Government Sponsored Enterprises)

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA or Fannie Mae): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae is a private stockholder-owned corporation. FNMA securities are highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest. (See Government Sponsored Enterprises)

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank presidents. The president of the New York Federal Reserve Bank is a permanent member while the other presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of government securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., twelve regional banks and about 5700 commercial banks that are members of the system.

FIXED-INCOME SECURITY: A financial instrument promising a fixed amount of periodic income over a specified future time span.

GOVERNMENT-SPONSORED ENTERPRISES (GSE's): Payment of principal and interest on securities issued by these corporations is not guaranteed explicitly by the U.S. government, however, most investors consider these securities to carry an implicit U.S. government guarantee. The debt is fully guaranteed by the issuing corporations. GSE's include: Farm Credit System, Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association.

INSTRUMENTALITIES: See Government-Sponsored Enterprises

INTEREST RATE RISK: The risk that the general level of interest rates will change, causing unexpected price appreciations or depreciations.

LADDERED MATURITY STRATEGY: A maturity pattern within a portfolio in which maturities of the assets in the portfolio are equally spaced. Over time, the shortening of the remaining lives of the assets provides a steady source of liquidity or cash flow. Given a normal yield curve with a positive slope this passive strategy provides the benefit of being able to take advantage of the higher, longer-term yields without sacrificing safety or liquidity.

LIQUIDITY: An entity's capacity to meet future monetary outflows (whether they are required or optional) from available resources. Liquidity is often obtained from reductions of cash or by converting assets into cash.

LIQUIDITY RISK: The risk that an investment will be difficult to sell at a fair market price in a timely fashion.

MARKET RISK: The risk that the value of a security will rise or decline as a result of changes in market conditions. It is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification; also known as systematic risk.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MARKING-TO-MARKET: The practice of valuing a security or portfolio according to its market value, rather than its cost or book value.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer to liquidate the underlying securities in the event of default by the seller.

MATURITY DATE: The date on which the principal or face value of an investment becomes due and payable.

MONEY MARKET INSTRUMENT: Generally, a short-term debt instrument that is purchased from a broker, dealer, or bank. Sometimes the term "money market" with "short-term", defines an instrument with no more than 12 months remaining from the purchase date until the maturity date. Sometimes the term "money market" is used more restrictively to mean only those instruments that have active secondary markets.

MORTGAGE-BACKED SECURITIES (MBS): Securities composed of, or collateralized by, loans that are themselves collateralized by liens on real property.

OFFER: The price asked by a seller of securities. (When purchasing securities, one asks for an offer.)

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

OPPORTUNITY COST: The cost of pursuing one course of action measured in terms of the foregone return that could have been earned on an alternative course of action that was not undertaken.

PAR: See Face Value

PFIA OR ACT: The Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended.

POOLED FUND GROUP: An internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested (as defined by the Public Funds Investment Act).

PREMIUM: The amount by which the price paid for a security exceeds its face value.

PRIMARY DEALER: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRINCIPAL: The face or par value of an instrument, exclusive of accrued interest.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED REPRESENTATIVE: A person who holds a position with - and is authorized to act on behalf of - a business organization (as defined by the Public Funds Investment Act).

RATE OF RETURN: The amount of income received from an investment, expressed as a percentage. A market rate of return is the yield that an investor can expect to receive in the current interest-rate environment utilizing a buy-and-hold to maturity investment strategy.

REINVESTMENT RATE: The interest rate earned on the reinvestment of coupon payments.

REINVESTMENT RATE RISK: The risk that the actual reinvestment rate falls short of the expected or assumed reinvestment rate.

REPURCHASE AGREEMENT (RP or REPO): An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price on demand or at a specified later date. The difference between the selling price and the repurchase price provides the interest income to the party that provided the funds. Every transaction where a security is sold under an agreement to be repurchased is a repo from the seller/borrower's point of view and a reverse repo from the buyer/lender's point of view.

REVERSE REPURCHASE AGREEMENT: (See Repurchase Agreement)

SAFEKEEPING: A procedure where securities are held by a third party acting as custodian for a fee.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES AND EXCHANGE COMMISSION (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SECURITIES LENDING: The temporary transfer of securities by one party, the lender, to another, the borrower. The securities borrower is required to provide acceptable assets as collateral to the securities lender in the form of cash or other securities. If the borrower provides securities as collateral to the lender, it pays a fee to borrow the lent securities. If it provides cash as collateral, the lender pays interest to the borrower and reinvests the cash at a higher rate.

SEC RULE 15C3-1: See Uniform Net Capital Rule

STRUCTURED NOTES: Debt obligations whose principal or interest payments are determined by an index or formula.

SEPARATELY INVESTED ASSET: An account or fund of a state agency or local government that is not invested in a pooled fund group (as defined by the Public Funds Investment Act).

SPREAD: Most commonly used when referring to the difference between the bid and asked prices in a quote. Additionally, it may also refer to additional basis points that a non-Treasury security earns over and above a Treasury with a comparable maturity date.

STRIPS: Separation of the principal and interest cash flows due from any interest-bearing securities into different financial instruments. Each coupon payment is separated from the underlying investment to create a separate security. Each individual cash flow is sold at a discount. The amount of the discount and the time until the cash flow is paid determine the investor's return.

SWAP: The trading of one asset for another. Sometimes used in active portfolio management to increase investment returns by "swapping" one type of security for another.

TOTAL RETURN: Interest income plus capital gains (or minus losses) on an investment.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury, generally having initial maturities of 3 months, 6 months, or 1 year.

TREASURY BONDS: Long-term, coupon bearing U.S. Treasury securities having initial maturities of more than 10 years.

TREASURY NOTES: Intermediate-term, coupon bearing U.S. Treasury securities having initial maturities of 2 - 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called *net capital rule* and *net capital ratio*. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD TO MATURITY (YTM): The promised return assuming all interest and principal payments are made and reinvested at the same rate taking into account price appreciation (if priced below par) or depreciation (if priced above par).

AGENDA MEMO

Business of the City Council
City of West University Place, Texas

Meeting Date	10.05.2020	**Agenda Item**	12A
Approved by City Manager	N/A	**Presenter(s)**	T. Gilliam, City Secretary
Reviewed by City Attorney	N/A	**Department**	Administration
Subject	City Council Meeting Minutes		
Attachments	Minutes		
Financial Information	Expenditure Required:		N/A
	Amount Budgeted:		N/A
	Account Number:		N/A
	Additional Appropriation Required:		N/A
	Additional Account Number:		N/A

Executive Summary

The Minutes of the City Council Meeting Minutes of September 28, 2020.

Recommended Action

Staff recommends approval of the attached Minutes.

The City of West University Place

A Neighborhood City

CITY COUNCIL
Bob Higley, Mayor
Kevin Trautner, Mayor Pro Tem
John P. Barnes, Councilmember
Lauri Lankford, Councilmember
Ed Sobash, Councilmember

STAFF
David J. Beach, City Manager
Alan Petrov, City Attorney
Thelma Gilliam, City Secretary

CITY COUNCIL MINUTES

The City Council of the City of West University Place, Texas, **met via audio/video conferencing** in a regular session on **Monday, September 28, 2020**, at **6:30 p.m.** due to social distancing guidelines suggested by the CDC in light of the Novel Coronavirus (COVID 19).

Agenda items were as follows:

1. Call Meeting to Order (Remotely)
Mayor Higley called the Regular Meeting to order at 6:30 p.m.

2. Roll Call
Mayor Pro Tem Trautner, Councilmembers Barnes, Lankford and Sobash, and City Attorney Petrov were in attendance remotely.

Staff attending via video/teleconference from the Council Chambers: City Manager Beach, City Secretary Gilliam, Police Chief Walker, Finance Director DuBose, Public Works Director Barrera, Assistant to the City Manager Thompson, HR Director Urban, and Fire Chief Taylor.

Staff attending remotely: Interim IT Director McFarland.

Non-staff attending remotely: Mark Merrell, McFarland LLP.

3. Pledge of Allegiance
Former Councilmember Dick Yehle led the Pledge.

4. Public Comments
This is an opportunity for citizens to speak to the Council relating to agenda and non-agenda items.

The following comments were made from the public:

Dick Yehle, 6401 Rutgers, spoke regarding the idea of changing the regular council meeting start time from 6:30 p.m. to an earlier time. He said he can see how it would be attractive to this council and staff (due to COVID), but the timing should be when most people in the community can attend. He said he thinks it is better to leave it at 6:30 p.m. and requested that Council not change it.

Eddie Matthews, 5906 Fordham, spoke on the budget and tax rate. Regarding the tax rate, he said in the memo and throughout the proposed ordinance reference is made to the 2020 tax rate and he thinks it should be the 2021 tax rate. City Manager Beach responded to Mr. Matthews and said it is correct as stated in the documents because the tax year is one year behind the budget.

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Mr. Matthews said in terms of the budget, it has to be approved within 30 days of being filed with the City Secretary. He asked if the City is approving the proposed budget within the statutory timeframe, because it was filed on August 28th so 30 days thereafter would be September 27th. City Attorney Petrov said even if the budget was filed on the 27th, with the 27th being a Sunday it would roll over to the following Monday for action. Mr. Matthews disagreed.

5. <u>COVID-19 Update</u>

Matters related to COVID-19. *Recommended Action: Discuss and take any desired action.* ***Mr. Aaron Taylor, Fire Chief and Emergency Management Coordinator***

Chief Taylor reported:

- The positivity rate statewide and regionally have continued to decline. He said Texas is now at 6.15 percent and last week it was reported at 6.41 percent.
- As the result of an apparent backlog (a couple of months), the numbers received from Harris County Public Health shows a significant increase. He said last week showed 53 confirmed cases in all of West U and now it shows 127 confirmed cases. He said the backlogged data did not only effect West U numbers but those of other cities, the county and the Texas Medical Center.
- Of the 127 confirmed cases in West U, 114 have recovered, 13 are active and there were 0 deaths.

Mayor Higley said that he has heard that there is a formula that would dictate whether an emergency status is still necessary and asked Chief Taylor if he is aware of the formula and if the City could use it to indicate whether the City still needs to be in a state of emergency. Chief Taylor said he is not aware of a formula, but from his perspective the emergency status is tied to reimbursement dollars so as long as the City is recurring costs related to COVID-19 it is his recommendation to continue the emergency declaration.

6. <u>Adoption of the 2021 Budget</u>

Matters related to an ordinance adopting the budget for the fiscal year beginning January 1, 2021 and ending December 31, 2021 appropriating funds for such budget; containing findings and provisions relating to the subject. *Recommended Action:* ***Two separate votes*** *– (1) Approve the ordinance adopting the 2021 Budget on first and final reading and (2) ratify the property tax increase reflected in the budget.* ***Ms. Katherine DuBose, Finance Director.***

Mayor Higley asked the City Manager to provide the status of the City's General Fund, Wastewater Fund, and the Solid Waste Fund. He said he would also like to know what the City's reserves are and the requirement for having them.

City Manager Beach said the reserve for the General Fund is based on 20 percent of budgeted revenues, which would be approximately $4.2 million. He said for the Water and Sewer Fund it is 10 percent of budgeted revenue, which is approximately $837,000 and that the Solid Waste Fund is 10 percent of budgeted revenue, which is approximately $180,000. Mayor Higley confirmed with City Manager Beach that reserves are required for the City's status as an AAA borrower and to meet projected expenditures for improvements for budgetary items.

Councilmember Sobash moved to adopt an ordinance on first and final reading approving and adopting the Budget for the fiscal year beginning January 1, 2021 and ending December 31, 2021. Councilmember Barnes seconded the motion. **MOTION PASSED.**

Ayes: Higley, Trautner, Barnes, Lankford, Sobash

Noes: None
Absent: None

Councilmember Sobash moved to ratify the property tax increase reflected in the Budget. Councilmember Lankford seconded the motion. **MOTION PASSED.**

Ayes: Higley, Trautner, Barnes, Lankford, Sobash
Noes: None
Absent: None

7. Adoption of the 2020 Tax Rate

Matters related to an ordinance approving and adopting the 2020 tax rate. *Recommended Action: Move that the property tax rate be decreased by the adoption of a tax rate of $0.294066, which is effectively a 2.93 percent decrease in the tax rate and approve the ordinance adopting the 2020 tax rate on first and final reading.* ***Ms. Katherine DuBose, Finance Director.***

Councilmember Sobash moved that the property tax rate be decreased by the adoption of a tax rate of $0.294066, which is effectively a 2.93 percent decrease in the tax rate and approve the ordinance adopting the 2020 tax rate on first and final reading. Mayor Pro Tem Trautner seconded the motion. **MOTION PASSED.**

Ayes: Higley, Trautner, Barnes, Lankford, Sobash
Noes: None
Absent: None

8. Adoption of the 2021 Fee Schedule

Matters related to an ordinance adopting the City's 2021 Fee Schedule. *Recommended Action: Approve ordinance adopting the City's 2021 Fee Schedule on the first of two readings.* ***Mr. Dave Beach, City Manager and Ms. Katherine DuBose, Finance Director.***

Councilmember Lankford moved to approve the City's 2021 Fee Schedule on the first of two readings. Councilmember Barnes seconded the motion. **MOTION PASSED.**

Ayes: Higley, Trautner, Barnes, Lankford, Sobash
Noes: None
Absent: None

9. Appointment of an IT Director

Matters related to the appointment of an IT Director. *Recommended Action: Approve the city manager's appointment of Kevin Davenport as the IT Director.*

Councilmember Barnes moved to approve the City Manager's appointment of Kevin Davenport as the City's IT Director. Mayor Pro Tem Trautner seconded the motion. **MOTION PASSED.**

Ayes: Higley, Trautner, Barnes, Lankford, Sobash
Noes: None
Absent: None

10. Change in Start Time for Regular City Council Meetings

Matters related to changing the start time for regular City Council meetings. *Recommended Action: Discuss and take any desired action.* ***Mr. Dave Beach, City Manager***

Mayor Higley said he added this topic to the agenda to see if there would be any interest. Not hearing any interest, compounded with the compelling remarks made by former Councilmember Dick Yehle, he

suggested that Council move on from this topic and not take any action. Council was in agreement so no action was taken.

11. Agreement for Special Legal Services

Matters related to authorizing the City Manager to enter into a legal services agreement for services related to the acquisition of the easement at W. Holcombe Boulevard and Buffalo Speedway. *Recommended Action: Authorize the City Manager to enter into an agreement with McFarland PLLC and begin easement acquisition proceedings, including condemnation proceedings, as necessary.* ***Mr. Dave Beach, City Manager***

Councilmember Lankford inquired about the fees. She said it doesn't seem that the Engagement Letter gives the City room to question the amount of billable hours.

Mr. Merrill with McFarland, LLP, said he understands the concern but his firm has no interest in overbilling the City and has never been accused of doing so. Mr. Merrill said he is more than happy to speak with Council about the condemnation process and what fees can be expected. He said condemnation proceedings can be an expensive process and advises that the City have discussions on the frontend.

In response to Mayor Higley's question as to how much it will cost, Mr. Merrill said it depends because like any litigation condemnation cases get resolved at various stages of the process.

Mayor Pro Tem Trautner asked would the current rates carry through next year if the case goes on that long and Mr. Merrill replied yes.

Mayor Pro Tem Trautner said he feels the rates are fair enough and doesn't think it's appropriate to put a cap on something like this and would be in favor of approving this if there is a consensus.

Councilmember Sobash asked if there is any guidance on how long he thinks this process will run. Mr. Merrill said his guess is about 3 or 4 months depending on some contingencies for when the court will appoint commissioners and when hearings can be scheduled.

Mayor Pro Tem Trautner moved to approve engaging Mark Merrill and his firm as proposed in the Engagement Letter with McFarland condemnation attorneys. Councilmember Barnes seconded the motion. **MOTION PASSED.**

Ayes:	Higley, Trautner, Barnes, Lankford, Sobash
Noes:	None
Absent:	None

12. Consent Agenda

All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member requests in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

A. City Council Minutes

Approve the Minutes of the Budget Workshop of September 8, 2020, the City Council Meeting Minutes of September 14, 2020 and the Special Meeting of September 21, 2020. *Recommended Action: Approve Minutes of August 24, 2020.* ***Ms. Thelma Gilliam, City Secretary***

B. Memorandum of Understanding with City of Houston for Buffalo Speedway

Matters related to an MOU for construction of drainage and roadway in City of Houston city limits. *Recommended Action: Approve MOU.* ***Mr. Gerardo Barrera, Public Works Director***

Councilmember Lankford requested removal of Item B for discussion and moved to approve all the Minutes in Item A with a few minor corrections that were provided to the City Secretary before the meeting. Councilmember Barnes seconded the motion. **MOTION PASSED.**

Ayes: Higley, Trautner, Barnes, Lankford, Sobash
Noes: None
Absent: None

Councilmember Lankford said she thinks the MOU needs to specify that the City wants the City of Houston to provide unlimited access to City of Houston property for this project. After discussion, it was confirmed by City Attorney Petrov that the MOU is just a "feel good" document for TxDOT. He said it is not so much an enforceable agreement as it is more of a document acknowledging that the entities are aware of, and onboard with, the project. In addition, City Manager Beach pointed out that revisions would mean having to go back to the City of Houston and TxDOT to open up renegotiations to discuss a document that essentially is not a legal contract.

With no further discussion, Councilmember Sobash moved to accept the Memorandum of Understanding with the City of Houston for the Buffalo Speedway project. Councilmember Barnes seconded the motion. **MOTION PASSED.**

Ayes: Higley, Trautner, Barnes, Lankford, Sobash
Noes: None
Absent: None

13. <u>Adjourn Meeting</u>

With no other matter before the council, the meeting will adjourn.

Councilmember Sobash moved to adjourn the regular meeting at approximately 7:30 p.m. Mayor Pro Tem Trautner seconded the motion. **MOTION PASSED.**

Ayes: Higley, Trautner, Barnes, Lankford, Sobash
Noes: None
Absent: None

Audio of this Council Meeting is available in its entirety on the City's website. You can also contact the City Secretary's office for a copy of the audio and/or for copies of any presentations/handouts.

Prepared by: City Secretary Thelma A. Gilliam

Approved by City Council on:

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AGENDA MEMO

Business of the City Council
City of West University Place, Texas

Meeting Date	10.05.2020	**Agenda Item**	12B
Approved by City Manager	Yes	**Presenter(s)**	K. DuBose, Director
Reviewed by City Attorney	N/A	**Department**	Finance
Subject	Adoption of the 2021 Fee Schedule		
Attachments	1. Proposed Ordinance 2. Redline Proposed 2021 Fee Schedule – Appendix A		
Financial Information	Expenditure Required:	N/A	
	Amount Budgeted:	N/A	
	Account Number:	N/A	
	Additional Appropriation Required:	N/A	
	Additional Account Number:	N/A	

Executive Summary

As part of the annual budget process, City staff reviews all fees and rates charged for city-provided services to ensure that the fees are sufficient to cover the cost to provide those services. All fee schedules, user charges, and charges for utility services are reviewed and adjusted to ensure that rates are both equitable and sufficient to cover the cost of provided service as deemed appropriate by Council.

As a result of Council and staff discussions regarding fees at the Budget Workshop held on Tuesday, September 12, 2020, and after being approved on first reading at the September 28, 2020 Council meeting, staff is proposing that the ordinance revising the City's current fee schedule (see Appendix A to the proposed ordinance) be adopted.

Recommended Action

Staff recommends that Council adopt the ordinance adopting the 2021 Fee Schedule on the second and final reading.

City of West University Place
Harris County, Texas

ORDINANCE NO. XXXX

AN ORDINANCE AMENDING THE FEE SCHEDULE OF THE CODE OF ORDINANCES OF THE CITY OF WEST UNIVERSITY PLACE, TEXAS; AND CONTAINING FINDINGS AND PROVISIONS RELATING TO THE SUBJECT.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WEST UNIVERSITY PLACE, TEXAS, THAT:

Section 1. The Fees & Charges Schedule of the Code of Ordinances of the City of West University Place, Texas is hereby amended to read in its entirety as set out in Appendix A, which is attached and made a part of this ordinance.

Section 2. This Ordinance applies from and after the Effective Date. New or changed water rates and charges shall apply to each billing period beginning upon the approval of this ordinance. For prior billing periods, the fees and charges in effect immediately before the Effective Date ("Prior Fees") shall govern. The Prior Fees are continued in effect for this purpose.

Section 3. All ordinances and parts of ordinances in conflict with this Ordinance are repealed to the extent of the conflict only.

Section 4. If any word, phrase, clause, sentence, paragraph, section or other part of this Ordinance or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, neither the remainder of this Ordinance, nor the application of such word, phrase, clause, sentence, paragraph, section or other part of this Ordinance to any other persons or circumstances, shall be affected thereby.

Section 5. The City Council officially finds, determines and declares that a sufficient written notice of the date, hour, place and subject of each meeting at which this Ordinance was discussed, considered or acted upon was given in the manner required by the Texas Open Meetings Act, as amended, and that each such meeting has been open to the public as required by law at all times during such discussion, consideration and action. The City Council ratifies, approves and confirms such notices and the contents and posting thereof.

Section 6. This Ordinance shall take effect of January 1, 2021 ("Effective Date") unless otherwise noted.

PASSED, APPROVED and ADOPTED on first reading on _____.

PASSED, APPROVED and ADOPTED on second reading AND SIGNED on __ _____.

(Seal)

Attest:_____
City Secretary

Signed:_____
Mayor

Recommended:_____
City Manager

Reviewed:_____
City Attorney

Appendi

Redline Proposed 2021 Fee Schedule

Fees & Charges Schedule

F.001 Administration
F.002 Ambulance Service
F.003 Animals
F.004 Building
F.005 Building and Standards Commission
F.006 Electrical Work
F.007 Garbage Service
F.008 Health
F.009 Heating, Ventilation and Air Conditioning
F.010 Liquor Licenses and Permits
F.011 Municipal Court
F.012 Parabolic Dish Antenna
F.013 Parks and Recreation
F.014 Removal/Trimming Fee
F.015 Plumbing and Gas
F.016 Sexually Oriented Businesses and Adult Arcades
F.017 Signs
F.018 [Reserved]
F.019 Trees
F.020 Water and Sewer Service
F.021 Zoning and Planning Commission
F.022 Zoning Board of Adjustment
F.023 Public Safety

F.001	**ADMINISTRATION**					
				FY 2020	**FY 2021**	
	Motor vehicle decal charges			$ 1.00	$ 1.00	
	Commercial impact zone permit fee			$ 10.00	$ 10.00	For first motor vehicle and $5 per motor vehicle thereafter
	Returned check (or ACH payment) fee			$ 35.00	$ 35.00	Also applies to payments returned by automated or electronic payment systems (ACH). Applies to payments of all kind, e.g., taxes, permits, fees, charges, utility rates and all other purposes.
	Lien release fee			$ 25.00	$ 25.00	
	Acquiescence to encroachment fee			$ 100.00	$ 100.00	
	Municipal Setting Designation Processing Fee			$ 500.00	$ 500.00	
	Alcohol Variance Request			$ 250.00	$ 250.00	
	Special events fee					Actual cost
	Use of City-owned photocopier			$ 0.10	$ 0.10	Per copy
	Convenience fee for on-line transactions			2.75% of total transaction amount	2.75% of total transaction amount	
	GEOGRAPHIC INFORMATION SYSTEM					
	Standard map - 8 1/2" x 11" color			$ 0.75	$ 0.75	
	Standard map - 11" x 17" color			$ 1.00	$ 1.00	
	Standard map - 24" x 36" color			$ 15.00	$ 15.00	
	Standard map - 36" x 48" color			$ 17.50	$ 17.50	
	Standard map - 42" x 52" color			$ 20.00	$ 20.00	
	Custom map - same as above + hourly labor charges			$ 20.00	$ 20.00	

F.002	**AMBULANCE SERVICE**					
	Commercial/Auto/Individuals Base Rates			**Commercial/Individual**		**Notes**
		FY 2020	**FY 2020**	**FY 2020**	**FY 2021**	
	BLS Emergency A0429	$ 758.60	$ 758.60	$ 844.60	$ 844.60	
	BLS Non-emergency A0428	$ 736.45	$ 736.45	$ 820.91	$ 820.91	
	ALS-1 Non-emerg. A0426	$ 870.35	$ 870.35	$ 970.26	$ 970.26	
	ALS-1 Emergency A0427	$ 895.59	$ 895.59	$ 999.10	$ 999.10	
	ALS-2 A0433	$ 1,033.61	$ 1,033.61	$ 1,153.09	$ 1,153.09	
	Ground Mileage A0425	$ 14.43	$ 14.43	$ 15.39	$ 15.39	
	Decontamination			$ 75.00	$ 157.50	
	Extra Attendant		$ 75.00	$ 75.00	$ 75.00	
	Bariatric			$ 75.00	$ 75.00	

	Procedures			Commercial/Individual		
		FY 2020	FY 2020	FY 2020	FY 2021	
	BLS AED			$ 219.00	$ 219.00	
	ALS AED			$ 219.00	$ 219.00	
	Capnography			$ 45.00	$ 45.00	
	Cardiac/EKG Monitoring			$ 195.54	$ 195.54	
	Chest Decompression			$ 250.00	$ 250.00	
	CPAP			$ 100.94	$ 100.94	
	CPR			$ 150.00	$ 150.00	
	Defib/Pacing			$ 250.00	$ 250.00	
	Extrication			$ 180.00	$ 180.00	
	Glucometer			$ 45.00	$ 45.00	
	Immobilization (backboard, combicarrier or scoop)			$ 45.00	$ 45.00	
	Intubation (ET/EOA)			$ 45.00	$ 45.00	
	K.E.D.			$ 45.00	$ 45.00	
	Nebulizer Treatment			$ 25.00	$ 25.00	
	OB Delivery			$ 75.00	$ 75.00	
	Oxygen Administration			$ 45.00	$ 45.00	
	Pulse Oximeter			$ 10.00	$ 10.00	
	Restraint			$ 45.00	$ 45.00	
	Splinting			$ 75.00	$ 75.00	
	Suction			$ 45.00	$ 45.00	
	Traction Splint			$ 67.50	$ 67.50	
	Tracheotomy Procedure			$ 295.00	$ 295.00	
	Medical Supply			Commercial/Individual		
		FY 2020	FY 2020	FY 2020	FY 2021	
	Adhesive Tape			$ 5.00	$ 5.00	
	Bandages			$ 21.22	$ 21.22	
	Betadine Swab			$ 2.50	$ 2.50	
	Blanket - disposable			$ 28.33	$ 28.33	
	Bulb Syringe			$ 5.00	$ 5.00	
	Burn Sheet			$ 36.55	$ 36.55	
	Cervical Collar			$ 53.25	$ 53.25	
	Chest Decompression Kit			$ 120.00	$ 120.00	
	Chest Seal (Disposable)			$ 27.00	$ 27.00	
	Cold Pack			$ 5.00	$ 5.00	
	Combat Tourniquet			$ 55.41	$ 55.41	
	Convenience Bag			$ 5.00	$ 5.00	
	Defib/Pacing Pads - Adult			$ 85.00	$ 85.00	
	Defib/Pacing Pads - Pedi			$ 98.00	$ 98.00	
	Disp. Head Immobilizer			$ 65.00	$ 65.00	
	EKG Electrodes - 3 Lead			$ 33.00	$ 33.00	
	EKG Electrodes - 12 Lead			$ 132.00	$ 132.00	
	Eye Wash			$ 15.00	$ 15.00	
	Gauze Pad 4x4			$ 5.00	$ 5.00	
	Gauze pad 5x9			$ 10.00	$ 10.00	
	Gloves - Pair			$ 5.00	$ 5.00	
	Glucose Strip			$ 10.00	$ 10.00	
	Hot Pack			$ 2.50	$ 2.50	
	Isolation/Infection Control Kit			$ 58.35	$ 58.35	
	Kerflix Soft Roll Gauze			$ 5.00	$ 5.00	
	KY Jelly			$ 5.00	$ 5.00	
	Linen (Disposable)			$ 8.50	$ 10.00	
	OB Kit			$ 45.00	$ 45.00	
	Padded Board Splint			$ 36.00	$ 36.00	
	Petroleum/Vaseline Gauze			$ 2.50	$ 2.50	
	Pillow - disposable			$ 20.00	$ 20.00	
	Quick Clot			$ 55.00	$ 55.00	
	Roller Gauze 4'			$ 5.00	$ 5.00	
	Silver Rescue Blanket			$ 27.50	$ 27.50	
	Silver Swaddler			$ 27.50	$ 27.50	

	Splint (SAM)			$ 25.00	$ 25.00	
	Sterile Water/Saline			$ 5.00	$ 5.00	
	Thermometer Cover			$ 5.00	$ 5.00	
	Trauma Dressing (Multi)			$ 15.00	$ 15.00	
	Triangle Bandage			$ 5.00	$ 5.00	
	Oxygen Supply			**Commercial/Individual**		
		FY 2020	**FY 2020**	**FY 2020**	**FY 2021**	
	Oxygen USP			$ 90.18	$ 90.18	
	Aerosol Mask			$ 10.00	$ 10.00	
	CO2 Detector			$ 25.00	$ 25.00	
	Humidifier			$ 10.00	$ 10.00	
	Nasal Cannula			$ 5.00	$ 5.00	
	Non-Rebreather Mask			$ 10.00	$ 10.00	
	Airway Supply			**Commercial/Individual**		
		FY 2020	**FY 2020**	**FY 2020**	**FY 2021**	
	Adult BVM			$ 40.00	$ 40.00	
	Child BVM			$ 40.00	$ 40.00	
	CO2 Sampling Line			$ 24.00	$ 24.00	
	CPAP Mask/Tubing			$ 124.29	$ 124.29	
	Endotracheal Inducer (Bougie)			$ 12.84	$ 12.84	
	Disposable SPO2 Sensor			$ 43.32	$ 43.32	
	Endotracheal Tube (ET)			$ 25.00	$ 25.00	
	Endotracheal Tube Holders			$ 10.00	$ 10.00	
	ETCO2 Sensor			$ 23.50	$ 23.50	
	FilterLine H Set			$ 59.70	$ 59.70	
	Infant BVM			$ 40.00	$ 40.00	
	IGel			$ 90.00	$ 90.00	
	King Vision Blade			$ 49.00	$ 49.00	
	Laryngoscope Blade Disposable			$ 25.00	$ 25.00	
	MucosalAirwayDevice(MAD)			$ 17.48	$ 17.48	
	Magill Forceps			$ 10.00	$ 10.00	
	Oral Airway			$ 10.00	$ 10.00	
	PNEUPAC Vent Circuit			$ 44.00	$ 100.00	
	Suction Cannister			$ 20.00	$ 20.00	
	Suction Catheter (Yankuer)			$ 10.00	$ 10.00	
	Suction Cath. (Looped)			$ 5.00	$ 5.00	
	Suction Tubing			$ 5.00	$ 5.00	
	IV Supply			**Commercial/Individual**		
		FY 2020	**FY 2020**	**FY 2020**	**FY 2021**	
	Angio Catheter (14G-22G)			$ 10.00	$ 10.00	
	Buretrol Volume (Pedi)			$ 31.84	$ 31.84	
	Drip Multi (10,150,60)			$ 20.00	$ 20.00	
	EZIO Needle			$ 205.00	$ 205.00	
	IO Needle			$ 211.15	$ 211.15	
	Needles (18G-22G)			$ 5.00	$ 5.00	
	Saline Flush			$ 10.00	$ 10.00	
	Saline Lock			$ 10.00	$ 10.00	
	Starter Kit IV			$ 45.00	$ 45.00	
	Syringe 1cc			$ 2.50	$ 2.50	
	Syringe 3cc			$ 5.00	$ 5.00	
	Syringe 5cc			$ 7.50	$ 7.50	
	Syringe 10cc			$ 10.00	$ 10.00	
	Syringe 30cc			$ 15.00	$ 15.00	
	Syringe 60cc			$ 20.00	$ 20.00	
	Fluids			**Commercial/Individual**		
		FY 2020	**FY 2020**	**FY 2020**	**FY 2021**	
	Normal Saline 1000			$ 42.58	$ 42.58	
	Normal Saline 500			$ 39.48	$ 39.48	
	Normal Saline 250			$ 19.73	$ 19.73	
	Normal Saline 100			$ 19.73	$ 19.73	

	Drugs			Commercial/Individual		
		FY 2020	FY 2020	FY 2020	FY 2021	
	Acetaminophen/Tylenol			$ 2.50	$ 2.50	
	Adenocard/Adenoside			$ 177.00	$ 177.00	
	Albuterol /Proventil			$ 14.42	$ 14.42	
	Amiodarone/Cordarone			$ 52.00	$ 67.00	
	Ammonia Inhalant			$ 2.50	$ 2.50	
	Aspirin/ASA 81mg			$ 2.50	$ 2.50	
	Atropine			$ 40.00	$ 40.00	
	Atrovent/Ipratropium			$ 14.42	$ 14.42	
	Benadryl/Diphenhydramine			$ 6.70	$ 10.50	
	Calcium Chloride/CaC1			$ 30.00	$ 35.00	
	Cardizem/Diltiazem			$ 74.16	$ 74.16	
	Cyanokit/Cyanide Antidote			$ 1,850.00	$ 1,850.00	
	Dextrose 25%			$ 35.86	$ 35.86	
	Dextrose 50%			$ 71.74	$ 71.74	
	EPI 1:1000			$ 44.00	$ 44.00	
	EPI 1:10000			$ 18.00	$ 18.50	
	Fentanyl/Sublimaze			$ 10.82	$ 13.50	
	Glucagon/Glucagen			$ 585.70	$ 585.70	
	Glucagon/Glucagen Oral			$ 11.00	$ 11.00	
	Haldol/Haloperidol			$ 30.00	$ 30.00	
	Ketalar/Ketamine			$ 32.00	$ 45.00	
	Labetalol/Normodyne			$ 40.00	$ 40.00	
	Lidocaine/Xylocaine 2% 100mg			$ 20.00	$ 30.00	
	Magnesium Sulfate			$ 10.00	$ 22.50	
	Naloxone/Narcan			$ 81.43	$ 87.50	
	NTG/Nitroglycerine spray			$ 35.41	$ 35.41	
	NTG/Nitroglycerine tab			$ 18.00	$ 18.00	
	Sodium Bicarbonate 8.4% Adult			$ 33.27	$ 35.00	
	Solumedrol			$ 29.00	$ 125.00	
	Thiamine/B-1			$ 45.84	$ 45.84	
	Versed/Midazolam			$ 25.00	$ 38.50	
	Zofran/Ondansetron			$ 10.00	$ 10.00	
	Exceptions: (1) Amounts billed to other governmental units are determined by the applicable contracts or arrangements with those units. (2) The City may accept assignment of Medicare and Medicaid claims or payments, in which case, the amount payable is determined by the appropriate regulations. Such amount shall control over the charges set out above, in case of any difference.					
F.003	**ANIMALS**					
				FY 2020	FY 2021	
	Original registration of dogs and cats			$ 20.00	$ 20.00	*Exception* : $15 for owners over 65 years of age.
	Annual dangerous dog registration			$ 250.00	$ 250.00	(fee is in addition to the above registration fees)
	First violation and impoundment fee			$ 50.00	$ 50.00	$100 if animal is: (i) not registered or (ii) a dangerous dog
	Second violation and impoundment fee			$ 75.00	$ 75.00	$150 if animal is: (i) not registered or (ii) a dangerous dog
	Third and all successive violations and impoundment fees			$ 100.00	$ 100.00	$200 if animal is: (i) not registered or (ii) a dangerous dog
	Daily kennel fees			$ 20.00	$ 20.00	
	Note : All original registration fees shown, with the exception of the dangerous dog fee, are one-time fees that register the animal for life.					
F.004	**BUILDING**					
				FY 2020	FY 2021	
	Annual contractor registration fee			$ 100.00	$ 100.00	
	Permit application fee			$ 50.00	$ 50.00	In addition to applicable plan checking or permit fee
	Plan checking fee (applies to all plan submissions, unless otherwise specifically indicated; payable in addition to permit fee)			50% of the corresponding permit fee	50% of the corresponding permit fee	Plan checking fee must be paid each time plans are submitted or re-submitted. *Exception:* The building official may reduce the re-submission fee if the time required to check the re-submission is materially lower than original submission; $25.00 minimum
	Drainage plan review fees			$ 25.00	$ 50.00	
	New construction permit fee (Single family residential)			$0.60 per square foot	$0.60 per square foot	

	New construction permit fee (Other)			$0.60 per square foot	$0.60 per square foot	
	Remodeling and repair permit fee (Single family residential)			$0.60 per square foot (area remodeled)	$0.60 per square foot (area remodeled)	
	Remodeling and repair permit fee (Other)			$0.60 per square foot (area remodeled)	$0.60 per square foot (area remodeled)	
	Fence or wall permit fee			See Note	See Note	$ 0.85 per linear foot; $30.00 min.
	Driveway permit fee			$ 80.00	$ 80.00	Includes entrance ramp permit fee
	Fire systems					
	Plan checking fee: $100 per set for original submission, $50 for re-submission (not credited to permit fees). Permit fees are $50 for each automatic fire extinguishing system and each alarm and detection system. For sprinkler					
	Sidewalk permit fee			$1.00 per linear foot	$1.00 per linear foot	
	Street or curb permit fee			$ 25.00	$ 25.00	For regulated facilities under Chapter 19, add $150 for plan-checking plus application fees
	Exception: The permit fee for work affecting new roadways under Chapter 19 is $100, plus the estimated out-of-pocket expenses that may be incurred by the City in connection with the work, including engineering review, extra					
				FY 2020	**FY 2021**	
	PWSF (low-impact) permit, for equipment attached to existing structures with no new electrical, alteration or construction			$100.00 per site	$100.00 per site	Non-low-impact PWSF permits require a special exception; see F.022, below
	All other PWSF (low-impact) permits			$500.00 per site	$500.00 per site	Non-low-impact PWSF permits require a special exception; see F.022, below
	Registration for house movers fee			$ 500.00	$ 500.00	
	Renewal fee			$ 400.00	$ 400.00	
	Moving permit fee			$ 500.00	$ 500.00	
	Occupancy inspection fee (Single family residential)			$ 50.00	$ 50.00	
	Occupancy inspection fee (Other)			$ 100.00	$ 100.00	
	3/4" Water connection permit and meter service installation, to upgrade or add to an existing structure.			$ 1,400.00	$ 1,400.00	Short Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less.
	3/4" Water connection permit and meter service installation, to upgrade or add to an existing structure.			$ 2,200.00	$ 2,600.00	Long Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less.
	3/4" Water connection permit and meter service installation to service new structure.			$ 3,500.00	$ 3,500.00	Short Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less.
	3/4" Water connection permit and meter service installation to service new structure.			$ 4,200.00	$ 4,700.00	Long Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less.
	1" Water connection permit and meter service installation, to upgrade or add to an existing structure.			$ 1,600.00	$ 1,600.00	Short Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less.
	1" Water connection permit and meter service installation, to upgrade or add to an existing structure.			$ 2,400.00	$ 2,800.00	Long Side Service Connection. Irrigation Only Services are restricted to3/4 inch Service or less.
	1" Water connection permit and meter service installation to service new structure.			$ 3,500.00	$ 3,500.00	Short Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less.
	1" Water connection permit and meter service installation to service new structure.			$ 4,700.00	$ 4,700.00	Long Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less.
				FY 2020	**FY 2021**	
	1-1/2" Water connection permit and meter service installation~~,~~ to service new structure~~.~~			$ 3,100.00	$ 4,900.00	Long Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less. Services greater in size than 1" require that certification based on minimum pipe sizes as listed in the Plumbing Code currently adopted by the City. This certification must be prepared, signed and sealed by a Licensed Professional Engineer.
	1-1/2" Water connection permit and meter service installation~~,~~ to service new structure~~.~~			$ 3,700.00	$ 3,700.00	Short Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less. Services greater in size than 1" require that certification based on minimum pipe sizes as listed in the Plumbing Code currently adopted by the City. This certification must be prepared, signed and sealed by a Licensed Professional Engineer.

	1-1/2" Water connection permit and meter service installation, to upgrade or add to an existing structure.			$ 4,800.00	$ 3,600.00	Long Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less. Services greater in size than 1" require that certification based on minimum pipe sizes as listed in the Plumbing Code currently adopted by the City. This certification must be prepared, signed and sealed by a Licensed Professional Engineer.
	1-1/2" Water connection permit and meter service installation, to upgrade or add to an existing structure.			$ 2,400.00	$ 2,400.00	Short Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less. Services greater in size than 1" require that certification based on minimum pipe sizes as listed in the Plumbing Code currently adopted by the City. This certification must be prepared, signed and sealed by a Licensed Professional Engineer.
	2" Water connection permit and meter service installation, to upgrade or add to an existing structure.			$ 2,400.00	$ 3,700.00	Short Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less. Services greater in size than 1" require that certification based on minimum pipe sizes as listed in the Plumbing Code currently adopted by the City. This certification must be prepared, signed and sealed by a Licensed Professional Engineer.
	2" Water connection permit and meter service installation, to upgrade or add to an existing structure.			$ 3,100.00	$ 4,800.00	Long Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less. Services greater in size than 1" require that certification based on minimum pipe sizes as listed in the Plumbing Code currently adopted by the City. This certification must be prepared, signed and sealed by a Licensed Professional Engineer.
	2" Water connection permit and meter service installation to service new structure.			$ 3,700.00	$ 4,100.00	Short Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less. Services greater in size than 1" require that certification based on minimum pipe sizes as listed in the Plumbing Code currently adopted by the City. This certification must be prepared, signed and sealed by a Licensed Professional Engineer.
	2" Water connection permit and meter service installation to service new structure.			$ 4,800.00	$ 5,200.00	Long Side Service Connection. Irrigation Only Services are restricted to 3/4 inch Service or less. Services greater in size than 1" require that certification based on minimum pipe sizes as listed in the Plumbing Code currently adopted by the City. This certification must be prepared, signed and sealed by a Licensed Professional Engineer.
	Water connection permit for any service greater than 2" will require that the owner or contractor acquire the services of a company with a Licensed Master Plumber registered with the City.			$ 475.00	$ 475.00	Fee covers plan checking cost and permit cost only. The City provides no construction or materials. Irrigation Only Services are restricted to 3/4 inch Service or less. Services greater in size than 1" require that certification based on minimum pipe sizes as listed in the Plumbing Code currently adopted by the City. This certification must be prepared, signed and sealed by a Licensed Professional Engineer.
	Sanitary Sewer, connection permit and service installation for any service			Actual Cost Plus $375.00	Actual Cost Plus $375.00	Fee will be based on actual cost Plus $375.00, for most customers this will involve a Concrete Cut in the Roadway and total cost are expected to be from $8,000.00 to $12,000.00. There is no fee to use an existing service that is on the property with a usable cleanout in the street ROW, if the sewer was either installed or approved by the city.
	Demolition permit fee			$ 250.00	$ 250.00	
	Swimming pool permit fee			$ 150.00	$ 150.00	
	Duplicate permit charge			$ 25.00	$ 25.00	
	Duplicate permit card fee			$ 100.00	$ 100.00	
	Premature work charge (Starting before permit is issued)					100% of the permit fee (additional) $150.00 minimum
	Reinspection fee (following routine inspection)			$ 100.00	$ 100.00	Must be paid before reinspection, and in any event before any certificate of occupancy or similar approval is issued. Fees may be appealed to BSC, and may be paid without prejudice to such an appeal.

	Reinspection fee (mandatory reinspection following notice of violation of building or zoning ordinances or other applicable regulations)			$125.00 for the first violation item plus $25.00 for each additional	$125.00 for the first violation item plus $25.00 for each additional	Must be paid before any other inspections are scheduled, and in any event before any certificate of occupancy or similar approval is issued. Fees may be appealed to BSC, and may be paid without prejudice to such an appeal. BSC may reduce or abate this fee (and any appeal fees), if no violation occurred, or for other good cause shown.
	Permit renewal fee					50% of the original permit fee
F.005	**BUILDING AND STANDARDS COMMISSION**					
				FY 2020	**FY 2021**	
	Application fee			$ 100.00	$ 100.00	
	Cost of Notices			$200.00	$200.00	In addition to all other fee items, the applicant must pay the City's actual out-of-pocket cost of giving notices and recording decisions in the real property records. A deposit of $200.00 is due at the time of application. Any excess cost must be paid before the hearing or release of decision.
F.006	**ELECTRICAL WORK**					
				FY 2020	**FY 2021**	
	Annual license fee (Master electrician)			No Charge	No Charge	Per Senate Bill 3329
	Permit application fee			$ 40.00	$ 50.00	
	Temporary service permit fee			$ 40.00	$ 40.00	
	Meter loop and service permit fee			$ 50.00	$ 50.00	
	Outlet or light fixture permit fee			$ 1.00	$ 1.00	
	Appliance permit fee			$ 5.00	$ 5.00	
	Motor permit fee			$ 10.00	$ 10.00	
	Service reconnection permit fee			$ 15.00	$ 15.00	
	Electrical sign permit fee			$ 15.00	$ 15.00	
	Sign Changing Display			$ 125.00	$ 125.00	
	Swimming Pool NEW lights/motors/pumps			$ 65.00	$ 65.00	
	Replacement PoolSpa Motors			$ 10.00	$ 10.00	
	Electric Water Heater			$ 15.00	$ 15.00	
	Transformer			$ 25.00	$ 25.00	
	Electric Fence Gate			$ 65.00	$ 65.00	
	Emergency Reconnect			$ 110.00	$ 110.00	
	Generator			$ 50.00	$ 50.00	
	CT/MRI/X-Ray Machines			$ 65.00	$ 65.00	
	Sub-panel			$ 35.00	$ 35.00	
	Minimum permit fee			$ 35.00	$ 75.00	
	Premature work charge (Starting before a permit is issued)					100% of the permit fee (additional) $150.00 minimum
	Reinspection fee			$ 50.00	$ 100.00	
	Permit renewal fee					50% of the original permit fee
*	FIRE DEPARTMENT FEES - See "BUILDING, Fire systems"					
F.007	**GARBAGE SERVICE**					
				FY 2020	**FY 2021**	
	Monthly dwelling unit charge			$ 32.97	$ 32.97	Basic fee, for basic service only.
	Monthly dwelling unit charge (Claims Over 65 Exemption According to the Harris County Appraisal District)			$ 16.75	$ 16.75	Basic fee, for basic service only.
	Monthly dwelling unit charge (Claims Disabled Exemption According to the Harris County Appraisal District)			$ 16.75	$ 16.75	Basic fee, for basic service only.
	Special pick-up of items at curbside, not on a regular collection day for those items at that location			Min. $50.00 or actual	Min. $50.00 or actual	Special service fee, in addition to basic fee.
	Special handling of items not bagged, prepared or placed as required for basic service. Example: Leaves and grass clippings in non-approved bags.			Min. $50.00 or actual cost of labor and	Min. $50.00 or actual cost of labor and	Special service fee, in addition to basic fee and any other applicable special service fee

F.008	**HEALTH**					
				FY 2020	**FY 2021**	
	Permit application fee			$ 30.00	$ 30.00	
	Annual food establishment permit fee			$ 120.00	$ 120.00	
	Temporary food establishment permit fee (Special event)			$ 16.00	$ 16.00	
F.009	**HEATING, VENTILATION, AND AIR CONDITIONING**					
				FY 2020	**FY 2021**	
	Annual contractor registration fee			$ 75.00	$ 100.00	
	NEW Residential HVAC System			$ 200.00	$ 200.00	Per unit
	NEW (Addition) Residential HVAC System			$ 50.00	$ 50.00	Per unit
	Replacement Heating and air conditioning permit fee (Residential)			$ 25.00	$ 25.00	Per unit
	Boiler Inspection (Annual)			$ 50.00	$ 50.00	Per unit
	New Boiler 1,000,000 BTU's or less			$ 75.00	$ 75.00	
	Replacement Commercial Air Handler			$ 30.00	$ 30.00	Per unit
	Fire Damper			$ 10.00	$ 10.00	Per unit
	Fireplace (Residential)			$ 25.00	$ 25.00	Per unit
	Heating and air conditioning permit fee (Commercial)			$ 100.00	$ 100.00	For first 140,000 btu's and $5 per 100,000 btu's thereafter
	Permit application fee			$ 40.00	$ 50.00	
	Local vent permit fee			$ 5.00	$ 5.00	
	Minimum permit fee			$ 25.00	$ 75.00	
	Premature work charge (Starting before a permit is issued)					100% of the permit fee (additional) $150.00 minimum
	Reinspection fee			$ 50.00	$ 100.00	
	Permit renewal fee					50% of the original fee
F.010	**LIQUOR LICENSES AND PERMITS**					
	All liquor permit fees and license fees are regulated by the State.					
F.011	**MUNICIPAL COURT**					
				FY 2020	**FY 2021**	
	Clearance letter			$ 25.00	$ 25.00	
	Complaint and judgment copy charge			$ 2.00	$ 2.00	
	Convenience Fee - Online			6.50%	6.50%	
	Convenience Fee - In Person			3.50%	3.50%	
	Court costs are regulated by the State.					
	All state-prescribed court costs apply.					
F.012	**PARABOLIC DISH ANTENNAS**					
				FY 2020	**FY 2021**	
	Permit application fee			$ 30.00	$ 30.00	
	Installation permit fee			$ 50.00	$ 50.00	
F.013	**PARKS AND RECREATION**					
				FY 2020	**FY 2021**	
	WUP Rec. Center					Available to Residents Only
	All WUP Residents 75 and older and WUP residents with a Disability Exemption are allowed FREE membership			NO FEE	NO FEE	
	All WUP residents ages 65 to 74 will receive at least a 50% discount on all membership fees			At least a 50% Discount	At least a 50% Discount	Any resident age 65 to 74 may request a waiver for the membership fee, no questions asked, and receive that privilege.
	Daily Walk In Residents			$ 6.00	$ 6.00	All Ages
	Daily Walk In Adult Guest of Resident			$ 12.00	$ 12.00	All Ages; Must be accompanied by a West U Resident
	Individual Annual			$ 250.00	$ 250.00	
	Individual Seniors age 65 to 74 Annual membership fee			$ 125.00	$ 125.00	
	Individual Monthly **EFT**			$ 25.00	$ 25.00	
	Individual Senior Monthly **EFT** ages 65 to 74			$ 10.00	$ 10.00	
	Individual Monthly			$ 25.00	$ 25.00	
	Individual Senior Monthly ages 65 to 74			$ 10.00	$ 10.00	
	Couple Annual			$ 330.00	$ 330.00	

	Couple Senior Annual ages 65 to 74			$ 165.00	$ 165.00	
	Couple Senior Monthly ages 65 to 74			$ 15.00	$ 15.00	
	Couple Senior Monthly **EFT** ages 65 to 74			$ 15.00	$ 15.00	
	Couple Monthly **EFT**			$ 30.00	$ 30.00	
	Couple Monthly			$ 30.00	$ 30.00	
	Family Annual			$ 410.00	$ 410.00	
	Family Monthly **EFT**			$ 40.00	$ 40.00	
	Family Monthly			$ 40.00	$ 40.00	
	Weekly Resident House Guest Pass			$ 30.00	$ 30.00	Individual option only
	Colonial Park Pool					Available to Residents Only
	All WUP residents 65 and older and WUP residents with a Disability Exemption are allowed FREE membership			NO FEE	NO FEE	
	Daily Walk-in			$ 6.00	$ 6.00	All Ages
	Daily Walk-in (Guest of Resident)			$ 12.00	$ 12.00	All Ages; Must be accompanied by a West U Resident
	Individual Season Pass			$ 105.00	$ 105.00	2018 Colonial Season
	Couples Season Pass			$ 160.00	$ 160.00	2018 Colonial Season
	Family Season Pass			$ 240.00	$ 240.00	2018 Colonial Season
	Weekly Resident House Guest Pass			$ 30.00	$ 30.00	Individual option only
	Nanny Pass			$ 25.00	$ 25.00	Nanny Photo ID pass; use restricted exclusively to pool visits with their resident charge(s).
	WUPRC & CPP Combination Memberships					Available to Residents Only
	Combination Couple Annual Membership to the West University Place Recreation Center and Colonial Park Pool			$ 430.00	$ 430.00	
	Combination Family Annual Membership to the West University Place Recreation Center and Colonial Park Pool			$ 575.00	$ 575.00	
	Members Only Benefits of Colonial Park Pool Membership			Complimentary	Complimentary	Members entitled to a variety of complimentary or discounted privileges including but not limited to; Opening Weekend Celebration, Dive-In Movie Nights, Mom's Spa day, Ice Cream Socials, priority registration for all pool related events and 10% discount on all pool rentals.
	Tennis Memberships					Available to Residents Only
	Tennis Court Reservation Fee			$ 6.00	$ 6.00	
	Tennis Court "Membership"			$ 200.00	$ 200.00	Annual Fee
	Tennis Court "Membership" - Annual Fee with WUPRC Membership			$ 120.00	$ 120.00	Annual Fee / with WUPRC Membership Only
	Senior Tennis Court Membership			$ 100.00	$ 100.00	Annual Fee
	Senior Tennis Court Membership - Annual Fee with WUPRC Membership			$ 60.00	$ 60.00	Annual Fee / with WUPRC Membership Only
	Rentals					Rentals Available to Non- Residents only with a Resident Sponsor, EXCEPTION: Colonial Park Pool Rentals are available to Residents Only
	* Janitorial Fee: At ALL rentals, where food and beverages are served, janitorial services will be required			$ 55.00	$ 55.00	Flat Fee
	Security Deposit: required for ALL rentals			$ 200.00	$ 200.00	
				FY 2020	**FY 2021**	
	Community Building / Senior Center					
	Kitchen (Resident)			$ 30.00	$ 30.00	Flat Fee
	Kitchen (Non-resident w/ resident sponsor)			$ 45.00	$ 45.00	Flat Fee
	Auditorium (Resident)			$ 60.00	$ 60.00	Hourly Rate / 2hr minimum
	Auditorium (Non Resident w/ resident sponsor)			$ 90.00	$ 90.00	Hourly Rate / 2hr minimum
	John Neighbors Senior Room (Resident)			$ 60.00	$ 60.00	Hourly Rate
	John Neighbors Senior Room (Non-resident w/resident sponsor)			$ 90.00	$ 90.00	Hourly Rate
	Activity Room (Resident)			$ 40.00	$ 40.00	Hourly Rate / 2hr minimum
	Activity (Non Resident w/ resident sponsor)			$ 65.00	$ 65.00	Hourly Rate / 2hr minimum
	Meeting Room (Resident)			$ 40.00	$ 40.00	Hourly Rate / 2hr minimum
	Meeting Room (Non-Resident w/ resident sponsor)			$ 65.00	$ 65.00	Hourly Rate / 2hr minimum

	Scout House					
	Scout House (Resident)			$ 50.00	$ 50.00	Hourly Rate / 2hr minimum
	Scout House (Non Resident w/ resident sponsor)			$ 70.00	$ 70.00	Hourly Rate / 2hr minimum
	Colonial Park Pool & Park Pavilion Rentals					
	*Exclusive Pool & Multi-Purpose Room Rental: Involves a private pool party, only offered in "season" and on identified days/times. **Resident Only**			$ 480.00	$ 480.00	Per hour with a two hour minimum rental period. Maximum number of guests allowed is 250.
	Colonial Park Pavilion (Resident)			$ 60.00	$ 60.00	Hourly Rate / 2hr minimum
	Colonial Park Pavilion (Non-resident w/ resident sponsor)			$ 90.00	$ 90.00	Hourly Rate / 2hr minimum
	*Janitorial Fee: At ALL rentals, where food and beverages are served, janitorial services will be required.			$ 55.00	$ 55.00	Flat Fee
	*Colonial Park Multi-Purpose Room & Pool Use: Involves exclusive use of the Multi- Purpose Room and general pool admission, only offered in "season", during normal operating hours **Resident Only**			$ 240.00	$ 240.00	Per hour with a two hour minimum rental period. Maximum number of guests allowed is 60.
	*Off Season Multi-Purpose Room Rental: Involves NO pool use **Resident Only**			$ 70.00	$ 70.00	$60.00 Hourly with a two-hour minimum rental period. Additional Janitorial fees will be charged if food and beverages are served.
	Wooden Deck Rental (Byron St) : Involves exclusive use of the Wooden Deck and general pool admission, only offered in "season", during normal operating hours **Resident Only**			$ 210.00	$ 210.00	Per hour with a two hour minimum rental period. Maximum number of guests allowed is 60.
	Wooden Deck Rental (Case St) : Involves exclusive use of the Wooden Deck and general pool admission, only offered in "season", during normal operating hours **Resident Only**			$ 210.00	$ 210.00	Per hour with a two hour minimum rental period. Maximum number of guests allowed is 60.
	Off - Season Wooden Deck (Case St.) Resident			$ 60.00	$ 60.00	Hourly Rate / 2hr minimum
	Off - Season Wooden Deck (Case St.) Non-Resident with resident sponsor			$ 90.00	$ 90.00	Hourly Rate / 2hr minimum
	Alcohol Fees					Appendix A Amended Section 10-10, Code of Ordinances - Consumption in public places. City Council has authorized the issuance of permits for the limited consumption and distribution of alcoholic beverages within public places, specifically at the Colonial Park Pavilion, Community Building/Senior Center and the West University Place Recreation Center, by the City Manager or his designee.
	Administration Fee			$ 50.00	$ 50.00	Per Event
	Security Deposit Fee			$ 300.00	$ 300.00	Per Event
	Institutional Exchanges. The Parks & Recreation Director may waive all or part of the Parks & Recreation fees prescribed by this section, subject to the following regulations: (1) The applicant must be an institution, either public or non-profit, with facilities located within the City; (2) The portion of the fees waived may not exceed the value of facilities made available by the institution to the City for public use (e.g., for meetings, elections, emergency operations, etc.); (3) The maximum amount of fees that may be waived is $500 per institution per year; (4) Passes and permits issued to an institution under this section may be assigned or resold by the institution, but the actual user must qualify for the type of pass or permit in question, and the City must be notified.					
F.014	**REMOVAL/TRIMMING FEE**					
				FY 2020	**FY 2021**	
	Vegetation Removal/trimming			Min $150	Min $150	$150 or actual cost if higher for labor, equipment, materials or third party contractor.
F.015	**PLUMBING AND GAS**					
				FY 2020	**FY 2021**	
	Permit application fee			$ 40.00	$ 50.00	
	Plumbing Fixture or Gas outlet permit fee			$ 10.00	$ 10.00	Applies to each fixture and outlet.
	Shower Pan			$ 10.00	$ 10.00	
	Residential NEW House Plumbing & Gas			$ 300.00	$ 300.00	
	Medical Gas/Vacuum System			$ 75.00	$ 75.00	
	Gas test			$ 25.00	$ 25.00	
	Gas Repair & Test			$ 25.00	$ 25.00	

	Annual Gas Test			$ 50.00	$ 50.00	
	Grease trap permit fee			$ 50.00	$ 50.00	
	Irrigation system permit fee			$ 25.00	$ 25.00	
	Service line permit fee			$ 10.00	$ 10.00	
	Minimum permit fee			$ 25.00	$ 75.00	
	Premature work charge (Starting before a permit is issued)					100% of the permit fee (additional) $150.00 minimum
	Reinspection fee			$ 50.00	$ 100.00	
	Permit renewal fee					50% of the original permit fee
	Water Heater Replacement			$ 25.00	$ 25.00	New Fee
F.016	**SEXUALLY ORIENTED BUSINESSES AND ADULT ARCADES**					
				FY 2020	**FY 2021**	
	Sexually oriented business application fee (Original)			$ 350.00	$ 350.00	
	Sexually oriented business application fee (Renewal)			$ 100.00	$ 100.00	
	Sexually oriented business transfer fee			$ 300.00	$ 300.00	
	Adult arcade application fee			$ 75.00	$ 75.00	
	Adult arcade reinspection fee			$ 60.00	$ 60.00	
	Adult arcade transfer or amendment fee			$ 15.00	$ 15.00	
F.017	**SIGNS**					
				FY 2020	**FY 2021**	
	Biennial Operating Permit fee after initial 2 years (all permanent signs)			$10.00 + $.50/SF of sign face area	$10.00 + $.50/SF of sign face area	
	Permit application fee			$ 50.00	$ 50.00	(New Sign Permit valid for two years)
	Festival Sign Permit Fee			$ 5.00	$ 5.00	
	Sign permit fee			$ 2.00	$ 2.00	Per square foot of sign face
	Minimum permit fee			$ 25.00	$ 75.00	
	Premature work charges (starting before a permit is issued)			$150.00 + Regular sign permit fees	$150.00 + Regular sign permit fees	
	Reinspection fee			$ 50.00	$ 100.00	
	Sign operating permit fee (Payable per sign, per term of permit. Term is one year for temporary signs, 24 months for all others.)			$10.00 plus $0.50 per sq. ft. of display area	$10.00 plus $0.50 per sq. ft. of display area	"Display area" and "sign" are defined in Chapter 6. *Exceptions* : Fees do not apply to signs covered by affirmative defenses or signs for conforming uses allowed in residential districts.
F.018	**RESERVED**					
F.019	**TREES**					
				FY 2020	**FY 2021**	
	Replacement Planting Fee per Caliper Inch			$ 250.00	$ 250.00	Fee for replacement trees when planting on site is not an option.
	Removal permit fee			$ 50.00	$ 100.00	*Exception* : There is no fee for dead, dying, diseased, hazardous or Class 4 trees.
	Low impact evaluation fee			$ 50.00	$ 100.00	Non-structures such as patios, irrigation systems, etc.
	Survey and disposition review fee (major construction)			$ 250.00	$ 250.00	Includes new construction including residential, commercial, pools, major additions, etc.
	Survey and disposition review fee (minor construction)			$ 150.00	$ 150.00	Includes demolitions, garages, alterations and rennovations.

F.020	**WATER AND SEWER SERVICE**					
				FY 2020	**FY 2021**	
	New service connect			$ 50.00	$ 50.00	Each time service is established
	Delinquent account service fee			$ 50.00	$ 50.00	Fee per meter for accounts that are subject to disconnection due to past due status of the bill. The fee is charged on these accounts regardless if the service is disconnected or not.
	After hours delinquent reconnect fee			$ 60.00	$ 60.00	Reconnect service after 4 p.m. or before 8 a.m.
	Residential Deposit			$ 200.00	$ 200.00	Maximum for residential accounts
	Commercial Deposit			$ 500.00	$ 500.00	Maximum for non-residential accounts (builders, developers, commercial)
	Return check (or ACH) charge			$ 35.00	$ 35.00	(see "Administration")
	Periodic Charges:					
	The total charge per month for each customer is the sum of the applicable base monthly charges (for both water and sewer), for each meter, plus the charges for gallons (for both water					
	Notes:					
	(1) "Residential-only premises" refers to premises that are used only for residential purposes.					
	(2) "Water-only meters" refers to meters that serve only irrigation systems and other fixtures from which there is no return flow into the sanitary sewer system; "regular meters" refers to					
	Base Monthly Charges:					
	Meters serving residential-only premises:					
	3/4" meter:			$ 11.15	$ 11.15	
	1" meter			$ 24.90	$ 24.90	
	1-1/2" meter			$ 47.45	$ 47.45	
	Meters serving any other premises:					
	3/4" meter			$ 32.70	$ 32.70	
	1" meter			$ 46.00	$ 46.00	
	1-1/2" meter			$ 68.10	$ 68.10	
	2" meter			$ 207.45	$ 207.45	
	3" meter			$ 557.05	$ 557.05	
	Gallonage Charges (per 1,000 gallons):					
	Regular meters:					
	First 3,000 gallons (0 to 3,000)			$ 4.40	$ 4.40	
	Next 6,000 gallons (3,001 to 9,000)			$ 5.35	$ 5.35	
	Next 6,000 gallons (9,001 to 15,000)			$ 6.35	$ 6.35	
	Each 1,000 gallons thereafter (over 15,000)			$ 7.60	$ 7.60	
	Water-only meters:					
	First 7,500 gallons			$ 5.90	$ 5.90	
	Each 1,000 gallons thereafter (over 7,500)			$ 7.60	$ 7.60	
	Sewer Rates					
	Base Monthly Charges:					
	Meters serving residential-only premises			$ 9.25	$ 9.25	
	Meters serving any other premises			$ 22.17	$ 22.17	
	Gallonage charges (per 1,000 gallons):					
	Residential-only premises			$ 4.11	$ 4.11	
	Any other premises			$ 4.11	$ 4.11	
	Water Meter Replacement Charges:					
	Replace damaged 3/4" water meter.			$ 400.00	$ 400.00	Includes cost for labor and misc. materials
	Replace damaged 1" water meter.			$ 500.00	$ 500.00	Includes cost for labor and misc. materials
	Replace damaged 1 1/2" water meter.			$ 1,500.00	$ 1,500.00	Includes cost for labor and misc. materials
	Replace damaged 2" water meter.			$ 1,700.00	$ 1,700.00	Includes cost for labor and misc. materials
F.021	**ZONING & PLANNING COMMISSION**					
	Plats and replats	The fee is the City's actual cost of plat review, plus incidentals. The review is done by a planner retained by the City or by City staff. Incidentals include legal notices, surveys, title and legal work, research, signature requests, recording, copies, etc., as may be required and not provided by the applicant. DEPOSIT. A deposit amount (due with the preliminary application) is estimated by the City staff, but the minimum deposit is $500 base fee (or $200.00 base fee for amending plats only), plus $10.00 for each lot and reserve shown on the plat or replat, plus $100 for those requiring newspaper legal notice, plus $100.00 for each separate legal instrument needed (easements, etc.).					
	Rezoning requested by applicant for that person's special benefit	$500 plus out-of-pocket costs for drafting and review by planner, engineer, attorney and other consultant. A deposit is estimated by the city planner, and may be increased as the matter proceeds. The deposit must be increased to cover the estimated full costs at these stages: (1) before the meeting of the Commission to consider a preliminary report, (2) before any hearing notices are sent out and (3) before the meeting at which the Commission considers its final report.				

F.022	**ZONING BOARD OF ADJUSTMENT**	
	Appeal of building official decision	$250.00. Exception: $500.00 plus out-of-pocket review costs for appeals requiring review by planner, engineer, attorney or other consultant. A deposit is estimated by the city planner and must be paid with the application. The full cost is payable before the hearing. In addition to all other fee items, the applicant must pay the actual cost of notices; see below.
	Special exception	$250.00 per exception per proposed building site affected. Exception: $500.00 plus out-of-pocket review costs for exceptions requiring review by planner, engineer, attorney or other consultant. A deposit is estimated by the city planner and must be paid with the application. The full cost is payable before the hearing. In addition to all other fee items, the applicant must pay the actual cost of notices; see below.
	Variance	$250.00 per variance per proposed building site affected. Exception: $500.00 plus out-of-pocket review costs for variances requiring review by planner, engineer, attorney or other consultant. A deposit is estimated by the city planner and must be paid with the application. The full cost is payable before the hearing. In addition to all other fee items, the applicant must pay the actual cost of notices; see below.
	Other application	$250 per action item requested. Exception: $500.00 plus out-of-pocket review costs for appeals requiring review by planner, engineer, attorney or other consultant. A deposit is estimated by the city planner and must be paid with the application. The full cost is payable before the hearing In addition to all other fee items, the applicant must pay the actual cost of notices; see below.
	Cost of notices	In addition to all other fee items, the applicant must pay the City's actual out-of-pocket cost of giving notices and recording decisions in the real property records. A deposit of $200.00 is due at the time of application. Any excess cost must be paid before the hearing or release of decision.
	Refunds	No fees or costs are refundable unless: (i) the applicant prevails, (ii) the ZBA reverses or modifies an administrative interpretation or other decision; and (iii) the ZBA determines that a refund (full or partial) would be just and equitable under the facts and circumstances of the case.

F.023	**PUBLIC SAFETY**					
				FY 2020	**FY 2021**	
	Alarm Permit Application Fee			$ 30.00	$ 30.00	
	Annual permit renewal fee			$ 15.00	$ 15.00	
	Burglary False Alarm Fees			$ 50.00	$ 50.00	Per occurrence on the 4th and 5th false alarm in a 12 month period.
	Burglary False Alarm Fees			$ 75.00	$ 75.00	Per occurrence on the 6th and 7th false alarm in a 12 month period.
	Burglary False Alarm Fees			$ 100.00	$ 100.00	Per occurrence on the 8th or more false alarms in a 12 month period.
	Fire or Medical False Alarm Fees			$ 175.00	$ 175.00	Per occurance on the 4th or more false alarms in a 12 month period
	Copies of accident reports or accident information					
	Certification that no such report or information is on file			$ 6.00	$ 6.00	
	Copies of incident reports				$ 1.00	
	CPR/AED Certification Class			$ 40.00	$ 40.00	
	DirectLink Monthly Alarm Fee			$ 35.00	$ 35.00	
	DirectLink Interactive Gold			$ 8.95	$ 8.95	Optional add on to regular service
	DirectLink Interactive Gold Plus Video			$ 14.95	$ 14.95	Optional add on to regular service and Gold package

AGENDA MEMO

Business of the City Council
City of West University Place, Texas

Meeting Date	10.05.2020	**Agenda Item**	12C
Approved by City Manager	Yes	**Presenter(s)**	Chief Ken Walker
Reviewed by City Attorney	Yes	**Department**	Police
Subject	Conducted Energy Devices (Tasers)		
Attachments	Proposal From Axon Inc.		
Financial Information	Expenditure Required:		$71,444.00
	Amount Budgeted:		$71,444.00
	Account Number:		101-3010-84065
	Additional Appropriation Required:		
	Additional Account Number:		

Executive Summary

One of the City's non-lethal alternatives to deadly force is the use of Oleoresin Capsicum (OC) spray. With the Police Department regularly evaluating ways to improve its service and safety of its officers and residents, and with the current supply of OC spray expiring in early 2021, the Police Department found that a better non-lethal option is to replace OC spray with Conducted Energy Devices (Tasers).

After reviewing and researching, the Department determined that the use of OC spray is not the most effective option available for the following reasons:

- Weather conditions affect the accuracy (wind & rain)
- Suspects wearing eye glasses may not be affected by OC
- Most of the time OC spray will also affect the officer, especially when they approach the suspect to place them in custody
- OC spray requires the officer to be in close proximity to the suspect (small reactionary gap).

The Department determined that Conducted Energy Devices (Tasers) were the better non-lethal option for the following reasons:

- Tasers provide an effective intermediate use of force option for officers in high risk and potentially dangerous situations.
- Tasers provide a longer effective range up to 25ft, allowing for a greater reactionary gap.
- The deployment of Tasers will lessen the risk of injury to suspects and officers.
- The use of Tasers will not impair an officer in a high stress situation, similar to OC spray.

The Tasers are manufactured by Axon Inc. Taser International, which is the sole vendor for Tasers certified for use in law enforcement and is exempt from competitive purchasing requirements per Section 252.022 (sole source) of the Texas Local Government Code. Funding for this purchase was from Department salary savings due to vacancies.

The life expectancy of the Taser is 10-years and the replacement cost will be included in the Asset Replacement Fund.

Recommended Action

Staff recommends that the City Council approve the purchase of Conducted Energy Devices (Tasers) from Axon Inc. Taser International in the amount of $71,444.00 and authorize the City Manager to execute the agreement.

Q-263522-44084.595JT

Issued: 09/10/2020

Quote Expiration: 09/30/2020

Account Number: 461299

Payment Terms: Net 30

Delivery Method: Fedex - Ground

Axon Enterprise, Inc.
17800 N 85th St.
Scottsdale, Arizona 85255
United States
Phone: (800) 978-2737

SHIP TO
Aaron Wiltz
West University Place Police Dept. - TX
3814 University Drive
Houston, TX 77005
US

BILL TO
West University Place Police Dept. - TX
3814 University Drive
Houston, TX 77005
US

SALES REPRESENTATIVE
Joshua Taylor
Phone: (480) 463-2155
Email: jotaylor@taser.com
Fax: (480) 999-6152

PRIMARY CONTACT
Aaron Wiltz
Phone: (713) 668-0330
Email: awiltz@westutx.gov

Year 1

Item	Description	Term (Months)	Quantity	List Unit Price	Net Unit Price	Total (USD)
Axon Plans & Packages						
20248	TASER 7 EVIDENCE.COM ACCESS LICENSE	60	1	0.00	0.00	0.00
20248	TASER 7 EVIDENCE.COM ACCESS LICENSE	60	24	0.00	0.00	0.00
Hardware						
20050	HOOK-AND-LOOP TRAINING (HALT) SUIT		1	750.00	0.00	0.00
22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS		96	38.00	38.00	3,648.00
22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS		96	38.00	38.00	3,648.00
22177	TASER 7 HOOK-AND-LOOP TRN (HALT) CARTRIDGE, STANDOFF NS		48	38.00	38.00	1,824.00
22178	TASER 7 HOOK-AND-LOOP TRN (HALT) CARTRIDGE, CLOSE QUART NS		48	38.00	38.00	1,824.00
20160	TASER 7 HOLSTER - SAFARILAND, RH+CART CARRIER		24	0.00	0.00	0.00
80090	TARGET FRAME, PROFESSIONAL, 27.5 IN. X 75 IN., TASER 7		1	0.00	0.00	0.00
20008	TASER 7 HANDLE, YLW, HIGH VISIBILITY (GREEN LASER), CLASS 3R		24	0.00	0.00	0.00
20040	TASER 7 HANDLE WARRANTY, 4-YEAR		24	0.00	0.00	0.00
20018	TASER 7 BATTERY PACK, TACTICAL		28	0.00	0.00	0.00

Year 1 (Continued)

Item	Description	Term (Months)	Quantity	List Unit Price	Net Unit Price	Total (USD)
Hardware (Continued)						
20041	TASER 7 BATTERY PACK WARRANTY, 4-YEAR		28	0.00	0.00	0.00
20042	TASER 7 DOCK & CORE WARRANTY, 4-YEAR		1	0.00	0.00	0.00
70033	WALL MOUNT BRACKET, ASSY, EVIDENCE.COM DOCK		1	0.00	0.00	0.00
74200	TASER 7 6-BAY DOCK AND CORE		1	0.00	0.00	0.00
Other						
80087	TASER 7 TARGET, CONDUCTIVE, PROFESSIONAL (RUGGEDIZED)		1	150.00	150.00	150.00
20240	TASER 7 BASIC BUNDLE PAYMENT	12	24	480.00	480.00	11,520.00
20247	TASER 7 ONLINE TRAINING CONTENT ACCESS LICENSE	60	24	0.00	0.00	0.00
80087	TASER 7 TARGET, CONDUCTIVE, PROFESSIONAL (RUGGEDIZED)		1	0.00	0.00	0.00
20120	TASER 7 INSTRUCTOR COURSE VOUCHER		2	495.00	0.00	0.00
Services						
85147	CEW STARTER		1	2,750.00	2,750.00	2,750.00
					Subtotal	25,364.00
					Estimated Shipping	0.00
					Estimated Tax	0.00
					Total	25,364.00

Year 2

Item	Description	Term (Months)	Quantity	List Unit Price	Net Unit Price	Total (USD)
Other						
20240	TASER 7 BASIC BUNDLE PAYMENT	12	24	480.00	480.00	11,520.00
					Subtotal	11,520.00
					Estimated Tax	0.00
					Total	11,520.00

Year 3

Item	Description	Term (Months)	Quantity	List Unit Price	Net Unit Price	Total (USD)
Other						
20240	TASER 7 BASIC BUNDLE PAYMENT	12	24	480.00	480.00	11,520.00
					Subtotal	11,520.00
					Estimated Tax	0.00
					Total	11,520.00

Year 4

Item	Description	Term (Months)	Quantity	List Unit Price	Net Unit Price	Total (USD)
Other						
20240	TASER 7 BASIC BUNDLE PAYMENT	12	24	480.00	480.00	11,520.00
					Subtotal	11,520.00
					Estimated Tax	0.00
					Total	11,520.00

Year 5

Item	Description	Term (Months)	Quantity	List Unit Price	Net Unit Price	Total (USD)
Other						
20240	TASER 7 BASIC BUNDLE PAYMENT	12	24	480.00	480.00	11,520.00
					Subtotal	11,520.00
					Estimated Tax	0.00
					Total	11,520.00

Grand Total	**71,444.00**

Discounts (USD)

Quote Expiration: 09/30/2020

List Amount	73,184.00
Discounts	1,740.00
Total	**71,444.00**

Total excludes applicable taxes

Summary of Payments

Payment	Amount (USD)
Year 1	25,364.00
Year 2	11,520.00
Year 3	11,520.00
Year 4	11,520.00
Year 5	11,520.00
Grand Total	**71,444.00**

Tax is subject to change at order processing with valid exemption.

Axon's Sales Terms and Conditions

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at www.axon.com/legal/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature: _____ **Date:** _____

Name (Print): _____ **Title:** _____

PO# (Or write N/A): _____

Please sign and email to Joshua Taylor at jotaylor@taser.com or fax to (480) 999-6152

Thank you for being a valued Axon customer. For your convenience on your next order, please check out our online store buy.axon.com

The trademarks referenced above are the property of their respective owners.

Axon Internal Use Only		
		SFDC Contract #: Order Type: RMA #: Address Used: SO #:
Review 1	Review 2	
Comments:		

AGENDA MEMO

Business of the City Council
City of West University Place, Texas

Meeting Date	10.05.2020	**Agenda Item**	12D
Approved by City Manager	Yes	**Presenter(s)**	G. Barrera, Director
Reviewed by City Attorney	Yes	**Department**	Public Works
Subject	Buffalo Speedway Decorative Signal Poles		
Attachments	Advance Funding Agreement 0912-72-360-Buffalo Speedway Decorative Signals Log #41995		
Financial Information	Expenditure Required:	$265,232	
	Amount Budgeted:	$265,232	
	Account Number:	325-7000-85002 (Buffalo Spdwy. Project)	
	Additional Appropriation Required:	None	
	Additional Account Number:	None	

Executive Summary

Based upon staff recommendation, the City Council authorized staff to include decorative traffic signals at three intersections (Sunset St., Rice Blvd. and University Blvd.) during the Buffalo Speedway Rehabilitation Project.

. In order to formalize this change in design, Texas Department of Transportation (TXDOT) requires a resolution adopting an Advance Funding Agreement (AFA) that stipulates the City is solely responsible for the cost difference between decorative signal poles and the TXDOT Standard galvanized poles. The cost difference is noted below:

Decorative Signal Poles	**$420,838.00**
TXDOT Standard Galvenized Pole	**$155,606.00**
Difference (100% paid by City)	**$265,232.00**

Recommended Action

Staff recommends Council Adopt the resolution approving the Advance Funding Agreement and authorize the City Manager to execute the agreement.

City of West University Place
Harris County, Texas

RESOLUTION NO. XX-XXXX

RESOLUTION OF THE CITY OF WEST UNIVERSITY PLACE, TEXAS, PERTAINING TO APPROVAL OF AN ADVANCE FUNDING AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR THE FUNDING OF DECORATIVE SIGNAL POLES AND AUTHORIZING THE CITY MANAGER TO EXECUTE SUCH AGREEMENT.

WHEREAS, the Texas Transportation Commission passed Minute Order Numbers 114670 and 115291, authorizing the State, through the Texas Department of Transportation ("TXDOT") to undertake and complete a highway improvement generally described as Roadway Reconstruction of Buffalo Speedway from Bissonnet Street to Holcombe Street (the “Project”); and

WHEREAS, the City of West University Place, Texas (the "City") wishes to utilize decorative signal poles for the Project and agrees to be responsible for 100% of the cost difference between the decorative signal poles and the TXDOT Standard galvanized poles for the Project; and

WHEREAS, City Council of the City has determined that it is in the best interest of the City to participate with TXDOT to complete the Project by entering into an Advance Funding Agreement ("AFA") for this change to the signal poles.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST UNIVERSITY PLACE, TEXAS:

That the City Council approves the AFA, attached hereto as "Exhibit A", and authorizes the City Manager to execute such AFA.

PASSED, APPROVED AND ADOPTED on the _____day of_____, 2020.

(SEAL)

_____
Mayor

ATTEST

_____
City Secretary

RECOMMENDED

_____
City Manager

APPROVED AS TO LEGAL FORM

_____
City Attorney

{00212630.docx }

EXHIBIT "A"

Advanced Funding Agreement

CSJ # **CSJ #**	**0912-72-360**
District #	**12-Houston**
Code Chart 64 #	**45400**
Project Name	**Buffalo Speedway Decorative Signal Poles**

Exhibit A

STATE OF TEXAS §

COUNTY OF TRAVIS §

ADVANCE FUNDING AGREEMENT
For
Locally Funded Project
Off-System

THIS AGREEMENT (Agreement) is made by and between the State of Texas, acting by and through the **Texas Department of Transportation** called the "State", and the **City of West University Place**, acting by and through its duly authorized officials, called the "Local Government". The State and Local Government shall be collectively referred to as "the parties" hereinafter.

WITNESSETH

WHEREAS, the Texas Transportation Code, Section 201.103 establishes that the State shall design, construct and operate a system of highways in cooperation with local governments, and Section 222.052 authorizes the Texas Transportation Commission to accept contributions from political subdivisions for development and construction of public roads and the state highway system within the political subdivision, and

WHEREAS, federal and state laws require local governments to meet certain contract standards relating to the management and administration of State and federal funds, and

WHEREAS, the Texas Transportation Commission has codified 43 TAC, Rules 15.50-15.56 that describe federal, state, and local responsibilities for cost participation in highway improvement and other transportation projects, and

WHEREAS, the State and Local Government do not anticipate that federal funds will be used for the Project governed by this Agreement; and

WHEREAS, the Texas Transportation Commission passed Minute Order Number **115291 and 114670** authorizing the State to undertake and complete a highway improvement or other transportation project generally described as **the reconstruction of Buffalo Speedway from Bissonnet Street to Holcombe Boulevard**. The portion of the project work covered by this Agreement is identified in the Agreement, Article 3, Scope of Work (Project), and

WHEREAS, the Governing Body of the Local Government has approved entering into this Agreement by resolution, ordinance, or commissioners court order dated **{Enter Date of Resolution}**, which is attached to and made a part of this Agreement as Attachment A, Resolution, Ordinance, or

CSJ # **CSJ #**	**0912-72-360**
District #	**12-Houston**
Code Chart 64 #	**45400**
Project Name	**Buffalo Speedway Decorative Signal Poles**

Exhibit A

Commissioners Court Order. A map showing the Project location appears in Attachment B, Location Map Showing Project, (Attachment B) which is attached to and made a part of this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties, to be by them respectively kept and performed as set forth in this Agreement, it is agreed as follows

AGREEMENT

1. Responsible Parties:

For the Project covered by this Agreement, the parties shall be responsible for the following work as stated in the article of the Agreement referenced in the table below:

1.	**N/A**	Utilities	Article 8
2.	**N/A**	Environmental Assessment and Mitigation	Article 9
3.	**Local Government**	Architectural and Engineering Services	Article 12
4.	**State**	Construction Responsibilities	Article 13
5.	**N/A**	Right of Way and Real Property	Article 15

2. Period of the Agreement

This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed. This Agreement shall remain in effect until the Project is completed or unless terminated as provided below.

3. Scope of Work

The scope of work for this Project consists of the addition of decorative signal poles along Buffalo Speedway, between Bissonnet Street and Holcombe Boulevard as shown in Attachment B. The Local Government shall provide the State with the plans, specifications and estimates (PS&E) to include decorative signal poles instead of the TxDOT Standard galvanized signal poles. The State will include the decorative signal poles in the State's bid.

4. Project Sources and Uses of Funds

The total estimated cost of the Project is shown in Attachment C, Project Budget, (Attachment C) which is attached to and made a part of this Agreement.

A. If the Local Government will perform any work under this Agreement for which reimbursement will be provided by or through the State, the Local Government must complete training. Training is complete when at least one individual who is working actively and directly on the Project successfully completes and receives a certificate for the course entitled "Local Government Project Procedures and Qualification for the Texas Department of Transportation" and retains qualification in accordance with applicable TxDOT procedures. Upon request, the Local Government shall provide the certificate of qualification to the State. The individual who receives the training

certificate may be an employee of the Local Government or an employee of a firm that has been contracted by the Local Government to perform oversight of the Project. The State in its discretion may deny reimbursement if the Local Government has not continuously designated in writing a qualified individual to work actively on or to directly oversee the Project.

B. The expected cash contributions from the State, the Local Government, or other parties are shown in Attachment C. The State will pay for only those Project costs that have been approved by the Texas Transportation Commission.

C. Attachment C shows, by major cost categories, the cost estimates and the party responsible for performing the work for each category. These categories may include but are not limited to: (1) costs of real property; (2) costs of utility work; (3) costs of environmental assessment and remediation; (4) cost of preliminary engineering and design; (5) cost of construction and construction management; and (6) any other local project costs.

D. The State will be responsible for securing the State share of the funding required for the development and construction of the local Project. If the Local Government is due funds for expenses incurred, these funds will be reimbursed to the Local Government on a cost basis.

E. The Local Government will be responsible for all non-State participation costs associated with the Project, unless otherwise provided for in this Agreement or approved otherwise in an amendment to this Agreement. For items of work subject to specified percentage funding, the Local Government shall only in those instances be responsible for all Project costs that are greater than the maximum State participation specified in Attachment C and for overruns in excess of the amount specified in Attachment C to be paid by the Local Government.

F. The budget in Attachment C will clearly state all items subject to fixed price funding, specified percentage funding or the periodic payment schedule, when periodic payments have been approved by the State.

G. When the Local Government bears the responsibility for paying cost overruns, the Local Government shall make payment to the State within thirty (30) days from the receipt of the State's written notification of additional funds being due.

H. When fixed price funding is used, the Local Government is responsible for the fixed price amount specified in Attachment C. Fixed prices are not subject to adjustment unless (1) differing site conditions are encountered; (2) further definition of the Local Government's requested scope of work identifies greatly differing costs from those estimated; (3) work requested by the Local Government is determined to be ineligible for federal participation; or (4) the adjustment is mutually agreed to by the State and the Local Government.

I. Prior to the performance of any engineering review work by the State, the Local Government will pay to the State the amount specified in Attachment C. At a minimum, this amount shall equal the Local Government's funding share for the estimated cost of preliminary engineering performed or reviewed by the State for the Project. At least sixty (60) days prior to the date set for receipt of the construction bids, the Local

Government shall remit its remaining financial share for the State's estimated construction oversight and construction cost.

J. The State will not execute the contract for the construction of the Project until the required funding has been made available by the Local Government in accordance with this Agreement.

K. Whenever funds are paid by the Local Government to the State under this Agreement, the Local Government shall remit a check or warrant made payable to the "Texas Department of Transportation" or may use the State's Automated Clearing House (ACH) system for electronic transfer of funds in accordance with instructions provided by TxDOT's Finance Division. The funds shall be deposited and managed by the State and may only be applied by the State to the Project.

L. The State will not pay interest on any funds provided by the Local Government.

M. If a waiver for the collection of indirect costs for a service project has been granted under 43 TAC §15.56, the State will not charge the Local Government for the indirect costs the State incurs on the local Project, unless this Agreement is terminated at the request of the Local Government prior to completion of the Project.

N. If the Local Government is an Economically Disadvantaged County (EDC) and if the State has approved adjustments to the standard financing arrangement, this Agreement reflects those adjustments.

O. Where the Local Government is authorized to perform services under this Agreement and be reimbursed by the State, the Local Government is authorized to submit requests for reimbursement by submitting the original of an itemized invoice, in a form and containing all items required by the State, no more frequently than monthly and no later than ninety (90) days after costs are incurred. If the Local Government submits invoices more than ninety (90) days after the costs are incurred the State may refuse to reimburse the Local Government for those costs.

P. Upon completion of the Project, the State will perform a final accounting of the Project costs for all items of work with specified percentage funding. Any funds due by the Local Government or the State for these work items will be promptly paid by the owing party.

Q. The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under this Agreement or indirectly through a subcontract under this Agreement. Acceptance of funds directly under this Agreement or indirectly through a subcontract under this Agreement acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

R. Payment under this Agreement beyond the end of the current fiscal biennium is subject to availability of appropriated funds. If funds are not appropriated, this Agreement shall be terminated immediately with no liability to either party.

5. Termination of this Agreement

This Agreement shall remain in effect until the Project is completed and accepted by all parties, unless:

A. The Agreement is terminated in writing with the mutual consent of the parties;

B. The Agreement is terminated by one party because of a breach, in which case any cost incurred because of the breach shall be paid by the breaching party;

C. The Local Government elects not to provide funding after the completion of preliminary engineering, specifications, and estimates (PS&E) and the Project does not proceed because of insufficient funds, in which case the Local Government agrees to reimburse the State for its reasonable actual costs incurred during the Project; or

D. The Agreement is terminated by the State because the parties are not able to execute a mutually agreeable amendment when the costs for Local Government requested items increase significantly due to differing site conditions, determination that Local government requested work is ineligible for federal or state cost participation, or more thorough definition of the Local Government's proposed work scope identifies greatly differing costs from those estimated. The State will reimburse Local Government remaining funds to the Local Government within ninety (90) days of termination; or

E. The Project is inactive for thirty-six (36) months or longer and no expenditures have been charged against state funds, in which case the State may in its discretion terminate this Agreement.

6. Amendments

Amendments to this Agreement due to changes in the character of the work, terms of the Agreement, or responsibilities of the parties relating to the Project may be enacted through a mutually agreed upon, written amendment.

7. Remedies

This Agreement shall not be considered as specifying the exclusive remedy for any Agreement default, but all remedies existing at law and in equity may be availed of by either party to this Agreement and shall be cumulative.

8. Utilities

The party named in article 1, Responsible Parties, under AGREEMENT shall be responsible for the adjustment, removal, or relocation of utility facilities in accordance with applicable state laws, regulations, rules, policies, and procedures, including any cost to the State of a delay resulting from the Local Government's failure to ensure that utility facilities are adjusted, removed, or relocated before the scheduled beginning of construction. The Local Government will not be reimbursed with State funds for the cost of required utility work. The Local Government must obtain advance approval for any variance from established procedures. Before a construction contract is let, the Local Government shall provide, at the State's request, a certification stating that the Local Government has completed the adjustment of all utilities that must be adjusted before construction is commenced.

9. Environmental Assessment and Mitigation

Development of a transportation project must comply with applicable environmental laws. The party named in article 1, Responsible Parties, under AGREEMENT is responsible for the following:

A. The identification and assessment of any environmental problems associated with the development of a local project governed by this Agreement.

B. The cost of any environmental problem's mitigation and remediation.

C. Providing any public meetings or public hearings required for the environmental assessment process. Public hearings will not be held prior to the approval of Project schematic.

D. The preparation of the NEPA documents required for the environmental clearance of this Project.

If the Local Government is responsible for the environmental assessment and mitigation, before the advertisement for bids, the Local Government shall provide to the State written documentation from the appropriate regulatory agency or agencies that all environmental clearances have been obtained.

10. Compliance with Accessibility Standards

All parties to this Agreement shall ensure that the plans for and the construction of all projects subject to this Agreement are in compliance with standards issued or approved by the Texas Department of Licensing and Regulation (TDLR) as meeting or consistent with minimum accessibility requirements of the Americans with Disabilities Act (P.L. 101-336) (ADA).

11. Procurement Standards

For projects being managed by the Local Government and on the State highway system or that include state funding, the Local Government must obtain approval from the State for its proposed procurement procedure for the selection of a professional services provider, a contractor for a construction or maintenance project, or a materials provider.

12. Architectural and Engineering Services

The party named in Article 1, Responsible Parties, under AGREEMENT has responsibility for the performance of architectural and engineering services. The engineering plans shall be developed in accordance with the applicable *State's Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges* and the special specifications and special provisions related to it. For projects on the state highway system, the design shall, at a minimum conform to applicable State manuals. For projects not on the state highway system, the design shall, at a minimum, conform to applicable American Association of State Highway and Transportation Officials (AASHTO) design standards.

In procuring professional services, the parties to this Agreement must comply with Texas Government Code 2254, Subchapter A. If the Local Government is the responsible party, the Local Government shall submit its procurement selection process for prior approval by the

State. All professional service contracts must be reviewed and approved by the State prior to execution by the Local Government.

13. Construction Responsibilities

The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the following:

A. Advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders that may become necessary subsequent to the award of the construction contract. Projects must be authorized by the State prior to advertising for construction.

B. If the State is the responsible party, the State will use its approved contract letting and award procedures to let and award the construction contract.

C. If the Local Government is the responsible party, the Local Government shall submit its contract letting and award procedures to the State for review and approval prior to letting.

D. If the Local Government is the responsible party, the State must concur with the low bidder selection before the Local Government can enter into a contract with the vendor.

E. If the Local Government is the responsible party, the State must review and approve change orders.

F. Upon completion of the Project, the party responsible for constructing the Project will issue and sign a “Notification of Completion” acknowledging the Project’s construction completion and submit certification(s) sealed by a professional engineer(s) licensed in the State of Texas.

G. Upon completion of the Project, the party constructing the Project will issue and sign a “Notification of Completion” acknowledging the Project’s construction completion.

14. Project Maintenance

The Local Government shall be responsible for maintenance of locally owned roads and locally owned facilities after completion of the work. The State shall be responsible for maintenance of the state highway system after completion of the work if the work was on the state highway system, unless otherwise provided for in existing maintenance agreements with the Local Government.

15. Right of Way and Real Property

The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the provision and acquisition of any needed right of way or real property.

16. Insurance

If this Agreement authorizes the Local Government or its contractor to perform any work on State right of way, before beginning work the entity performing the work shall provide the State with a fully executed copy of the State's Form 1560 Certificate of Insurance verifying the

existence of coverage in the amounts and types specified on the Certificate of Insurance for all persons and entities working on State right of way. This coverage shall be maintained until all work on the State right of way is complete. If coverage is not maintained, all work on State right of way shall cease immediately, and the State may recover damages and all costs of completing the work.

17. Notices

All notices to either party shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to that party at the following address:

Local Government:	**State:**
City of West University Place ATTN: Director of Public Works 3826 Amherst Street West University Place, Texas 77005	Texas Department of Transportation ATTN: Director of Contract Services 125 E. 11th Street Austin, TX 78701

All notices shall be deemed given on the date delivered in person or deposited in the mail, unless otherwise provided by this Agreement. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail, and that request shall be carried out by the other party.

18. Legal Construction

If one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions and this Agreement shall be construed as if it did not contain the invalid, illegal, or unenforceable provision.

19. Responsibilities of the Parties

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party, and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

20. Ownership of Documents

Upon completion or termination of this Agreement, all documents prepared by the State shall remain the property of the State. All data and information prepared under this Agreement shall be made available to the State without restriction or limitation on their further use. All documents produced or approved or otherwise created by the Local Government shall be transmitted to the State, in the format directed by the State, of photocopy reproduction on a

monthly basis or as required by the State. The originals shall remain the property of the Local Government.

21. Compliance with Laws

The parties shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this Agreement. When required, the Local Government shall furnish the State with satisfactory proof of this compliance.

22. Sole Agreement

This Agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings or written or oral agreements respecting the Agreement's subject matter.

23. Procurement and Property Management Standards

The parties to this Agreement shall adhere to the procurement and property management standards established in the Texas Uniform Grant Management Standards.

24. Inspection of Books and Records

The parties to this Agreement shall maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred under this Agreement and shall make such materials available to the State and the Local Government, or their duly authorized representatives for review and inspection at its office during the Agreement period and for seven (7) years from the date of completion of work defined under this Agreement or until any impending litigation, or claims are resolved. Additionally, the State and the Local Government and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

25. Audit

Pursuant to Texas Government Code § 2262.154, the state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the contract or indirectly through a subcontract under the contract. Acceptance of funds directly under the contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

26. Historically Underutilized Business (HUB) and Small Business Enterprise (SBE) Requirements

For projects with State funds and no federal funds, the Local Government will be required to follow the provisions of Texas Transportation Code §201.702 and 43 TAC §§9.354-9.355

(HUB) and §§9.314-9.315 (SBE). The Local Government must incorporate project goals approved by TxDOT into project documents before advertising for receipt of bids. Contractors must select HUBs and SBEs from TxDOT-approved or maintained sources. The Local Government will provide monthly updates of HUB/SBE (as appropriate) participation and report final accomplishments to TxDOT for credit to overall program goals.

For projects with no state or federal funds that are not on the state or federal highway systems, the Local Government should follow its own local or specific ordinances and procedures. Local Governments are encouraged to use HUBs and SBEs from TxDOT-approved or maintained sources. The Local Government must also report final HUB accomplishments to TxDOT for credit to overall program goals.

27. Debarment Certifications

If state funds are used, the parties are prohibited from making any award to any party that is debarred under the Texas Administrative Code, Title 34, Part 1, Chapter 20, Subchapter G, Rule §20.585 and the Texas Administrative Code, Title 43, Part 1, Chapter 9, Subchapter G.

28. Pertinent Non-Discrimination Authorities

During the performance of this Agreement, the Local Government, for itself, its assignees, and successors in interest agree to comply with the following nondiscrimination statutes and authorities; including but not limited to:

A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.

B. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects).

C. Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), as amended, (prohibits discrimination on the basis of sex).

D. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.) as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27.

E. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age).

F. Airport and Airway Improvement Act of 1982, (49 U.S.C. Chapter 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex).

G. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not).

H. Titles II and III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38.

I. The Federal Aviation Administration's Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex).

J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations.

K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, the parties must take reasonable steps to ensure that LEP persons have meaningful access to the programs (70 Fed. Reg. at 74087 to 74100).

L. Title IX of the Education Amendments of 1972, as amended, which prohibits the parties from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).

CSJ # **CSJ #**	**0912-72-360**
District #	**12-Houston**
Code Chart 64 #	**45400**
Project Name	**Buffalo Speedway Decorative Signal Poles**

Exhibit A

29. Signatory Warranty

Each signatory warrants that the signatory has necessary authority to execute this Agreement on behalf of the entity represented.

Each party is signing this agreement on the date stated under that party's signature.

THE STATE OF TEXAS	**THE LOCAL GOVERNMENT**
Signature	Signature
Kenneth Stewart Typed or Printed Name	David J. Beach Typed or Printed Name
Director of Contract Services Typed or Printed Title	City Manager Typed or Printed Title
Date	Date

CSJ # **CSJ #**	**0912-72-360**
District #	**12-Houston**
Code Chart 64 #	**45400**
Project Name	**Buffalo Speedway Decorative Signal Poles**

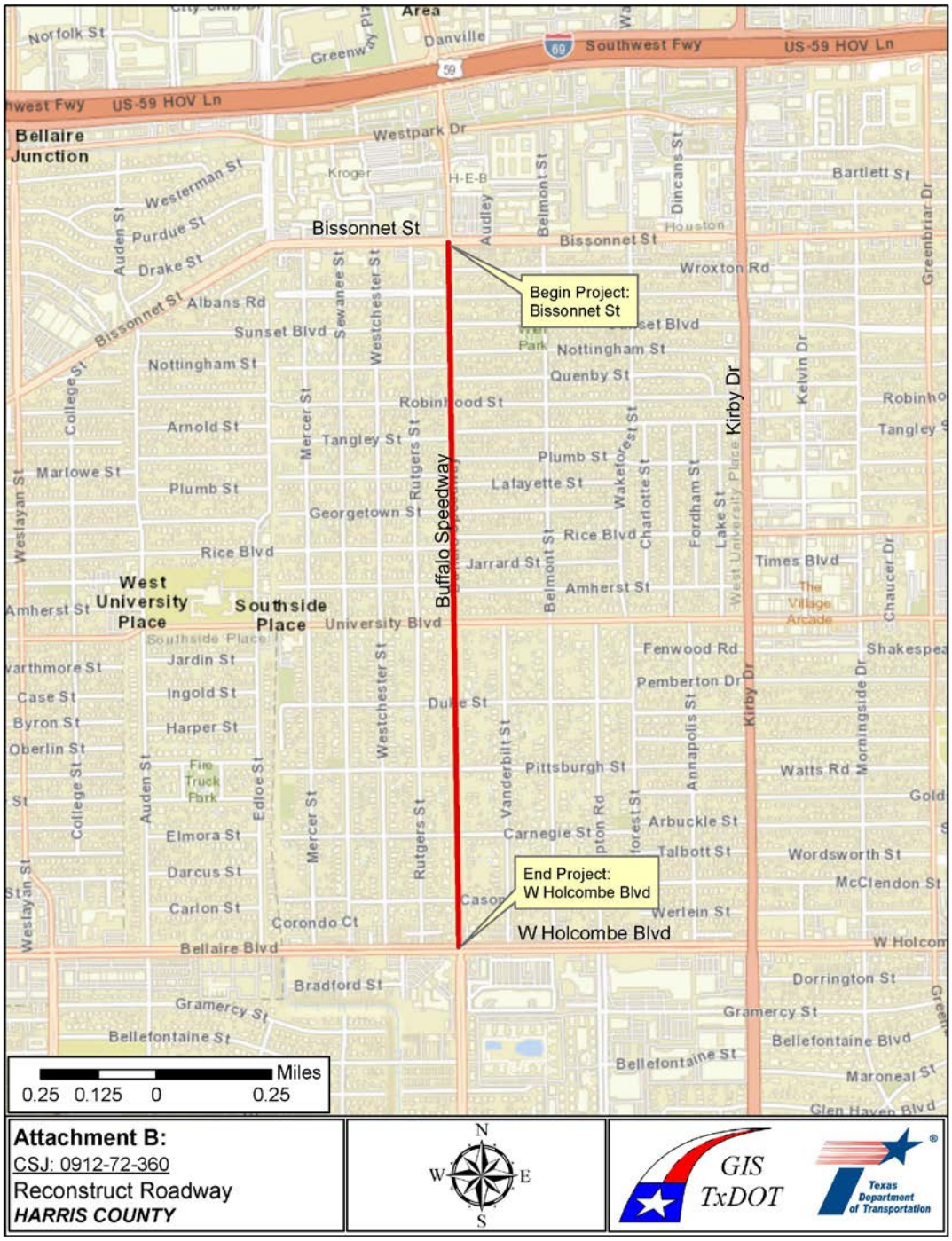
Exhibit A

ATTACHMENT A
RESOLUTION, ORDINANCE, OR COMMISSIONERS COURT ORDER

CSJ # **CSJ #**	**0912-72-360**
District #	**12-Houston**
Code Chart 64 #	**45400**
Project Name	**Buffalo Speedway Decorative Signal Poles**

Exhibit A

ATTACHMENT B
LOCATION MAP SHOWING PROJECT



CSJ # **CSJ #**	**0912-72-360**
District #	**12-Houston**
Code Chart 64 #	**45400**
Project Name	**Buffalo Speedway Decorative Signal Poles**

Exhibit A

CSJ # **CSJ #**	**0912-72-360**
District #	**12-Houston**
Code Chart 64 #	**45400**
Project Name	**Buffalo Speedway Decorative Signal Poles**

Exhibit A

ATTACHMENT C
PROJECT BUDGET

The Local Government has requested the State include decorative signal poles in the project to widen Buffalo Speedway from Bissonnet Street to Holcombe Boulevard. The Local Government shall be responsible for 100% of the cost difference between the decorative signal poles and the TxDOT Standard galvanized poles for the Project. The estimated cost of the decorative signal poles is $420,838.00. The estimated cost of the TxDOT Standard galvanized poles is $155,606.00. The Local Government's estimated cost is $265,232.00, including overruns.

AGENDA MEMO

Business of the City Council
City of West University Place, Texas

Meeting Date	10.05.2020	**Agenda Item**	12E
Approved by City Manager	Yes	**Presenter(s)**	S. White, Director
Reviewed by City Attorney	Yes	**Department**	Parks & Recreation
Subject	Memorandum of Understanding with West U Baptist Church		
Attachments	2021 Memorandum of Understanding, including Exhibits A and B.		
Financial Information	Expenditure Required:	N/A	
	Amount Budgeted:	N/A	
	Account Number:	N/A	
	Additional Appropriation Required:	N/A	
	Additional Account Number:	N/A	

Executive Summary

The City entered into its current formal MOU with West University Baptist Church (WUBC) in 2012. Prior to that, there had been an informal arrangement, beginning in 1996, which permitted the City's use of the WUBC gymnasium for its adult basketball leagues and the WUBC's use of the Community Building and Senior Services Center (CB/SSC). The City's use of the WUBC gymnasium discontinued around 2003, but the WUBC continued its use of the CB/SSC

The current MOU allows patrons of the CB/SSC to utilize the WUBC parking lots on the 3800 block of Milton and allows WUBC use of the City's CB/SSC for needed additional classroom space for its Sunday programs. The usage schedule is as follows:

City Parking Hours:	Monday – Friday	7:30 a.m. – 5:30 p.m., except Thursday mornings.
WUBC CB/SSC Use:	Sunday	7:00 a.m. – 1:00 p.m.

The estimated value of the facilities rental is $34,920 and the estimated value of the parking is $35,100. Therefore, because the difference is less than $500, the MOU does not provide for a fee. The value for parking is based on parking fees in Rice Village which are $1 per hour.

Because this MOU is standard, staff is requesting that the term for this MOU be increased from one year to five years. If it becomes necessary, language has been added to allow for fee adjustments.

Recommended Action

Staff recommends that City Council approve and authorize the City Manager to execute the Memorandum of Understanding between the City of West University Place and the West University Place Baptist Church.

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF WEST UNIVERSITY PLACE AND THE WEST UNIVERSITY BAPTIST CHURCH

THIS MEMORANDUM OF UNDERSTANDING (hereinafter referred to as "MOU") is made and entered into by and between the **CITY OF WEST UNIVERSITY PLACE** ("City"), a Texas home rule municipality with its principal office being located at 3800 University Blvd., West University Place, TX 77005, and the **WEST UNIVERSITY BAPTIST CHURCH** ("WUBC"), a Texas non-profit corporation, whose address is 6218 Auden, West University Place, TX 77005, and is entered into as of the date set forth below, with terms and conditions as follows.

RECITALS

WHEREAS, the purpose of this MOU is to set forth certain commitments between the City and WUBC relating to WUBC's use of the City's Community Building/Senior Center, 6104 Auden St., West University Place, Texas 77005, ("Community Building") for WUBC church programs at the Community Building (the "Program") in exchange for the City's use of the WUBC Parking Lot #3 on the 3800 Block of Milton ("Parking Lot #3"), depicted on the map of the WUBC parking lots attached hereto as Exhibit "A," Monday through Friday, from 7:30am until 5:30pm, with the exception of Thursday mornings; and

WHEREAS, this MOU outlines the proposed agreements based on each party's present understanding of the preliminary items needed to ensure the success of the MOU, in particular, the City's use of Parking Lot #3 in exchange for WUBC's use of the Community Building.

NOW THEREFORE, in consideration of these recitals, the mutual covenants, agreements, and obligations stated below, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

AGREEMENT

1. Program Requirements.

a. Program activities shall take place within the Community Building, which includes the four (4) meeting rooms, kitchen and restrooms.

b. The Program shall cover five Program Years, specifically beginning January 1, 2021 and concluding on December 31, 2025, from 7:00am-1:00pm as follows:

Auditorium	51 Sundays
Activity Room	24 Sundays
John Neighbors Activity Room	18 Sundays
Meeting Room	18 Sundays
Exception:	
Fathers & Flashlights event Date to be Determined	

c. The Program shall provide supervised Program activities.

2. WUBC Responsibilities.

a. WUBC shall make Parking Lot #3 available for the City's use Monday through Friday, from 7:30am to 5:30pm, with the exception of Thursday mornings.

b. WUBC shall maintain liability insurance in effect at all times during all Program Years. Each policy must list the City (and its officers, agents and employees) as additional insured parties with respect to activities under this MOU. The insurance must have limits of at least **$1,000,000.00 per occurrence / $2,000,000.00 aggregate**. "Additional insured" coverage must include general liability risks, including both on-going and completed operations, and WUBC shall provide evidence of such insurance to the City at least two (2) weeks prior to January 1, of each Program Year.

c. WUBC shall abide by City ordinances, rules and policies for the Community Building, as amended from time to time, and shall cause all participants in its activities to do so. WUBC Program shall not cause any unreasonable adverse effect on others, including, for example: effects of noise, vibration, odors, fumes, visual intrusions, flooding, congestion, vehicular traffic, and "spillover" parking of vehicles. WUBC shall not alter the Community Building, except as authorized by the City in writing.

d. WUBC shall pay standard resident rental fee rates for all use of the Community Building outside the approved 7:00am until 1:00pm Sunday use.

e. WUBC shall reimburse the City for the actual costs incurred by the City for janitorial services of the Community Building that are scheduled to be rendered at the conclusion of their use of the Community Building each Sunday. The fee is subject to change, but is currently **$68.00 weekly**. The City shall bill WUBC for the janitorial services on a quarterly basis. The invoice shall be paid in full within thirty (30) days of the invoice date.

f. WUBC shall provide to the City a list of the WUBC employees who are in charge of the Program at least two (2) weeks prior to January 1 of each Program Year or when the information changes. The list should include addresses, email addresses, phone numbers, etc.

g. WUBC shall report any lost or stolen Community Building keys the City immediately. Community Building keys may not be duplicated and must be tendered to the City upon termination of this MOU.

h. WUBC shall be responsible for all set up and take down tables, chairs and equipment, which must be returned to the designated storage areas at the end of the day's Program. WUBC may not store equipment in the Community Building unless agreed upon by the City.

3. City Responsibilities.

a. The City shall provide routine, residential-level solid waste collection at the Community Building from Program activities. WUBC shall make every reasonable effort to recycle all materials used in facilitating the Program at the Community Building.

b. Every effort shall be made by the City's representative to avoid canceling any scheduled WUBC use of the Community Building; however, situations may arise where a confirmed reservation(s) may have to be canceled. The City has the right to close the Community Building and change the operational schedule as needed.

c. The City shall provide a total of five keys (one key for each of the four rooms and one key for the front doors) to the Community Building, which shall be issued to the WUBC Executive Pastor.

d. The City may install signage at Parking Lot #3 stating the City's right to use Parking Lot #3.

4. Term and Termination. This MOU shall become effective on January 1, 2021 and shall remain in full force and effect until December 31, 2025. This MOU may be terminated by either party giving the other party thirty (30) days prior written notice. In the event of termination, each party waives any and all claims for reliance, consequential damages, and any other damages.

5. Routine Liaisons. Each party shall designate a person to act as its Liaison under this MOU. The WUBC Liaison is shown on the signature page of this MOU, and the City Liaison is the Parks and Recreation Director or his or her designee. Liaisons shall have authority to transmit notices, receive information and interpret that party's policies and decisions. Such authority shall not extend to changing this MOU or any other item approved by a governing body. Each party shall make its Liaison available to meet and confer about matters relating to this MOU, at reasonable times and places.

6. Consideration. The City and WUBC agree that the value of WUBC's use of the Community Building is approximately equal to the City's use of Parking Lot #3, as referenced in Exhibit "B."

MISCELLANEOUS PROVISIONS

1. Recitals. The recitals set forth above are, by this reference, incorporated into and deemed a part of this MOU.

2. Venue. The obligations of the parties to this MOU are performable in Harris County, Texas, and exclusive venue for any legal action in connection with this MOU shall lie in Harris County, Texas.

3. Governing Law. This MOU shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Texas, without regard to conflicts of law or choice of law principals of Texas or any other state.

4. No Partnership, Joint Venture or Joint Enterprise. It is specifically understood that the relationship described in this MOU between the City and WUBC is contractual in nature and is not to be construed to create an agency, partnership, joint enterprise or joint venture relationship between WUBC and the City; nor shall one party be liable for any debts incurred by the other party in the conduct of such other party's business or function.

5. No Waiver of Immunity by City. Notwithstanding any provision of this MOU to the contrary, nothing in this MOU shall constitute a waiver by the City of any provisions of applicable law relating to any immunity or defense as may be available to the City on behalf of itself, its trustees, officers, employees, and agents.

6. Legal Construction. In case any one or more of the provisions contained in this MOU shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this MOU, and this MOU shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this MOU.

7. Captions and Headings. The captions and headings to the various provisions to this MOU are for convenience of reference only and shall not affect the construction of any provisions of this MOU.

8. Assignment. This MOU and the rights, duties, and obligations hereunder may not be transferred or assigned by either of the parties without the prior written consent of the other party.

9. Successors and Assigns. This MOU shall be binding upon and inure to the benefit of the parties and their respective successors and, except as otherwise provided in this MOU, their assigns.

10. Amendment; Waivers. This MOU may be amended or modified in whole or in part at any time only by an agreement in writing by the parties. No waiver of any term or provision of this Agreement shall be binding unless executed in writing by the party entitled to the benefit of the term or provision.

11. Integration. This MOU and the agreements and documents referred to herein (including the exhibits and schedules hereto) and any provisions incorporated by reference contain the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings, whether written or oral, relating to the subject matter hereof. There are no other agreements, representations or warranties between or among the parties other than those set forth in this MOU and the agreements and documents referred to herein.

12. Notices. All notices, communications, invoices and reports required or permitted under this MOU shall be personally delivered or mailed to the respective parties as follows or to such other address as either party may subsequently specify in writing:

If to the City:

Parks and Recreation Director
City of West University Place, Texas
3800 University Blvd.
West University Place, Texas 77005

With a copy to:	Johnson Petrov LLP 2929 Allen Parkway, Suite 3150 Houston, Texas 77019 Attention: Alan P. Petrov
If to West U Baptist Church:	Executive Pastor-West University Baptist 6218 Auden St. West University Place, Texas 77005 Attention: Kirby Follis
With a copy to:	WKPZ 3030 Matlock Rd., Suite 201 Arlington, Texas 76015 Attention: Cory Halliburton

13. Counterparts. This MOU may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

THIS MOU IS AGREED TO AND EXECUTED as of the ___ day of _____, 20__, by WUBC and the City, signing by and through their duly authorized representatives.

WEST UNIVERSITY BAPTIST CHURCH:

WEST UNIVERSITY BAPTIST CHURCH,
a Texas Non-Profit Corporation

By:_____
Name:_____
Title:_____

THE CITY:

CITY OF WEST UNIVERSITY PLACE, TEXAS,
a Texas home rule municipality

By:_____
Dave Beach
City Manager

City of
West University
Place

APPENDIX "A"

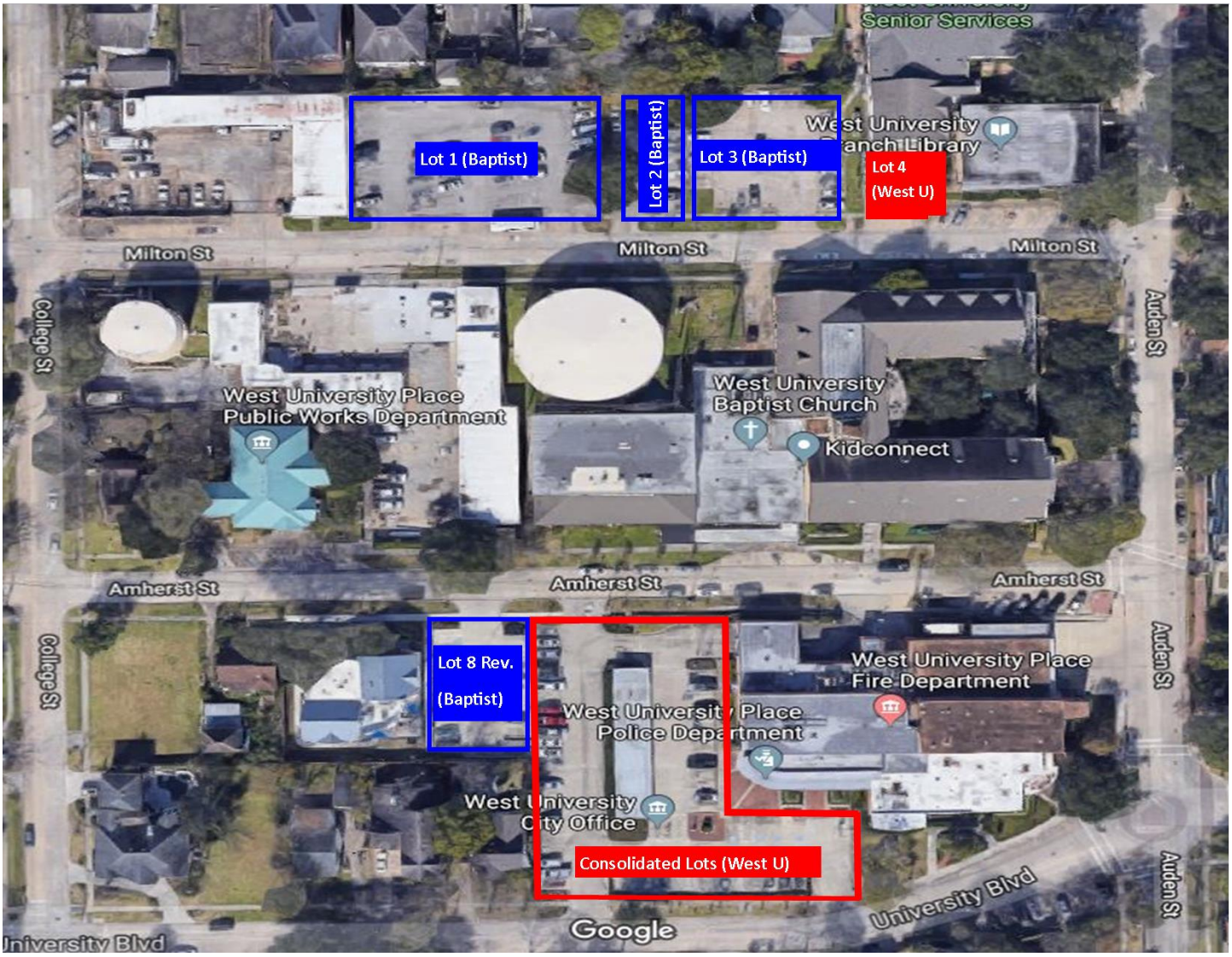


EXHIBIT B

MEMORANDUM OF UNDERSTANDING WITH WEST UNIVERSITY BAPTIST CHURCH

WUBC CHURCH USE OF WEST U'S FACILITY:

	$ / Hr.	# Hrs.	$ / Use	# of Wks.	Total Cost
Auditorium	$60	6	$360	51	$18,360
John Neighbor's Room	$60	6	$360	18	$6,480
Activity Room	$40	6	$240	24	$5,760
Meeting Room	$40	6	$240	18	$4,320
					$34,920

WEST U'S USE OF THE WUBC PARKING LOT:

	# of Parked Cars	Avg. # of Hrs. Parked	Est. Hrs. Per Week	$ / Hr.	Est. Weekly Cost	# of Weeks	Annual Cost
Weekly Use	450	1.5	675	$1	$675	52	$35,100
							$35,100

Net Difference (WUBC) ($180)

Parking fees are based upon the hourly charge used at Rice Village, which are typically $1.00 per hour. Rice Village was used because of it's proximity to West U.

AGENDA MEMO

Business of the City Council
City of West University Place, Texas

Meeting Date	09.28.20	**Agenda Item**	12F
Approved by City Manager	Yes	**Presenter(s)**	S. White, Director
Reviewed by City Attorney	Yes	**Department**	Parks & Recreation
Subject	Memorandum of Understanding with West University Aquatics Club – Piranhas Swim Team		
Attachments	2021 Memorandum of Understanding		
Financial Information	Expenditure Required:	N/A	
	Amount Budgeted:	N/A	
	Account Number:	N/A	
	Additional Appropriation Required:	N/A	
	Additional Account Number:	N/A	

Executive Summary

Attached is the Memorandum of Understanding (MOU) between the City and the West University Aquatics Club, DBA West University Piranhas. The West University Piranhas have been in existence since the early 1950's and the team is managed by a volunteer parent board of directors.

The 2021 MOU defines the roles and expectations of the two entities and is intended to protect the best interests of both the City and the West University Piranhas and has been developed in cooperation with the West University Piranhas President and Board of Directors.

In support of youth sports and per the MOU, the City of West University Place agrees to provide the pool usage and facilities for West U Piranhas related events at an estimated value of $14,000, whereas West University Piranhas agree to reimburse the City for all staffing costs related to swim team activities.

Because this MOU is standard, staff is requesting that the term for this MOU be increased from one year to five years. If it becomes necessary, language has been added to allow for fee adjustments.

Recommended Action

Staff recommends that City Council approve and authorize the City Manager to execute the 2021 Memorandum of Understanding between the City of West University Place and the West University Aquatics Club – Piranhas Swim Team.

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF WEST UNIVERSITY PLACE AND THE WEST UNIVERSITY AQUATICS CLUB, INC.

THIS MEMORANDUM OF UNDERSTANDING (hereinafter referred to as "MOU") is made and entered into by and between the **CITY OF WEST UNIVERSITY PLACE** ("City"), a Texas home rule municipality with its principal office being located at 3800 University Blvd., West University Place, TX 77005, and the **WEST UNIVERSITY AQUATICS CLUB, INC.** ("WUAC"), a Texas non-profit corporation also known as the Piranhas Swim Team, whose address is PO Box 6888, Houston, TX 77265-6888, and is entered into as of the date set forth below, with terms and conditions as follows.

RECITALS

WHEREAS, the purpose of this MOU is to set forth certain commitments between the City and WUAC relating to a youth summer swim team program ("Program");

WHEREAS, WUAC is a recreational youth summer swim team that participates in the Southwest Aquatic League, competing against other recreational swim teams in the region with the objective to offer a positive introduction to girls and boys who are new to swimming competitions and who are interested in the recreational competitive swimming experience;

WHEREAS, WUAC utilizes the West University Place Recreation Center Pool, 4210 Bellaire Blvd., as it's "home" aquatics facility for their Program and Colonial Park Pool and Pavilion, 4130 Byron, for Fun Fridays, Swim Team BBQ, and Meet & Greet/Swimsuit Try On; and

WHEREAS, this MOU outlines the proposed agreements based on each party's present understanding of the preliminary items needed to ensure the success of the Program, in particular, WUAC's desire to provide a youth swim team program.

NOW THEREFORE, in consideration of these recitals, the mutual covenants, agreements, and obligations stated below, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

AGREEMENT

1. Program Requirements. WUAC shall plan and provide a Program meeting the following requirements:

a. Tryouts, practices, some swim meets, and swim team events shall take place within the West University Place, Texas city limits at City facilities as provided below.

b. The Program shall cover a single season during each Program Year. A Program Year shall be January 1 through December 31 and this MOU shall cover five Program Years beginning January 1, 2021, and concluding on December 31, 2025.

c. Activity dates for the 2021 Program Year shall be as set forth below. Similar activity dates shall be agreed to between WUAC and the City's Parks and Recreation Director for each subsequent Program Year.

West University Place Recreation Center (Tryouts**:** March 28 & April 3, 2021):

Tryouts	Saturday, March 27	10:00am-11:30am	use of 2 lanes
Tryouts	Friday, April 2	6:00pm-7:30pm	use of 2 lanes

West University Place Recreation Center (May Practices**:** May 10- 27, 2021)

Practice	Monday through Thursday	4:00pm-6:00pm	use of 4 lanes
Practice	Monday through Thursday	6:00pm-7:00pm	use of 3 lanes
Practice	Monday through Thursday	7:00pm-8:45pm	use of 2 lanes

West University Place Recreation Center (June Practices**:** June 1-25, 2021)

Practice	Monday through Thursday	7:00am-9:00am	use of 8 lanes

Colonial Park Pool (Fun Fridays, June 4, 11, 18, 2021)

Friday (Fun Fridays)	Fridays	7:00am-9:00am	use of entire pool

Swim Meets (West University Place Recreation Center Pool)

June 7, 2021	vs. TBD	4:30pm-9:30pm
June 14, 2021	vs. TBD	4:30pm-9:30pm
June 21, 2021	vs. TBD	4:30pm-9:30pm

Other Swim Team Related Events

May 7, 2021	Meet & Greet/Swimsuit Try On at Colonial Park Pavilion	5:30pm-7:30pm
June 20, 2021	Colonial Park Pool, Swim Team BBQ	7:00pm-9:00pm

Any additional events are required to be approved by the City.

d. The Program shall provide a supervised competitive summer youth swim team for over 250 youthful residents of West University and may provide the same supervised program for non-residents. WUAC shall pay the City a sum of $25.00 for each Non-Resident swim team participant per person/per season. The City reserves the right to adjust such fee each year. WUAC must provide the City with a list of the names and addresses of all participants by June 30th of each Program Year. WUAC shall be billed by the City for non-resident fees. Payment is due to the City within 30 days of the invoice date.

2. WUAC Responsibilities.

a. By March 1, of each Program Year, WUAC and the City shall determine a complete schedule for tryouts, practices and scheduled swim meets and other related swim team events, as well as, details on the portions of the facilities being utilized. The Program schedule may be adjusted only by mutual consent of the City's Parks and Recreation Director and WUAC.

b. WUAC shall maintain liability insurance in effect at all times during each Program Year. Each policy must list the City (and its officers, agents and employees) as additional insured parties with respect to activities under this MOU. The insurance must have limits of at least **$1,000,000.00 per occurrence / $2,000,000.00 aggregate**. "Additional insured" coverage must include general liability risks, including both on-going and completed operations, and WUAC shall provide evidence of such insurance to the City at least two (2) weeks prior to the start of Tryouts, each Program Year.

c. WUAC shall reimburse the City for all lifeguard and desk staffing expenses associated with WUAC's City facility and pool use for each Program Year. WUAC shall be billed for actual staff time used. The current rate for staff time is $12.15 per hour, however, the City reserves the right to adjust such rate each year. Payment is due to the City within 30 days of the invoice date.

d. WUAC shall provide all coaches, personnel and volunteers required to adequately staff and run all Program activities with the exception of lifeguards and desk staff. All WUAC employees must have passed a national criminal history background record review and have a background check on file with WUAC. Anyone with a felony or crime of moral turpitude is prohibited from providing Program services on City premises. Background checks must be completed before the WUAC employee's start date. All WUAC coaches must be certified with American Red Cross Swim Coaches Safety Training or comparable safety program to be approved by City. The coach/swimmer ratio shall not exceed one (1) coach per twenty-five (25) participants. WUAC must provide adult instructors or coaches with appropriate training, to be present and on duty, supervising the participants.

e. WUAC reserves the right to offer for sale and collect the entire proceeds from any such sale, West University Piranhas merchandise, as well as food items, at practices and during meets held at the West University Place Recreation Center. WUAC shall be responsible for compliance with applicable laws or regulations relating to any such sales.

f. All swimmers must have a City waiver and release of liability, signed each Program Year, on file before the start of Tryouts and valid for 365 days. The City shall provide a copy of the waiver and release of liability form that should be given to the participants. It is the responsibility of WUAC to keep signed waivers current and on file for all participants. In the event the City requests a copy of the waivers, the WUAC must timely present the requested waiver(s).

g. Coaches/employees and volunteers of WUAC are responsible for following and enforcing city/facility policies. These include but are not limited to: all participants must shower before swimming; all participants must change clothes in designated age appropriate changing rooms/not on pool deck, keeping parents in designated areas during tryouts, practices and meets, etc. Any damage to pool area or any aspect of the facility must be reported to the Manager on Duty immediately. WUAC is responsible for repair of any damage during use of pool/facility; WUAC is required to keep work space and areas used, including storage neat and organized at all times.

h. WUAC is required to provide Texas Transportation Code information to volunteers, coaches, and parents with a reminder to be considerate of residents and not block driveways, fire hydrants, etc.

3. <u>City Responsibilities</u>.

a. The City shall schedule and provide all desk staff and lifeguards required to staff tryouts, practices, swim meets, Fun Fridays, Swim Team BBQ, and Meet & Greet/Swimsuit Try On.

b. The City shall provide routine, residential-level solid waste collection from Program activities of the WUAC. WUAC shall: (i) prepare and place waste for collection as prescribed by the City Public Works staff Liaison; and (ii) separate recycling materials and place them for collection, as prescribed by the Public Works staff Liaison; (iii) designate a recycling coordinator, who shall work with the Chair of the Recycling and Solid Waste Reduction Board ("Board") and the designated Public Works staff Liaison to develop and implement a recycling program; (iv) provide the name and contact information (email and telephone number) of the WUAC recycling coordinator to the Board on or before the start of each Program Year and authorize the Chair of the Board (or the Board's designee) to contact the recycling coordinator directly in an effort to reduce contamination in the recycling stream at WUAC Program events/functions (Swim Meets, Fun Fridays, etc.). WUAC shall provide education to its members, affiliates and participants to properly address contamination in the recycling stream. Contamination in the recycling stream results in a higher processing rate for the City, and costs the City incurs due to contamination of the

recycling stream from the Program may be passed on to WUAC, which shall be paid within thirty (30) days of receipt of an invoice from the City.

c. WUAC's use of the facilities is non-exclusive, to be shared with others. WUAC shall accommodate other authorized users during agreed upon hours. Individual arrangements may be made on an as needed basis for WUAC use of meeting rooms, when the meeting rooms are available – not being used for paid programs and activities, specifically at the Scout House. No meeting space shall be made available at the West University Place Recreation Center or Community Building unless it is during normal operating hours. If meeting space is desired after operating hours, resident rate rental fees apply.

d. Every effort will be made by the City's representative to avoid canceling any scheduled use; however, situations may arise where a confirmed reservation(s) may have to be canceled. In the event of pool failure, chemical issues, staffing issues, contamination incidents, severe weather or other circumstances; portions of the Recreation Center and Colonial Park Pool may be closed or unavailable. The City has the right to close the facility and/or pool and change the operational schedule as needed. Lanes may be decreased or unavailable. City staff reserves the right to deny space, or reassign lanes, areas or pools.

e. The City shall provide to WUAC up to three (3) messages to be used to advertise Program activities, during each Program Year on the City's electronic marquees. WUAC registration announcement banners shall be allowed at two (2) locations within the City, 1) On the fence of Town Center, specifically at the corner of Edloe and University, and 2) On the fence of the West University Place Recreation Center, specifically on the southern side of the fence between the Bellaire Blvd. entrance and the railroad tracks. Banner Size: Not to exceed 8' X 4'; Posting Duration: 2 weeks – WUAC shall notify the city a minimum of two (2) weeks ahead of all banner installations. The City shall publish the website and supplied activity information in the Parks and Recreation Activity Guide.

4. Term and Termination. This MOU shall become effective on January 1, 2021 and shall remain in full force and effect until December 31, 2025. This MOU may be terminated by either party giving the other party thirty (30) days prior written notice. In the event of termination, each party waives any and all claims for reliance, consequential damages, and any other damages.

5. Routine Liaisons. Each party shall designate a person to act as its Liaison under this MOU. The WUAC Liaison is shown on the signature page of this MOU, and the City Liaison is the Parks and Recreation Director or his or her designee. Liaisons shall have authority to transmit notices, receive information and interpret that party's policies and decisions. Such authority shall not extend to changing this MOU or any other item approved by a governing body. Each party shall make its Liaison available to meet and confer about matters relating to this MOU, at reasonable times and places.

MISCELLANEOUS PROVISIONS

1. Recitals. The recitals set forth above are, by this reference, incorporated into and deemed a part of this MOU.

2. Venue. The obligations of the parties to this MOU are performable in Harris County, Texas, and exclusive venue for any legal action in connection with this MOU shall lie in Harris County, Texas.

3. Governing Law. This MOU shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Texas, without regard to conflicts of law or choice of law principals of Texas or any other state.

4. No Partnership, Joint Venture or Joint Enterprise. It is specifically understood that the relationship described in this MOU between the City and WUAC is contractual in nature and is not to be construed to create an agency, partnership, joint enterprise or joint venture relationship between WUAC and the City; nor shall one party be liable for any debts incurred by the other party in the conduct of such other party's business or function.

5. No Waiver of Immunity by City. Notwithstanding any provision of this MOU to the contrary, nothing in this MOU shall constitute a waiver by the City of any provisions of applicable law relating to any immunity or defense as may be available to the City on behalf of itself, its trustees, officers, employees, and agents.

6. Legal Construction. In case any one or more of the provisions contained in this MOU shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this MOU, and this MOU shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this MOU.

7. Captions and Headings. The captions and headings to the various provisions to this MOU are for convenience of reference only and shall not affect the construction of any provisions of this MOU.

8. Assignment. This MOU and the rights, duties, and obligations hereunder may not be transferred or assigned by either of the parties without the prior written consent of the other party.

9. Successors and Assigns. This MOU shall be binding upon and inure to the benefit of the parties and their respective successors and, except as otherwise provided in this MOU, their assigns.

10. Amendment; Waivers. This MOU may be amended or modified in whole or in part at any time only by an agreement in writing by the parties. No waiver of any term or provision of this Agreement shall be binding unless executed in writing by the party entitled to the benefit of the term or provision.

11. Integration. This MOU and the agreements and documents referred to herein (including the exhibits and schedules hereto) and any provisions incorporated by reference contain the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings, whether written or oral, relating to the subject matter hereof. There are no other agreements, representations or warranties between or among the parties other than those set forth in this MOU and the agreements and documents referred to herein.

12. Notices. All notices, communications, invoices and reports required or permitted under this MOU shall be personally delivered or mailed to the respective parties as follows or to such other address as either party may subsequently specify in writing:

If to the City:	Parks and Recreation Director City of West University Place, Texas 3800 University Blvd. Houston, Texas 770005
With a copy to:	Johnson Petrov LLP 2929 Allen Parkway, Suite 3150 Houston, Texas 77019 Attention: Alan P. Petrov

If to West U Aquatics Club: Lori Yi
President-West University Aquatics Club
PO Box 6888, Houston, TX 77265-6888
Houston, Texas 77265-6888

With a copy to: Jo Ann Cresap
2627 Pittsburg St.
Houston, TX 77005

13. Counterparts. This MOU may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

THIS MOU IS AGREED TO AND EXECUTED as of the ___ day of _____, 20__, by WUAC and the City, signing by and through their duly authorized representatives.

WEST UNIVERSITY AQUATICS CLUB, INC.:

WEST UNIVERSITY AQUATICS CLUB, INC.,
a Texas Non-Profit Corporation

By:_____
Name:_____
Title:_____

THE CITY:

CITY OF WEST UNIVERSITY PLACE, TEXAS,
a Texas home rule municipality

By:_____
Dave Beach
City Manager